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Techno Economic Viability Report

Stainless Steel Seamless Pipes Unit at

Panchmahal, Gujarat

Rajputana Stainless Limited

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Executive Summary

Name of the Entity	Rajputana Stainless Limited (Hereafter referred to as the 'Company' or 'RSL')
Date of Incorporation	2nd April, 1991
Constitution	Company Limited by Shares
CIN	U27109GJ1991PLC015331
Industry	Stainless Steel bars
Registered Office Address	213, Madhwas, Halol Kalol Road Kalol, Panchmahal, Gujarat, India, 389330
Nature of activity (Existing)	Manufacturing of - Billets - Forging ingots, - Rolled black bar, - Rolled bright bar, - Flat & patti - Other ancillary products
Nature of activity (Proposed)	• Manufacturing Stainless Steel (SS) seamless pipes
Promoters of Rajputana Stainless Limited	**1.** Mr. Shankarlal Deepchand Mehta **2.** Mr. Babulal Deepchand Mehta **3.** Mr. Jayesh Natvarlal Pithva **4.** Mr. Yashkumar Shankarlal Mehta
Brief details of the Project	Rajputana Stainless Limited (hereafter referred to as 'the Company' or 'RSL') proposes to set up a new unit for manufacturing stainless steel (SS) seamless pipes (hereafter referred to as 'the Project') at Panchmahal in Gujrat. Rajputana Stainless Limited already has a plant located in Gujrat where it manufactures - billets, forging ingots, rolled black bar, rolled bright bar, flat & patti and other ancillary products. The Company intends to start commercial operation from 1st January (4th quarter of FY2027) considering 15 months of construction post financial closure, during September 2025. Stainless steel seamless pipes are manufactured through a process involving hot extrusion or piercing of Rolled Round Bar. D&B India has been appointed for conducting assessment of the proposed project of RSL on standalone basis, as part of this Techno Economic Viability Report (TEV).
The Capacity	9,600 MTPA
Estimated project cost	Basic cost: INR 18.5717 Cr GST on Basic cost: INR 3.2437 Cr Working Capital Margin: INR 35.3933 Cr Total Cost: INR 57.2086 Cr
Proposed Term Loan	INR 0 Cr
Internal Accruals/ promoter Funding	INR 38.6369 Cr (GST on basic cost + Working Capital Margin)
IPO Proceeds	INR 18.5717 Cr

Project Viability	**Yes** *Subject assessment as detailed in the report and mitigation of risks associated with the project, critical success factors and limiting conditions as mentioned in the report.*

Company Profile

Rajputana Stainless Limited was incorporated on 2nd April 1991 as an unlisted public limited company and is located in Panchmahal, Gujarat.

The Proposed Project

The Company proposes to manufacture SS seamless pipe at the proposed location. The Company intends to start commercial operation from 1st January (4th quarter of FY2027) considering 15 months of construction post financial closure during September 2025. Stainless steel seamless pipes are manufactured through a process involving hot extrusion or piercing of solid Rolled round bars followed by elongation and rolling to achieve the desired dimensions and properties.

Project Cost

The total project cost as estimated by the Company is ~INR 57.2086 Cr. The details are given as under:

(all values INR Cr)

Particulars	Basic Cost	GST	Total Cost with GST
Land Cost	-	-	-
Civil & Structural Work, Site Development	5.7502	1.0350	6.7852
Plant & Equipment & Utilities	9.5877	1.6647	11.2524
Misc. Fixed Assets	1.0502	0.1890	1.2392
Total Hard Cost	**16.3881**	**2.8888**	**19.2769**
Contingency	0.5736	0.1011	0.6747
Pre-operative Expenses	1.6100	0.2538	1.8638
IDC			
Total Soft Cost	**2.1836**	**0.3549**	**2.5385**
Working Capital Funding	35.3933		35.3933
Total Project Cost	**53.9649**	**3.2437**	**57.2086**

Source: RSL & D&B-India Assessment

Means of Finance

The project is planned to be funded through an IPO and internal accruals. The proposed funding is as under:

(all values in INR Cr)

Particulars	Basic Cost	GST	Total Funding
IPO Proceeds	18.5717		18.5717
Internal Accruals/ Promoter Funds	35.3933	3.2437	38.6369
Total Equity	**53.9649**	**3.2437**	**57.2086**
Debt	-	-	-
Total Project Cost	**53.9649**	**3.2437**	**57.2086**

Source: RSL & D&B-India Assessment

Financial Highlights

D&B India has analyzed the proposed Project on standalone basis. The profit and loss statement, the cash flow statement and the balance sheet for the proposed Project on a standalone basis are prepared & validated by D&B India based on data provided by the Company, prevailing industry standards and internal database of D&B.

(Values in INR Cr)

Particulars	Projected				
	FY27	FY28	FY29	FY30	FY31
Net Revenue	28.99	264.23	286.10	318.69	321.12
% Growth	**0.00%**	**811.44%**	**8.28%**	**11.39%**	**0.76%**
EBITDA	2.33	21.40	22.83	25.20	25.25
EBITDA Margin	**8.02%**	**8.10%**	**7.98%**	**7.91%**	**7.86%**
Net Profit	1.49	14.98	15.96	17.67	17.64
Net Profit Margin	**5.13%**	**5.67%**	**5.58%**	**5.54%**	**5.49%**
Contribution	3.28	27.05	28.93	31.96	32.07
Contribution Margin	**11.30%**	**10.24%**	**10.11%**	**10.03%**	**9.99%**
Break-Even Sales	12.04	71.18	76.52	83.75	84.70
Share Capital (Incl. IPO Proceeds)	18.57	18.57	18.57	18.57	18.57
Reserves and Surplus	1.49	16.46	32.42	50.09	67.73
Total Net Worth (TNW)	**20.06**	**35.03**	**50.99**	**68.66**	**86.30**
Unsecured Loan	-	-	-	-	-
TNW + Unsecured Loan	20.06	35.03	50.99	68.66	86.30
Secured Loan	-	-	-	-	-
Debt-Equity Ratio	**-**	**-**	**-**	**-**	**-**
Cash / Bank Balance	2.31	0.47	13.51	25.15	44.12
IRR	53.49%				
COC	16.00%				
Gap between IRR and CoC	37.49%				

Source: D&B-India Assessment

The proposed Project (standalone) can generate a revenue ~INR 321.12 Cr (FY31) in the years wherein operations are stabilized. Correspondingly EBITDA is ~INR 25.25 Cr. The EBITDA margin is estimated to be ~7.86%. As per industry standards this is acceptable.

The EBITDA / cash generated from the operation is enough to provide sufficient coverage for the Investment. The IRR is above the cost of capital of the Company, indicating satisfactory return and value addition to the Company.

Projections of Existing facility are considered as provided by Company, D&B-India has not validated the same and considered it for the preparation of Consolidated financials.

(Values in INR Cr)

Particulars (Consolidated Financials)	Projected				
	FY27	FY28	FY29	FY30	FY31
Net Revenue	1,068.14	1,193.91	1,282.51	1,373.76	1,468.24
% Growth	**6.48%**	**11.78%**	**7.42%**	**7.12%**	**6.88%**
EBITDA	78.49	102.90	110.03	118.51	125.09
EBITDA Margin	**7.35%**	**8.62%**	**8.58%**	**8.63%**	**8.52%**
Net Profit	50.97	68.24	73.28	79.33	83.98
Net Profit Margin	**4.77%**	**5.72%**	**5.71%**	**5.77%**	**5.72%**
Contribution	89.36	119.18	127.52	137.48	144.99
Contribution Margin	**8.37%**	**9.98%**	**9.94%**	**10.01%**	**9.88%**
Break-Even Sales	214.40	201.91	211.77	219.84	232.80
Share Capital (Incl. IPO Proceeds)	83.57	83.57	83.57	83.57	83.57
Reserves and Surplus	325.25	393.48	466.76	546.09	630.08
Total Net Worth (TNW)	**408.81**	**477.05**	**550.33**	**629.66**	**713.64**
Unsecured Loan	1.63	1.63	1.63	1.63	1.63
TNW + Unsecured Loan	410.44	478.68	551.96	631.29	715.27
Secured Loan	-	-	-	-	-
Debt-Equity Ratio	**-**	**-**	**-**	**-**	**-**
Cash / Bank Balance	11.66	49.48	110.61	173.98	248.60
IRR	28.09%				
COC	14.45%				
Gap between IRR and CoC	13.64%				

Source: D&B-India Assessment

The Company (Consolidated) can generate revenue ~INR 1,468.24 Cr (FY31) in the years wherein operations are stabilized. Correspondingly EBITDA is ~INR 125.09 Cr. The EBITDA margin is estimated to be ~6.88%. As per industry standards this is acceptable.

Risk Analysis and Mitigation

The risk analysis, allocation and mitigation are shown in the following table:

Risk	Carrier	Mitigation Measure
Experience and capability	RSL	The promoters and management of the Company has been involved in manufacturing of metal products for collective experience of 5 decades and have ample experience and capability in the domain. At present, RSL is engaged in billets, forging ingots, rolled black bar, rolled bright bar, flat & patti and other ancillary products. The promoters of the Company are experienced in this industry and have been successfully operating the existing units at an average EBITDA of Nearly 4.5% for past 2-3 Years. They possess the necessary technical skills to establish and operate the proposed unit as well as market its final products (different variants of SS seamless pipes). Furthermore, they are supported by a capable and experienced management team that oversees day-to-day operations.
Time overrun	RSL	As informed by Company the land available at existing plant is sufficient for the proposed plant. The Company has provided general layout for the existing unit without specific dimensions, also the Layout for proposed facility is provided. Based on the visual inspection of site, during visit, the proposed land is considered to be adequate for proposed facility. The Company has finalized the civil contractor and is in process to enter into agreement to firm up the civil cost and to avoid any cost escalation at a later stage. The Company has received budgetary quotations & estimates for the major equipment from Contractor. The Company has assigned M/s Industrial Furnace Consultant, led by Mr. Nambiyar, to establish the proposed mill. However overall installation & Commissioning of the project will be done by Company Internal team led by Mr. Yash Mehta. As per the implementation schedule, the Company proposes to complete the project by December 2026, and the commercial operations is slated to begin from 1st January 2027. The Company has planned to implement the project in a period of 15 months from September 2025. The Company should be able to meet these timelines subject to timely entering into required contracts as well as continuous monitoring of delivery schedules of major machineries.

Risk	Carrier	Mitigation Measure
		D&B India recommends the Company to properly monitor and supervise the critical activities for timely completion of the project.
Cost overrun	RSL	Cost overrun could arise on account of three principal factors: a) escalation in the estimated capital cost, b) unforeseen additional capital cost and c) time over-run D&B India notes that the cost estimates are at preliminary stage and the Company has received budgetary quotations & estimates for the major equipment from Contractor. The Project cost envisaged has covered all the major heads, but still some modifications during implementation are expected. However, if the project gets delayed due to unforeseen circumstances, there is a chance of escalation and same may cause cost overrun. Here, 3.50% contingency provision (for Project hard cost, excluding land cost) has been considered in the Capex to mitigate part of the cost overrun. In case of any overrun above the same due to any unforeseen circumstances or substantial delay, the promoters meet the cost over-run out of IPO Proceeds.
Statutory approvals	RSL	D&B India notes that RSL has received the building plan approval from Madhwas Gram Panchayat, and provisional approval from Health and Safety Department. It has received Amendment of Consent to Establish from Gujarat Pollution Control Board (GPCB/CCA-PN-78(6)/ID: 19047/), issued on 13th June 2025. RSL will start applying for various other relevant approvals post financial closure. The Company has assured D&B India, that all relevant approvals would be obtained in due course. The promoters and management of the Company has been involved in manufacturing of Stainless Steel for collective experience of 5 decades and have ample experience and capability in the domain, the Company has the understanding of the procedural aspects, which would help in obtaining relevant approvals.
Offtake risk / demand risk	RSL	In 2024, the steel pipes market in India was estimated at approximately 13.56 million tons. Projections suggest that by 2033, the market could grow to around 27.76 million tons, reflecting a compound annual growth rate (CAGR) of 7.65% between 2025 and 2033. India's steel pipes and tubes market is anticipated to generate revenue of approximately USD 17,599.1 million by 2030. Between 2024 and 2030, the market is projected to grow at a compound annual growth rate (CAGR) of 5.8%. India's seamless steel pipes & tubes market, including alloy and stainless steel, was estimated at 6.77 million tonnes in 2024–25, reflecting a CAGR of 21.02% since 2019–20. For Seamless Pipes and Tubes, Production in 2024–25 reached an all-time high of 1,19,19,200 MT, continuing a consistent growth trend from 68,85,204 MT in 2016–17, driven by strong domestic infrastructure and industrial demand. Imports, after peaking in 2018–19 and falling until 2022–23, rose to 6,96,086 MT in 2023–24 but moderated to 6,09,900 MT in 2024–25, suggesting partial import substitution and

Risk	Carrier	Mitigation Measure
		improved domestic availability. Exports peaked at 18,62,446 MT in 2019–20 and, after a decline, recovered to 15,82,800 MT in 2023–24 before slightly easing to 14,87,354 MT in 2024–25, indicating steady overseas demand. Consumption grew from 57,13,471 MT in 2016–17 to 97,15,246 MT in 2024–25, underscoring the strong momentum in domestic end-user sectors like construction, oil & gas, and water infrastructure. Seamless pipes and tubes (alloy + stainless steel) accounted for around 7% of total consumption throughout the period, with volumes rising to 6,77,808 MT in 2024–25, showing steady niche demand. Stainless steel seamless pipes and tubes made up about 35% of seamless consumption in 2024–25 at 2,37,233 MT, reflecting consistent growth in sectors requiring corrosion resistance and durability. The Company may opt to sell the intermediate product i.e. mother pipes/ tubes to various companies engaged in pilgering of mother tubes. This will widen the market for the company as it will increase its product portfolio and hence customer base. This will further help in mitigating the offtake risk.
Raw material availability & prices	RSL	The Company proposes to procure the required quantity of raw materials i.e. (Rolled round Bars) from the existing facility. The prices of raw material are very volatile. However, the industry usually passes-on the changes in raw material prices to the customers. The Company might face short-term challenges in case raw material prices become highly volatile over a limited period.
Operational risk	RSL	The proposed site has good connectivity via roads and railways. However, since the site is landlocked, the Company relies on nearby ports, Pipavav, Dahej, Magdalla (near Surat) for both imports and exports. The Company has assigned M/s Industrial Furnace Consultant to establish the proposed mill. However overall installation & Commissioning of the project will be done by Company Internal team lead by Mr. Yash Mehta. The promoters propose to recruit experienced & well qualified personnel for day-to-day operation and management of the project. Skilled and unskilled labors will be available locally. The unit is not expected to face challenges in hiring skilled & unskilled manpower.
Government policies	RSL	The steel industry is a strictly regulated sector, as it is high carbon emitting in nature. The Company needs to follow all the guidelines stipulated by the Government of India. The Company must adhere to standard operating procedures (SOPs) and implement preventive measures to minimize environmental pollution.

Risk	Carrier	Mitigation Measure
Pricing level and sustainability	RSL	The steel industry is characterized by high volatility in the prices of inputs and finished products. Though the prices of the finished products tend to move in tandem with the input prices, there is an impact on the operating margins of the industry (in the short term). However, majority of the Company's products will be made to order and hence, the Company should follow the process of back-to-back booking of raw material thereby reducing the risk. Further, the Company should focus on more value-added products and applications, with better margins, thereby further mitigating the risk.
Competition risk	RSL	The present market is dominated by 4 players with Ratnamani Metals & Tubes Limited having the highest market share & capacity. There is a large import substitution market available. The new capex will enable RSL to explore untapped opportunities in defense, aerospace, nuclear energy, and high diameter SS tubes/pipes in refineries and power plants. With a proposed large capacity of 9600 TPA with hot piercing facilities for stainless steel seamless tubes/pipes, the Focus on quality product, timely delivery and catering to niche markets are the ways to mitigate the risk.
Forex fluctuation	RSL	The Company is planning to import major plant and machinery through Yantai Yujia Machinery Company Ltd. which exposes it to foreign exchange fluctuation risk. It should take adequate forward cover to mitigate the same.
Force majeure	RSL/Insurer	The company may be advised to take adequate insurance cover for insurable force majeure risks from time to time.

SWOT Analysis

Strength
• The promoters of the Company have the necessary resources, experience and expertise to execute such a project. • The site enjoys an advantage of being well located through roads and rail network. • The primary raw material, Rolled Round Bars, for the project will be sourced from RSL's existing facility located within the same periphery reducing the transport cost which enables positive impact on margins. This also ensures steady supply of raw materials. • The project proposes to manufacture mother hollow pipes in-house, creating strong competitive advantage. Most of the players import mother hollow pipes.
Weakness
• Due to the volatility in raw material prices, the profitability of the Company, in absolute terms, is vulnerable. • Any new player entering this industry will have to invest considerable time and capital to develop products, that meet the customer standards.

- Demand for steel tubes and pipes depends on end-user industries engineering, aerospace, forging, oil and gas, pump and shaft, defense automotive, aviation, precision engineering, etc. Any slowdown in these segments could weaken demand for the products, thereby affecting the Company's operating performance. Company should focus on diversified products and non-dependence on a single end-user industry.

Opportunity

- With higher diameter, different lengths, such as ferritic, super duplex & nickel alloy grades, opens a host of opportunities in sectors such as engineering, aerospace, forging, oil and gas, pump and shaft, defense automotive, aviation, precision engineering, etc.

Threats

- The business is cyclical in nature as it entirely depends on the investment momentum in the underlying sectors
- Even though, presently there is good potential in the domestic market, there could be increased competition in case global players decide to invest in state-of-the-art facilities in India and existing players decide to expand
- The project may also be affected by the general threat of economic slowdown.
- Change in government and other regulatory bodies' policies may impact the industry.

Conclusion

Please refer to page no 155 of the report.

Main Report

Scope of Work

D&B India has been appointed by RSL for conducting a Techno Economic Viability Study (TEV) assessment of the Project through a detailed techno financial analysis of the proposed venture of setting up of a manufacturing facility of 9,600 MTPA of stainless-steel seamless pipe, evaluation of the constraints and future potential for setting up the unit.

The scope of work undertaken by D&B for the study is as under:

- D&B-India visited the proposed manufacturing facility at 213, Madhwas, Halol Kalol Road, Kalol, Panchmahal, Gujarat, India and undertook technical assessment of its existing as well as proposed expansion facilities.
- Undertook vetting of the projected financials/assumptions/EBITDA considerations by the company, acceptability of estimated revenue generation, cash accruals and projected financials of the existing Company on a standalone basis and its relevance in present day scenario.
- Commented on assumptions taken by the Company in line with market condition.
- Assessment of other financial parameters and viability to see that investment is serviced, considering the present economic scenario.
- Commented on identified risks and its mitigation.
- Various tools, such as debt service coverage ratio, adjusted debt service coverage ratio, IRR, sensitivity analysis will be used to arrive at a conclusion on the viability of the Project.

Assessing the proposal from a technical feasibility and economic viability point of view.

Date of Inspection

For the purpose of collecting first-hand information and to understand the firm's operations, a team from D&B-India conducted a management discussion with the entity's key executives. The site visit of the proposed unit was conducted by D&B team on 29th June 2024. Team from D&B-India has physically observed key aspects such as site condition, approach and utilities etc. D&B-India also received the Google coordinates of the site and the basis the same the location has been analyzed physically on site.

Team of Consultants

The team of consultants from D&B India associated for the execution of the study include the following:

- **Ms. Mohana Roy Choudhury** has completed her PGDBM for XISS, Ranchi in financial management and has 14 years of experience in management consulting. She excels at transforming project visions and goals into tangible outcomes that meets client expectations. Her expertise spans various domains such as manufacturing, healthcare, oil and gas, city gas distribution, power (thermal and hydel), renewables (solar and wind), industrial products, hospitality, chemicals, metals and minerals and urban infrastructure development. She has hands-on experience in techno-commercial viability studies, feasibility studies, due-diligence studies, appraisal studies, business planning, redevelopment studies (Public Private Partnership), econometric modelling and research, project conceptualization, bid advisory and business case development.

- **Mr. Kallol Debnath** has completed Bachelor of Technology in Mechanical in 2005 from Kalinga Institute Technology and Science and Management in Business Administration in Finance in 2008. He has over 12 years work experience and 10 years of relevant experience in project appraisal and techno-economic viability studies. Involved in the capacity of lead consultant & project manager for techno-economic feasibility study under S4A Scheme, Corporate Debt and Business Restructuring of various companies in the Steel, Textile, Construction, Real Estate, Sugars, Hospitality and other allied sectors
- **Mr. Nikhil Ramane** – holds a bachelor's degree in Electronics Engineering and MBA Finance. Work experience in corporate finance & operations division, Financial Feasibility and Management Consultancy. Professional work experience with Bharati Shipyard, Chandra Proteco Limited and Dun and Bradstreet Tangram in past 12 years. Domain area includes Cost analysis, financial appraisal preparations, Take-over & mergers financials and technical assessment, Restructuring package preparation. The sectors which have extensively work are Copper, steel & ferrochrome metals, Brewery & Distillery, Power and Paper etc.
- **Mr. Swapnil A Bhatkar** - holds a bachelor's degree in mechanical engineering and MBA Finance. Work experience in Plant Design, Financial Feasibility and Management Consultancy. Professional work experience with Thyssenkrupp Gmbh, Mott Macdonald and Dun and Bradstreet Tangram in past 15 years. Domain area include Plant design, Cost Analysis, Production Bottlenecks and Business Process Reengineering (BPR). The sectors which have extensively work are steel, pharmaceutical, Metals and Auto ancillaries.

Mr. Anurag Barot Senior Strategic Sales Leader	
Mr. Kallol Debnath Associate Director Operations	

Methodology

The TEV preparation assigned to D&B-India was carried out in the following sequence:

1. Verification of the documents provided / information submitted by the Company, identification of missing information, and seeking the revised list of documents required from the Company.
2. Detailed secondary market assessment to gauge the demand supply scenario of the products and to understand the industry specific benchmarks.
3. The technical assessment comprised review of the manufacturing process, machinery, construction related aspects, utilities, statutory compliances and such details.
4. Assessment of reasonableness of revenue generation from existing units and its operation expenditure.
5. Vetting of financial projections.
6. Assessing the company's viability with financial analysis techniques like internal rate of return, breakeven analysis and sensitivity analysis.
7. To carry out sensitivity analysis & SWOT analysis and to identify risks & its mitigation pertaining to the project
8. Compilation of information collected, and the analysis carried out in the form of this report.

Background of the Company

Rajputana Stainless Limited is a prominent player in the stainless-steel industry in India the company specializes in the manufacture of stainless steel seamless pipes and tubes catering primarily to industrial and infrastructure sectors both domestically and internationally.

Rajputana Stainless Limited offers a diverse product portfolio focused on stainless steel seamless pipes and tubes such as billets, forging ingots, rolled black bar, rolled bright bar, flat & patti and other ancillary products. The Company proposes to manufacture the stainless-steel seamless pipes facility at the proposed location. The Company intends to start commercial operation from 1st January (4th quarter of FY2027) considering 15 months of construction post financial closure during September 2025. Stainless steel seamless pipes are manufactured through a process involving hot extrusion or piercing of solid Rolled Round Bars followed by elongation and rolling to achieve the desired dimensions and properties.

Table 1: Company Snapshot

Name of the Entity	Rajputana Stainless Limited
Date of Incorporation	2nd April, 1991
Constitution	Company Limited by Shares
Industry	Stainless Steel
Registered Office Address	213, Madhwas, Halol Kalol Road Kalol, Panchmahal, Gujarat, India, 389330

Rajputana Stainless Limited was incorporated on 2nd April 1991 as an unlisted public limited company and is located in Panchmahal, Gujarat.

Timeline	
Year	**Particular**
1991	Rajputana Stainless Limited was Established
1993	Started with Commercial Production
2008	Addition of Induction Furnace & AOD of 10 Ton with fully automatic Caster
2010	Commencement of 18 Rolling Mill
2011	Commencement of the art Bright Bars Unit
2013	Upgraded the Capacity to 20000 MT
2015	Started Oxygen & Nitrogen Manufacturing Plant
2018	Upgrading the Capacity to 36000 MT
2021	Upgraded the Capacity to 48000 MT

Product Profile of RSL

Round bright bars: Rajputana Stainless Limited manufactures bright bars with superior weldability and machinability properties, ideal for precision machining and robust structural construction. They offer a versatile size range of products from 5 mm to 105 mm, up to 8 meters in length, with various cold drawn options, precise tolerances, good-quality surface finishes, and customizable heat treatments.

Square bars: Rajputana Stainless Limited crafts square bright bars from hot-rolled bars, enhancing mechanical attributes through cold drawing and polishing for precise dimensions and flawless surface finish. With sizes ranging from 12.70 mm to 70 mm and lengths up to 6 meters, the bars meet ASTM, EN offering customized grit polish and heat treatments. Each bar is verified through PMI testing, ensuring compliance with international quality benchmarks and safety standards, free from radioactive elements and contaminants like mercury and lead.

Hexagonal bright bars: The Company specializes in manufacturing bright-drawn stainless steel bars and hexagonal bright bars, known for their high strength and corrosion resistance. These bars, available in sizes from 14 mm to 63 mm and lengths up to 6 meters, meet h11, k12, and k13 tolerance standards. They can be customized with grit polishing and undergo rigorous heat treatment processes, including solution annealing, quenching, and tempering. The bars are finished with chamfered or plain ends and conform to international standards like EN, DIN, JIS, ASTM, BS, ASME, and AISI. Their versatile utility makes them suitable for applications in manufacturing nuts, valves, hose ends, fasteners, and hex bolts, with grade verification through PMI testing ensuring quality and safety.

HRAP flat bars: The production of HRAP (Hot Rolled and Annealed Pickled) flat bars involves hot rolling, solution annealing, and pickling to ensure high quality and exceptional corrosion resistance. These flat bars are available in widths from 22 mm to 150 mm, thicknesses from 5 mm to 50 mm, and lengths up to 6.4 meters. Company meets stringent tolerances per ASTM A484 and EN 10058 standards, with color-coded ends for easy identification. Compliant with international standards like EN, DIN, JIS, ASTM, BS, ASME, and AISI, these bars find applications in industries such as chemical, pharmaceutical, architectural, structural design, and more. The flat bars are ideal for use in kitchen equipment, fuel gas cleaning, seawater systems, firewalls, blast walls, heat exchangers, bridges, and cargo tanks.

Round cornered squares: Hot Rolled Round Cornered Squares (RCS) are crafted to be free from surface defects and cracks, offering a uniform internal structure essential for drop-forged automotive components. Featuring a radius edge, these squares enhance safety and meet stringent forging standards, ideal for creating flanges and fittings. Available in sizes 63 RCS, 75 RCS, 95 RCS, and 100 RCS, with lengths up to 8 meters, they are hot rolled for a durable finish.

Hot rolled round bars: The Company produces hot-rolled round bars. These bars come in sizes from 16 mm to 105 mm and lengths up to 8 meters, adhering to ASTM A484 and EN10060 standards for precise dimensions. The bars feature a hot-rolled (black) surface and undergo 100% ultrasonic testing for quality assurance. They are available in spot ground or fully ground conditions and are cold swapped for flexible processing. Comprehensive heat treatment options, including various forms of annealing, quenching, tempering, and normalizing, ensure tailored material properties, with grade verification via PMI testing for the highest quality standards.

Precision shaft quality bars: These bars undergo dimensional control mechanisms, ensuring consistent mechanical and chemical properties tailored to specific customer requirements. Quality assurance includes sizes from 12.5 mm to 100 mm, lengths up to 6.4 meters, tolerances of h7, h8, h9, j6, f7, f8, straightness of 0.015" TIR per 10 ft., and heat treatments like soft annealing, solution annealing, and quench & tempered. The bars feature rigorous dimensional control, sound machinability, ultrasonic flaw inspection, and superior packaging. Widely used in industries for pump shafting, cylinder shafts, boat shafts, piston shafts, valve shafts, and bearing bars, they are verified through PMI testing to ensure no radioactive elements, mercury, or lead contamination.

Forged & proof machined bars: This intricate forging process involves hammer blows, often using a power hammer or die, to shape the steel, enhanced by heating in a furnace. Despite higher costs compared to rolled products, forged bars offer unmatched physical properties, especially valuable for larger sizes. Available in sizes from 170 mm to 550 mm and lengths up to 6 meters, these bars conform to ASTM A484 and EN10060 standards for precision. Heat treatment options include soft annealing, solution annealing, normalizing, and quenching & tempering.

Precipitation hardening steel: Precipitation hardening stainless steels, like the 17-4 PH (Grade 630), combines the strengths of Martensitic and Austenitic grades. These steels are available in a "solution-treated" state for easy machinability, with strength enhanced through a single, low-temperature heat treatment. Conforming to standards such as AMS5642, DIN/EN10088-3, AMS 5622, and ASTM A564, they cater to industries like oil, gas, power, offshore, chemical, nuclear, food, aerospace, pulp and paper, and high-pressure pump and valve components.

Key Markets

RSL has positioned itself to bid for almost all pipe projects across the world. It has supplied its line pipe products in domestic as well as international markets mainly in UAE, USA, Turkey, Poland and among others.

Key Suppliers & Customers

Key Suppliers

RSL proposes to procure the raw material required for manufacturing of stainless-steel seamless pipes from existing facility available in same premises. As informed by company, the premises has SS, MS and alloy steel bars are of the capacity of 48000, 36000 MTPA and bright Bars production is of 6,000 MTPA which is the primary raw material. As per the data provided by Company the rolled black bar production for FY 24 was around 26,941 MTPA and rolled bright bar production is 4,790 MTPA. However, as per the estimated projections the maximum raw material requirement at higher capacity utilisation is around 9,200 MTPA which implies sufficient raw material from existing unit.

Key Customers

RSL supplies its products in domestic and international market, to Government/ Public entities as well as private players who are engaged in manufacturing and creating infrastructure for transportation of crude oil, gas, petrochemical products and potable water, etc.

Top 5 customers list for past 4 years as provided by Company;

For Nine months period ending December 31, 2024

Customer Name	December 31, 2024		
	Other Details	Revenue (INR in lakhs)	% to revenue from operations
Bhansali Bright Bars Pvt Ltd		5,030.70	7.35%

Country	*India*		
Customer type	*Manufacturers of Bright Bars*		
Product Category	*Stainless Steel Bars*		
Length of Relationship	*More than 20 years*		
Aamor Inox Limited		4,983.50	7.28%
Country	*India*		
Customer type	*Manufacturers of Billets, Bright Bars and Threaded Bars*		
Product Category	*Stainless Steel Billet and Bars*		
Length of Relationship	*More than 5 years*		
Maxim Tubes Company Private Limited		4,778.92	6.99%
Country	*India*		
Customer type	*Manufacturers of Bright Bars*		
Product Category	*Stainless Steel Bars*		
Length of Relationship	*More than 5 years*		
Hindustan Inox Limited		3,947.04	5.77%
Country	*India*		
Customer type	*Manufacturers of Bright Bars*		
Product Category	*Stainless Steel Bars*		
Length of Relationship	*More than 10 years*		
Venus Pipes and Tubes Ltd		2079.37	3.04%
Country	*India*		
Customer type	*Manufacturers of Seamless Pipes*		
Product Category	*Seamless Pipes*		
Length of Relationship	*More than 3 years*		

For Fiscal 2024

Customer Name	Fiscal 2024		
	Other Details	Revenue (INR in lakhs)	% to revenue from operations
Aamor Inox Limited		8136.08	8.94%
Country	*India*		

Customer Name	Fiscal 2024		
	Other Details	Revenue (INR in lakhs)	% to revenue from operations
Customer type	*Manufacturers of Billets, Bright Bars and Threaded Bars*		
Product Category	*Stainless Steel Billet and Bars*		
Length of Relationship	*More than 5 years*		
Hindustan Inox Limited		7359.45	8.09%
Country	*India*		
Customer type	*Manufacturers of Bright Bars*		
Product Category	*Stainless Steel Bars*		
Length of Relationship	*More than 10 years*		
Maxim Tubes Company Pvt Ltd.		6706.93	7.37%
Country	*India*		
Customer type	*Manufacturers of Seamless Pipes and Tubes*		
Product Category	*Stainless Steel Bars*		
Length of Relationship	*More than 5 years*		
Suraj Limited		2807.37	3.09%
Country	*India*		
Customer type	*Manufacturers of Seamless Pipes and Tubes*		
Product Category	*Stainless Steel Bars*		
Length of Relationship	*More than 10 years*		
Sieves Manufacturer (I) Pvt. Ltd.		2491.01	2.74%
Country	*India*		
Customer type	*Manufacturers of Bright Bars*		
Product Category	*Stainless Steel Bars*		
Length of Relationship	*More than 10 years*		

For Fiscal 2023

Customer Name*	Fiscal 2023		
	Other Details	Revenue (INR in lakhs)	% to revenue from operations
Hindustan Inox Limited		8746.80	9.23%
Country	*India*		
Customer type	*Manufacturers of Bright Bars*		
Product Category	*Stainless Steel Bars*		
Length of Relationship	*More than 10 years*		
Aamor Inox Limited		8390.10	8.85%
Country	*India*		
Customer type	*Manufacturers of Billets, Bright Bars and Threaded Bars*		
Product Category	*Stainless Steel Billet and Bars*		
Length of Relationship	*More than 5 years*		
Ambica Steels Limited		5,102.78	5.38%
Country	*India*		
Customer type	*Manufacturers of Stainless Steel Long Products*		
Product Category	*Stainless Steel Billet and Bars*		
Length of Relationship	*More than 3 years*		
Maxim Tubes Company Private Limited		4,721.78	4.98%
Country	*India*		
Customer type	*Manufacturers of Seamless Pipes and Tubes*		
Product Category	*Stainless Steel Bars*		
Length of Relationship	*More than 5 years*		
Suraj Limited		3,166.74	3.34%
Country	*India*		
Customer type	*Manufacturers of Seamless Pipes and Tubes*		
Product Category	*Stainless Steel Bars*		
Length of Relationship	*More than 10 years*		

For Fiscal 2022

Customer Name*	Fiscal 2022		
	Other Details	Revenue (INR in lakhs)	% to revenue from operations
Hindustan Inox Limited		6,913.60	9.02%
Country	*India*		
Customer type	*Manufacturers of Bright Bars*		
Product Category	*Stainless Steel Bars*		
Length of Relationship	*More than 10 years*		
Sieves Manufacturer (I) Pvt. Ltd.		4,165.83	5.44%
Country	*India*		
Customer type	*Manufacturers of Bright Bars*		
Product Category	*Stainless Steel Bars*		
Length of Relationship	*More than 10 years*		
Aamor Inox Limited		4,067.75	5.31%
Country	*India*		
Customer type	*Manufacturers of Billets, Bright Bars and Threaded Bars*		
Product Category	*Stainless Steel Billet and Bars*		
Length of Relationship	*More than 5 years*		
Precision Metals		3,898.11	5.09%
Country	*India*		
Customer type	*Manufacturers of Bright Bars*		
Product Category	*Stainless Steel Bars*		
Length of Relationship	*More than 10 years*		
Ambica Steels Limited		3,626.27	4.73%
Country	*India*		
Customer type	*Manufacturers of Stainless Steel Long Products*		
Product Category	*Stainless Steel Billet and Bars*		
Length of Relationship	*More than 3 years*		

Promoters & Directors of RSL

RSL's day to day operations are overseen by the promoters & Directors. The details of the same are as follows:

Name	Designation	Experience and Qualifications
Mr. Jayesh Natvarlal Pithva	Promoter and Director	Mr. Pithwa has been active in the steel industry for 17 years, utilizing his knowledge and foresight to navigate its fast-paced environment. His leadership has contributed to the survival and long-term success of his ventures.
Mr. Shankarlal Deepchand Mehta	Chairman And Mangening Director	Shankarlal Mehta began his journey in the steel industry over 24 years ago and has expertise in Stainless steel industry.
Mr. Babulal Deepchand Mehta	Whole-Time Director	Mr. Babulal Deepchand Mehta has over 25 years of service in the steel industry. His career includes twenty-five years of leadership in manufacturing at Rajputana Stainless Limited.
Mr. Yashkumar Shankarlal Mehta	CEO	Mr. Yashkumar Shankarlal Mehta completed his Bachelor's in Business Administration from Navrachna University Vadodara. He has developed his skills over 7 years in the steel industry, demonstrating expertise in various areas.
Mr. Prashant Bharatkumar Patel	Director	Mr. Prashant Bharatkumar Patel completed his Master of Commerce and Bachelor of Law. He has been practicing as a company secretary for 10 years and he has more than 17 years of professional experience. His areas of expertise include corporate, secretarial & compliance advisory.
Mr. Kushal Kamlesh Bhramkshatriya	Director	Mr. Kushal Kamlesh Bhramkshatriya completed his Masters in Commerce (Finance) from University of Gujarat and is also a qualified chartered accountant. He has over 10 years of experience in the fields of audit and taxation.
Mrs. Nikita Ronak Mehta	Director	**Mrs. Nikita Ronak Mehta completed her LLB from Motilal** Nehru College and Bachelor of Commerce from the Gujarat University and is also a qualified company secretary. She has over 5 years of professional experience in the field of secretarial compliance.

Key Managerial Personnel

The key managerial Data is as follows,

Name	Designation	Experience and Qualifications
Mr. Yashkumar Shankarlal Mehta	CEO	Mr. Yashkumar Shankarlal Mehta completed his Bachelor's in Business Administration from Navrachna University Vadodara. He has developed his skills over 7 years in the steel industry, demonstrating expertise in various areas.
Richa Sanjeev Prashar	Company Secretary	Richa Sanjeev Prashar is the Company Secretary and Compliance Officer of our Company. She has been working with Company since March 6, 2020. She is an associate of the Institute of Company Secretaries of India. She has more than

		21 years of experience in the field of legal and secretarial compliances. Her roles and responsibilities include to ensure compliance with regulations, accurate filings under SEBI Listing Rules, coordination with authorities, and monitoring of investor grievance redressal.
Ambrish Bedade	CFO	Ambrish Bedade is the CFO of the Company. He has been associated with the Company since February 02, 2020 as the Accounts Head. He was appointed as the CFO of the Company on August 1, 2024. He completed his Post-Graduate Diploma in Industrial Relations and Personnel Management from the Bhavan's Rajendra Prasad Institute of Communication & Management. He has completed his degree in Bachelor of Commerce from University of Baroda. He has previously worked with organsiation such as Philips Glass India Limited, S.E. Power Limited and has more than 29 years of experience.

Shareholding Pattern

The shareholding pattern of the RSL as on 31st May 2025 is as follows:

Sr. No.	Name	Shares	% to Equity
1	Shankarlal Deepchand Mehta	37,746,748	54.77
2	Babulal Deepchand Mehta	6,162,050	8.94
3	Lohagar Developer Private Limited	5,593,500	8.12
4	Jayesh Natvarlal Pithva	4,966,914	7.21
5	Narendra Motaji Choudhary	1,000,000	1.45
6	Mehta Babulal D	851,200	1.24
7	Vikramkumar Motilal Mehta	724,484	1.05
8	Kamalaben Motilal Mehta	704,626	1.02
9	Motilal D Mehta	686,226	1.00
10	Rameshkumar D Mehta	602,660	0.87
11	Sandeep Milapchand Jain	500,000	0.73
12	Ravi Milapchand Jain	500,000	0.73
13	Rohini Rameshkumar Mehta	459,168	0.67
14	Manjula Hoshiyar Sanghvi .	400,000	0.58
15	Hitesh Roopchand Kanungo	400,000	0.58
16	Deepak Aarti Chandan	400,000	0.58
17	Jayantilal Mangilal Sanghvi	393,334	0.57
18	Mahendra Motilal Mehta	362,584	0.53
19	Kavita Nilesh Chandan	300,000	0.44
20	Santosh Vansraj Bhansali	300,000	0.44
21	Rikhabchand Jawantraj Bokadia	300,000	0.44
22	Vinod Babulal Sanghvi	300,000	0.44
23	Jatin Vrajlal Shah	250,000	0.36
24	Kalpana J Shah	250,000	0.36
25	Bhartiben Milapchand Jain	250,000	0.36

26	Pooja Sandeep Jain	250,000	0.36
27	Kamla Pokhraj Doshi	214,000	0.31
28	Lalit Parasmalji Mehta	200,000	0.29
29	Babulal Siremalji Mehta Huf	200,000	0.29
30	Pakshal Metal And Alloys	200,000	0.29
31	Chandrika Rakesh Mehta	200,000	0.29
32	Sangitaben Mukeshkumar Mehta	200,000	0.29
33	Prince Narpatchand Sanghvi	200,000	0.29
34	Bhavna Chandraprakash Doshi	200,000	0.29
35	Vijaykumar Omprakash Jethaliya	200,000	0.29
36	Amarchand J Mehta	200,000	0.29
37	Deepika Parasmal Doshi	180,000	0.26
38	Pinky Pravinkumar Jain	156,714	0.23
39	Jay Basant Mehta	150,000	0.22
40	Indu Pradeep Sanghvi	150,000	0.22
41	Dipti Ravindra Angara	150,000	0.22
42	Aishwarya Sayer Jain	110,000	0.16
43	Jainam Sayer Sayer Jain	110,000	0.16
44	Sayer Kaluchand Jain	110,000	0.16
45	Pramesh Prafullchandra Parikh	100,000	0.15
46	Nilesh Hastimal Chandan	100,000	0.15
47	Pradeep Gorakhchand Sanghvi	100,000	0.15
48	Narpatchand Chhogalal Sanghvi	100,000	0.15
49	Sushila Ramesh Jain	100,000	0.15
50	Damayanti Prakashkumar Jain	100,000	0.15
51	Anju Kantilal Jain	100,000	0.15
52	Vikram Kumar Jain	100,000	0.15
53	Sumit Kumar Jain	100,000	0.15
54	Umesh N Sanghvi	50,000	0.07
55	Nilam Akash Bokadia	50,000	0.07
56	Mangilal Bachraj Sanghvi	35,000	0.05
57	Satish Kumar Dsanghvi	34,434	0.05
58	Teena Manish Sanghvi	26,666	0.04
59	Meena Vikramkumar Mehta	26,666	0.04
60	Babulal Vishnoi	8,836	0.01
61	Tejaram Kinaram Bishnoi	1,848	0.00
		68,917,658	100.00

Group Companies

The brief snapshot of group Companies as follows:

Sr. No.	Name of Group Company	Nature of Business Activity	Date of Incorporation	Registered Address of the Entity
1	Steel Icon Stainless Private Limited	Metal Trading	5-Dec-20	Shop No 2, Plot 16/18, Sharddhanand Niwas, Khetwadi 6th Lane, Girgaon, Mumbai City, Mumbai – 400 004 Maharashtra, India
2	Rutvij Stainless Private Limited	Metal Trading	30-Oct-17	Tf-06 Megamall Akotaroad Old Ambica Mill Compound, Village Vadodara (M Corpog), Vadodara, Gujarat, India, 390020
3	Bhansali Bright Bars Private Limited	Bright Bar processing unit	29-Oct-90	150 Nanubhaidesai Road, Mumbai City, Mumbai – 400 004 Maharashtra, India

4	Steel Inox Private Limited	Metal Trading	10-Aug-21	A-2902, Floor-29th, Plot-370, A-Wing, Shreepati Jewels Tatya Gharpure Marg, Pimpalwadi, Girgaon, Mumbai City, Mumbai – 400 004, Maharashtra, India
5	Ventana Speciality Private Limited	trading and manufacturing of metals	18-Mar-21	at Survey No.268, Village Ghantiyal, Samlaya Chandrapura Road, Taluka Savli, Vadodara, Vadodara – 391 510 Gujarat, India

Source: Company

Historical Financials

The historical financial performance of RSL on standalone basis is given in table below:

Particulars	Unit	FY 2021-22 Audited	FY 2022-23 Audited	FY 2023-24 Audited
Total Income	INR Crore	771.70	950.69	915.50
EBITDA	INR Crore	32.04	46.86	65.11
EBITDA margin	%	4.15	4.92	7.11
PAT	INR Crore	8.32	24.04	31.62
PAT Margin	%	1.08	2.53	3.45
Share Capital	INR Crore	34.46	34.46	34.46
Reserves & Surplus	INR Crore	36.25	46.71	77.81
Total Net Worth	INR Crore	290.79	81.17	112.27
Gross Fixed Assets	INR Crore	114.49	118.94	144.99
Current Assets	INR Crore	223.51	223.16	252.24
Current Liabilities	INR Crore	176.98	171.19	182.73
Current Ratio	X Times	1.26	1.30	1.38
Source: RSL				

The above historical figures of RSL indicates healthy financial position over the years.

Project Details

The Company proposes to manufacture the stainless-steel seamless pipes facility at the proposed location. The Company intends to start commercial operation from January 1, 2027 (4th quarter of FY2027) considering 15 months of construction post financial closure during September 2025. Stainless steel seamless pipes are manufactured through a process involving hot extrusion or piercing of solid Round rolled Bars followed by elongation and rolling to achieve the desired dimensions and properties.

Application of the Product:

- General tubes & pipes, process furnace tubes, instrumentation tubes, heat exchanger tubes, Boiler tubes,
- Seamless mother tubes further processed by pilgering and/or drawing, also have application in various other industries.

Proposed Project

The Company proposes set up manufacturing stainless steel seamless mother hollow and finished pipes plant at Panchmahal in Gujarat of the capacity of 9600 MTPA. The plant is also close to National Highways for catering to domestic markets.

Products

SS (stainless steel) seamless pipes

Hollow Pipes

The Company proposes set up a unit for manufacturing stainless steel seamless pipes and hollow pipes plant at Panchmahal in Gujarat.

Application:

- General tubes & pipes
- Process furnace tubes
- Instrumentation tubes
- Heat exchanger tubes
- Boiler tubes

Seamless mother tubes further processed by pilgering process, finds application in various other industries including industrial and non-industrial usage.

Product Rationale

Overall demand overview,

- Seamless pipes are manufactured using Piercing and others processes such as pilgering, drawing.
- Close to 18,000 MT extruded pipes were imported from China last year. Currently there is import restriction via government imposition of duties such as high import tariffs where tariffs of upto 30% have

been place on import of steel from China and Anti-Dumping Duty which specifies duty has been imposed on specific types of steel from China.

SS tubes and pipes are preferred owing to various reasons such as –

- Resistance to corrosion and oxidation, resistance to high temperatures
- Cleanliness and low maintenance costs
- The materials that come into contact with SS tubes and pipes experience zero contamination due to their nearly inert chemical properties.

Due to the above factors, the Company is envisaging consistent demand for SS seamless tubes from both domestic as well as export markets; hence the Company has decided to set up a stainless steel seamless pipes manufacturing unit.

Technical Assessment

Rajputana Stainless Limited is a prominent player in the stainless steel industry in India the company specializes in the manufacture of stainless steel seamless pipes and tubes catering primarily to industrial and infrastructure sectors both domestically and internationally.

Rajputana Stainless Limited offers a diverse Product Portfolio Focused on Stainless steel seamless pipes and tubes such billets, forging ingots, rolled black bar, rolled bright bar, flat & patti and other ancillary products.

Plant Location

The proposed pipe plant site is located at Halol Kalol Road Kalol, Panchmahal, in Gujarat.

Figure 1: Location of Plant

Source: Google Maps

The plant is also close to National Express Highways for catering to domestic markets.

Connectivity to Panchmahal is depicted in following map:

Nearest City	Vadodara – 50.7 km
Nearest Railway Station	Bakrol Railway Station – 5.9 km, Vadodara Railway station, 50.7 km
Nearest Port	Dahej Port, 177 km and Hazira, 220 km Varnama ICD – 60 kms
Nearest Airport	Vadodara Airport, 45.2 Km
Nearest highway	State Highway NH 148N - 0 KM

Utilities details are as under:

Sources of water	The Company plans for borewell water extraction to suffice the water requirements.

Source of purchased power	Electricity for the plant would be available from the Madhya Gujarat Vij Company Limited. Presently RSL has contract demand of 6000 KVAH through 66 KV connection for existing facility. Company proposes to use the same for the additional demand to be generated by proposed project.
Rail and road links	The site is well connected by road and railways. Thus, access to domestic market all over India will not pose any problem.

Land Details

The Company proposes to establish the new stainless steel seamless pipes manufacturing unit within the premises of existing facility. Hence, the land cost is not considered for the project. As informed by Company the land available at existing plant is sufficient for the proposed plant. The Company has provided general layout for the existing unit without specific dimensions, also the Layout for proposed facility is provided. Based on the visual inspection of site during visit the proposed land is considered to be adequate for proposed facility.

Plant General Layout

Plant layout design is an important aspect of any manufacturing Company as it represents long-term commitments. An ideal plant layout should provide the optimum relationship among input, output, floor area and manufacturing process.

A well-planned plant layout

- Facilitates smooth production process
- Minimizes material handling time and cost
- Allows flexibility of operations through easy production flow
- Facilitates economic use of the area available
- Promotes effective utilization of manpower along with providing employee convenience, safety and comfort
- Maintain potential for future expansion.

Plant Layout

Source: Company

Based on the above layout it can be observed that overall land area is around 35196.98 sq. mtr. As per Chartered Engineer, letter received on 26th November 2024 the Land Availability to Company is as follows,

Manufacturing unit location	213, Madhwas, HalolKalol Road, Kalol, Panchmahal, Gujarat, India-389330
Total area of land	35,196.98 Sq. Meter
Utilized area of land for present Manufacturing Unit	17,586.98 Sq. Meter
Area of land to be utilized for the proposed manufacturing unit	3,410.00 Sq. Meter
Vacant area	14,200.00 Sq. Meter
Total vacant area including area for proposed plant	17,610.00 Sq. Meter

Based on the integrated view of the site visit & the above-mentioned certificate, it is observed that the land available with the Company is adequate for the proposed expansion.

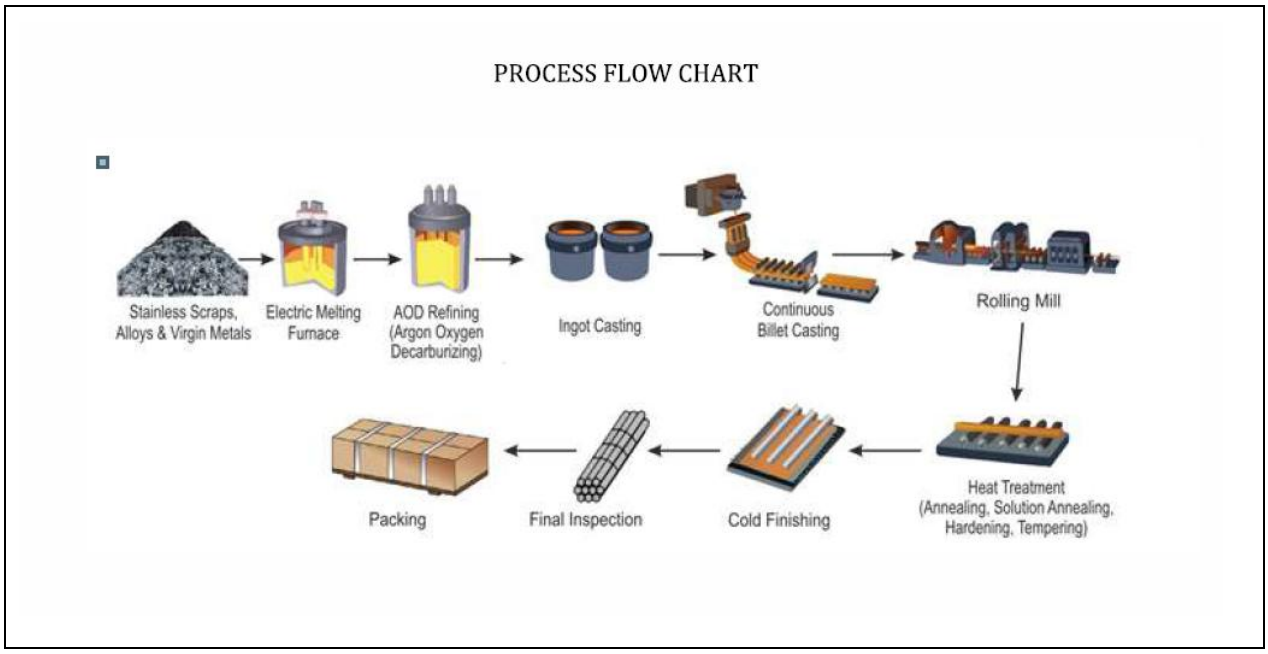
Plant Production Capacity

The annual production capacity of a S.S. Seamless Steel Pipe plant depends mainly on:

- The line speeds achievable by the respective machine.
- Plant availability after allowing for delays and size changing times as will be required by the market demands.
- An average yield from input raw material to finished product of **~93 percent**. Total rejection / losses in the process are due to loss during rotary swagging, bending, annealing, cold pilgering, Bar peeling, cutting, Piercing. ***RSL is in the process of firming-up the yield norms for the proposed project.***

Production Process

The production process route proposed to be adopted at the S.S. Seamless Pipes plant is hot Piercing, pilgering and drawing processes in different qualities and grades. Moreover, this process also offers flexibility of producing pipes in a wide spectrum of diameter and thickness ranges.



Brief Description of the Process

The input raw material for S.S. seamless pipe making process normally is procured from outside or imported from international market in general processes or units, however in the case of RSL the same is to be procured from existing facility available within the same premises At 1st stage of production process, a centre is punched, and hole is drilled into the round bar of stainless steels or nickel alloy pre material. This bar will be heated up to hot forming temperature (1250 Degree C) in vertical electro-magnetic induction heater and pushed through a die and over a mandrel in horizontal Piercing press followed by air cooling or water quenching.

This economic technique produces hollows as mother tubes for further cold forming processes like cold pilgering and cold drawing. If the customer asks for hot finished pipes and tubes, then product at this stage can be sold as final products. The process is suitable for manufacturing even small batches and guarantees both a reduction of setup times and equipment costs.

The production process for the manufacture of S.S. seamless pipes may broadly be sub divided into the following steps:

1. **Raw material Preparation**

Input raw materials bought in the form of rolled round bars go through an incoming material control process. Rolled round bars are peeled off to obtain surfaces that can guarantee an excellent degree of roughness on the finished product.

Bars cutting, spoking, centre punching & drilling: The previously peeled Rolled round bars are cut into length according to technical specifications. The rolled round bars are then checked, marked, radiused, spoked and stored through automated systems, centre punched and drilled.

2. **Walking Hearth Type Gas – Fired reheating Furnace**

The walking hearth furnace will be suitable for reheating of rolled round bars. In this furnace, heating will be done by gas-firing and the charge movement will be done by walking hearth mechanism. The major furnace constituents are briefly described below.

- **Furnace Casing and Insulation:**
  - The furnace casing will be fabricated from mild steel plates and reinforced with mild steel rolled sections.
  - The furnace casing will be of panel type construction to enable easy assembly at site.
  - The furnace roof will be of removable type construction.
  - Burner mounting arrangements will be provided on the side panels to facilitate fixing of the burners.
  - The side panels will be provided with inspection and maintenance door.
  - A flue port will be provided to take-up exhaust of flue gases to the chimney.

- **Furnace Structure:**
  - Type of heating: Direct
  - Furnace temperature uniformity: ±10°C or better
  - Fuel: LPG
  - Fuel firing rate during rated capacity production: 120 Kg/hour maximum
  - Estimated fuel consumption at rated production: 40 Kg per Tonne [For 2.5 MT per hour]
  - No. of burners: 9 Nos.
  - Burner location: On L.H.S. and R.H.S. walls
  - Furnace temperature control: P.L.D Control
  - Furnace temperature control zones: 3 zones
  - Loading: Direct pick up from the customer's loading roller conveyor. This is achieved by a walking hearth mechanism. The cost of loading table and rolled round bars feeding system is also indicated in the costing.
  - Unloading: By means of water-cooled Pushers located at the discharge side. They will be driven by a motorized gear box arrangement.
  - Maintenance door: One No.
  - No. of doors: 1 No.
  - Type of door: Winch operated lift and lower type door
  - Door construction: Insulated door made from stainless steel 316 grade material [Door frames are water cooled]
- Technical Specification of Furnace
  - Equipment: Walking hearth type Gas-Fired reheating furnace [The furnace is designed to work with natural gas].
  - Charge: Rolled round bars.
  - Charge sizes: Stainless steel, Diameter: 50 to 90 mm, Length: 1000 to 1800 mm
  - Reference bar size: Diameter: 90 mm, Length: 1600 mm. 81 kgs Approx.
  - Furnace rated output for reference size rolled round bars: Approx. 2500 kgs/hr for stainless steel. The estimated output per day will be 30 MT for stainless steel, considering other operational factors.
  - Maximum size and weight of the rolled round bars that can be loaded into the furnace: 120 mm diameter x 1800 mm long bar [Weight 162 kilograms] in alternate grooves.

- Estimated heating and soaking time of reference size bar [90 mm diameter]: 225 minutes approx. Varies with the grade of material
- Minimum length of the rolled round bars: 1000 mm
- Number of Bars inside the furnace: 125 nos.
- Maximum rolled round bars holding inside the furnace: 20 MT, when biggest size of bars is loaded. The hydraulic lifting system and structures will be designed considering this load.
- Operating temperature: 1200°C.
- Maximum Furnace temperature: 1275°C [The system will go for shutdown, if this temperature is breached].
- Damper flapper & shaft: Fabricated from AISI-310 grade stainless steel grade material.
- Furnace useful length: 15000 mm approx.
- Furnace effective width: 2200 mm.
- Furnace effective height: 1500 mm approx.
- Walking hearth groove pitch: 105 mm.
- Waste gas disposal: Through flue port located near charging side. An insulated flue duct of approximately 6 meters will be provided. This duct will be connected to chimney by the customer [We will provide the details to enable the customer to make the ducting and chimney as per the site requirement].
- Walking hearth cycle: Up, forward, down, reverse.
- Walking hearth drive: By hydraulic power pack and hydraulic cylinders.
- Number of hydraulic cylinders: One cylinder for lifting operation and two for forward/reverse operation
- Flue gas pressure control: By motor-operated damper

The furnace side walls, and hearth will be insulated with fire bricks, light fire bricks and insulation bricks. Heat setting mortar will be used for binding these bricks. All refractory material will be of superior grade. Grooved bricks will be provided on the furnace hearth to act as fixed hearth. The bricks will be of 70% alumina. High alumina bricks which will be baked at 1400 degrees to ensure better spalling resistance.

The furnace roof will be insulated with ceramic fiber in modular form. These modules will be held in position by stainless steel flats and rods [AISI 310 grade]. The ceramic modules will be provided with back up insulation of low-density ceramic fiber rolls.

The bottom panel of the furnace casing will be provided with openings, at suitable locations, to facilitate movement of walking hearth.

To avoid cold air infiltration into the furnace, water sealing arrangement will be provided around these hearth openings. The water trays will be made from stainless steel plates [AISI304] and bolted to the furnace hearth bottom steel structure.

A winch operated exit door will be provided. The cylinder is to adjust the door opening as per the size of the bars being discharged.

This door also will be insulated with ceramic fiber in modular form. The ceramic modules will be provided with back up insulation of low-density ceramic fiber rolls.

- **Combustion equipment**

The heating of the furnace will be done by gas burners. These burners will be suitably located along the furnace side walls. Proper distribution of burners will ensure uniform heating of the furnace, without leaving any cold / hot spots. Each burner will be provided with limiting orifice valves, to facilitate flame adjustment of individual burners. The connection from gas line header to the individual burners will be done through a gas shut-off valve. Safety system will be provided to ensure that burners lit without accumulation un-burnt gas inside the furnace.

A combustion air blower will be provided to supply necessary quantity of air at required pressure to individual burners. Each burner will be provided with individual butterfly valves to adjust air flow to the burners, in line with gas flow setting. A backup combustion blower is also considered in the estimation.

- **Walking Hearth Mechanism**

A taper wedge - type walking hearth mechanism will be provided to facilitate charge transfer in the furnace. The mechanism will consist of three mild steel frames, one resting over the other. The bottom- most frame will be provided with tapered wedges. The middle frame will be made to rest on these wedges, by means of wheels. The wheels will be fixed to the middle frame through plummer blocks and bearings. A hydraulic cylinder, fitted to the middle frame will ensure climbing of middle frame over the wedges. The middle frame will be provided with another set of wheels, on the top side, to hold the top frame.

The top frames will be provided with guide channels to ensure its sliding over the wheels. The top frames will be connected to hydraulic cylinders, to facilitate forward and reverse motion of the top frames.

Supports will be welded to the top frame, to hold the walking hearth frames. Dipper plates made from stainless steel plates will be attached to the walking hearth frames. These dipper plates will dip in water trays and act as the sealing arrangement. The walking hearth will be provided with grooved bricks to hold the bars. Brick retainers made from thick stainless-steel plates will be provided to keep the bricks in position.

The walking hearth up/down, forward/reverse motions will be limited using limit switches attached to the top frames. The operation of the walking hearths will be accomplished by means of hydraulic power pack The power pack will be provided with electrically operated direction control valves, flow control valves, strainers, electric motor for the pump, hydraulic pump, loading solenoid valve and necessary piping.

- **Discharge rollers and drives/Bar Ejector**

The walking hearth mechanism will lift the Round Bar from the last groove of fixed hearth and place on the discharge rollers. The discharge rollers will transfer the bars on to the customer's roller table for further operation.

The rollers will design to withstand the severe operating conditions prevailing inside the furnace. The rollers will be partly of stainless steel and balance carbon steel. Water cooling arrangement will be provided for the rollers. Alternatively, discharge bars ejector will be provided.

- **Flue Damper and Flue Exhaust Duct**

The flue exhaust ducting will be connected to the flue exhaust port. The ducting will be insulated. The ducting will be made from steel plates. The flue damper will be provided in the ducting, to automatically adjust the furnace pressure. The damper flapper and shaft will be of stainless-steel material. The flue exhaust chimney will be fabricated from mild steel plates and suitably reinforced. The chimney will be insulated up to a height of 8 meters.

- **Temperature Control & Instrumentation**

A control panel will be provided to house all switchgear items like isolator, HRC fuses, programmable logic controller, H.M.I, VVVF drive for the roller drive, PID temperature controllers, safety temperature controllers, control switches,

ammeters, voltmeter, air break magnetic contactors, etc. Panel will be complete with all switchgear items necessary for the furnace operation and controls. Panel will be complete with internal wiring and ready for installation. The panel will be of dust and vermin proof construction. Furnace temperature control will be done by a closed loop comprising PID controller, motorized valve, air gas ratio regulator and R type thermocouple. The above control loops will be backed up by policeman control system comprising a solenoid valve, thermocouple and safety temperature controller. In the advent of an excess temperature, safety controller will switch-off the fuel solenoid, there- by stopping the heating.

There will be an interlock between combustion air blower starter and gas solenoid valve, so that the latter does not switch on when air blower is off.

A logic circuit for the automatic operation of the walking hearth mechanism will be provided, which will ensure operation of walking hearths at a predetermined period. There will also be a provision to operate hydraulic cylinders individually and check the hearth movements.

3. Hot Piercing

The Piercing press line is designed for hot Piercing processed of stainless steel bars/Ingots (machined and heated bars) of different bars diameters into seamless tubes. The bars are pre-drilled (pilot hole) and outer machining surfaces. The process route starts after the furnace section, where the bars are heated to a temperature in the range 1250 degree centigrade. The Piercing process starts with the coating of bars by glass powder on the outer and inner surface. After, the lubricated bars are loaded into the piercing press and extruded into seamless tubes. After Piercing, the press tubes will be either loaded in the quenching system or cool down on the cooling table.

The Piercing line consists of Piercing press with internal mandrel cylinder, outside mandrel cooling and a glass table for bar lubrication, bar loading and dummy block handling, a container cleaning system to ensure a scale free inner liner, Run-out system with water tube quench system and cooling tanks. After Piercing, the Pierced Pipes have to be further processed, i.e., straightened, end cropped, and surface cleaned by shot blasting and pickling.

4. Cold Pilgering

Further after Hot Piercing, these tubes would be processed using cold pilgering process. The pilgering process is one of the metals forming process to make high dimensional accuracy of tube. In pilger machine there are two roller dies and a mandrel tangent to the two rollers. Outer diameter of tube depends upon the roller dies and inner diameter depends upon the mandrel. Cold pilgering is the preferred production process for seamless, cold- finished, high alloyed stainless steel and nickel-based alloy tubes and pipes. This technique provides a highly efficient, fast production rate, close tolerances and cost-effective, competitive products. Cold pilgering is cold working process for three-dimensional reduction in outside diameter, inside diameter and wall thickness of a metal tube.

5. Cold Drawing

Cold Drawing is the second level of cold working to reduce the tube size further. Here the tube is pulled through a die which is in smaller size than the tube. So, the end of each tube needs to be machined in order to fit it. It is swaged before drawing. Following this procedure, the tube end can pass through the die and is clamped to a drawing trolley, which draws the tube through the die. The machine used for this process called a draw bench.

6. Degreasing

After each process, the tube must be degreased, cleaned with non-volatile, biodegradable solvents for further processing of tube or pipe without the environmental pollution.

7. Annealing

Cold forming processes impart Strain-hardening to the tubes. So, these strained-hardened tubes must be annealed to homogenize the metallurgical microstructure of the tube or pipe resulting relieve of induced stresses to make tubes suitable for further processes. During annealing material tube or pipe is exposed to a controlled temperature up to 1250 C and soak time. Through this process the tube remains in shape, but the grain structure of the tube is relieved from the induced stresses. The annealed tube is then softer and can be redrawn.

8. **Gas quenching unit:**

The furnace is equipped with a strong rapid cooling unit where the hot pipes are cooled down very quickly (quenching) to achieve the required mechanical properties. The cold gas is blown on the pipes from the top and the bottom for uniform cooling throughout length & circumference of pipes to eliminate the bending tendency of the pipes. A special gas flow control system controls & regulates the protective gas flow inside the furnace to assure a stable operation of the jet cooler. Self-recuperative gas burners made of fully ceramic (higher combustion efficiency) are used for heating. Thus, gas consumption can be reduced by about 35%.

9. Straightening

After annealing, the seamless tubes and pipes also undergo straightening in rotary type straightener machine to straighten the tubes / pipes further.

10. **Heat Treatment process**: Tubes are passed through heat treatment processes as per requirement to improve the desired mechanical properties of the tubes / pipes.
11. **Pickling:** Then straightened tubes and pipes undergo pickling, where impurities such as stains, inorganic contaminates, rust or scale are removed by pickle liquor containing strong acids,
12. **Abrasive Cutting of Pipes & Tubes**: Pipes are cut by abrasive cutter to get the desired length. The damages of both ends of the pipes are also removed.
13. **De- Burring and End Cleaning**: Then pipes pass through de- burring and end cleaning sections.

De- burring process removes burrs which is generated during to cutting operation to get the smooth and burr free end. Then pipes are transferred to finishing section to perform different processes:

14. Testing, Finishing, Inspection and Dispatch

Testing is carried out in various stages of the production process. Hydrostatic testing of each pipe length is carried out in hydro testers to confirm compliance with the specifications of the petro-chemical, energy sector, power plants, instrumentation sectors, industries. The final inspection of the pipe lengths is done off-line by ultrasonic testing equipment for ensuring that the full body of the pipe as well as the ends are defect free.

Sample pieces are cut off from the pipe ends according to the sampling procedure laid down in the API and other specifications. These samples undergo flattening and reverse bend tests to confirm the quality of pipe being produced.

The cut lengths of pipes for the petroleum industry have to be supplied with the ends bevelled both ends are chamfered to the special dimensions in high-capacity bevelling machines. The pipes are weighed and marked suitably for identification in separate weighing and marking machines.

Inspection of pipes is carried out by inspectors who scrutinise the data generated from the testing equipment and the results of physical test of samples. Further, measurements are taken to check circumferential variation at pipe ends, finished pipe dimensions of wall thickness and diameters as well as bevelling finish is within the tolerances specified.

Laboratory Testing Processes,

Laboratory testing like mechanical properties of samples, chemical analysis, and inspection of surface checks; are performed as per requirement and as per customer recommendations. The test results are recorded by maintaining test certificates. Depending on the specification and requirements further tests can be applied which can be grouped into destructive and non-destructive testing methods.

Quality Assurance

The applications of the stainless-steel pipes manufactured is for high end applications and hence require stringent quality checks. The various tests carried out are generally categorized as destructive and non-destructive tests. Destructive testing includes flaring test, hardness test, tensile test, reverse bend test, etc. These tests are executed on samples from each tube batch.

Flaring Test	The flaring test serves to establish the forming behavior of pipes which is expanded to a specific degree.
Hardness Test	Samples from each lot produced are tested to ensure that the hardness of the pipe is within permissible limits.
Tensile Test:	The tensile test specimen serves to determine the strength and ductility characteristics i.e., yield strength, tensile strength and elongation. Tensile tests are normally carried out at room temperature according to DIN, ASTM, BS standards, as applicable.
Reverse Bend Test	This test ensures full ductility of the pipes by stretching the material to its physical endurance limit

Non-destructive tests include, eddy current testing, hydraulic pressure testing, ultrasonic testing.

Eddy Current Test	This test is used to detect hidden flaws, inhomogeneity, cracks, etc. using prescribed standard of test procedure for testing entire length of the pipes with generally digital data recorder.
Hydraulic Pressure Tests	All pipes are required to be checked 100% for hydraulic pressure testing as per standard and as specified by customer.
Ultrasonic Testing	Ultrasonic Testing (UT) utilizes sound energy at high frequencies, in order to detect flaws i.e., internal structure and also for dimensional measurement, say, thickness of pipes. The frequencies used for ultrasonic testing are many times higher than the limit of human hearing, most commonly in the range from 500 KHz to 20 MHz.

Some additional tests proposed are

- Residual Chlorine Test
- Residual Stress Measurement Test
- Liquid Penetrant Test

- Sensitizing Treatment Facility
- Inter-granular Corrosion Testing Facility

List of equipment

List of process equipment is shown as under:

Particulars	Capacity
Plant & Machinery	
Imported Machinery	
Furnace	2T/Hour
LXC-60 Piercing mill	56-100mm round
Conveyer Mills	Matching Mill
Centering M/c	56-100mm round
Quenching discharge	Matching Mill
Compressor	100 CFM
Straightening machine	LD-100
End cutting	350mm
MTB Pump	10kg, 200 LPM
Furnace Cooling pump	3KG, 75000 LPH
Mill water supply	3KG, 75000 LPH
Mill dewatering pump	3KG, 75000 LPH
Cooling tower	200TR
Pipelines and valves	for plant
Crane 7.5T capacity	7.5T
Mill Installation and Consulting	

Source: D&B-India

List of Miscellaneous Fixed Assets

Particulars	Capacity
Misc. Fixed Assets	
General Steel For racks	12T
Moly Plugs	400Kg
Plug Rods	4Ton
Connectors	as per Plugs
Flangers	as per rods
Hydraulic Oil	HYDROL-68
Gear Oil	EP-320
Grease	EP-2
General Stores	Sling,Gloves,Grinding Wheels
General Tools	Spanners,Wrenches

Source: D&B-India

Power

Bulk power is received at 66 kV from the nearest Sub Station of Madhya Gujarat Vij Company Limited. Total contract demand for the plant is about 6000 KVAH. Based on data provided by Company, the power consumption is considered as 1,484 kWh/MT at the purchase rate of INR 9.50 kWh. Based on the Power bill received from Company, availability of Contract demand of 6000 KVAH and the consumption of existing facility to the tune of 4000-4200 KVAH, the balance contract demand remains available around 1800-2000 KVAH which will be sufficient for the proposed project.

Water Utility

Raw water system: Raw water will be required only to makeup the losses in the process, evaporation, seepage, bleed-off etc. Raw water requirement will be for recirculating system and other users like processes other than recirculating system, drinking water plant, sanitation, acid washing in pickling line, gardening, firefighting system etc.

Raw water will be tapped from ground via borewell and store in water reservoir. Part of this water would be used in firefighting system, drinking water etc. Raw water from borewell will be filtered and chlorinated to convert it into potable water. The drinking water system will comprise of rapid gravity and sand filters, chlorinators, pumps, on-ground storage tanks and overhead tank.

Make-up water: Drip losses in the cooling tower will be about 0.01% of the re-circulated water. Other requirement of make-up water will be for balance process units other than recirculating system of drinking water plant, sanitation, acid washing in pickling line, gardening etc.

Plant Water System: The water requirement for various purposes have been classified in accordance with its quality as follows:

i) Industrial Cooling Water (ICW) to be generally used in the plant cooling water circulation system

ii) Drinking water will be produced from raw water to meet drinking and sanitary needs of the plant personnel and other specific users.

Drinking and sanitary water system: Drinking water system will cater to the water requirements of (i) plant personnel for drinking and sanitary purposes, (ii) laboratories and (iii) other miscellaneous users in the plant.

Presently the Company has 60,000 Litre of Overhead tank and 1,00,000 Litre of Underground tank which are presently utilized at 80% of the Capacity by existing facility.

Utilities arrangement

Compressed Air

Compressed air will be required for the operation of pneumatic devices for instruments and controls, CC TVs, and for general purpose usages. It will be mainly required for induction bar heating plant, bright annealing furnace, hydro tester units, laboratories etc. as infirmed, the existing Compressed air capacity is 475 CFM which is presently utilized around 78-85% by existing facility.

Nitrogen

Nitrogen will be required for bright annealing furnace as mixture of nitrogen and ammonia, furnace purging, purging of natural gas line etc. As mentioned by the company, the nitrogen supply will be done from the nitrogen plant of the Company itself. As informed, present Nitrogen compressor capacity is 250 cubic meter per hour which is used around 80% by the existing facility.

Manpower

The company proposes to deploy about 72 employees in upto 3 shifts at maximum utilization, for the project under consideration.

. The following table depicts the manpower requirement for the project.

Sr. No.	Manpower	Total Count
1	LABOUR	47
2	HOUSING KEEPING	6
3	MACHINE OPERATER	6
4	OPERATIONS HEAD	2
5	SALES MANAGER	3
6	PURCHASE MANAGER	1
7	ACCOUTS EXECUTIVES	6
8	HEAD FINANCE	1
	TOTAL	**72**

The above manpower requirement for the project is considered to be reasonable and sufficient to manage the operations of the plant.

Statutory Approvals

The status of various existing permissions and approvals (For existing facilities at Panchmahal i.e., for Stainless Steel billets, ingots, rounds, hex, square, round corner square, angles, flat black & bright bar) is detailed in table below:

No.	Permission/Approval	Agency- Issuing Authority	Status	Remark
1	Certificate of Incorporation		Received	The company has received
2	Legal Entity Identifier	Legal Entity Identifier India Limited	Received	The Company has received the certificate dated 13th January 2023 & the same valid upto 13th January 2026.
3	Petroleum and Explosives Safety Organization (PESO)	Government of India	Received	The Company has received the Certificate dated on 07/10/2022, the same is valid upto 30th September 2027.
4	GST Registration	Government of India	Received	The company has registered Dated on 01/07/2017
5	Consent To Establish	Gujrat Pollution Control Board	Received	The company has received the consent order for its existing plant dated on 07/10/2020. CTE Received and Valid upto 6th November 2027
6	Environment Clearance	Government of India	Received	The Company has Received the Environmental Clearance Dated on 11/12/2019
7	Labour Registration	Gujarat Government	Received	--
8	License to work a Factory	Directorate Industrial Safety	Received	The company has received the License dated on 30th July 1993. License No :27579

		and Health Gujrat State		The same valid upto 31st December 2030
9	Certificate of Stability	JAS associates, Certified Industrial Assessor	Received	The Company has received the Certificate Dated on 04/11/2020, the next test due is 3rd November 2025
10	ISO 6603:2001	Euro Certifications	Received	The certificate is valid till 2nd May 2026.
11	Ground Water Abstraction Certificate	Department of Water Resources, River Development & Ganga Rejuvenation Central Ground Water Authority	Received	The NOC is valid upto 25th November 2026.
12	Boiler Certificate	Office of the Director of Boiler, Gujarat State	Received	The Certificate is valid till 4th December 2026
13	Quality Management System	TUV India Pvt Ltd	Received	ISO 9001:2015 Valid from 19.12.2024 Valid until 18.12.2027 Certificate Registration No. **IND 100 24395691**
14	Environmental Management System	QAMS Certification	Received	Certificate Number: 23UEAR2205 Date of issue: 18 February 2025 Re-certification due on: 17 February 2028

Source: Company & D&B-India assessment

Statutory Approvals for Proposed Facility

No.	Approval For	Authority	Application Date	Approval Date	Stage at which approvals are required	Status
1.	Approval for the building plans for the Proposed Facility	Madhvas Gram Panchayat	16th September 2024	27th January 2025	One Time	Received
2.	Consent to Establish (CTE)	Gujrat Pollution Control Board	27th February 2025	17th June 2025	Prior to construction	Received GPCB/CCA-PN-78(6)/ID:19047/

No.	Approval For	Authority	Application Date	Approval Date	Stage at which approvals are required	Status
						Issued on: 13/06/2025 Valid till: 12/05/2032
3.	Electricity Board License	Madhya Gujarat Vij Company Limited	-	-	Routine approval	To be applied post commissioning.
4.	Factory License (safety Approvals)	Deputy Director, Industrial Safety & Health	Provisional Date 11th February 2025	Awaited	Routine Approval	Received Provisional on 11th February 2025 vide no. DyDISH/ISH/GOD/2025/
5.	ISO	Concerned ISO Agency	-	-	After the commissioning of the Proposed Facility	To be applied
6.	BIS	Bureau of Indian Standards	-	-	After the commissioning of the Proposed Facility	To be applied
7.	Consolidated consent and authorization	Gujrat Pollution Control Board	-	-	Upon the commissioning	To be applied
8.	Certificate of stability	Concerned Industrial Assessor	-	-	Routine Approval	To be applied

Implementation Schedule

The broad activity-wise implementation schedule for the proposed plant is as follows:

Activity	Jan 2026	Feb 2026	Mar 2026	April 2026	May 2026	June 2026	Jul 2026	Aug 2026	Sept 2026	Oct 2026	Nov 2026	Dec 2026	Jan 2027
Design & Procurement													
Civil Works													
Equipment Installation													
Testing & Commissioning													

Commercial Operations Date (1st January 2027)													◇

Activity	Start Date	End Date
Design & Procurement	1st January 2026	28th February 2026
Civil Works	1st March 2026	31st May 2026
Equipment Installation	1st May 2026	30th November 2026
Testing & Commissioning	1st November 2026	31st December 2026
COD	1st January 2027	

Vendors and Makers Credentials

The Company plans to engage various consultants and contractors for respective aspects (land development, civil work, P&M, utilities, etc.) pertaining to the project, over the next few months.

Some of the contractors & vendors are as follows,

For Plant & Machinery:

Industrial Furnace Consultant (Mr. Shreenath Nambiar): The Principal consultant of Company has 27 years of experience in furnace Industry and has started the Company in 2014. He has worked with below Companies for the installation of project,

Chandan Steel Ltd	Hindustan Inox Ltd	Maxim Tube Ltd
Tempsens	Rajkot Seamless Pvt Ltd	Shalco Industries
Kangaro Industries	Kanak Pipes	H.M Industries
Shubhalxmi Metals and Tubes	Ranadeep Metals & Tubes	Accords Llc
Malhotra Group	Stelco, Bhatinda	Microtech Seamless Tubes Pvt Ltd
Shrikrishna Cylinder	Phoenix Foils	Moonlight Tubes
Venus Tubes	Tvastar	Nandini Alloys
Jindal Saw Limited	Accord Tubes	Printman

He offers services such as furnace design, preparation of detailed manufacturing drawings, and bill of materials. He also assists in coordinating with suppliers for components like burners, insulation, rollers, and drives, and prepares draft purchase orders for client review. Shreenath collaborates with fabricators and helps clients with on-site fabrication to ensure technical specifications are met. By supporting clients in sourcing materials directly, he helps maintain quality and manage costs while delivering practical furnace solutions.

Yantai Yujia Machinery Co., Ltd. is located in Shandong Province, near Qingdao Port. The company specializes in machinery and tooling for seamless steel pipe and tube production. Their product range includes piercing mills and tooling such as piercing plugs, piercer rolls, and plug rods; cold pilger mills and tooling such as pilger dies and mandrels;

sizing mills and tooling such as sizing rollers and stands; straightening mills and tooling such as straightening rollers; as well as Assel-mills, Accu-mills, and associated tooling

The Customers of company includes,

- Lalbaba Seamless Tubes Pvt Ltd
- Rashmi Grewn Hydrogen Steel Private Limited
- Shree Ram Seamless Pvt Ltd
- Tvastar Steel Pvt Ltd
- Indodeutsche Precision Tubes Pvt Ltd
- Viera Seamless Pvt Ltd
- Virat Stainless India

Products Profile

- **Piercing Mills and Tooling**: Equipment such as piercing plugs, piercer rolls, and plug rods used in the initial stages of seamless pipe production.
- **Cold Pilger Mills and Tooling**: Machines and components like pilger dies and mandrels for reducing pipe dimensions while enhancing material properties.
- **Sizing Mills and Tooling**: Sizing rollers and stands that ensure pipes achieve precise outer diameters.
- **Straightening Mills and Tooling**: Straightening rollers designed to correct any deformation, ensuring pipes are straight.
- **Assel Mills and Accu-Mills Tooling**: Mandrels and related tools for advanced pipe rolling processes.

Manish Engineers

Manish Engineers, headquartered in Ahmedabad, specializes in the design and manufacturing of material handling and industrial equipment to meet a wide range of operational requirements. Their product offerings include Double Girder Cranes, Jib Cranes, Goliath Cranes, Goods Lifts, Flexible Hoists, and Pre-Engineered Building (PEB) Shades. With capacities ranging from 0.5 tons to 50 tons and features such as varying spans, lifts, and swivels, the equipment is designed to cater to diverse industrial applications. The company emphasizes providing solutions that align with standard industry specifications, addressing the functional needs of businesses across sectors while maintaining a focus on quality and reliability.

J. Poonamchand & Sons

Age of business: 59 Years

Year of start: 1965

J. Poonamchand & Sons, established in 1965 and based in Mumbai, is an ISO 9001:2008 certified company engaged in the import and supply of materials such as ferro alloys, virgin metchals, minor metals, non-ferrous metals, minerals, and ores. The company offers a range of products, including base metals like copper, tin, and nickel; bulk alloys such as ferro chrome, ferro silicon, and manganese alloys; as well as minor metals and noble alloys like molybdenum,

tungsten, and vanadium. Their client base includes various government and semi-government organizations, defense industries, Indian Railways, and public limited companies, along with over 200 foundries involved in alloy steel and aluminum alloy production across India. The company also exports ferro alloys to markets in the Middle East and Asia.

Product Profile:

- Basic Metals
- Bulk Alloys
- Minerals
- Minor Metals
- Noble Alloys & Ores

As informed by Company, it has been working with the above vendor for over 3 years.

M/S BP Lubricants Pvt. Ltd

Age of business: 13 Years

Year of start: 2011

- Overall assessment of this company: FAIRLY STABLE CONDITION
- Based on the risk of failure: LIKELIHOOD OF CONTINUED OPERATIONS
- Based on ability to pay and actual payment behavior from trade credit data: MODERATE ABILITY TO PAY OBLIGATIONS

D&B rating: C3

Financial summary:

Particulars	31/3/2023	31/3/2022	31/3/2021
Current Assets	16.22	13.31	15.17
Current Liabilities	15.95	13.50	15.71
Working Capital	0.27	(0.19)	(0.54)
Other Tangible Assets	3.28	2.61	2.64
Non-Current Liabilities	0.76	0.06	0.12
Tangible Net-Worth	2.79	2.36	1.98
Sales / Income	43.63	35.63	24.40
Proit (Loss) After Tax	0.43	0.37	0.32
Inventory	5.96	2.69	3.25
Cash & Bank	0.83	1.87	2.75
Accounts Receivable	9.03	8.58	8.57
Fixed Assets	1.23	0.57	0.64
Accounts Payable	8.71	5.84	7.63

M/S BP Lubricants Pvt. Ltd., established in 1976, specializes in distributing and supplying a diverse range of lubricants and related products to meet the needs of various industries. As an authorized channel partner for brands like Veedol, IPOL, Motorol, ASV-Molysulf, Hardcastle Petrofer, and Electrol, the company offers products such as thermic fluids, hydraulic and circulation oils, compressor oils, industrial gear oils, engine oils, transmission oils, metalworking fluids, transformer oils, and specialty greases, including food-grade options. BP Lubricants caters to over 12 industries, providing tailored solutions designed to enhance operational efficiency. The company focuses on delivering quality products, timely service, and reliable support, backed by decades of experience in the lubricant market.

Most renowned clients:

1. Renault
2. Volvo
3. Komatsu
4. Mercedes-Benz
5. BMW
6. Ford
7. Honda
8. Toyota
9. Nissan
10. Hyundai

Linyi CM Import & Export Co., Ltd. Overview

Linyi CM Import & Export Co., Ltd., based in Linyi, Shandong, China, specializes in the manufacturing and export of various steel products. Their product range includes stainless steel, alloy, and carbon steel pipes, plates, pipe fittings, and flanges. They also produce hot-rolled seamless pipes. The company has a significant presence in international trade, particularly with India. They have engaged in numerous shipments involving products such as carbon steel seamless pipes (ASTM A106 Grade B), mild steel seamless tubes (BS3059 Part-II Grade-320), and alloy steel seamless pipes (A335 Grade P22).

Their clientele includes various Indian importers, with records indicating shipments to companies like Prime Tubes Sales, Mahadev International, and Real Engineering. In addition to their product offerings, Linyi CM Import & Export Co., Ltd. operates machinery for producing steel components, including piercing machines for super duplex stainless steel, cold forming tee machines, and hot forming elbow machines. Overall, Linyi CM Import & Export Co., Ltd. serves as a key supplier of steel products and components, catering to the needs of clients in the construction, manufacturing, and engineering sectors.

Most renowned clients

1. Prime Tubes Sales (India)
2. Mahadev International (India)
3. Real Engineering (India)
4. Ravi Steel (India)
5. Shree Tube Industries (India)
6. Sigma Piping Products (India)
7. Mangalam Pipes & Tubes (India)
8. K.K. Industries (India)
9. Metal Udyog (India)
10. Dynamic Forge & Fittings (India)

Product Portfolio:

1.Seamless Steel Pipes

2.Stainless Steel Pipes and Tubes

3.Steel Plates

4.Pipe Fittings

5.Flanges

6.Hot-Rolled Seamless Pipes

7.Alloy Steel Products

8.Custom Steel Components

9.Steel Coils

10.Specialty Steel Products

Jineshwar Steels (Lakshya International)

Lakshya International is a manufacturer and supplier of steel products, established in 1987 as Jineshwar Steel and rebranded in 2012. The company offers stainless steel products, duplex and super duplex steel, nickel alloys, carbon steel, aluminium products, and corten steel. Key products include pipes, tubes, plates, rods, bars, flanges, and fittings. The company holds certifications such as MSME UDYAM, GST, ISO, PED, and CE. It serves industries like oil and refineries, pharmaceuticals, construction, sugar, and government sectors. The company is located in Mumbai, India.

As informed by Company, it has been working with the above vendor for over 3 years.

Ganesh Engineering

Ganesh Engineering is an ISO 9001:2008 certified company specializing in pre-engineered metal buildings, structures, and civil work. They manufacture products such as Suprimo turbo air ventilators, non-toxic biodegradable bird deterrent gel and spikes, and welded wedge wire screens. Their product range includes rotary wedge wire screens, curved screens, centrifuge baskets, flat panels, run-down screens, colour metal roofing sheets, roofing sheet accessories, industrial louvers, corrugated roofing sheets, steel deck sheets, insulation foil for roofing, FRP sheets and gutters, polycarbonate sheets, heavy industrial GRP/GRE pipes, UPVC carbon fibre sheets, insulation puff panels, and safety materials and accessories. They also provide textile processing machinery like stenter machines, print dryers, print washers, pad steam polymerizers, drying ranges, soaper print washers, and rope bleaching plant jiggers. Their clients include Fertilizers & Chemicals Travancore Ltd., M H Valves Pvt Ltd., Apex Extrusion Pvt. Ltd., Heubach Colour Pvt. Ltd., Imery Newquest (India) Pvt. Ltd., and Elmex. Ganesh Engineering is located in India.

The Financial snapshot of Company are as follows,

(INR Cr)

Particulars	FY 24
Revenue	**1.38**
Expenses	1.18
EBITDA	0.20
EBITDA Margin	**15%**
Net Profit Margin	**3%**
Current Assets	2.12
Current Liabilities	0.28
Current Ratio	**7.65**

Total Liabilities/Assets	0.64
Net Fixed Assets	0.52

Renowned clients:

1. Aditya Birla Group
2. Amul Dairy
3. L & T Ltd
4. Balaji Agro Products
5. Appollo Tyres Ltd
6. Adani Port Ltd.
7. Mahindra & Mahindra- Ighatpuri Plant
8. Ambuja Cement
9. Philips India Ltd.
10. Balaji Wafers Pvt. Ltd.
11. Triveni Forgings & Ispat Udyog Pvt. Ltd.
12. Raymond Ltd. (Tex. Divi.)

Products List:

1. Welded Wedge Wire Screens
2. Ganesh Colour Metal Roofing Sheets
3. Accessories for Roofing Sheets
4. Industrial Louvers
5. Corrugated Roofing Sheets
6. Ganesh - Steel Deck Sheets
7. "Suprimo" Turbine Air Roof Ventilator
8. PEB - Pre-Engineered Buildings
9. Insulation Foil for Roofing Sheets
10. FRP - Sheets & FRP Water Gutters
11. Solid & Embossed Polycarbonate Sheets / Acrylic Sheets
12. Polycarbonate Sheets Corrugated Type Roofing Sheet / Multi-wall
13. Heavy Industrial GRP/ GRE Pipes
14. UPVC Carbon Fibre Sheet
15. Insulation Puff Panel
16. Suprimo Birdsgo Solution
17. Suprimo - Birdsgo Spikes
18. All Type Heavy Industrial Filters
19. Textile Machineries
20. Profiling Machine / Roll Forming Machine
21. Safety Materials & Accessories

As informed by Company, it has been working with the above vendor for over 3 years.

Shree Gayatri Engineers

Shree Gayatri Engineers, established in 1985, is a manufacturer based in Ahmedabad, Gujarat, specializing in machinery for the metalworking industry. Their product range includes straightening machines, polishing machines, and shearing cutting machines, which are utilized across various engineering sectors. The company operates as a sole proprietorship under the leadership of Mr. Sanjay Bhai Dodia. They maintain a GST registration under the number 24BOBPD4569R1ZI. Their annual turnover is reported between ₹5 crore and ₹25 crore.

Product Portfolio

1. Straightening Machines
2. Bar Peeling Machines
3. Pointing Machines
4. Round Bar Polishing Machines
5. Draw Bench Machines
6. Roll Forming Machines
7. Wire Drawing Machines
8. Wire Machinery
9. Bar Pointing Machines

Paharpur cooling towers limited

Age of business: 75 Years

Year of start: 1949

No. of Employees: 1658

D&B Thinks:

- Overall assessment of this company: STABLE CONDITION
- Based on the risk of failure: HIGH LIKELIHOOD OF CONTINUED OPERATIONS
- Based on ability to pay and actual payment behavior from trade credit data: EXCELLENT FINANCIAL STRENGTH WITH FAVORABLE PAYMENT BEHAVIOR

D&B rating: 5A2

Financial summary:

Particulars	31/3/2023	31/3/2022	31/3/2021
Current Assets	1,609.65	1,250.25	1,382.67
Current Liabilities	954.91	677.65	685.34
Working Capital	654.74	572.61	697.34
Other Tangible Assets	2,625.20	2,311.67	1,841.22
Non-Current Liabilities	110.76	104.87	64.85
Tangible Net-Worth	3,169.18	2,779.41	2,473.71
Sales / Income	1,630.65	1,277.26	1,142.51
Proit (Loss) After Tax	208.75	98.28	91.54
Inventory	324.04	248.41	224.96
Cash & Bank	170.18	49.58	114.74
Accounts Receivable	642.71	499.15	571.93
Fixed Assets	351.75	330.09	348.90
Accounts Payable	204.20	143.14	186.51

Paharpur Cooling Towers, established in 1948, is a manufacturer of process cooling equipment, offering a range of cooling solutions such as counterflow, crossflow, and natural draft cooling towers, evaporative condensers, dry coolers, and associated components. The company also provides installation, commissioning, maintenance, and repair services, focusing on sustainability and environmental responsibility. Paharpur serves a wide range of industries, including power, oil and gas, chemicals, HVACR, sugar, metals, cement, food and beverage, pharmaceuticals, and paper.

Product Portfolio

1. Wet Cooling Systems:
    - Factory Assembled & Unitary Range:
2. Dry Cooling Systems:
    - Air-Cooled Steam Condensers
    - Air-Cooled Heat Exchangers
3. Adiabatic Coolers
4. Components

K. Patel Drives System Pvt Ltd

Age of business: 14 Years

Year of start: 2010

D&B Rating indicates:

Financial Strength Indicator: O
Tangible Net Worth undetermined (accounts unavailable or older than 18 months)
A Risk Indicator which is Fair

D&B rating: O3

K. Patel Drives System Private Limited, established in 2010, is a company based in Ahmedabad, Gujarat, India. It specializes in the manufacture of rubber products, focusing on the production of V-belts and conveyor transmission belts. The company operates within the machinery and equipment industry, providing essential components for various industrial applications. The directors of K. Patel Drives System are Amitaben Kaushikbhai Patel, Kaushik Madhubhai Patel, and Krishna Kaushikbhai Patel.

As informed by Company, it has been working with the above vendor for over 3 years.

Based on the above vendor details, it has been observed that the Vendors selected by Company are known Vendors operating in this industry

Site Visit Observations & Management Discussion

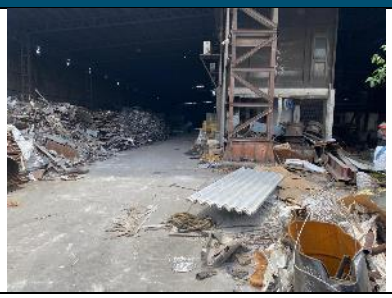
For the purpose of collecting first-hand information and to understand the Company's operations, a team from D&B-India conducted the management discussion with the entity's key executives. The site visit of the proposed unit was conducted by D&B team on 29th June 2024. Team from D&B-India has physically observed key aspects such as site condition, approach and utilities etc.

The site visit Observations,

- The SMS and rolling mill are located in separate blocks because, with stainless steel, there is no need for the direct transfer of hot billets to the rolling mill.
- The SMS section is linear and duly integrated with scrap yard, induction furnace and AOD to facilitate easy movement of man-material and effective control on operations.
- The billets formed are annealed to align the grain structure. Thereafter as per requirement the billets are heated again in reheating furnace and further rolled into bars / bloom.
- The land for the proposed expansion of seamless pipe project is vacant parcel of land within the existing plant. The shape of plot is rectangular thus the land development cost is expected to be minimal possible.
- The existing roads surrounding / within the unit are approximately 9 m wide which is sufficient for easy movement of man and materials. The roads are in good condition.
- The fire-fighting arrangements are adequate.
- Drains for utility and storm water have been provided for effective wastewater discharge. Also, the site is provided with efficient collection of storm water to the lowest point.

Photograph during Site Visit

Following are the pictures taken during the site visit by D&B-India:

Existing Facility Overview		
		
Scrap Yard	Scrap Yard	Raw Materials
		
Furnace Bay	LRF & AOD Area	Billet Yard

		
Bar Mill	Bar Mill	Finished Goods
Proposed Facility Area Allocation within same premises		
		
		

Source: D&B-India Assessment & Company

Technical Conclusion

The technical conclusion is as follows,

- The Company proposes to manufacture the SS Seamless pipes facility at the proposed location. The Company intends to start commercial operation from 1st January (4th quarter of FY2027) considering 15 months of construction post financial closure during September 2025. Stainless steel seamless pipes are manufactured through a process involving hot extrusion or piercing of solid round bar followed by elongation and rolling to achieve the desired dimensions and properties.
- The project location is considered to be appropriate for the proposed plant.
- The proposed technology, manufacturing process and machinery is found to be in line with latest industry trend and as per the proposed product profile.
- The proposed manpower for the project is considered to be sufficient to manage the operations of the plant, post commissioning with the consideration of integrating the existing plant with the new unit.
- As the project is at its initial stage, the Company is in process of obtaining new approval to include the proposed portfolio.

- The overall project cost (excluding margin money, interest during construction period and land cost) is found to be reasonable and in-line with the proposed plan of the Company, as well as industry norms.
- Subject to the above assessment & considering all these critical aspects, **D&B-India is considers that the project is technically feasible**.

Industry Assessment

India Macroeconomic Analysis

GDP Growth Scenario

India's economy demonstrated resilience with an estimated GDP growth of 6.5% in FY2024, marking a return to pre-pandemic growth trajectories. Despite global geopolitical uncertainties impacting energy and commodity markets, India continues to be one of the fastest-growing major economies. Key factors contributing to this robust growth include resilience to external shocks and a significant rebound in private consumption. This resurgence in domestic demand, coupled with a revival in export demand, has led to increased industrial activity. Capacity utilization rates in the manufacturing sector are improving as industries scale up production, potentially ushering in a new capital expenditure (capex) cycle. The government's universal vaccination program has also played a pivotal role in restoring consumer confidence, thereby bolstering private consumption.

Country	Real GDP Growth (2023)	Real GDP Growth 2024	Projected GDP Growth 2025	Projected GDP Growth 2026
India	7.8%	6.5%	6.2 %	6.3%
China	5.2%	5%	4%	4%
Russia	3.6%	4.1%	1.5%	0.9%
Brazil	2.9%	-3%	2%	2%
United States	2.5%	2.8%	1.8%	1.7%
Japan	1.9%	0.1%	0.6%	0.6%
Canada	1.1%	1.5%	1.4%	1.6%
Italy	0.9%	0.7%	0.4%	0.8%
France	0.7%[1]	1.1%	0.6%	1%
South Africa	0.6%	0.6%	1%	1.3%
United Kingdom	0.1%	1.1%	1.1%	1.4%
Germany	-0.3%	-0.2%	0%	0.9%

Source: The International Monetary Fund

Countries considered include - Largest Developed Economies and BRICS (Brazil, Russia, India, China, and South)

Countries have been arranged in descending order of GDP growth in 2023).

Recognizing the need for external stimuli, the government has amplified its infrastructure spending, positively influencing economic growth. The central government's capital expenditure witnessed a 37.4% increase, reaching ₹10 trillion in the Union Budget 2023–24. Additionally, financial assistance to states for capex was raised by 30%, amounting to ₹1.3 trillion. The Interim Budget 2024–25 further announced an 11.1% increase in capital expenditure outlay, totalling ₹11.11 trillion, which constitutes 3.4% of GDP. These measures have instilled confidence in the private sector, attracting increased private investment.

[1] European Commission

On the financial front, the health of major banks has improved, enhancing credit supply. With rising capacity utilization, the corporate sector is expected to demand more credit to fund expansion plans. The banking industry is well-positioned to meet this demand. Notably, credit growth to the micro, small, and medium enterprise (MSME) sector saw a 12.3% increase, with outstanding credit reaching ₹22.6 trillion in FY2023 compared to FY2022. The extended Emergency Credit Linked Guarantee Scheme (ECLGS) by the Union Government has significantly contributed to this credit expansion.

According to the provisional estimates for 2023–24, India's GDP grew by 8.2%, up from 7.0% in the previous fiscal year, driven by strong performances in manufacturing, mining, and construction sectors. This year-on-year growth acceleration is also attributed to robust investment demand, primarily led by public capital expenditure.

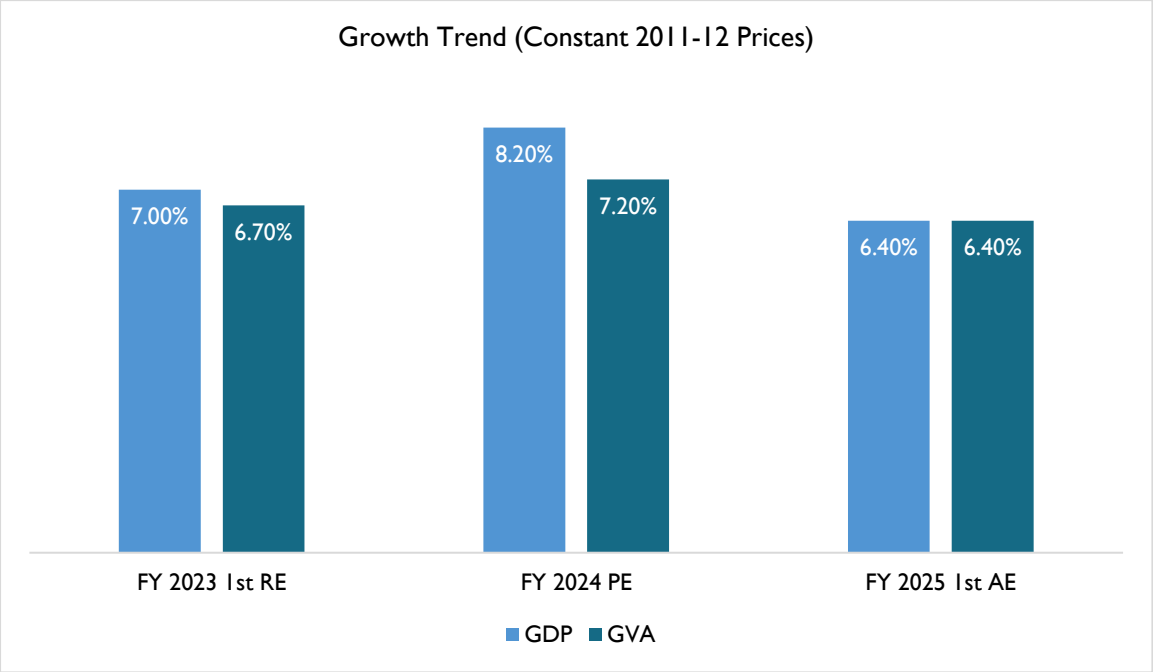
As per International Monetary Fund's World Economic Outlook April 2025, India is set to become the world's fourth largest economy by end of 2025. This achievement is driven by the country's expanding services sector, a rapidly growing technology industry, and strong domestic demand factors that continue to fuel its economic rise. The International Monetary Fund (IMF) projects India's real GDP growth at 6.2% for both FY2025 and FY2026, highlighting the nation's sustained economic momentum despite global challenges.

There are few factors aiding India's economic recovery notably its resilience to external shocks which is supported by solid economic fundamentals, a stable and well-capitalized financial system, a consistent emphasis on sustainable, long-term development and rebound in private consumption. This rebound in private consumption is bringing back the focus on improvements in domestic demand, which together with revival in export demand is a precursor to higher industrial activity. Already the capacity utilization rates in Indian manufacturing sector are recovering as industries have stepped up their production volumes. As this momentum sustains, the country may enter a new capex cycle. The universal vaccination program by the Government has played a big part in reinstating confidence among the population, in turn helped to revive private consumption.

Recognizing the need for external stimuli, the Government of India significantly increased infrastructure spending, positively impacting economic growth. The central government's capital expenditure was raised by 37.4%, amounting to ₹10 trillion in the Union Budget 2023–24. Moreover, financial assistance to states for capex rose by 30%, totalling ₹1.3 trillion. The momentum continued with the Interim Budget 2024–25, which announced an 11.1% rise in capital expenditure to ₹11.11 trillion—equivalent to 3.4% of GDP—instilling greater confidence in the private sector and attracting additional private investment.

On the financial front, the health of major banks particularly Public Sector Banks (PSBs) has significantly improved, enabling a more efficient flow of credit into the economy. The Gross Non-Performing Assets (NPA) ratio of PSBs has declined sharply to 3.12% as of September 2024, down from a peak of 14.58% in March 2018, reflecting strengthened asset quality and effective resolution mechanisms. Also, corporate demand for credit to support expansion is expected to grow. The banking sector is well-prepared to meet this demand. A key indicator of this trend is the 12.3% growth in credit to the micro, small, and medium enterprise (MSME) sector in FY2023, with outstanding credit reaching ₹22.6 trillion. The government's extended Emergency Credit Linked Guarantee Scheme (ECLGS) played a crucial role in this expansion.

According to the second advance estimates for 2023–24, India's GDP grew by 7.6%, up from 7.0%, a significant rise compared to 7.0% GDP and 6.7% GVA in FY 2023 (1st Revised Estimates). This acceleration was primarily supported by robust performances in manufacturing, mining, and construction sectors. The increase also reflects strong investment demand led by public capex. As per the First Advance Estimates for FY 2025, GDP and GVA are both projected to grow at 6.4%, indicating sustained, albeit moderated, economic momentum going forward.

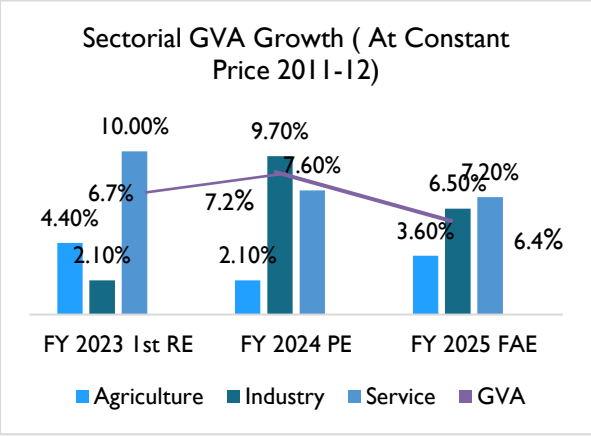


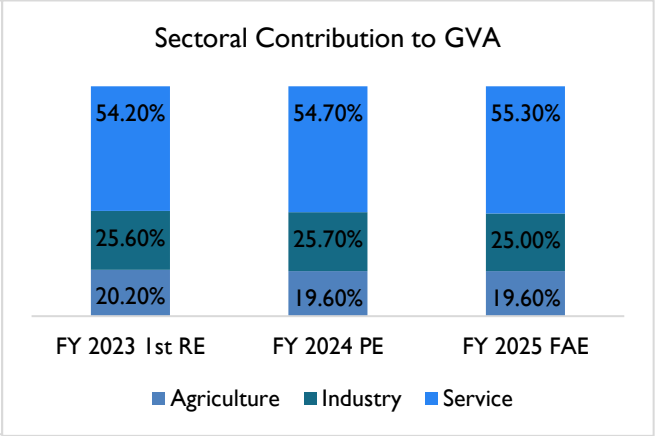
Source: Ministry of Statistics & Programme Implementation (MOSPI), National Account Statistics, 2024-25

RE stands for Revised Estimates, SAE stands for Second Advance Estimates

Note: The figures provided in the latest MOSPI 2025 report are provisional estimates for the year 2024

Sectoral Contribution to GVA and annual growth trend





Source: Ministry of Statistics & Programme Implementation (MOSPI)

Sectoral analysis of Gross Value Added (GVA) highlights a robust recovery in the industrial sector, which recorded a sharp year-on-year increase of 9% in FY 2024, significantly up from 2.1% in the previous fiscal. Within the industrial segment, key sub-sectors such as mining, manufacturing, and construction registered substantial growth of 8.1%, 8.5%,

and 10.7% respectively in FY 2024, compared to 1.9%, -2.2%, and 9.44% in FY 2023. However, the utilities sector saw a slight moderation in its growth trajectory, with a 7.5% y-o-y increase in FY 2024 versus 10% in the previous year. As per the First Advance Estimates for FY 2025, the industrial sector is expected to grow at a slower pace of 6.5%, indicating a possible normalization after a period of strong recovery.

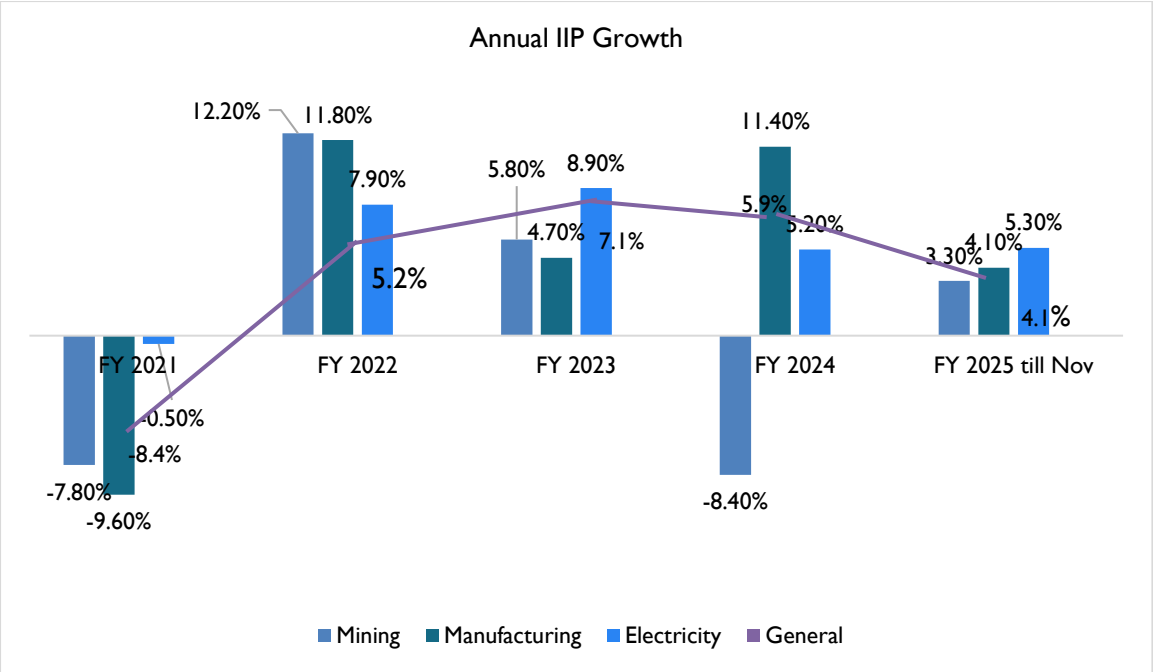
Turning to the services sector, FY 2023 marked a phase of normalization as businesses resumed operations following the easing of COVID-19 restrictions, progress in vaccination efforts, and broader public adaptation to the "living with the virus" approach. As mobility returned to pre-pandemic levels, the services sector provided strong support to economic recovery. The trade, hotel, transport, communication, and broadcasting subsector grew by 10% in FY 2023, up from 9% in FY 2022. However, the momentum slowed in FY 2024, with overall service sector growth moderating to 7.5%, down from 10% in FY 2023. This decline was primarily driven by a sharp deceleration in the Trade, Hotel, Transport, Communication, and Broadcasting segment, where growth fell from 12% in FY 2023 to 6.5% in FY 2024—likely influenced by the normalization of the base effect and reduced discretionary spending. Financial services, real estate, and professional services posted a y-o-y growth of 8.21% in FY 2024 compared to 9.05% in the prior year, while public administration and defense services grew by 7.75%, down from 8.92% in FY 2023. For FY 2025, the services sector is projected to maintain moderate momentum, with an estimated growth of 7.2% as per the advance estimates.

Meanwhile, the agriculture sector exhibited modest performance, recording 4.4% growth in FY 2023 before slipping to 2.1% in FY 2024. The sector is expected to see a slight recovery in FY 2025 with a growth estimate of 3.6%. Overall, the GVA growth rate stood at 6.7% in FY 2023, rose to 7.2% in FY 2024, and is anticipated to moderate to 6.4% in FY 2025 according to the latest estimates, suggesting a broadly balanced yet slightly decelerating growth trend across sectors.

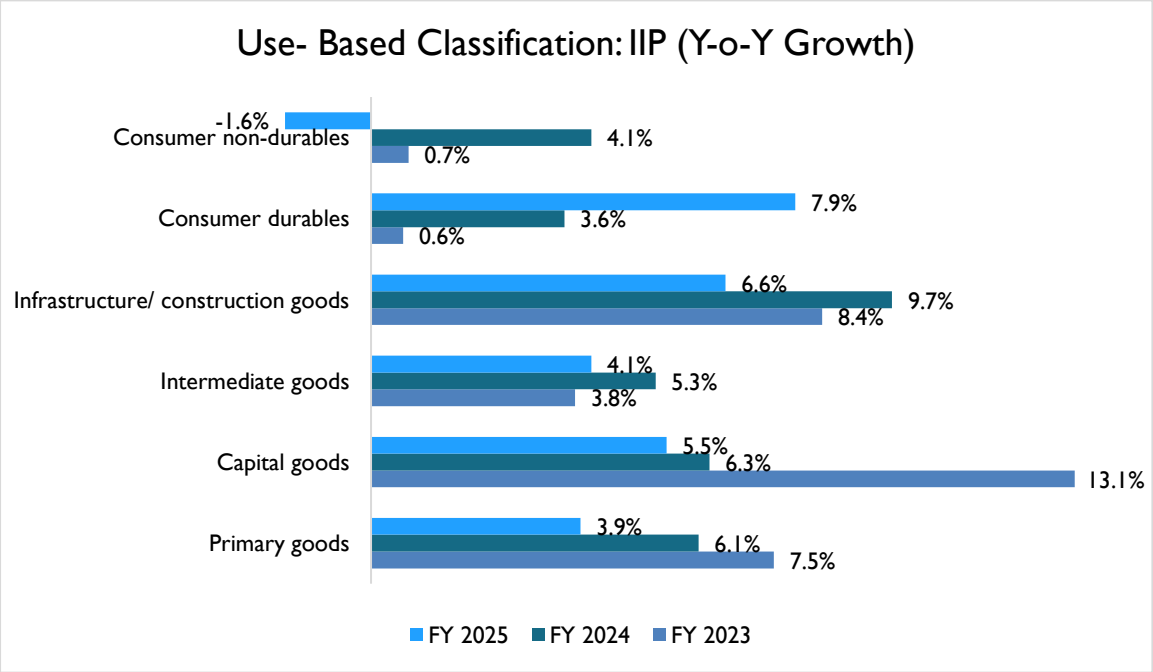
Index of Industrial Production

The performance of the industrial sector, as measured by the Index of Industrial Production (IIP), showed a mild improvement in FY 2024, growing by 5.8% compared to 5.2% in FY 2023. The manufacturing index, which holds a weightage of 77.6% in the overall index, expanded by 5.5% in FY 2024 against 4.7% in the previous fiscal year. The mining sector also recorded a notable uptick with a growth of 7.5% in FY 2024, up from 5.8% in FY 2023. Meanwhile, the electricity sector saw a slight moderation, growing at 7.15% in FY 2024 compared to a higher 8.9% growth in FY 2023.

As per the latest data available for FY 2025 (till November), the industrial sector's momentum has somewhat moderated. The mining, manufacturing, and electricity indices registered growth of 3.3%, 4.1%, and 5.3% respectively during this period, indicating a slowdown across key segments.



Source: Ministry of Statistics & Programme Implementation (MOSPI)



Sources: MOSPI

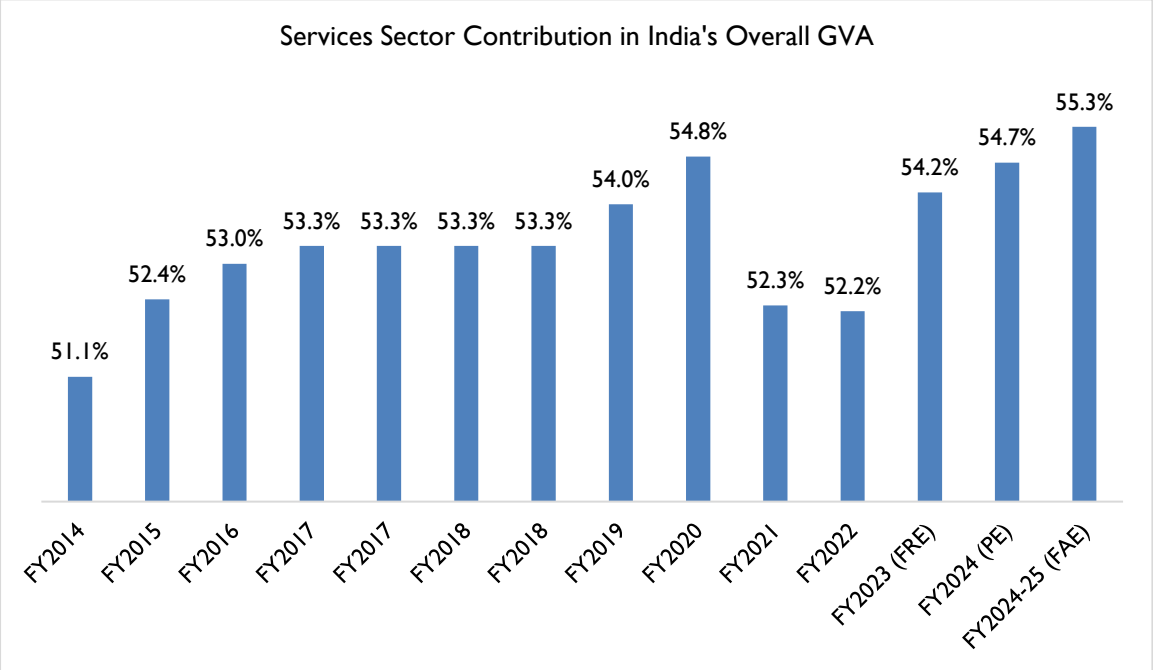
From a use-based classification perspective, FY 2024 saw mixed trends. Capital goods grew by 6.3% and primary goods by 6.1%, while intermediate goods and infrastructure/construction goods performed strongly at 5.3% and 9.7%, respectively. Consumer durables and non-durables registered growth rates of 3.6% and 4.1%, respectively, showing a marked recovery from near-stagnant levels in FY 2023.

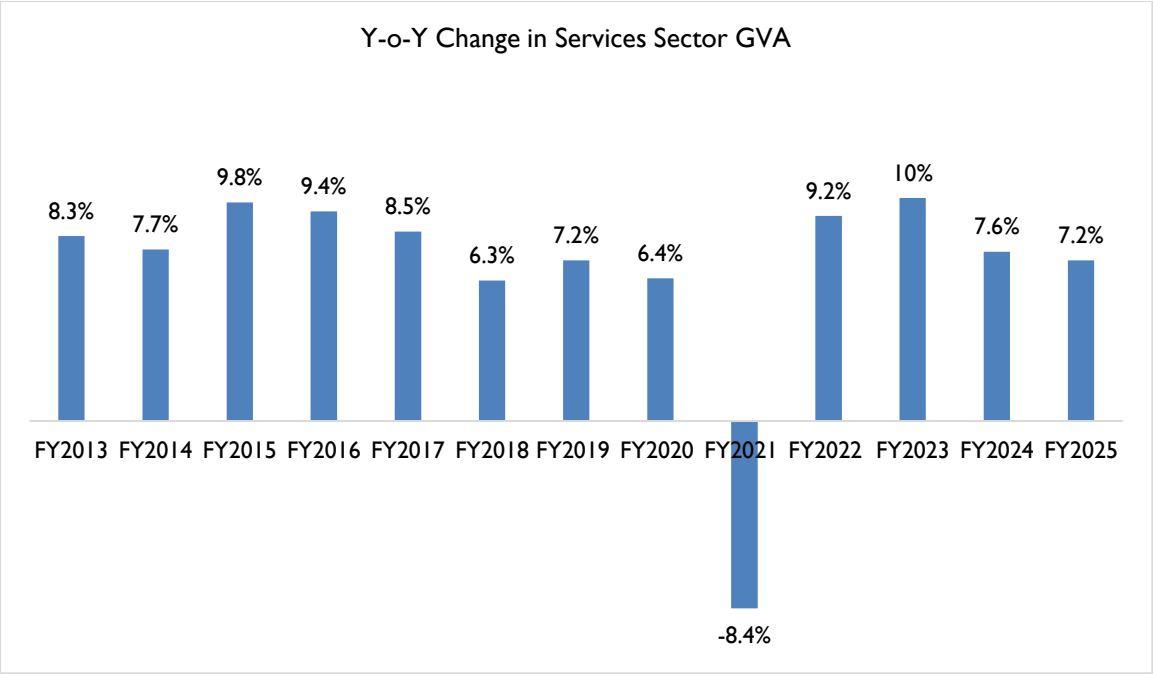
In FY 2025 (till November), trends have diverged across segments. Primary goods grew by 3.9%, capital goods by 5.5%, and intermediate goods by 4.1%. Infrastructure/construction goods maintained relative strength with 6.6% growth. Notably, consumer durables surged to 7.9%, reflecting strong discretionary demand, while consumer non-durables contracted by 1.6%, pointing to subdued rural or essential consumption demand.

Despite some segments registering decent growth, the overall mild increase in IIP underscores persistent challenges in the industrial operating environment. Global headwinds, high inflation, and a tight monetary policy framework appear to have constrained broader industrial momentum. Nonetheless, improvements in infrastructure-linked and investment-driven goods offer some optimism for a more resilient industrial recovery going forward.

Expansion in Service Sector

The services sector continues to be a major pillar of India's economic growth. Since 2012, its contribution to India's Gross Value Added (GVA) has risen significantly—from 49% to 55.3% as per the First Advance Estimates for FY 2024–25, highlighting its growing dominance. Excluding the pandemic-induced contraction of 8.4% in FY 2021, the services sector has recorded an average annual growth of 8.2% between FY 2013 and FY 2024. Moreover, it has demonstrated a stronger post-pandemic recovery with an average growth of 8.8% during FY 2022–24. Although the growth rate moderated slightly to 7.6% in FY 2024 and further to 7.2% in FY 2025 (as per the latest provisional data), the sector's momentum remains resilient.



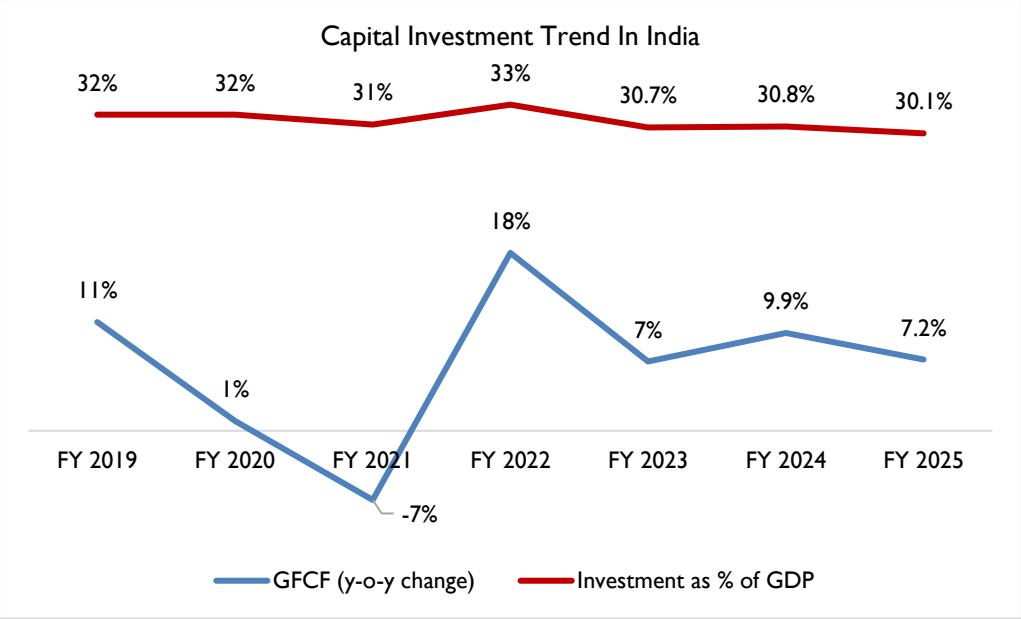


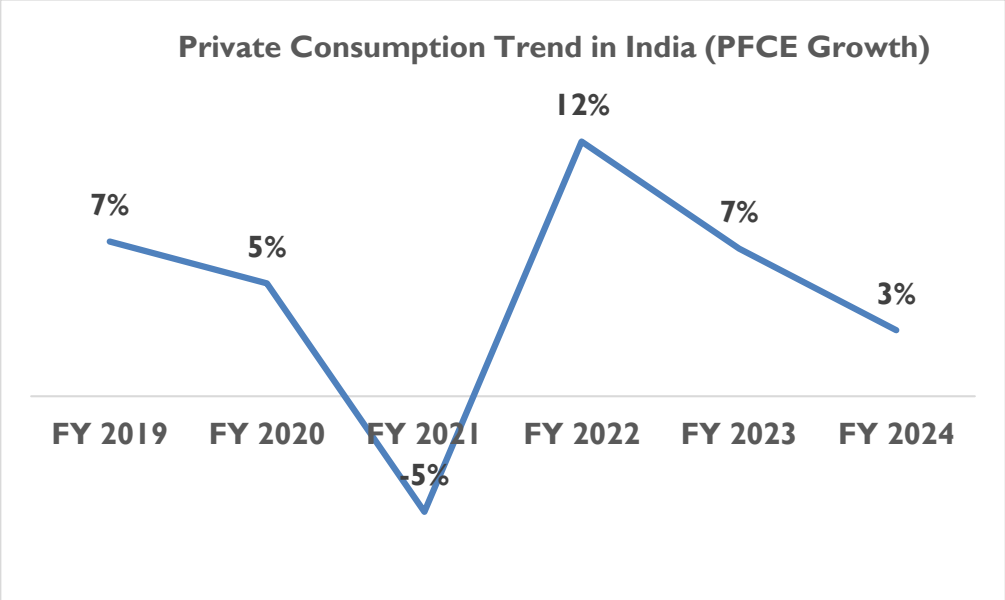
Source: Ministry of Statistics & Programme Implementation (MOSPI)

The expansion of this sector has catalysed the development of several high-growth industries such as information technology, healthcare, tourism, transport, and financial services. Notably, HSBC India Services Purchasing Managers' Index (PMI), a key barometer for service sector activity, rose to 61.4 in May 2024, up from 60.8 in April 2024, indicating strong growth. The index has consistently remained above the 50-mark since August 2021, underscoring sustained expansion in the sector.

Investment & Consumption Scenario

Other major indicators such as Gross Fixed Capital Formation (GFCF), a key measure of investment activity, gained further strength in FY 2024, registering a 9.9% year-on-year growth compared to 7% in FY 2023. However, the momentum slightly moderated in FY 2025, with GFCF growing at 7.2% y-o-y. Despite this deceleration, investment activity remained relatively robust. The investment-to-GDP ratio, which had touched a high of 34% in FY 2022, stood at 30.8% in FY 2024 and slightly softened to 30.1% in FY 2025, indicating sustained but cautious investment sentiment.





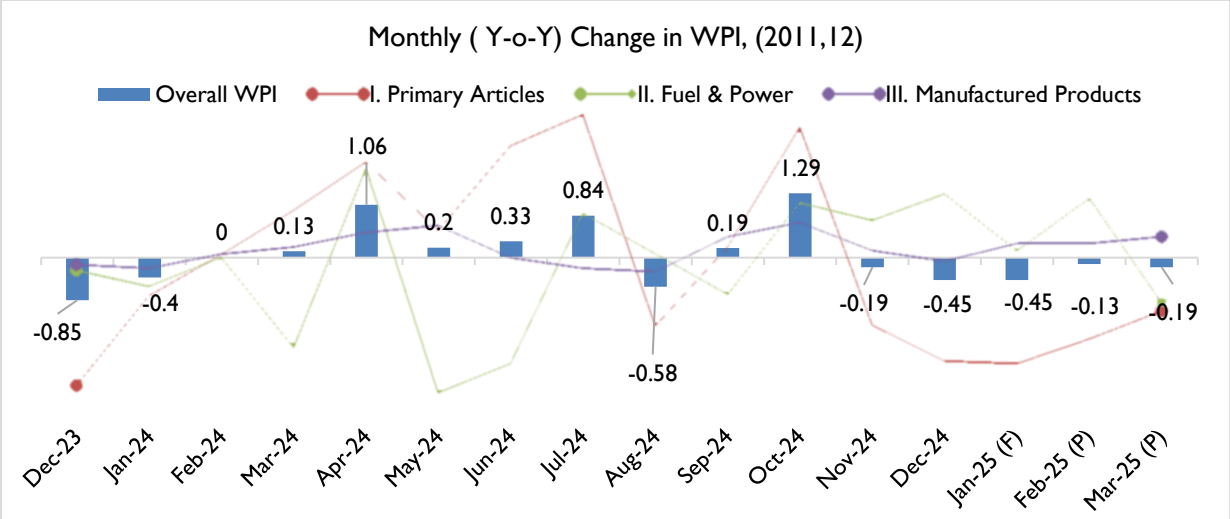
Sources: MOSPI

Private Final Expenditure (PFCE) a realistic proxy to gauge household spending, observed decelerated and registered 3.1% y-o-y growth in FY 2024 which is less than half of the previous year indicating sustained weakness in consumer spending.

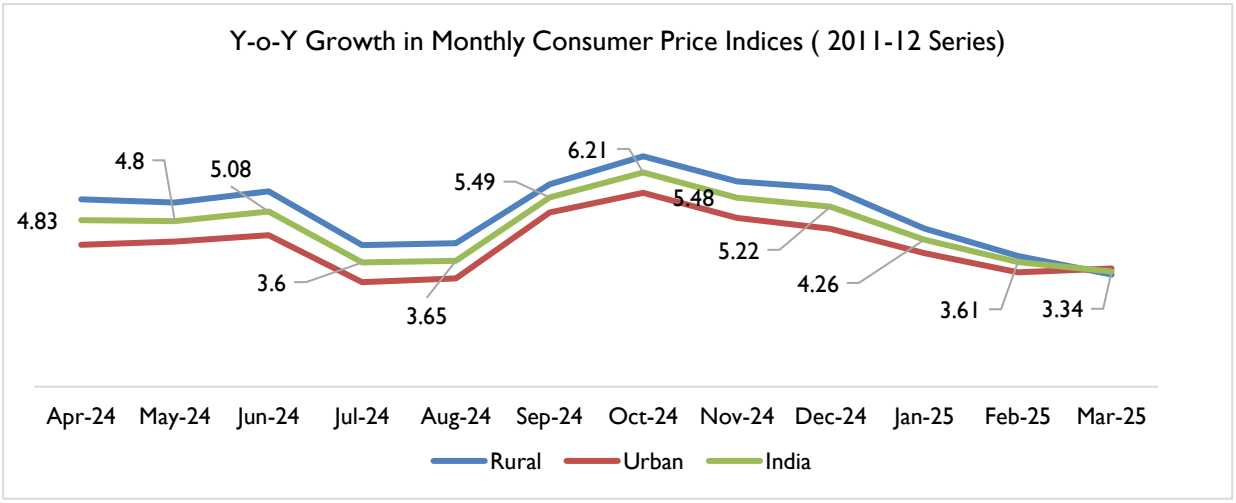
Inflation Scenario

The inflation rate based on Wholesale Price Index (WPI) exhibited a rise to 1.3% in the month of April 2024 on the back of steady growth in the prices of primary articles which grew by 5% in April 2024 on y-o-y basis. Increasing prices of food articles and energy prices contributed to increasing inflation. WPI inflation remained volatile in the following month, moderating to 0.2% in May 2024, then rising to 0.84% in July, before slipping into deflation again at -0.58% in August 2024. It rebounded to 1.29% in October but turned negative again by March 2025 at -0.19%.

Retail inflation rate (as measured by Consumer Price Index) eased to 4.83% in April 2024 as compared to 4.85% in March 2024.



Source: MOSPI, Office of Economic Advisor.

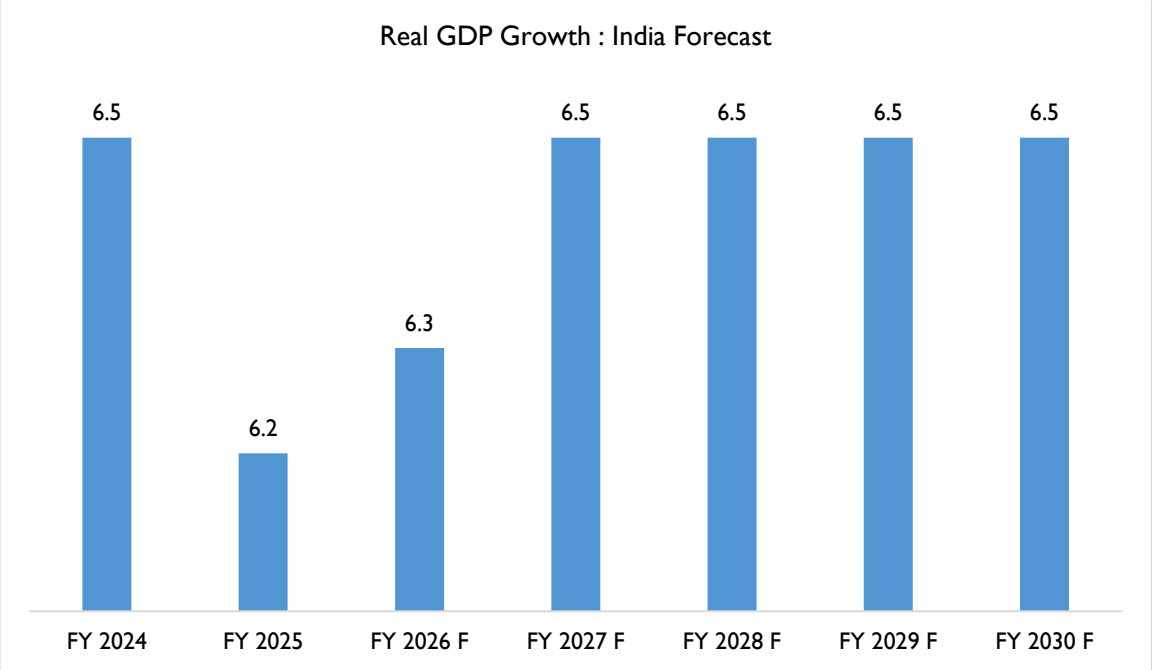


Source: Ministry of Statistics & Programme Implementation (MOSPI)

The CPI inflation for rural and urban for the month of April 2024 was 5.43% and 4.11% against 5.51% and 4.14% respectively in March 2024. Retail inflation moderated during FY 2024 after the peak of 7.4% in July 2023 and it fluctuated between 4.85%-6.83%. CPI measured below 6% tolerance limit of the central bank since September 2023 and continued to remain within the limit till March 2025, with the headline inflation easing further to 3.34% in March 2025 (3.25% rural and 3.43% urban). As a part of anti-inflationary measure, the RBI has hiked the repo rate by 250 bps since May 2022 to the current level of 6.0% while it has been holding the rate at 6.5% since 8 Feb 2023.

India's Economic Growth Outlook

Looking ahead to 2025, India's projected GDP growth of 6.2% in 2025 stands out as the fastest among major emerging markets, This robust growth trajectory is expected to sustain at 6.3% in 2026, and return to 6.5% annually from 2027 to 2030, reflecting strong economic fundamentals and continued momentum.



Source: IMF

This decent growth momentum in near term (2024) is accompanied by a slowdown in inflation, as well as various other factors in the medium to long term that will support the economy. These include enhancements in physical infrastructure, advancements in digital and payment technology, improvements in the ease of doing business and a higher quality of fiscal expenditure to foster sustained growth.
On the demand side, improving employment conditions and moderating inflation are expected to stimulate household consumption. Further, the investment cycle is gaining traction, propelled by sustained government capital expenditure, increased capacity utilisation and rising credit flow. Additionally, there are positive signs of improvement in net external demand, as reflected in the narrowing merchandise trade deficit. Despite the supply disruptions, exports clocked positive y-o-y growth in December 2023 and January 2024.

From uplifting the underprivileged to energizing the nation's infrastructure development, the Government has outlined its vision to propel India's advancement and achieve a 'Viksit Bharat' by 2047 in the interim budget announced on 1st Feb 2024. Noteworthy positives in the budget include achieving a lower-than-targeted fiscal deficit for FY24 and setting a lower-than expected fiscal deficit target for FY25, proposing dedicated commodity corridors and port connectivity corridors, providing long-term financing at low or nil interest rates to the private sector to step up R&D in the sunrise sectors.
Achieving a reduced fiscal deficit of 5.8% in FY24 and projecting a lower-than-anticipated fiscal deficit of 5.1% for FY25 are positive credit outcomes for India. This showcases the country's capability to pursue a high-growth trajectory while adhering to the fiscal glide path. There has been a significant boost to capital expenditure for two consecutive years; capital expenditure – which is budgeted at 3.4% of GDP (INR 11.1 trillion/USD 134 bn) for 2024/25 – is at a 21-year high (3.3% of GDP in 2023/24). The enhancement of port connectivity, coupled with the establishment of dedicated commodity corridors (energy, mineral and cement), is poised to enhance manufacturing competitiveness. This strategic move aims to fulfil India's export targets and reduce logistics costs.

However, headwinds to external demand emanate from recession in key exporting partners - the UK and Germany (which collectively account for over 5% of India's export portfolio in FY 2024) - and the spiralling effect it will have on other European countries. Supply disruptions posed by the conflict in the Red Sea, leading to rerouting of shipments through Africa, are impacting sectors exposed to exports to Europe, running on thin margins, especially small businesses. Although headline inflation moderated to 5.1% in January 2024, a three-month low, volatility in crude prices and uncertainties about food inflation are likely to keep the central bank cautious in the near term.

India's optimistic economic outlook is underpinned by its demographic dividend, which brings a substantial workforce that boosts labor participation and productivity. The burgeoning middle class and urbanization contribute to increased domestic consumption, driven by rising incomes and purchasing power. Extensive investments in infrastructure, encompassing roads, railways, ports, and digital connectivity, are enhancing productivity and efficiency, with government initiatives like the Smart Cities Mission and PM Gati Shakti creating a conducive growth environment. This digital transformation, catalyzed by initiatives such as Digital India, is fostering a tech-driven economy marked by enhanced internet penetration, digital payments, and e-governance, thereby fueling growth in sectors like fintech, e-commerce, and digital services. The push to position India as a global manufacturing hub through Make in India and PLI schemes is further boosting industrial output, exports, and domestic production capabilities. Compared to other major emerging markets facing demographic and economic challenges, India's combination of demographic strengths, policy reforms, and strategic initiatives positions it as a standout performer and a significant driver of global economic growth in the foreseeable future.

Some of the key factors that would propel India’s economic growth

Government focus on infrastructure development & Road Infrastructure Improvement

Infrastructure development has remained recurring theme in India’s economic development. The launch of flagship policies like National Infrastructure Pipeline (NIP), and PM Gati Shakti plan have provided the coordination & collaboration that was lacking earlier. Both NIP and PM Gati Shakti are ambitious billion-dollar plans that aim to transform India’s infrastructure, elevating it to the next level. These projects are expected to improve freight movement, debottleneck the logistics sector, and improve the industrial production landscape, which would provide the incremental growth in GDP India's growing economic activities are propelling the development and expansion of road infrastructure across the nation. As the Indian economy continues its robust growth trajectory, it relies heavily on the presence of efficient transportation networks to facilitate the movement of goods and people. Roads play a vital role in opening areas and stimulating economic and social development and growth of several allied industries including lithium-ion batteries application in several sector.

Development of Domestic Manufacturing Capability

The Government launched Production Linked Incentive (PLI) scheme in early 2020, initially aimed at improving domestic manufacturing capability in large scale electronic manufacturing and gradually extended to other sectors. At present it covers 14 sectors, ranging from medical devices to solar PV modules. The PLI scheme provides incentives to companies on incremental sales of products manufactured in India. This incentive structure is aimed to attracting private investment into setting up manufacturing units and thereby beef up the domestic production capabilities. The overall incentives earmarked for PLI scheme is estimated to be INR 2 lakh crore. If fully realized,

the PLI scheme would have the ability to add nearly 4% to annual GDP growth, by way of incremental revenue generated from the newly formed manufacturing units.

Strong Domestic Demand

Domestic demand has traditionally been one of the strong drivers of Indian economy. After a brief lull caused by Covid-19 pandemic, the domestic demand is recovering. Consumer confidence surveys by Reserve Bank / other institutions are points to an improvement in consumer confidence index, which is a precursor of improving demand. India has a strong middle-class segment which has been the major driver of domestic demand. Factors like fast paced urbanization and improving income scenario in rural markets are expected to accelerate domestic demand further. This revival is perfectly captured by the private final consumption expenditure (PFCE) metric. PFCE as a percentage of GDP increased to nearly 59.2% during the first half of FY 2023F[2], which is the highest level it has achieved during the past few years. Although pent-up demand has played a part in this surge, this is an indication of normalization of demand. There are two factors that are driving this domestic demand: One the large pool of consumers and second the improvement in purchasing power. As per National Statistics Office (NSO) India's per capita income (in current prices) stood at INR 1.72 lakhs in FY 2023 which is nearly double of what it was in FY 2015. This increase in per capita income has impacted the purchasing pattern as well as disposable spending pattern in the country. Consumer driven domestic demand is majorly fueled by this growth in per capita income.

Digitization Reforms

Ongoing digitization reforms and the resultant efficiency gains accrued would be a key economic growth driver in India in the medium to long term. Development of digital platforms has helped in the seamless roll out of initiatives like UPI, Aadhaar based benefit transfer programs, and streamlining of GST collections. All of these have contributed to improving the economic output in the country. Some of the key factors that have supported the digitization reforms include – the growth in internet penetration in India together with drop in data tariffs, growth in smartphone penetration, favourable demographic pattern (with higher percentage of tech savvy youth population) and India's strong IT sector which was leveraged to put in place the digital ecosystem. All these factors are expected to remain supportive and continue to propel the digitization reforms in India.

Increased adoption of digital technology and innovation, inclusive and sustainable practices, business-friendly and transparent regulations, and heightened corporate research and development (R&D) investments will further bolster the country's growth. These factors will collectively support employment growth across both private and public sectors, including micro, small, and medium enterprises (MSMEs).

Product Overview Steel & Stainless Steel

Steel is an alloy of iron and carbon, containing less than 2% carbon, 1% manganese, and small amounts of silicon, phosphorus, Sulphur, and oxygen. Steel is the most important engineering and construction material in the world on account of its functionality and adaptability. Steel is manufactured through to the following two processes:

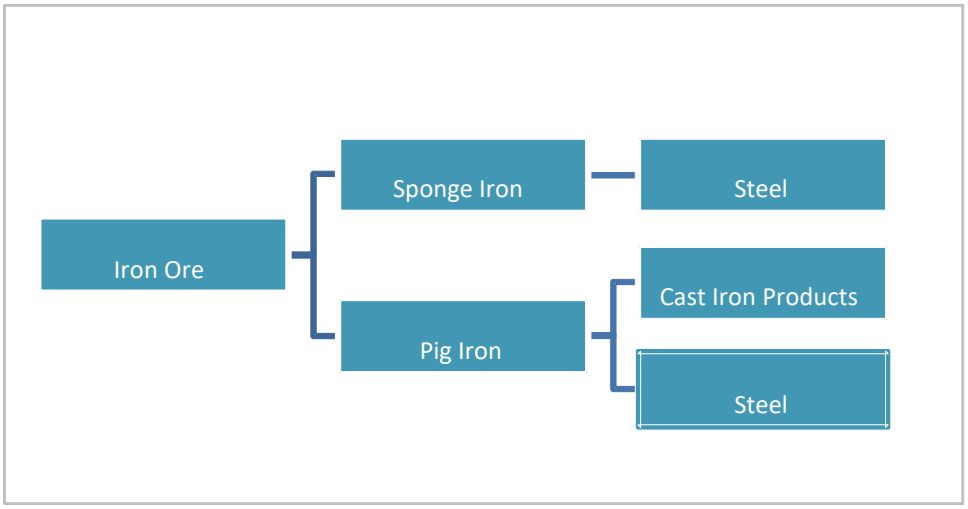
- **Conventional method: Blast furnace (BF) and basic oxygen furnace (BOF)**

[2] India Economic Survey FY 2023, Full year data is yet to be released.

(Input: Iron ore + coke+ limestone) ==> Blast furnace ==> Basic oxygen furnace ==> (Crude steel) ====> continuous caster

- **New Method: Electric Arc Furnace (EAF)**

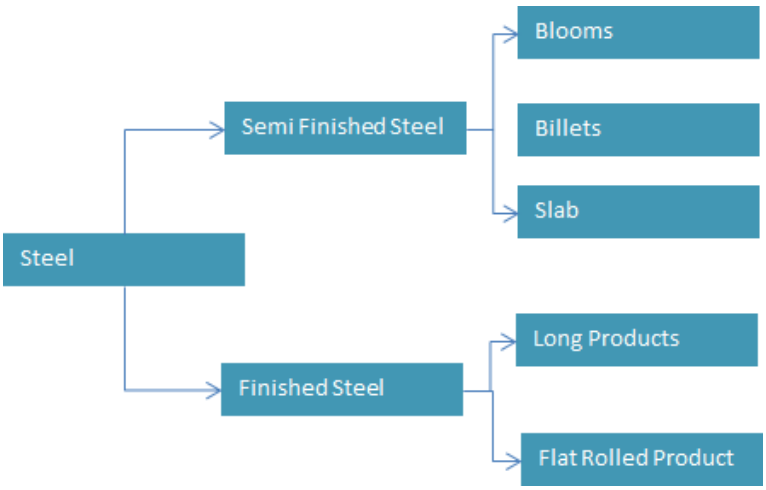
Iron ore pellets ===> DRI/Sponge /Scrap/Pig Iron ===> EAF===> (Crude steel) ===> continuous caster



Source: Dun & Bradstreet Research

BF and BOF method on an average involves the use of 1,400 kg iron ore (use to produce "pig iron" which is one of the major raw materials to produce steel), 770 kg of coal, 150 kg of limestone, and 120 kg of recycled steel to produce a tonnes of crude steel while EAF route uses 880 kg of recycled steel or DRI, 150 kg of coal and 43 kg of limestone to produce a tonnes of crude steel.

Classification of Steel Products



Semi-finished steel products: These are intermediary products manufactured by continuous casting of liquid steel, which is further subjected to further processing to manufacture finished steel products.

Finished steel products: Include two broad category of products – long and flat steel products. Long steel products are made from blooms and ingots while flat rolled steel products are made from slabs.

Finished Steel Products Steel Products		
Long Steel Products	**Flat Steel Products**	**Construction Products**
Bars & Rods (Billets, TMT Bar, Rebar etc.); Specialty Steels and Bar	Hot Rolled, Cold Rolled	• Structural Steel
Wire Rod, Wire	Pre-finished Steels	• Floors
Special Profiles	Strips – Wide and Narrow Strips	• Walls
Angles, Shapes and Sections	Electro Plated Steels	• Roofs
Rail Material	Electrical Steels	• Modular
Wires	Tubes	•

Steel is mainly of two types – alloy and non-alloy (carbon steel). Alloy steel is divided into low alloy steel and high alloy steel where stainless steel is a type of high alloy steel. Alloy steel includes stainless steel and other steel types such as tool steel and heat-resistant steel.

Stainless Steel

Stainless Steel is a value-added product with high corrosion resistant properties. For steel to have properties generally referred to as "stainless", it must have over 10.5% Chromium content. Other notable elements that are included in stainless-steel include nickel, molybdenum, and titanium. Higher levels of Chromium and additions of other alloy elements (Nickel, Molybdenum, etc.) enhance the corrosion resistance. Compared to traditional steel, stainless-steel has higher resistance to corrosion, superior aesthetic finish and higher life span. These features have helped in increasing the popularity of stainless-steel across the world. High recyclability, resistance to corrosion and low maintenance properties has made stainless steel a preferred metal for application in diverse sectors railway, metro project, process industries, bridges, nuclear, airport, transportation, kitchenware etc.

The different types of stainless steel are as follows:

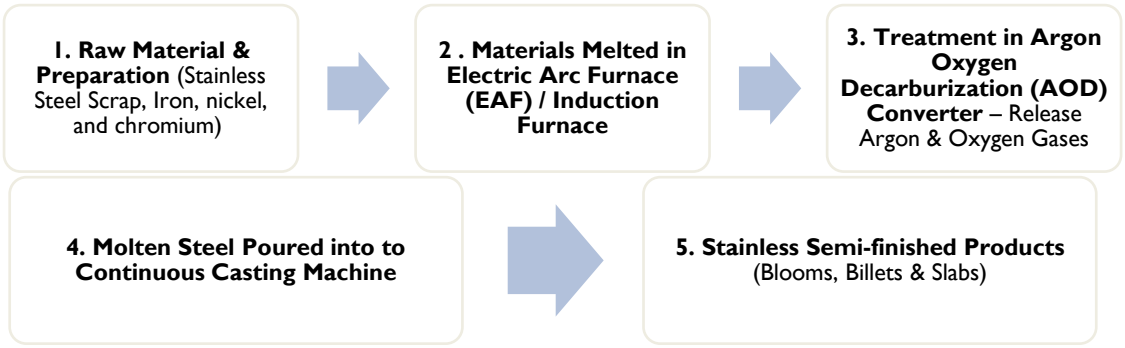
Three Distinct Series of Stainless Steel & their composition			
	200 series	**300 series**	**400 series**
Manganese	5.5 - 12%	2% maximum	1% maximum
Nickel	1 - 6%	6 - 22%	0.75% maximum
Chromium	10.5 - 20%	15 - 25%	10.5% minimum
Copper	1.5 - 2.5%	None	None
Iron	Balance	Balance	Balance

Source: D&B India Research

With nearly 55% share, Cr-Ni grade (300-series) account for majority share in overall SS production.

Process for Semi-finished Stainless-Steel Products

The manufacturing process for Stainless steel production involves melting raw materials in an electric or induction furnace, followed by refining in an AOD converter to remove impurities. The molten steel is then continuously cast into semi-finished forms like blooms, billets, and slabs.



1. Raw Material & Preparation: The process begins with the collection and preparation of raw materials, which primarily include stainless steel scrap, iron, nickel, and chromium. These elements are essential for achieving the desired chemical composition of stainless steel.

2. Melting in Furnace: The prepared raw materials are melted in either an Electric Arc Furnace (EAF) or an Induction Furnace. This step is critical to converting solid metallic inputs into a molten state, allowing for further refinement and alloying.

3. Argon Oxygen Decarburization (AOD) Treatment: The molten steel undergoes treatment in an AOD converter, where argon and oxygen gases are injected to reduce carbon content and remove unwanted impurities. This process ensures enhanced purity and corrosion resistance of stainless steel.

4. Continuous Casting: The refined molten steel is then poured into a continuous casting machine. This equipment shapes the molten steel into solid forms in a continuous process, improving efficiency and consistency.

5. Stainless Semi-finished Products: The final output of the process includes semi-finished stainless-steel products such as blooms, billets, and slabs. These intermediate forms are used as inputs for further processing into finished goods like tubes, sheets, and bars.

Product mapping of various finished and semi-finished Stainless-Steel product

Like steel, Semi-finished steel products are manufactured and made available in several format to meet the different end-use demand.

Product Type	Product Brief and Specification	Product Application

Round Bright Bar	Comprehensive range of grades and sizes, corrosion resistance, high tensile strength, improved machining properties, high ductility. Sizes range from various diameters.	Railways, electric motors and pumps, agriculture, automobiles, hoses and fittings, mining, shaft making, and miscellaneous fabrication jobs.
Square Bar	Stainless steel, robust, strength, wear resistance, sizes from 16 mm to 55 mm, tolerance standards DIN 671 and ASTM A484. Lengths from 1 meter to 6 meters.	Agriculture, oil and gas, construction, mining, transportation, and storage sectors.
Hexagonal Bright Bar	Durable, strength, corrosion resistance, sizes from 6 mm to 100 mm, lengths from 3 to 9 meters, strict tolerance standards such as DIN 671 and ASTM A484. Bright finish.	Construction, manufacturing, chemical, and pharmaceutical sectors.
HRAP Flat Bar	Hot rolled, annealed, pickled. Sizes from 22 mm to 150 mm in width, 5 mm to 50 mm in thickness. Lengths from 3.00 meters to 6.70 meters, straightness tolerance of 1 mm per meter.	Construction, fabrication, architectural sectors, and engineering applications.
Round Corner Squares	Stainless steel with curved corners, sizes from 18 mm to 100 mm, ASTM A484 size tolerances. Lengths from 3.00 meters to 6.70 meters, bright or polished finishes.	Construction, fabrication, and architectural sectors.
Hot Rolled Round Bars	Diameters from 16 mm to 125 mm (5/8" to 5"), ASTM A484 size tolerances, lengths from 3.00 meters to 6.70 meters (10 feet to 22 feet). Hot rolled finish.	Construction, engineering, automotive industries, manufacturing shafts, gears, and axles.
Wire Rods	Sizes from 5.5 mm to 39.5 mm, lengths from 3.00 to 6.70 meters (10 to 22 feet). Various finishes including hot rolled, annealed and pickled, bright drawn, made from grades - 304, 316, 316L, 410, and 430.	Shipbuilding, agriculture, petroleum, automobile, welding electrode manufacturing, bright bars.
Cold Drawn Flat Bars	Produced by drawing a metal bar through a die. Widths from 40 mm to 100 mm, thicknesses from 4.76 mm to 25.4 mm. Lengths from 2 meters to 6 meters (8 to 20 feet). Cold drawn and belt polished.	Construction, engineering, and manufacturing industries, screw machines, CNC lathes, hydraulic fittings.
Precision Shaft Quality Bars	Specialized for high-precision applications. Diameters from 6 mm to 75 mm. Ground and polished surfaces, high diametrical tolerances.	Pump shafting, cylinder shafts, boat shafts, piston shafts, valve shafts, bearing bars.

Forged & Proof Machined Bars	Forged and machined for precise dimensions and smooth surface finish. Diameters up to 170 mm, lengths from 3 meters to 6 meters, various surface finishes.	Construction, engineering, manufacturing industries, shafts, axles, gears, and bearings.
Threaded Bars	Long metal rods threaded on both ends or along their entire length. Diameters up to 170 mm, lengths from 1 meter to 6 meters, various surface finishes.	Construction, plumbing, electrical, automotive industries, fastening and securing materials.
Continuous Cast Billets	Semi-finished products made from liquid steel solidified into a continuous strand. Sizes up to 170 mm in diameter, lengths from 1 meter to 6 meters, various surface finishes.	Construction, plumbing, electrical, automotive industries.

Seamless Pipes

Steel pipes are of two types namely - welded pipes or seamless pipes. For manufacturing of both types of pipes, raw material is first cast into ingots and then made into a pipe by stretching the steel out into a seamless tube or forcing the edges together and sealing them with a weld.

Seamless pipes are without a seam or a weld-joint and made from a solid round steel billet which is heated and pushed or pulled over a form until the steel is shaped into a hollow pipe. The common methods of manufacturing include the Mandrel Mill process and the Mannesmann Plug Mill Process. In both the methods, raw steel is first cast into a more workable starting form such as hot billet or flat strip. It is then made into a pipe by stretching the hot steel billet out into a seamless pipe or forcing the edges of flat steel strip together.

Seamless pipes are manufactured through a process where a solid cylindrical billet is heated and pierced to create a hollow tube. Seamless piping fabrication involves cutting and fitting these seamless pipes into the required configuration, often using fittings for specific bends or connections.

The demand for seamless pipes and tubes in India remains robust due to their vital role in industries like oil and gas, petrochemicals, infrastructure, and automotive. Economic growth, urbanization, and government infrastructure initiatives further fuel this demand, along with rising investments in renewable energy and other growth sectors, solidifying their essential position in India's industrial landscape.

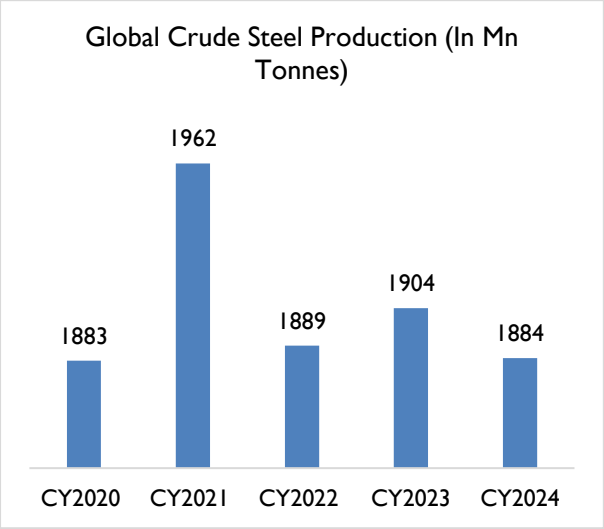
Globally, 10% of the steel produced is estimated to be converted to tubes. Higher demand for oil & gas and chemical & petrochemical industry – two of the largest consumers of steel pipes and tubes – is driving the demand across the world.

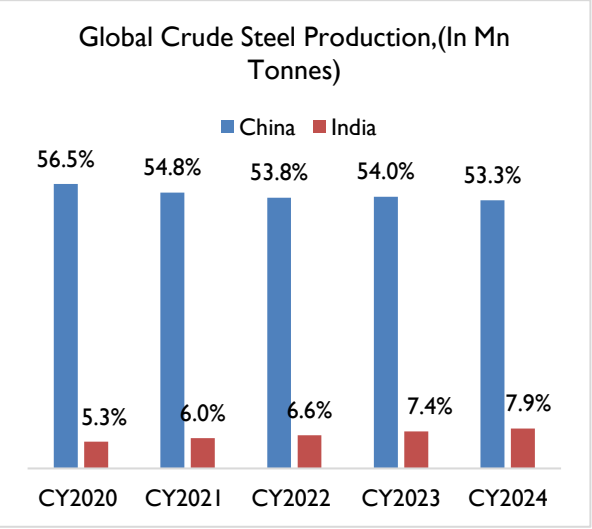
The estimate that approximately 10% of total steel production is converted into tubes is based on insights compiled from multiple industry sources. The sources refer to an approximation as correct data is not collected at a global level.

Global Steel Production Trends

From CY2020 to CY2024, the global crude steel industry witnessed a period of volatility and subdued growth, with production figures fluctuating between 1,883 million tonnes and 1,962 million tonnes. The compound annual growth rate (CAGR) over this five-year span was approximately 0.1%, reflecting the industry's sluggish expansion amid numerous global challenges. The COVID-19 pandemic in CY2020 triggered a sharp decline in output to 1,883 million tonnes as global lockdowns and economic slowdowns disrupted industrial activity. This was followed by a strong rebound in CY2021, when production peaked at 1,962 million tonnes, registering a year-on-year growth of 4.2%. However, the recovery momentum was short-lived, with output declining to 1,889 million tonnes in CY2022 and fluctuating slightly thereafter, settling at 1,884 million tonnes in CY2024.

China continued to dominate the global steel landscape, although its crude steel output declined from 1,064 million tonnes in CY2020 to 1,005 million tonnes in CY2024. Despite this decrease, China's share in global crude steel production remained significant, averaging around 53.3% in CY2024, down from 56.5% in CY2020, due to its robust industrial ecosystem, competitive cost structure, and sustained investments in infrastructure. However, its leadership is increasingly influenced by domestic policy shifts, including stricter environmental regulations and carbon reduction targets. India, meanwhile, solidified its position as the world's second-largest crude steel producer, with production rising steadily from 100 million tonnes in CY2020 to 149 million tonnes in CY2024. Correspondingly, India's share of global production grew from 5.3% to 7.9% during this period. This upward trajectory highlights India's growing role in the global steel industry, supported by a surge in domestic demand, capacity expansions, and government initiatives aimed at boosting industrial and infrastructure development.





Source: World Steel Association
As the current year is ongoing (CY 2025), the latest data for 2025 is not yet available

Global Seamless Stainless-Steel Pipes and Tubes

The global Seamless Stainless-Steel Pipes and Tubes Market size was valued at USD 62.54 Billion in 2024 and is forecasted to grow at a CAGR of 4.8% from 2026 to 2033, reaching USD 86.83 Billion by 2031.

The market for seamless stainless-steel pipes and tubes is expected to experience significant growth, fueled by rising demand across industries such as oil & gas, chemicals, and automotive, as well as ongoing infrastructure

development. This upward trend is supported by increased investments in construction and energy sectors. The superior characteristics of seamless stainless steel—such as high durability, corrosion resistance, and enhanced performance compared to welded alternatives—are key drivers of its growing preference. Additionally, the material's recyclability and long service life align well with tightening environmental regulations. Technological advancements in manufacturing, especially for high-pressure applications, are further propelling its adoption. Emerging economies are playing a larger role in shaping global market trends, creating new avenues for expansion. The integration of automation and smart technologies in production processes is also contributing to the sector's transformation.

Challenges Impacting Global Steel Production

Despite the leadership of major producers like China and India, several factors have contributed to the global slowdown in steel production. These include:

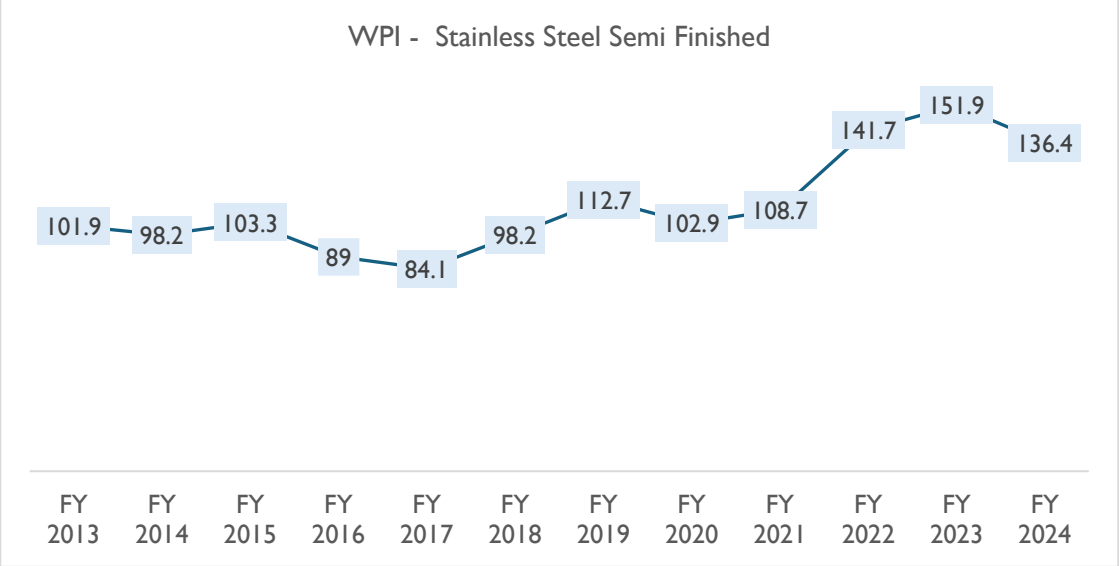
- **Weakening Demand:** High interest rates and inflation have dampened demand for steel across various industries. Sectors like construction and manufacturing, which are significant consumers of steel, have scaled back operations due to increased borrowing costs and economic uncertainty.
- **Rising Production Costs:** The cost of raw materials and energy required for steel production has risen significantly. Prices of iron ore, coal, and other essential inputs have been volatile, impacting the profitability and production levels of steel manufacturers.
- **Supply Chain Disruptions:** The lingering effects of the COVID-19 pandemic continue to affect global supply chains. Disruptions in the supply of raw materials and logistical challenges have led to delays and increased costs, hindering production efficiency.
- **Environmental Regulations:** Stricter environmental regulations aimed at reducing carbon emissions have put additional pressure on the steel industry. Compliance with these regulations often requires significant investments in technology and infrastructure, increasing production costs.
- **Shifting Demand Patterns:** Industries such as automotive manufacturing are increasingly shifting towards lighter materials like aluminum, which impacts the demand for steel. This transition is driven by the need for fuel efficiency and reduced emissions, further challenging the steel industry.

Stainless Steel Price Trends in India

Stainless steel prices in India have been fluctuating in 2024, influenced by a variety of global and domestic factors. As of October, the prices for Grade 304 (Hot Rolled Coil - HRC) are ranging between INR 215,000 to INR 220,000 per tonne, while Grade 316 (HRC) prices are between INR 280,000 to INR 290,000 per tonne. These prices are reflective of the broader market dynamics and are largely driven by raw material costs, supply chain disruptions, and energy price increases.

The Stainless Steel Semi-Finished Index from FY 2012-13 to FY 2023-24 reveals a clear trend of volatility, with significant rises and falls over the years. From FY 2012-13 to FY 2016-17, the index remained relatively stable,

fluctuating between 101.9 and a low of 84.1 in FY 2016-17. This period reflects a steady market with mild price variations, influenced by balanced demand and supply in the domestic stainless-steel industry. However, starting in FY 2017-18, the index began to climb again, reaching 112.7 in FY 2018-19, driven by increasing demand from sectors such as construction and automotive, as well as the growing impact of global raw material price trends.



Source: Office of the Economic Advisor

From **FY 2019-20 onwards**, the index showed sharper movements, indicating rising volatility. It climbed from **102.9** in **2019-20** to **108.7** in **2020-21**, and then experienced a sharp jump to **141.7** in **2021-22**. This spike can be attributed to the post-pandemic recovery, with rising commodity prices, supply chain disruptions, and surging demand globally. The index peaked at **151.9** in **2022-23**, reflecting continued supply constraints and high energy costs, before declining slightly to **136.4** in **2023-24** as the market began to stabilize. This trend highlights how external factors, such as global raw material price fluctuations and energy costs, have had an increasing impact on the stainless steel market in India over the last decade.

One of the key factors affecting stainless steel prices is the volatility in nickel prices. Nickel is a crucial component in stainless steel production, and geopolitical tensions have impacted its supply, particularly in regions like Indonesia and Russia. This has resulted in a steady rise in stainless steel prices. Additionally, the surge in energy prices, especially electricity and fuel, has increased operational costs for manufacturers, further contributing to price hikes. Another factor is the Indian government's imposition of import tariffs, aimed at boosting domestic production, which has led to a restriction on imports and put additional upward pressure on local prices.

In terms of demand-supply dynamics, domestic demand for stainless steel remains strong, driven by sectors such as construction, infrastructure, and automotive manufacturing. However, supply constraints, partly due to limited production capacity and reduced imports, have resulted in price increases. Additionally, Indian stainless-steel producers have been focusing on exports, taking advantage of competitive pricing in international markets. This shift has led to further tightening of the domestic supply, pushing prices upward.

Looking ahead, stainless steel prices are expected to remain volatile in the short term, with a potential for further increases due to ongoing supply chain issues and the elevated cost of raw materials like nickel. However, over the

medium term, prices may soften as domestic production ramps up and raw material prices stabilize, though global uncertainties may continue to influence the market. Overall, the outlook for stainless steel pricing in India will depend on the balance between supply-side improvements and persistent global economic challenges.

Pricing analysis

The export prices for Stainless steel seamless pipes in summarized in table below

	Price in INR/MT	
Year	Import price (HSN: 730411)	Export price (HSN: 730411)
2019-2020	2,46,527	3,15,336
2020-2021	2,30,079	3,96,010
2021-2022	2,92,553	2,85,598
2022-2023	3,65,595	4,59,462
2023-2024	3,22,572	4,83,064
2024-2025	3,36,421	4,71,933
Source: D&B-India Secondary Research		

Further to the above table, D&B India notes that:

- The average import price was INR 3,36,421 per MT for FY24-25 as against the average export price of INR 4,71,933 per MT.
- Finance Ministry has imposed definitive anti-dumping duty on 'Stainless Steel Seamless Tubes and Pipes' from China. Valid for five years, the anti-dumping duty-imposed ranges from $114 to $3,801 per tonne depending on the producer.
- The latest move comes after the Directorate General of Trade Remedies (DGTR) in the Commerce Ministry in September this year recommended imposition of anti-dumping duty on Stainless Steel Seamless Tubes and Pipes from China. The DGTR concluded that these products were exported at dumped prices to India, affecting the domestic economy.
- DGTR had initiated the investigation after Chandan Steel Ltd, Tubacex Prakash India Pvt Ltd, and Welspun Specialty Solutions Ltd had sought anti-dumping probe on this product from China.

The price of Stainless-Steel Scrap in Mumbai is given in table below:

Month	304	316	410 (32% chromium)	430 (17% chromium)
Jul-20	93.5	143	30.3	30.3
Aug-20	98.8	149.3	39.3	35.8
Sep-20	94.5	143.5	33.8	29.8
Oct-20	95.8	143.4	34.8	29.6
Nov-20	97.5	146.5	37.5	31
Dec-20	106	155	44	35.3
Jan-21	121.8	159.3	50.3	40.5
Feb-21	121.8	158.5	49.8	38.8
Mar-21	121.3	160	50.3	38.3
Apr-21	121.5	160	40.3	43.3
May-21	144	196.3	49	52

Jun-21	153.3	219	51	54
Jul-21	162.6	243.2	53.4	56.4
Aug-21	190	290	55	58
Sep-21	179.5	273.5	53.5	56.5
Oct-21	183	264.6	55.4	59.6
Nov-21	182.5	259.3	56	60
Dec-21	176.6	247.2	53.4	55.8
Jan-22	172.5	244	54.8	53.8
Feb-22	165	246.3	60	59
Mar-22	190	281.3	72	82
Apr-22	191	306	67.6	77.6
May-22	189	298	64	74
Jun-22	174.5	277	57.3	69.5
Jul-22	153	249	53.8	66.4
Aug-22	151.5	252.5	58	69
Sep-22	156.7	263.3	58	69
Oct-22	149	259	58	69
Nov-22	145.8	249.5	58	69
Dec-22	148.6	245	56.6	66.2
Jan-23	144	243.8	54.3	62.3
Feb-23	136.3	244	54	60
Mar-23	135.4	254	54.4	63.2
Apr-23	130	247	51.3	60
May-23	123	248.3	51.5	61.5
Jun-23	118.8	246.2	50.8	58
Jul-23	124.5	243.3	48.8	56
Aug-23	125.5	245.8	50.5	58.5
Sep-23	119.5	242	48.8	58
Oct-23	110.5	236.8	41.8	54.5
Nov-23	100	230.3	36.3	44.3
Dec-23	111	229	43.8	49.8
Jan-24	119.3	226.3	50	54.3
Feb-24	119.3	224.7	50.7	53.7
Mar-24	119.6	220.2	52.8	53.6
Apr-24	119.5	218.5	51.5	52.3
May-24	120	217.6	51.8	52.8
Jun-24	127	235	57.5	61
Jul-24	125.8	233.8	53.8	58.8
Aug-24	122.8	230.8	50.8	55.8
Sep-24	120	225	45	50
Oct-24	119.3	223.5	43	47.8
Nov-24	120	225	50.8	55.6
Dec-24	117.8	223.5	57.5	64.5
Jan-25	117.8	222.8	54.8	62.6
Feb-25	121.5	229	53.5	63

Mar-25	122.5	230.5	52.5	65
Apr-25	124	232	58	68
May-25	121.8	222.4	53.8	66.6

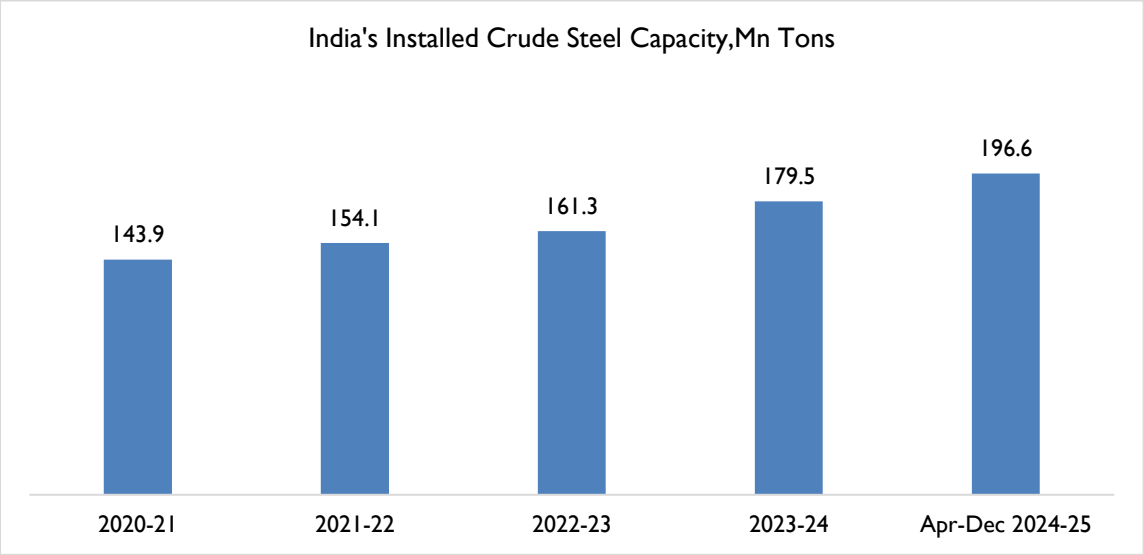
Source: D&B-India Secondary Research

Further to the above table, D&B India notes that:

- Grades 304 and 316 reached historic highs in Aug–Sep 2021, peaking at ₹190/kg and ₹290/kg respectively, driven by post-COVID demand recovery and global metal price surges.
- Lower grades (410, 430) also peaked around the same time, touching ₹55–60/kg.
- Prices of 304 fell from ₹144/kg (Jan) to around ₹110/kg (Oct), reflecting softening global stainless-steel demand.
- Grade 316 remained above ₹240/kg for most of 2023 but dipped to ₹229/kg by year-end. 410 and 430 grades saw moderate correction but remained in the ₹48–63/kg range.
- Lower grades (410, 430) show price recovery in 2025, with 430 reaching ₹66.6/kg in May 2025, even higher than some 2021 months.
- Price volatility has reduced in early 2025 across all grades, showing market normalization and likely better supply-chain equilibrium.

Current Overview of Indian Steel Industry

India, the world's second-largest crude steel producer, continues to strengthen its position in the global steel industry. Backed by abundant iron ore reserves and strategic policy support such as the National Steel Policy 2017, the country has steadily expanded its production capabilities. According to the Ministry of Steel, India's crude steel production capacity has grown from 143.9 million tonnes (MT) in FY 2021 to a provisional 196.6 MT during April–December of FY 2025. This reflects a robust compounded annual growth rate (CAGR) of approximately 6%.



Source: Ministry of Steel

Domestic Seamless Stainless-Steel Pipes and Tubes

In 2024, the steel pipes market in India was estimated at approximately 13.56 million tons. Projections suggest that by 2033, the market could grow to around 27.76 million tons, reflecting a compound annual growth rate (CAGR) of 7.65% between 2025 and 2033. India's steel pipes and tubes market is anticipated to generate revenue of approximately USD 17,599.1 million by 2030. Between 2024 and 2030, the market is projected to grow at a compound annual growth rate (CAGR) of 5.8%. India's seamless steel pipes & tubes market, including alloy and stainless steel, was estimated at 6.77 million tonnes in 2024–25, reflecting a CAGR of 21.02% since 2019–20.

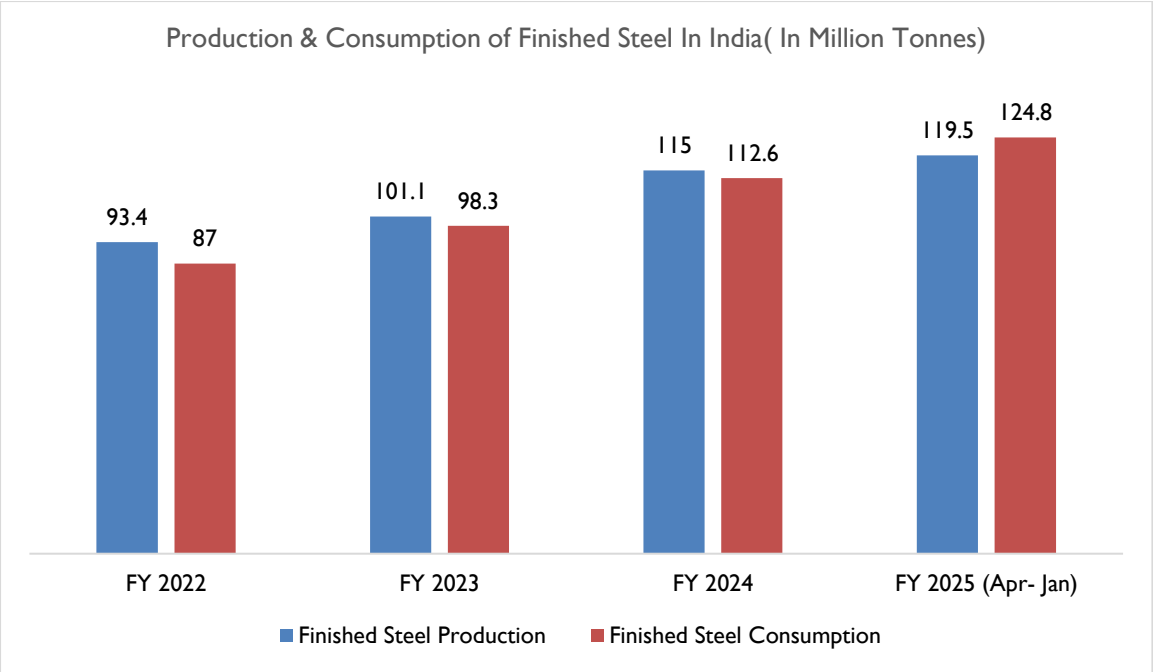
The domestic seamless stainless-steel pipes and tubes market in India has witnessed steady growth in recent years, driven by rising demand from key sectors such as oil and gas, petrochemicals, pharmaceuticals, power, and automotive. These pipes and tubes, known for their superior corrosion resistance, high strength, and ability to withstand extreme temperatures and pressures, are increasingly preferred in critical applications requiring long-term reliability and low maintenance.

India's capacity for producing seamless stainless-steel pipes and tubes has expanded, supported by investments in advanced manufacturing technologies, increased localization of production, and growing substitution of imports with domestic supply. Additionally, government initiatives encouraging infrastructure development and self-reliance (like "Make in India") have further accelerated the adoption of domestically manufactured seamless stainless-steel solutions.

The segment has also benefited from stricter quality standards and rising awareness of lifecycle cost advantages over traditional materials. As industrial activity and infrastructure investment continue to rise, especially in sectors such as renewable energy and water management, the domestic market for seamless stainless-steel pipes and tubes is poised for sustained expansion.

Historical Production & Consumption of Finished steel in India

Production: India's production of finished steel stood at 139.4 million tonnes in FY 2024, marking a 12.7% increase over FY 2023. The private sector played a dominant role in this growth, contributing 85% (118.31 million tonnes) and witnessing a 13.5% rise in production, compared to an 8.4% increase from the public sector units (PSUs), which accounted for 15% of the total production. Non-flat products, which include long steel used primarily in construction, comprised 55% of the total output, growing by 13.8%, while flat products, used in automotive and appliance manufacturing, made up the remaining 45%, increasing by 11.3%.
During FY2025 (Apr–Jan), finished steel production stood at 119.5 million tonnes, while consumption reached 124.8 million tonnes, indicating sustained demand momentum into the current fiscal year. This builds upon the trend from FY2024, where finished steel production was 115 million tonnes and consumption were 112.6 million tonnes. Over recent years, the compound annual growth rate (CAGR) for finished steel production stands at 4%, while consumption has grown at a significantly higher CAGR of 10.7%, reflecting strong and accelerating demand, particularly from construction, infrastructure, and manufacturing sectors.



Sources: Economic Survey FY 2025

Consumption Growth

India's booming economy, with growing demand from sectors like construction, automobile manufacturing, and white goods production, further fuels its steel industry. The government's focus on infrastructure development and the 'Make in India' initiative has also contributed to increased domestic steel consumption.

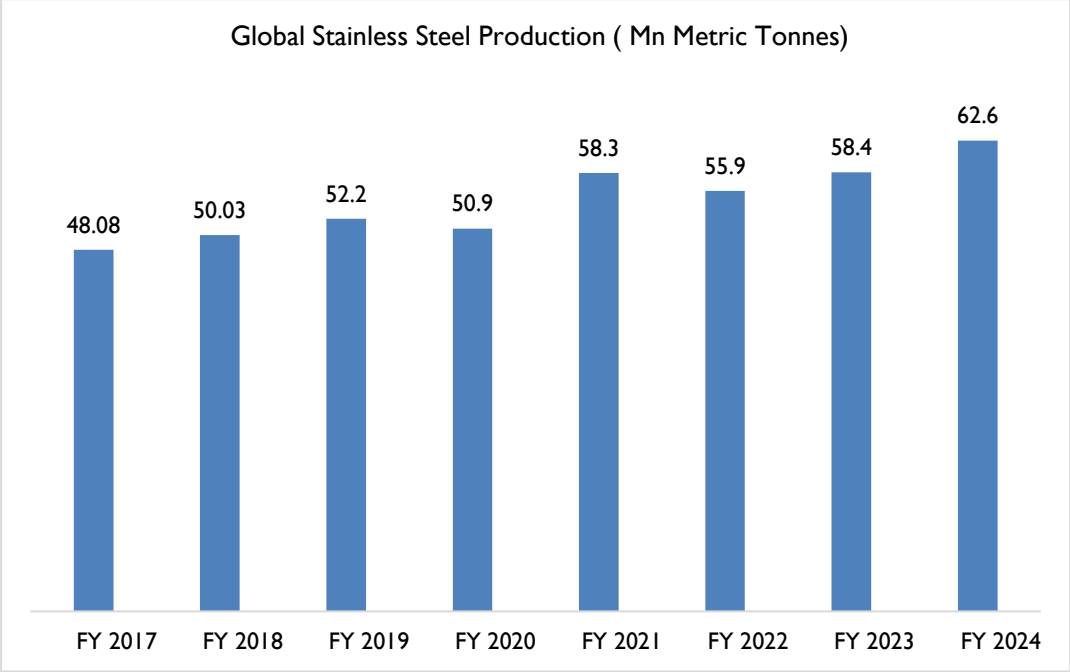
Several factors have driven the increase in crude steel production. The surge in demand from construction and infrastructure projects, fueled by government initiatives like 'Make in India' and the National Infrastructure Pipeline, has significantly boosted production. The automotive sector's recovery and expansion also played a critical role. Furthermore, technological advancements and modernization of steel manufacturing processes have improved efficiency and output. Investments in expanding steel plant capacities, alongside a focus on sustainable practices such as the use of scrap steel and energy-efficient technologies, have enhanced production capabilities. Additionally, the global market's growing appetite for steel has spurred Indian producers to increase their output to meet both domestic and international demands. The favorable economic environment and strategic policy support have thus cemented India's position as a leading crude steel producer on the global stage.

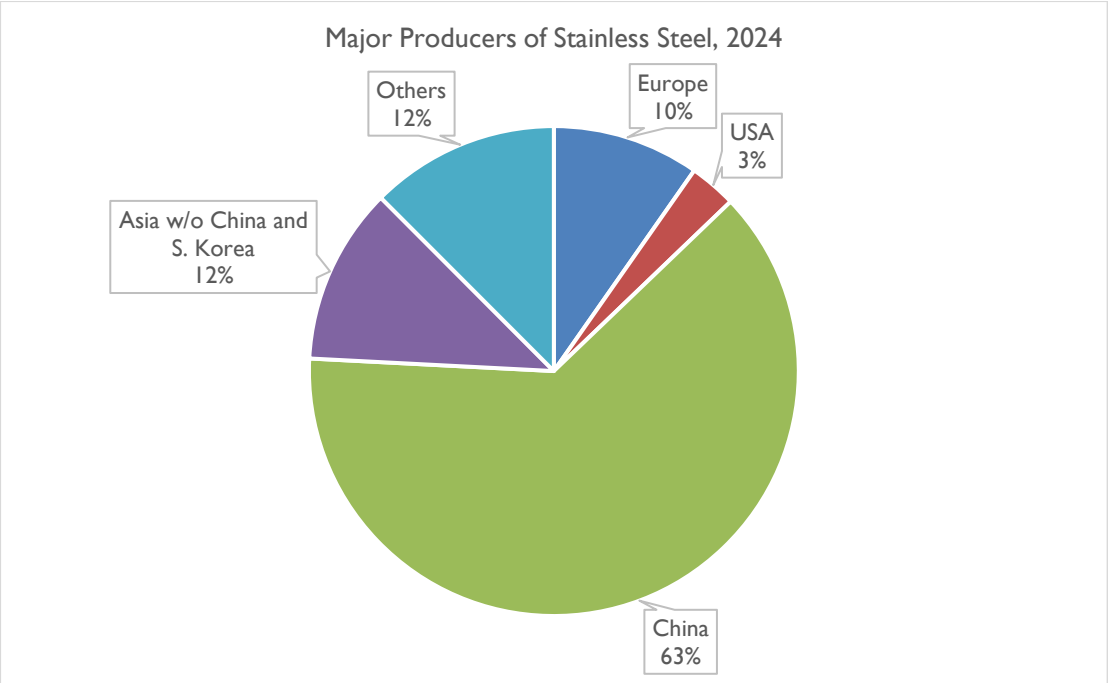
Analyzing the trends in crude steel consumption over recent fiscal years reveals a pattern marked by fluctuations influenced by global economic shifts and industrial trends. Until FY2020, there was a consistent increase in crude finished consumption. However, the arrival of the COVID-19 pandemic in 2020 led to a significant downturn, with consumption dropping by 5% in FY 2021. This decline was mainly driven by the disruptions caused by the pandemic, including widespread lockdowns, supply chain interruptions, and decreased economic activity across key sectors. Despite these challenges, the steel industry recovered swiftly from the pandemic-induced slump. In the subsequent recovery phase from FY 2022 to FY 2024, there was a notable resurgence in consumption, with a robust average growth rate of approximately 14%. This rebound was fueled by various factors, including increased investments in

global infrastructure projects, the revival of the automotive and construction sectors post-pandemic, and the expansion of industrial sectors like machinery and equipment manufacturing. Additionally, governments worldwide implemented supportive policies and incentives to revitalize manufacturing and construction, further driving the demand for steel. In FY 2024, the industry witnessed 14%, yearly growth against 13% in the previous fiscal. Overall, these dynamics highlight the complex relationship between crude steel consumption patterns and broader economic trends, showcasing the industry's ability to adapt and innovate amidst challenges while paving the way for continued growth.

Global Stainless-Steel Industry: Historical Growth Trend

As per the International Stainless-Steel Forum, the global stainless-steel melt shop production grew by 4.6% to 58.4 Mn Tonnes in 2023 compared to ~55.9 Mn Tonnes in 2022. Between 2018-2023, the industry witnessed declines on two occasions, i.e., in 2020 due to the Covid-induced slowdown and 2022 due to adverse operating conditions. At a broader level, production increased from 45.78 Mn tonnes in 2016 to 58.4 Mn tonnes in 2023, growing at a CAGR of 3.6%. Between 2019-2024, the industry has observed a ~3% CAGR.





Source: World Steel Association

Talking about major producers, China remains the largest stainless-steel producer, accounting for 63% of the world's stainless-steel production in 2024, with production reaching 36.68 Mn Metric Tonnes. China saw a 12.6% yearly growth over the previous year, which supported the overall production growth in 2023. From 2016 to 2024, China's stainless-steel production has increased from 24.9 Mn Metric Tonnes to 36.7 Mn Metric Tonnes. However, besides China, the US and all other regions represented in the graph experienced a decline in production volume during 2023. Production in the US fell by 9.6%, production in Europe declined by 6.2%, Asia without China and South Korea dropped by 7.2%, and production in other countries saw a 5.2% decline.

Cold rolled flat products is the largest produced stainless-steel product in the world, followed by hot rolled coils, and steel wire rods & bars. According to International Stainless-Steel Forum, cold rolled flat products accounts for approximately 47% of total stainless-steel trade in the world in 2020. Hot coils, Semis-flat, Semis Long, Hot Bar/Wire rod, Cold Bar/Wire, Hot Plate & Sheet are another SS intermediary product traded globally. Metal products – manufacturing of kitchen utensils and home ware – is the largest end use of stainless-steel, both globally as well as in India. While in India more than 50% of consumption goes towards metal products segment, globally it stood at 37.7%. Process industry & engineering, architecture, building & construction, automotive, railway & transportation, and electro-mechanical industries are the other major consumers of stainless-steel products.

Indian Stainless-Steel Industry

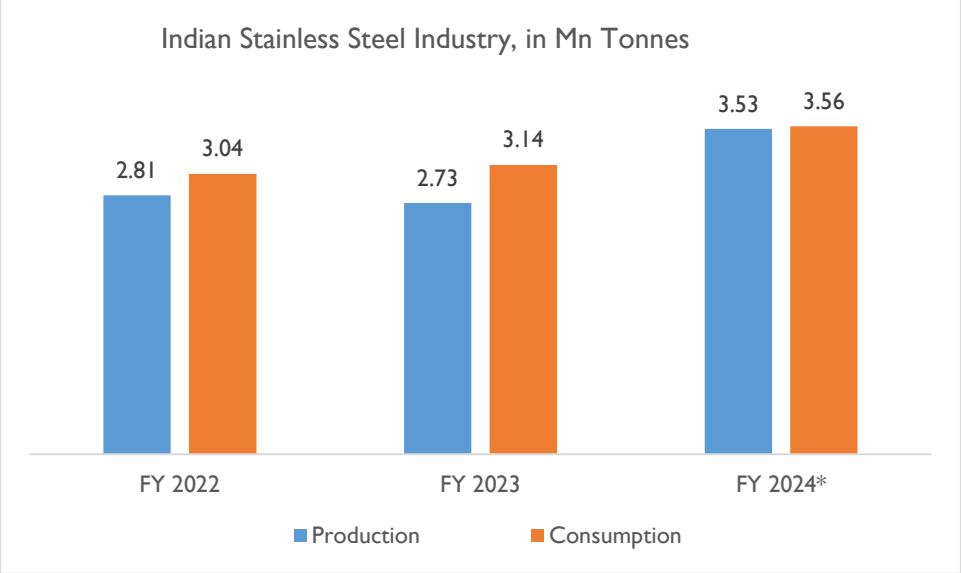
India is the second largest consumer and the third largest producer of stainless steel globally, With estimated installed capacity 6.6-6.8 Mn Tons[3], the country has the capability to manufacture a wide range of steel grades and products,

[3] As of March 2022

including stainless-steel and special steel for diversified application. India's finished stainless steel production has hovered in the range of 3.2-3.7 Mn tonnes between 2016-2023.

Talking about India's position in the global stainless-steel market, India with average 7% share in global SS steel output (during 2016-20), remained the second largest stainless-steel producer behind China till 2020. In 2021, the global SS production composition got changed as Indonesia, the fourth largest SS producer replace Japan and India to become the second largest SS producer globally. Industry Sources suggest, Indonesia with estimated SS output of 4.2 Mn tonnes in 2021 observed nearly 75% annual growth against 5.7% increase in 2020 while India's SS output was estimated to be 3.5 Mn Tonnes. With 3.5 Mn tonnes SS output, India's share in world SS output is estimated to have gradually reduced from 7.3% in 2016 to 6.2% in 2021.

During FY 2023, India's stainless-steel production was estimated to have declined by 3% which consumption observed about 3% y-o-y growth and stood at 2.73 Mn tonnes and 3.14 Mn Tonnes. During FY 2022 and FY 2023, stainless steel accounted for average 33% in total alloy steel production and 38% share in total alloy steel consumption.



Sources: Ministry of Steel, *Note: FY 2023 data is annualized based on actual 11-month data April-Feb 2023, while FY 2024 Data is estimated by Dun & Bradstreet Based on Assumption

For FY 2024, India's production, and consumption of alloy steel segment (including stainless steel), stood at 9.35 MT and 10.71 MT, respectively. Consequently, the production and consumption of stainless steel in India is estimated to 3.53 Mn tonnes and 3.56 Mn tonnes, respectively.

On consumption side, India despite being one of the largest consumers of stainless-steel, the per capita stainless-steel consumption remains low. India's per capital stainless steel consumption has increased from 1.2 Kg in 2010 to 2.8 Kg in FY 2023, however its consumption is comparatively lower compared to world average of 6 Kg per capita, This low consumption pattern is an indication of the inherent opportunities existing in the sector.

Metal products – manufacturing of kitchen utensils and home ware – is the largest end use of stainless-steel, both globally as well as in India. In India, 12% of the stainless steel is used in construction and infrastructure, 13% in

automobiles, railways and transport (ART), 30 % in capital goods and 44% in durables and household utensils and 1% in others.

Demand Supply Scenario

The Demand supply scenario for given in table below:

	Production, Imports, Exports and Consumption of Steel Pipes & Tubes				Seamless Pipes and Tubes (Alloy +SS)		Seamless - Stainless Steel	
Year	Production	Imports	Exports	Consumption				
	MT	MT	MT	MT	%	MT	%	MT
2011-12	43,59,510	7,48,592	18,06,273	33,01,829	7%	2,30,360.16	35%	80,626
2012-13	47,91,100	5,88,687	19,29,093	34,50,693	7%	2,40,746	35%	84,261
2013-14	47,61,600	5,40,166	14,35,367	38,66,399	7%	2,69,749	35%	94,412
2014-15	49,95,000	6,02,371	15,45,545	40,51,827	7%	2,82,686	35%	98,940
2015-16	52,16,700	5,97,082	11,45,927	46,67,855	7%	3,25,664	35%	1,13,983
2016-17	49,68,400	6,59,726	14,51,526	41,76,600	7%	2,91,391	35%	1,01,987
2017-18	51,84,000	6,63,208	15,07,862	43,39,346	7%	3,02,745	35%	1,05,961
2018-19	54,93,600	8,83,164	11,23,998	52,52,766	7%	3,66,472	35%	1,28,265
2019-20	66,83,000	8,14,102	11,49,376	63,47,727	7%	4,42,865	35%	1,55,003
2020-21	59,00,800	5,00,891	9,88,792	54,12,899	7%	3,77,644	35%	1,32,175
2021-22	63,20,600	5,03,914	11,91,670	56,32,844	7%	3,92,989	35%	1,37,546
2022-23	80,46,800	5,29,116	12,93,726	72,82,190	7%	5,08,060	35%	1,77,821
2023-24	96,77,300	6,96,086	15,82,800	87,90,586	7%	6,13,297	35%	2,14,654
2024-25	1,19,19,200	6,09,900	14,87,354	97,15,246	7%	6,77,808	35%	2,37,233
Source: D&B-India secondary Research								

Further to the above table, D&B India notes that:

- Production in 2024–25 reached an all-time high of 1,19,19,200 MT, continuing a consistent growth trend from 68,85,204 MT in 2016–17, driven by strong domestic infrastructure and industrial demand.
- Imports, after peaking in 2018–19 and falling until 2022–23, rose to 6,96,086 MT in 2023–24 but moderated to 6,09,900 MT in 2024–25, suggesting partial import substitution and improved domestic availability.
- Exports peaked at 18,62,446 MT in 2019–20 and, after a decline, recovered to 15,82,800 MT in 2023–24 before slightly easing to 14,87,354 MT in 2024–25, indicating steady overseas demand.
- Consumption grew from 57,13,471 MT in 2016–17 to 97,15,246 MT in 2024–25, underscoring the strong momentum in domestic end-user sectors like construction, oil & gas, and water infrastructure.
- Seamless pipes and tubes (alloy + stainless steel) accounted for around 7% of total consumption throughout the period, with volumes rising to 6,77,808 MT in 2024–25, showing steady niche demand.

- Stainless steel seamless pipes and tubes made up about 35% of seamless consumption in 2024–25 at 2,37,233 MT, reflecting consistent growth in sectors requiring corrosion resistance and durability.

The demand supply gap and likely market share for Rajputana is shown below:

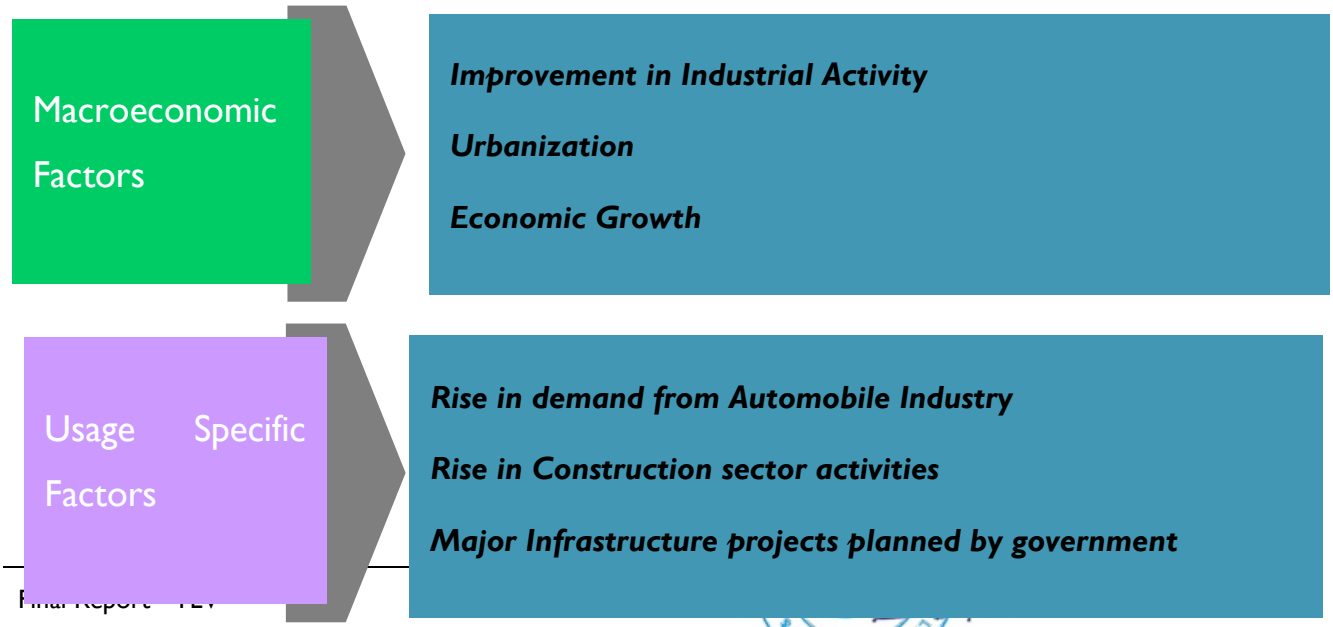
Domestic Demand Supply Balance (MT)										
	Production	Imports	Exports	Consumption	Import price	Export price	Potential Gap in Production	Supply by Rajputana	% catered by Rajputana for Potential GAP	% of Overall India Market
2019-2020	1,38,934	21,721	5,652	1,55,003	2,46,527	3,15,336				
2020-2021	1,23,663	11,975	3,462	1,32,175	2,30,079	3,96,010				
2021-2022	1,28,591	12,702	3,747	1,37,546	2,92,553	2,85,598				
2022-2023	1,71,522	10,331	4,033	1,77,821	3,65,595	4,59,462				
2023-2024	2,10,450	8,160	3,956	2,14,654	3,22,572	4,83,064				
2024-2025	2,41,876	7,453	2,810	2,37,233	3,36,421	4,71,933	70,354			
2025-26 (E)	2,77,146	7,453	2,810	2,72,503			35,270			
2026-27 (E)	3,17,659	7,453	2,810	3,13,016			40,514	2,224	5%	**0.70%**
2027-28 (E)	3,64,196	7,453	2,810	3,59,553			46,537	7,501	16%	**2.06%**
CAGR Growth	**14.87%**			**11.23%**						

Further to the above table D&B-India notes;

- The Production is estimated to grow at a CARG of 14.87% as against the consumption of 11.23% between 2019-2025.
- The Consumption of SS Seamless pipes in FY 2025 was 2,37,233 MT and is estimated to grow to 3,59,553 MT by FY 2028 at the compound annual growth rate (CAGR) of 11.23%.
- The potential gap in production would be 40,514 MT for FY 2027 of which Company would be able to cater 2,224 MT which is 5% of the Gap.

Demand Scenario

Stainless steel is used to produce a wide range of products, from Automotive, Railways & Transportation; heavy machinery, to engineering products, especially in the infrastructure sector. Due to this wide end consumer base, demand for long and flat steel products is closely linked to the overall all economic growth industrial as well as consumer demand scenario.



Innovations / Emerging Uses

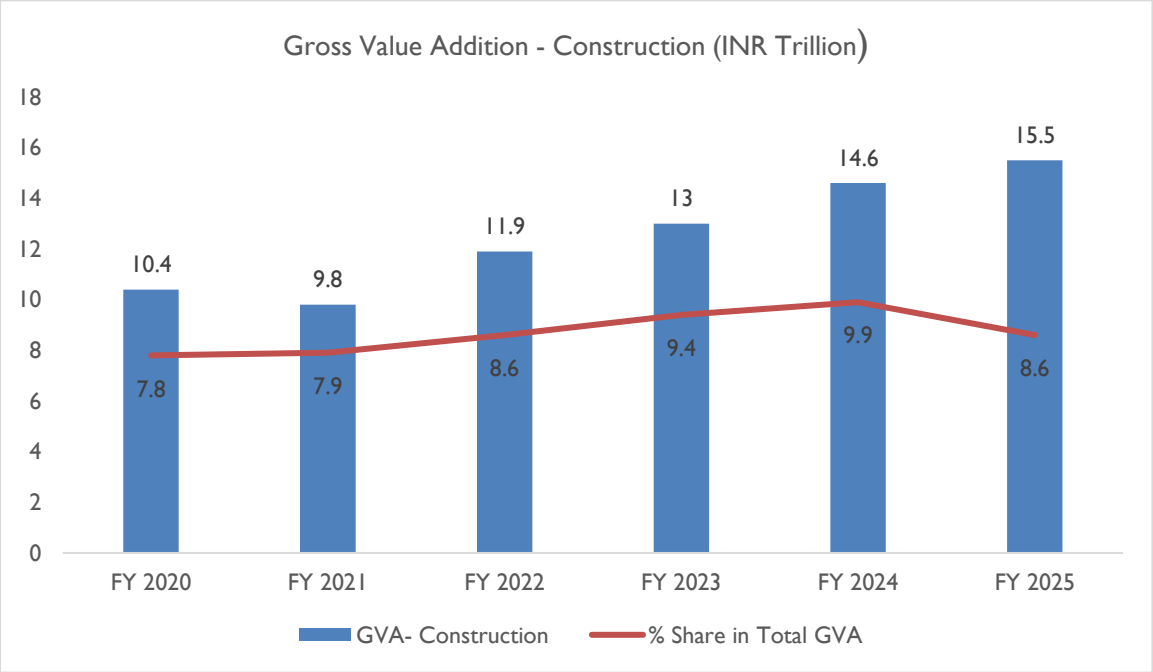
Renewable energy infrastructure

EV battery & charging infrastructure

Additive Manufacturing

Demand From Architecture, Building & Construction

Superior aesthetics, corrosion resistance, and long lifespan have all led to wide acceptance of SS tubes for architecture, building & construction application. Infrastructure development, and a surge in real estate construction (residential & commercial) have created a high demand for stainless steel, along with other building & construction materials. In past, the boom in construction which accompanied the strong economic growth in the country have resulted in higher consumption of stainless steel. Construction sector Contribution to national economy has steadily improved over the years and it account for 9.1% share in FY 2024 as per the MOSPI's second advance estimates.



Sources: MOSPI

India's construction industry is on a phenomenal growth trajectory, projected to reach a staggering USD 1.5 trillion by 2025, accounting for 8%-10% of India's GDP. This represents a significant leap from its current size of approximately USD 820 billion, showcasing the dynamism and potential of this sector and creating a favorable demand scenario for stainless steel products.

Demand from kitchenware segment

Stainless steel is a vital raw material in kitchenware due to its durability and versatility, making it the preferred material for utensils and cookware. In India, the stainless-steel utensil market is a significant segment of the broader cookware industry. The sector continues to dominate consumer choices in utensils, surpassing glass and plastic due to the growing awareness of health risks associated with plastic, driving demand for stainless-steel alternatives.

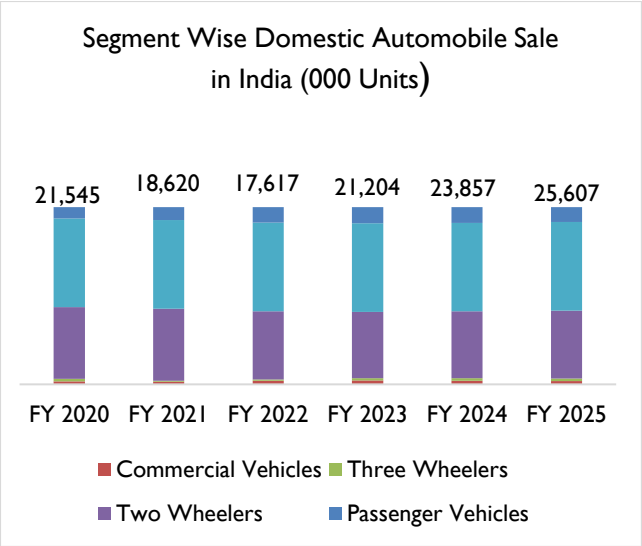
The steel kitchenware market in India is currently experiencing robust growth, valued at INR 15,000 crore with an annual growth rate projected between 10% to 15% This expansion is fueled by a rising consumer inclination towards premium products. Jindal Lifestyle (part of the OP Jindal Group) recently introduced its Arttdinox cookware brand, targeting the INR 3,500 crore premium segment.

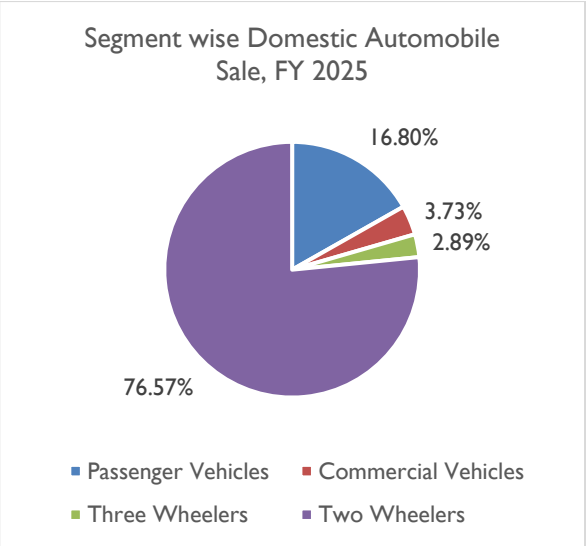
Technological advancements are reshaping the landscape of kitchenware, with companies like Geek Technology India integrating smart home appliances and IoT-enabled products into their portfolios, reflecting a broader trend towards modernization and convenience. The shift towards online retail platforms such as Flipkart and Amazon signify increasing consumer preference for accessibility and convenience in urban markets. Additionally, sustainability remains a key focus area with the adoption of green steel, meeting both consumer preferences for eco-friendly products and regulatory requirements for sustainable manufacturing practices.

Looking ahead, the demand for kitchen utensils and cookware is expected to remain robust, driven by increasing household numbers, rising disposable incomes, and aspirational shifts in consumer preferences. Stainless steel will continue to play a significant role in Indian kitchens, sustaining strong demand for stainless-steel flat products and reinforcing its position as a cornerstone of the kitchenware industry.

Demand from Automotive, Railways & Transportation

The metalworking industry encompasses forging, casting, and machining processes, playing a pivotal role in manufacturing diverse components across various sectors. Casting, a key method within this industry, involves molding molten metal into complex shapes through dies, offering flexibility in material choice to meet specific application requirements. Foundries, integral to casting, contribute significantly to manufacturing activities, serving industries such as automotive, aerospace, and infrastructure development. Meanwhile, forging utilizes compressive forces to shape metals, catering extensively to automotive and non-automotive sectors with applications ranging from drive shafts to industrial machinery components. Precision engineering, characterized by high accuracy and low tolerances, finds widespread use in aerospace, defense, and energy sectors, driving demand for custom-manufactured components. The increasing production and sales of automobiles in India have further spurred demand for stainless-steel products, underscoring ongoing growth opportunities within the sector. Overall domestic sales grew to 23.9 million units in FY 2025, registering a year-on-year growth of 8.5% compared to FY 2024. Passenger vehicle (PV) sales reached an all-time high in FY 2025, with an 8.45% year-on-year growth.





Source: Society of Indian Automobile Manufacturers (SIAM)

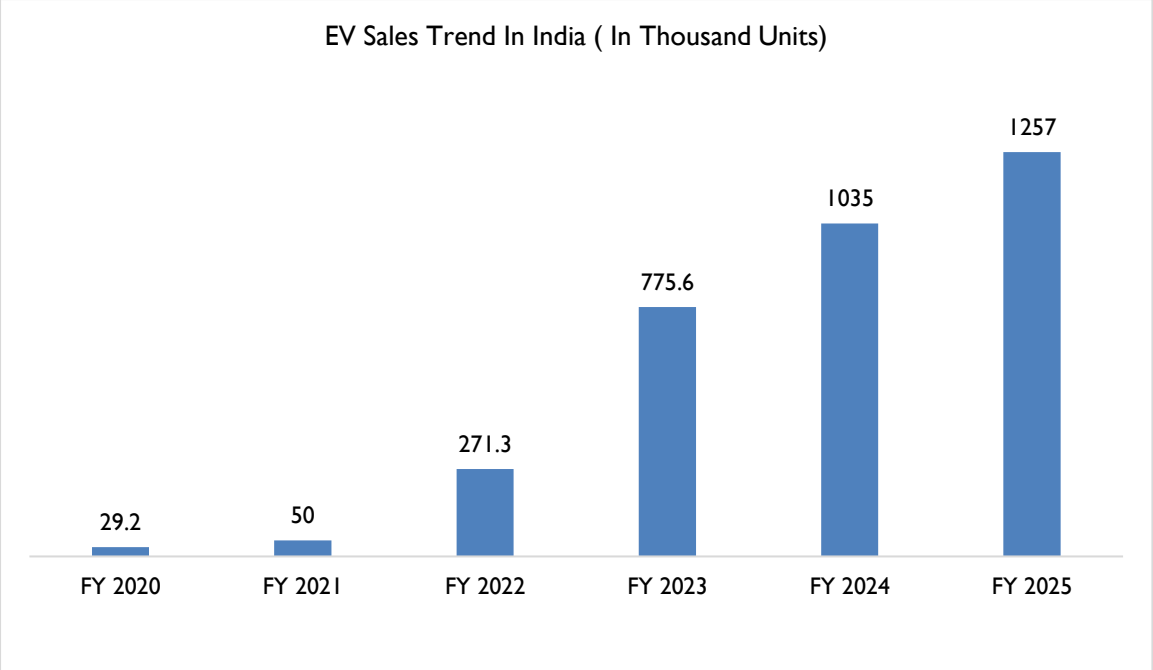
Source: Dun & Bradstreet Research, Society of Indian Automobile Manufacturers (SIAM)

Note: Segment-wise summation of domestic sales will not add to 100% total as Quadricycle data has not been included for analysis purpose

Segment Wise Sales	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Passenger Vehicles	2,774	2,711	3,070	3,890	4,219	4,302
Commercial Vehicles	718	569	717	962	968	9,567
Three Wheelers	637	219	261	489	692	7,414
Two Wheelers	17416	15121	13570	15862	17,974	19,607
Total	**21,545**	**18,620**	**17,617**	**21,203**	**23,853**	**25,607**

Transforming Automobile Landscape

Increasing fuel prices and concerns about emission related pollution have increased the interest in electric vehicles among consumers. In recent years, the electric vehicle industry has witnessed rapid technological change which has brought down the price. Although still priced higher than conventional Internal Combustion Engine (ICE) vehicles, the price gap has come down. Together, these factors have contributed to the growing market for electric vehicles. Consolidated sales of electric vehicles (e-2W and e-4W) reached 1,257 thousand units in FY 2025, reflecting a 21.4% increase compared to 1,035 thousand units in FY 2024.



Vahan Parivahan, Ministry of Road Transport & Highways (MoRTH), e-2W & e-4W

Impact of transport sector on Steel Sector

Stainless-steel is used in railway wagons, metro rail coaches, exhaust system & catalytic converters of automobiles, bus bodies, and body of goods container vehicles, among others. Apart from the natural growth in demand due to a rise in automobile production, the regulatory changes that are happening across the global automobile industry too have positive implications on stainless-steel sector. The stringent emission norms and efficiency standards are forcing automobile manufacturers to increase the proportion of special stainless-steel used in vehicles. Apart from regulatory factors, the extended lifecycle and corrosion resistance attributes have also contributed to increasing usage of stainless-steel in automobiles.

In mass transport segments, such as buses and metro coaches, stainless steel is used to make body panels. Urban mass transport segment in India is witnessing rapid changes, in response to Government programs to improve living standards in urban centers. Smart city initiatives, Green Urban Transport Scheme, and other mass rapid transport schemes are ushering changes in urban transport segment. Implementation of metro rail transport infrastructure in all major cities is one such initiative. These developments have led to an increase in production of buses as well as metro coaches, resulting in higher consumer of stainless-steel products used in their manufacture.

The focus on urban transport infrastructure development in India is expected to continue, as urbanization, population density and vehicle density is putting pressure on existing urban transport infrastructure. Expansion of Bus Mass Rapid Transit Systems and urban metro systems is expected to continue, which in turn would result in a stable demand for stainless-steel panels and other flat products used.

Demand from Process Industry

Stainless-steel is crucial in India's process industries such as chemicals and oil & gas due to its corrosion resistance and durability in tanks, pipes, pumps, and valves. The sector saw process plant equipment valued at INR 209 Bn in FY

2022, driven by industrial growth and government support. Despite current challenges, economic reforms are expected to spur demand, leading to renewed investments in manufacturing and a subsequent rise in demand for stainless-steel equipment.

Oil & Gas sector is one of the largest end user industries for steel pipes and tubes including SS pipes and tubes with pipelines being the major mode of transport for petroleum, oil, and lubricants. Accordingly, the oil & gas industry has a close linkage with steel pipes and tube demand in the country. Stainless steel resists high-pressure and hot temperature, which makes it a widely used material in refineries, pipelines, storage capacity, gas terminals, and retail outlets. As per IEA's report (under the stated policy scenario), India's oil consumption is projected to rise by 50% by 2030 in comparison to the global demand which is growing by 7%. India's oil consumption is expected to grow by 4.8 million barrels per day (mbd) in 2019 to 7.2 mbd in 2030 and 9.2 mbd in 2050. India will continue to remain the third largest consumer of oil in 2030. For Natural gas, the country's consumption is projected to double to 133 billion cubic meters in 2030 from 64 BCM in 2019 as against a 12% rise in global gas demand. Currently, India is also the 4th largest refining capacity globally after US, China, Russia, having total refining capacity of 257 Mn Metric Tons per annum (MMTPA) as on year ending on 1.04.2024 while per day refining capacity stood at 5 Mn barrels. As per IOC, a leading Indian Refiner, the country needs to add 2 Mn barrels per day by 2030 to support the country's economic expansion.

	Crude Oil Average price (India basket) USD/bbl.	Total Imports (MMT)	Domestic Production (MMT)	Total	% share of Imports	% share of Domestic Production
2019-20	60.47	226.95	32.20	259.12	87.59%	12.14%
2020-21	44.82	198.11	30.5	228.61	86.7%	13.34%
2021-22	75.78	212.4	29.7	242.1	85.5%	14.60%
2022-23	90.23	232.7	29.2	261.9	87.4%	11.15%
April-Mar 2023-24(P)	90.23	232.5	29.4	261.9	87.7%	11.15%

Sources: Ministry Snapshot of India's Oil & Gas data

India's crude oil import volume observed 8.9% increase during 11M FY 2022 while crude oil import bill surged sharply by USD 105.9 Bn amidst rising oil prices in global market, registering y-o-y growth of 96.8%. Such high import dependency renders the country's economy vulnerable to international crude oil market dynamics. Consequently, to insulate the domestic economy from external shocks and conserve forex reserves, the government is working towards increasing domestic E&P (Exploration & Production), to reduce imports gradually. The government envisages to cut India's oil import dependence by 50% by 2030. Expansion in oil and gas sector is expected to support overall stainless-steel demand in India.

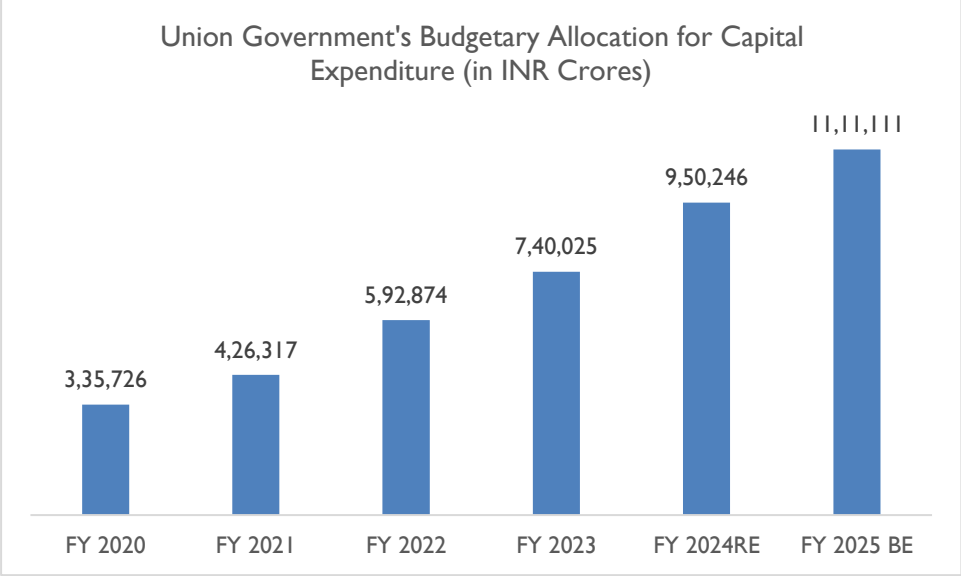
Demand Generation from Government Initiatives

Government Budgetary Allocation to Infrastructure Sector

Growing infrastructure spending is vital for overall infrastructure development as it has a multiplier effect on overall economic growth. By allocating substantial funds to the development of roads, railways, airports, and urban

infrastructure, the government stimulates economic growth and improves public facilities. This investment not only enhances connectivity and logistics but also creates a ripple effect, driving demand for EPC services.

Large-scale projects such as highway expansions, and smart city initiatives necessitate the expertise of EPC companies, fostering innovation and efficiency in project execution. Consequently, the government's focus on capex not only accelerates infrastructure development but also opens up a plethora of opportunities for the EPC sector, contributing to job creation, technological advancements, and overall economic development. Consequently, the government with stepped up public spending over the last few years has been providing support to the sector.



Union Budget, Government of India

National Infrastructure Pipeline (NIP)

If India is to become a USD 5 Trillion economy by 2025, as well as continue it strong economic growth, the country will have to spend close to USD 4.5 trillion on infrastructure construction by 2030. National Infrastructure Pipeline is the consolidated platform that captures the multiple infrastructure investment projects planned by the Government to propel Indian economy to USD 5 trillion mark.

NIP comprise of nearly 9,736 projects which is together worth nearly USD 1.82 billion covering 56 diverse industry segments. Of this nearly 2,014 projects are under various stages of development. With NIP spanning FY 2019 – 25 period, the remaining projects are expected to be developed in the next couple of years. This points to a flurry of infrastructure construction activity in the country, which in turn would create numerous opportunities for the EPC segment.

PM Gati Shakti

PM Gati Shakti plan – National Master Plant for Multi Modal Connectivity – launched in October 2021 is a digital platform that is aimed at improving the coordination among multiple ministries and departments involved in infrastructure development in the country. The program covers all the infrastructure initiatives outlined under Bharatmala & Sagarmala initiatives, port development, dedicated freight corridor program of railways as well as development of special economic zones.

India Infrastructure Project Development Fund Scheme (IIPDF Scheme)

The Department of Economic Affairs (DEA) introduced the India Infrastructure Project Development Fund (IIPDF) Scheme on November 3, 2022, to enhance infrastructure development through Public-Private Partnerships (PPPs). This scheme aims to improve the quality and speed of infrastructure projects by encouraging private sector participation. The DEA focuses on creating a conducive policy framework for private investment in infrastructure.

The IIPDF Scheme provides financial support to Project Sponsoring Authorities (PSAs) at both Central and State Government levels, covering expenses for transaction advisors and consultants in PPP project development. This funding ensures the development of viable and bankable PPP projects, promoting modern infrastructure across the country. Complementing the IIPDF Scheme is the Viability Gap Funding (VGF) Scheme, which supports economically justified but commercially unviable PPP projects. Together, these schemes facilitate the development of quality infrastructure projects, enhancing efficiency and private capital infusion.

The DEA's initiatives streamline the procurement of advisory services, addressing delays and suboptimal structuring of PPP projects. By providing necessary funding and technical support, these schemes boost the EPC sector, fostering innovation, efficiency, and sustainable infrastructure growth in India.

National Infrastructure Pipeline and PM Gati Shatkti program two of the flagship government programs that would herald the next phase of growth in infrastructure development in India. Both the flagship policies outline ambitious programs that entails investments of billons of dollar, and construction projects of the scale that has never been attempted before. Apart from the mega projects, the focus on improving coordination between implementing agencies and steps to remove project delays are also noteworthy. Together these two flagship policies provide favourable demand scenario for the stainless-steel consumption in infrastructure construction segment.

Industrial Construction in India

After the implementation of economic liberalization policies in early 1990s, the industrial investment scenario in India has largely been shaped by market forces. Government's role was mostly related to designing and implementing policies that would at best improve the investment landscape and attract private investment. Rapid economic growth and rise in demand saw an influx of private investment which was directed towards improving the industrial base of India. As a result, several industrial sectors in India went on to add capacity to become amongst largest in the world.

In April 2020, the Production Linked Incentive (PLI) scheme was launched with an outlay of INR 1.97 trillion by the Government to enhance India's Manufacturing capabilities and Exports.

The Production-Linked Incentive (PLI) scheme was first introduced for three sectors, and more were added to it later which covered 14 industrial sectors, ranging from electronics to medical devices.

As of March 2024[4], 755 applications have been approved across14 sectors and investment of INR1.23 trillion have been realized, resulting in employment generation of around 8 lakhs. After five years into its implementation, the government is considering modifications for PLI 2.0, linking incentives to additional metrics such as domestic value addition, incremental exports, component localization, and MSME support.

[4] Press Release:Press Information Bureau

Increasing industrial construction is likely to augment the demand of stainless-steel industry.

Regulatory Scenario

Iron and steel industry play a strategic position in the overall economic development. Therefore, the government has been taking sustained initiative on yearly basis towards the development of the industry. There is no government imposed a restriction on production and sale of steel products and this has immensely helped in the development of domestic manufacturing sector. Foreign investment norms have helped the country attract global steel manufacturers who bought in improved manufacturing technology and processes. This move played significant role in assisting steel companies to widen their product portfolio from basic steel products like hot rolled & cold rolled steel to manufacturing of steel rebars and TMT bars. Currently 100% FDI under automatic route is allowed in the steel sector.

Proposal to provide additional depreciation of 20% against 10% on new plant and machinery installed by a manufacturing unit if the asset is installed after 30th Sep 2015 is a favorable move to boost investment in new plant and machinery in steel industry.

- **Mines and Minerals (Development and Regulation) Act, 1957:** This act is pivotal in regulating the mining of raw materials such as iron ore and coal, which are essential for steel production. It establishes rules for the allocation of mining leases, ensures sustainable extraction practices, and aims to prevent illegal mining activities. The act also outlines guidelines for environmental protection and rehabilitation of mined areas.
- **Indian Steel Policy of 2017:** This policy is a comprehensive roadmap for the development of the steel industry in India. It focuses on increasing the domestic production of steel, reducing imports, and enhancing the sector's global competitiveness. The policy aims to achieve these goals by promoting investment in infrastructure, technology modernization, and research and development. It also emphasizes the importance of skill development and job creation in the sector.
- **Environmental Regulations:** Environmental protection is a crucial aspect of the regulatory framework for the iron and steel industry. The Environment Protection Act, 1986, along with other environmental laws and regulations, sets stringent standards for air and water pollution control, waste management, and conservation of natural resources. Steel plants are required to obtain environmental clearances and comply with emission norms to minimize their environmental footprint.
- **Quality Standards and Certification:** The Bureau of Indian Standards (BIS) is responsible for setting quality standards for steel products in India. These standards cover various parameters such as composition, strength, and durability to ensure the safety and reliability of steel used in construction, manufacturing, and infrastructure projects. Compliance with BIS standards is mandatory for steel manufacturers, and certification is often required for products to enter the market.
- **Government Oversight and Support:** The Ministry of Steel plays a central role in coordinating and implementing policies and programs for the steel industry. It collaborates with other government agencies, industry associations, and stakeholders to address challenges and promote growth. Additionally, the government provides various incentives, subsidies, and tax benefits to encourage investment, innovation, and technology adoption in the sector.

National Steel Policy 2017

This policy was initiated with the intention to create a technologically advanced and globally competitive steel industry that promotes economic growth. Its mission is to provide environment for attaining self-sufficiency in steel production in India. It is an updated version of National Steel Policy 2005.

Objective: The goal of the National Steel Policy is to foster a steel industry that can compete on a global scale. By 2030-31, it aims to boost per capita steel consumption to 160 kgs from the current level of about 63 kgs. Additionally, the policy seeks to fulfill all domestic demands for high-grade automotive steel, electrical steel, special steels, and alloys for strategic purposes by 2030-31. It also aims to enhance the availability of domestically washed coking coal to decrease reliance on imported coking coal from 85% to 65% by 2030-31.

Key Features of National Steel Policy:

1. **Steel Demand:** The current GDP growth rate suggests that steel demand is projected to accelerate, reaching 230 million metric tons by 2030-31. To boost this demand, the Ministry has pinpointed construction and manufacturing sectors such as rural development, urban infrastructure, roads & highways, and railways as the primary areas of focus.
2. **Steel Capacity:** It is anticipated that a crude steel capacity of 300 million metric tons will be needed by 2030. Achieving this will require a substantial capital investment of approximately Rs. 10 lakh crores by 2030-31 and is expected to generate significant employment, increasing from the current 2.5 million jobs to around 3.6 million jobs by 2030-31, depending on the level of automation and the adoption of various technologies.
3. **Raw Material, Land, Water and Power:** The Policy outlines several measures to ensure the availability of raw materials such as iron ore, coking coal, non-coking coal, natural gas, ferro-alloys, and nickel at competitive rates. To achieve the target, an estimated 91,000 acres of additional land will be required for greenfield expansion. The Ministry will ensure the timely provision of litigation-free land, water, and power to the industries. Additionally, water conservation at all levels will be promoted, and the industry's efforts in this area will be supported.
4. **Infrastructure and Logistics:** To meet the growing industry needs, adequate and timely infrastructure development must be pursued in Odisha, Chhattisgarh, and Jharkhand. This includes enhancing railways, roadways, power generation and distribution, evacuation infrastructure, slurry pipelines, and conveyors. To foster export opportunities and enhance competitiveness, the Government of India is also considering port-led development of steel clusters under the Sagarmala program.

Steel Quality Order Control

The quality of steel in India is regulated by the Steel and Steel Products (Quality Control) Order, 2024, issued by the Ministry of Steel in February 2024. This order replaces the previous 2020 version and establishes updated standards for steel production, certification, and distribution. The primary objective is to ensure high-quality steel products in the Indian market, in line with international standards, and to protect public safety. By emphasizing quality control, this order prevents substandard steel from entering the market, thereby promoting public safety, and ensuring the

reliable performance of steel products in infrastructure, construction, and various industrial applications. The order achieves this through:

- **Specified Steel Products:** The order applies to a specific list of steel products outlined in Schedule 1. These products must comply with the relevant Indian Standards for composition, mechanical properties, and dimensions.
- **BIS Certification:** The Bureau of Indian Standards (BIS) is responsible for certification under the order. Steel products must be manufactured by a BIS-certified producer and accompanied by a Test Certificate with the Standard Mark. This ensures traceability and adherence to quality standards throughout the supply chain.
- **Certification Schemes:** The order outlines various certification schemes depending on the steel product category. Some products require mandatory Standard Marks from BIS, while others might have alternative assessment procedures.

Domestically Manufactured Iron and Steel Policy

The Domestically Manufactured Iron & Steel Products (DMISP) Policy, launched by the Indian government on 8th May 2017, prefer the domestically manufactured iron & steel products in Government procurement. To align with the Government "Atmanirbhar Bharat" scheme, prioritizes the use of Indian-made iron and steel products in government projects. The Ministry of Steel has extended the DMISP policy by six months, going beyond the previous deadline which was 22nd May 2024.

Objective:

- **Aligning with Make in India:** The policy falls under the umbrella of the "Make in India" initiative, aiming to reduce dependence on imported steel and stimulate domestic manufacturing. This fosters self-reliance and boosts the Indian economy.
- **Enhancing Quality Standards:** By mandating a minimum 15% value addition in procured steel, the policy encourages the use of superior quality products. This value addition could involve processing, further manufacturing, or specific treatments to enhance the steel's properties. The Ministry of Steel holds the discretion to review this criterion for better flexibility.
- **Nation Building Through Steel**: A robust domestic steel sector contributes significantly to India's infrastructure development and overall economic growth. DMISP aims to create a thriving steel ecosystem that supports nation-building efforts.

Waivers and Exceptions:

The policy acknowledges situations where domestic production might not fulfill project requirements. Here's when waivers can be granted:

- **Unavailability of Specific Steel Grades:** If a project necessitates a particular steel grade not currently manufactured domestically, a waiver can be obtained to procure it from international sources.
- **Production Shortfalls:** When domestic steel production capacity cannot meet the project's specific quantity needs, a waiver allows for import to bridge the gap.

Implementation and Oversight:

- **Ministry of Steel's Role:** The Ministry of Steel shoulders the responsibility of overseeing the policy's effective implementation. They may issue clarifications, revise criteria, and ensure compliance across government agencies.
- **Obligations of Government Agencies:** Every government department and PSU involved in procurement is mandated to adhere to the DMISP guidelines. This ensures that preference is given to qualifying domestic steel products in their tenders.

Trade Barriers / Protective Measures

The Indian government has implemented several trade barriers and protective measures to support the domestic steel industry. One such measure is the Steel Import Monitoring System (SIMS), which requires importers to provide advance information about intended steel imports. This system helps gather detailed data on end-use, grade, and technical specifications. Additionally, the government has increased import duties on most steel items by 2.5% on two occasions. Furthermore, anti-dumping and safeguard duties have been imposed on steel items to protect the domestic industry from unfair trade practices. These trade barriers aim to safeguard and promote the domestic steel sector in India.

Other Government Policies & Initiatives

Government schemes and initiatives such as National Infrastructure Pipeline (NIP), Atmanirbhar Bharat, Production Linked Incentives (PLI), PM Gati Shakti - National Master Plan, and National Manufacturing Policy are creating a substantial demand for steel and steel products in the country. Moreover, current government's emphasis on infrastructure through Atal Mission for Rejuvenation and Urban Transformation, Smart Cities, Mass Rapid Transport System, Affordable Housing, Jal Jeevan Mission etc. and increasing budgetary allocation towards infrastructure are also creating a significant demand for steel and stainless-steel products in the country.

Union Budget 2023-24 Announcement & Steel

- The budget included a continuation of the waiver on customs duty for ferrous scrap, raw materials used in manufacturing Cold Rolled Grain Oriented (CRGO) steel, and nickel cathode. This is seen as a positive step for steel manufacturers.
- The inclusion of "specialty steel" under the Production Linked Incentive (PLI) scheme was announced as a positive development for the industry. This scheme aims to provide financial incentives for domestic manufacturing of these specific steel products.
- Tariff rate of scrap of iron or steel is reduced to 2.5% from 5%. Therefore, once the exemption from duty on these scraps expire, the BCD rate shall operate through tariff.
- Rescinds anti-dumping or countervailing duty on following products of steel are revoked with effect from February 1, 2022:
  - Straight length Bars and Rod of alloy Steel from China PR,
  - High Speed Steel of Non-Cobalt Grade from China PR, Brazil, Germany.

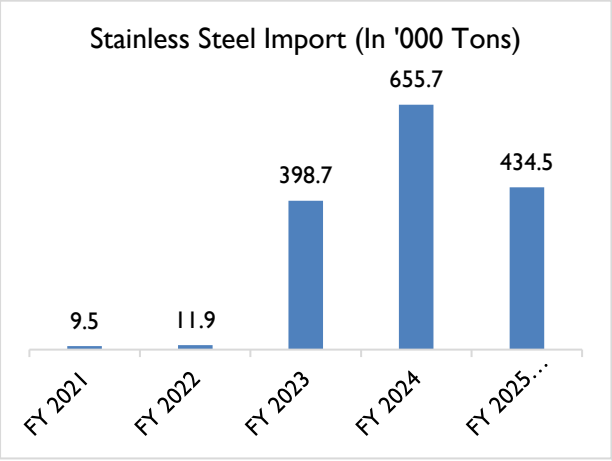
- Flat rolled products of steel (Al or Zinc coated) from China PR, Vietnam, and Korea RP.
- Hot rolled and cold rolled stainless steel flat products (from China PR).

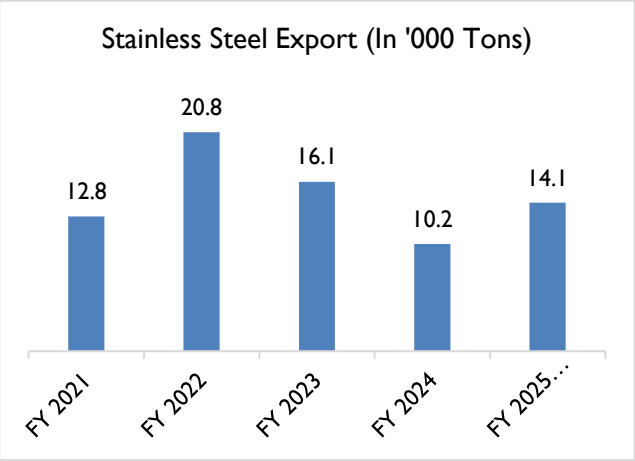
Foreign Trade Scenario in Stainless Steel

India's stainless-steel sector is a vital part of its industrial economy, experiencing substantial growth in production and evolving trade dynamics. The sector has benefited from technological advancements and expanded capacities, supporting key industries such as construction and automotive. As a result, the stainless-steel industry has witnessed notable trends and shifts in recent years.

Steel import, which was subject to import duty until 2021, saw a major policy shift in the Union Budget 2022 with the revocation of this duty. This led to a sharp increase in steel imports in India. Stainless steel imports, in particular, rose significantly—from 11.9 thousand tons in FY 2022 to 398.7 thousand tons in FY 2023—and further surged to 655.7 thousand tons in FY 2024. In FY 2025 (April–February), imports have already reached 434.5 thousand tons, indicating continued momentum. This sharp rise is driven by heightened domestic demand and the removal of countervailing duties (CVD) on imports from China and Indonesia, which has led to an influx of cheaper Chinese stainless steel products into the Indian market.

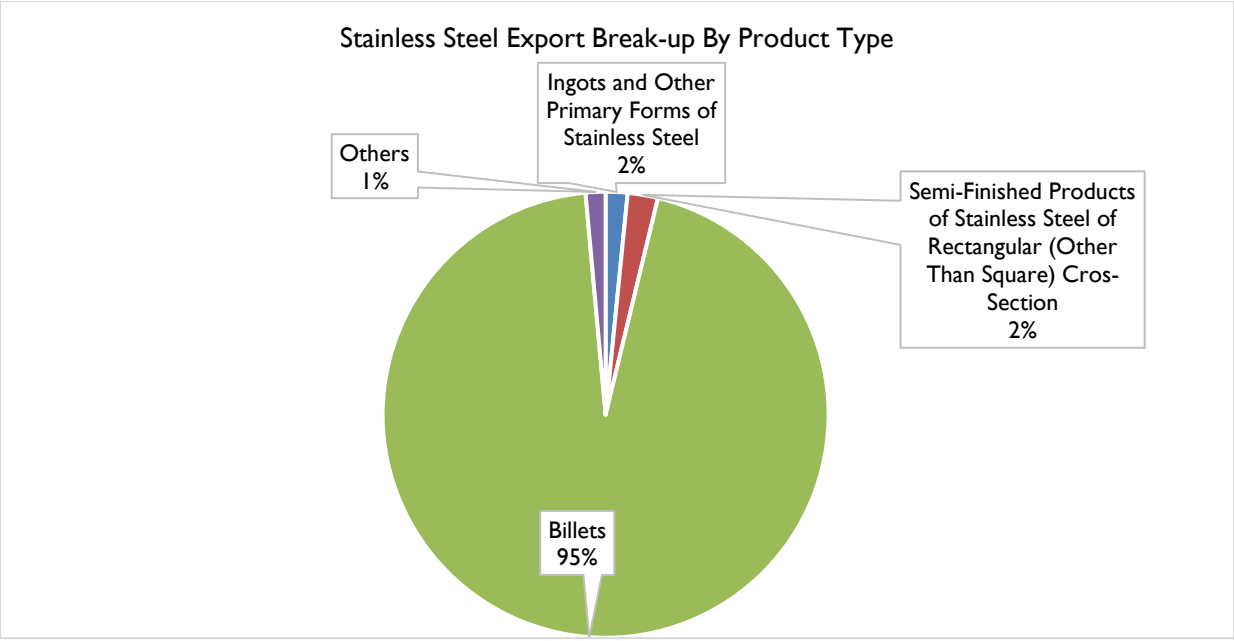
Breaking down the imports by product type, it is evident that the vast majority—92%—consists of semi-finished rectangular sections, with billets and ingots accounting for 7% and 1%, respectively.

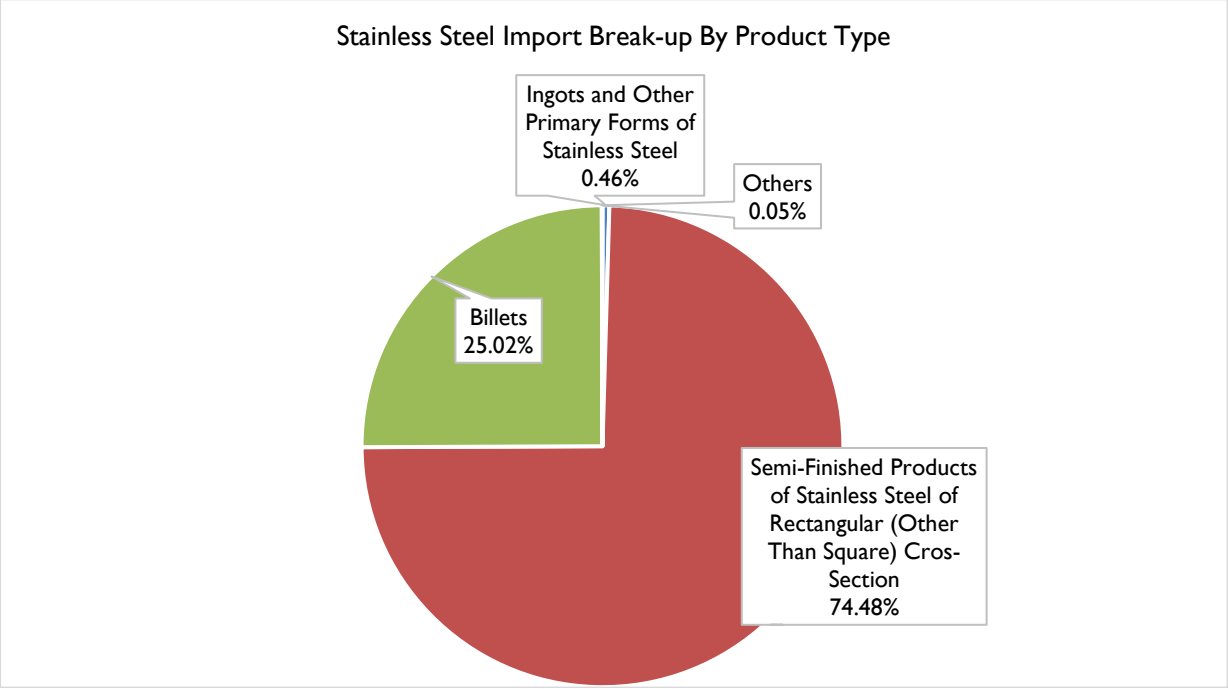




Source: Department of Commerce, Trade Statistics

Note: The data collaborated above is of HS Code: 72181000, 72189100, 72189910 and 72189990





Source: Department of Commerce, Trade Statistics

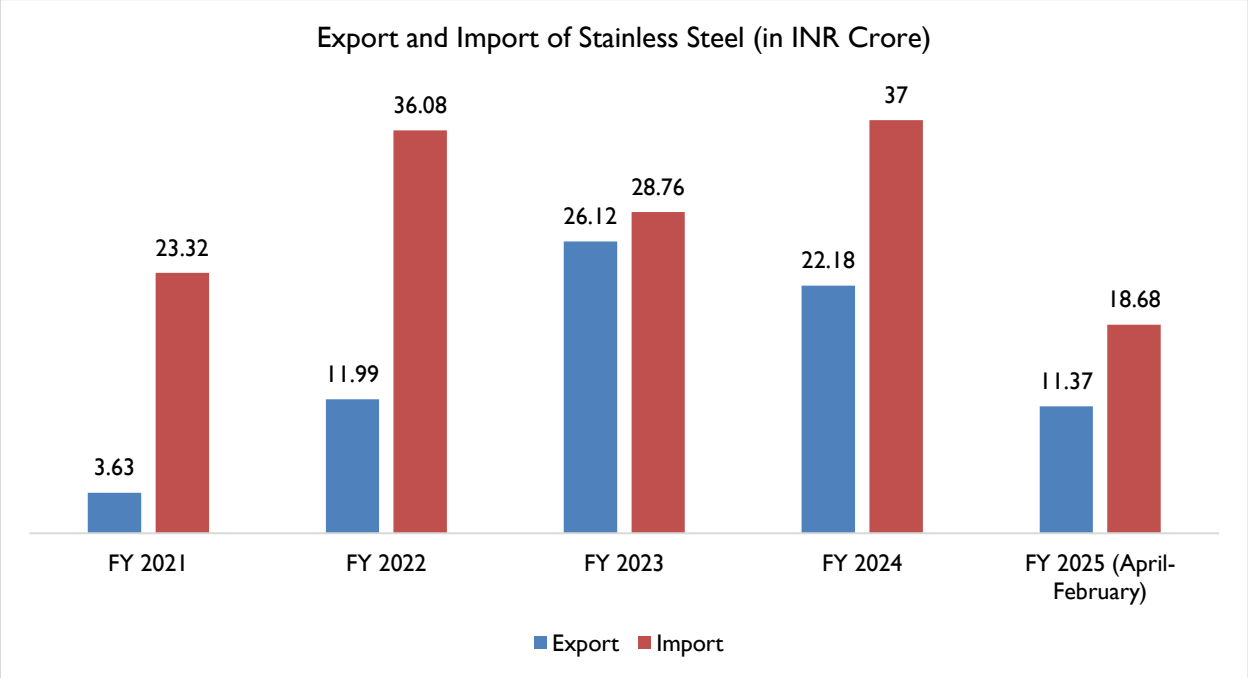
Note: The data collaborated above is of HS Code: 72189100, 72189910 and 72189990

Breaking down the trade data by product type reveals distinct patterns in India's stainless-steel imports and exports. On the export front, billets dominate the outbound shipments, accounting for 94.8% of total stainless-steel exports. Semi-finished products of rectangular (other than square) cross-section represent 2.2%, ingots and other primary forms make up 1.6%, and the remaining 1.4% falls under other product categories.

In terms of imports, semi-finished stainless-steel products of rectangular (other than square) cross-section constitute the bulk of inbound shipments at 74.48%. Billets follow with a 25.02% share, while ingots and other primary forms represent just 0.46%. Other miscellaneous stainless-steel products account for a marginal 0.05%. This composition highlights India's growing reliance on specific intermediate products to meet domestic demand and support downstream processing.

Value Analysis:

Exports of stainless steel rose steadily from INR 1.18 billion in FY2020 to a peak of INR 4.53 billion in FY2023, before declining to INR 2.46 billion in FY2024. In FY2025 (April–February), exports stood at INR 1.37 billion, indicating a moderate pace compared to previous years. This substantial growth up to FY2023 highlights India's expanding footprint in the global stainless-steel market, driven by enhanced production capacities and strategic positioning. However, the decline in FY2024 and the relatively modest performance in FY2025 so far suggest emerging challenges, such as global market volatility and increasing international competition, potentially influencing export dynamics.



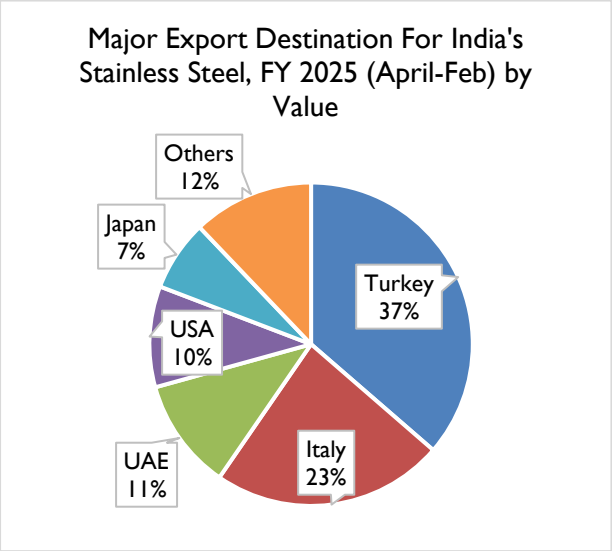
Source: Department of Commerce, Trade Statistics

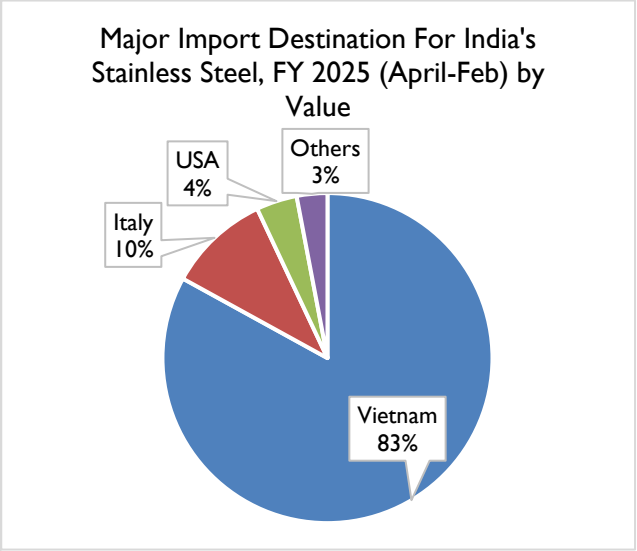
Note: The data collaborated above is of HS Code: 72181000

On the import side, the value of stainless-steel imports surged from INR 3.56 billion in FY2020 to a significant INR 117.0 billion in FY2024. As of FY2025 (April–February), import values reached INR 68.8 billion, reflecting continued dependence on external sources to meet domestic demand. The sharp rise, particularly from INR 82.6 billion in FY2023 to INR 117.0 billion in FY2024, underscores the impact of factors such as robust domestic consumption, supply chain constraints, and elevated global steel prices. The persistently high import values highlight India's increasing reliance on imported stainless steel to bridge the supply-demand gap across various industrial sectors.

Trading Partners:

In FY2025 (April–February), Turkey emerged as the largest export destination for India's stainless steel, accounting for 36% of the total export value. Italy followed with a 23% share, while the UAE and the USA contributed 11% and 10%, respectively. Japan accounted for 7%, and the remaining 12% was distributed among other countries. This export distribution reflects a shift in trade patterns and indicates a relatively diverse export portfolio, underlining India's expanding trade relationships across key international markets.





Source: Department of Commerce

Note: The data collaborated above is of HS Code: 72181000

On the import front, Vietnam dominated as the primary source of India's stainless-steel imports in FY2025 (April–February), contributing a substantial 83% of the total import value. Italy and the USA followed distantly with 10% and 4%, respectively, while other countries made up the remaining 3%. This data highlights a significant shift from the previous year, where Indonesia was the major import source. The growing reliance on Vietnam for stainless steel imports points to evolving supply chain preferences, but it also underscores India's continued dependency on a limited number of countries for meeting domestic stainless-steel demand.

Competitive Landscape

The industry can be categorized in – main producer of steel and the secondary producer. The secondary producer includes producer of sponge iron, furnaces for induction or energy optimization, re-rolling firms etc. Jindal Stainless Limited, Viraj Profiles Limited and Salem Steel Plant (Part of Steel Authority of India Limited) are the notable companies in the organized segment of Indian stainless-steel industry which are engaged in the manufacturing of semi-finished and finished steel product while several small companies operating as secondary producer. The Indian steel industry is fairly consolidated in finished steel production. One of the key success factors in this sector is the ability to be integrated across the value chain right from upstream raw material production (nickel, ferro chrome) to downstream manufacture of finished steel products. Consequently, the players are in a better position to pass on raw material price hikes to the end-users. The stainless-steel sector in India is characterized by high-quality production standards, a wide range of product offerings, strong domestic demand, growing export potential, and a well-established

manufacturing base. It benefits from the country's abundant raw material availability, skilled workforce, and supportive government policies. The Indian stainless-steel sector stands out due to its diverse product portfolio, catering to various industries. It boasts a robust distribution network, efficient supply chain management, competitive pricing, and strong customer relationships. Continuous innovation, R&D efforts, and sustainability initiatives further differentiate Indian stainless-steel manufacturers.

Key Factors Shaping the competition in the Stainless-Steel Sector

The evolution of the Indian steel market has been intricately linked to global economic trends and geopolitical shifts. Several key factors have exerted influence on the trajectory of the Indian steel plants.

Globalization and Trade Liberalization

The process of globalization has facilitated the integration of Indian steel producers into the global market, enabling access to new technologies, markets, and capital. Trade liberalization measures have opened avenues for export-oriented growth, allowing steel plants to tap into international demand. Globalization has enabled Indian steel producers to integrate into the international market, offering opportunities to export their products and boost revenue. By establishing strong international networks and partnerships, these companies gain a competitive edge. Trade liberalization has facilitated the flow of advanced technologies and best practices from developed markets, allowing Indian steel companies to enhance operational efficiency and product quality, thus staying ahead of domestic and international competitors. Additionally, the influx of foreign investments has provided capital for expansion, modernization, and innovation, enabling firms to upgrade infrastructure and increase production capabilities, further strengthening their competitiveness.

Technological Advancements

Rapid technological innovations have transformed the steel industry, leading to increased efficiency, productivity, and sustainability. The adoption of advanced processes such as electric arc furnaces, continuous casting, and automation has enhanced the competitiveness of Indian steel producers. The adoption of cutting-edge technologies such as electric arc furnaces, continuous casting, and automation has significantly enhanced efficiency and productivity in the steel industry, enabling companies to produce higher volumes at lower costs and outcompete those with outdated processes. The integration of IoT and AI in manufacturing allows for real-time monitoring and predictive maintenance, reducing downtime and improving production efficiency. This smart manufacturing approach helps firms maintain high operational standards and deliver products more reliably. Robotics automates repetitive tasks such as material handling, welding, and quality inspection, reducing reliance on manual labor and boosting process efficiency. Drones have become valuable for monitoring production facilities, conducting aerial surveys, identifying safety hazards, and facilitating maintenance inspections, thereby enhancing safety, reducing inspection times, and enabling proactive maintenance planning. This technological innovation facilitates the development of specialized steel grades for specific applications like automotive and aerospace, allowing companies to tap into niche markets and command higher prices.

Shifts in Global Demand

Changing consumption patterns, urbanization trends, and infrastructure development have influenced global steel demand. Emerging economies have emerged as key drivers of steel consumption, presenting opportunities for Indian steel producers to cater to these growing market segments. Growing demand in emerging economies presents significant opportunities for steel companies that can address specific needs such as infrastructure development and urbanization, enabling them to expand their customer base and increase market share. Adapting to changing consumer trends, like the rising demand for sustainable and high-strength steel, positions producers to attract and retain

customers. Additionally, firms that diversify their product portfolios to include both traditional and high-tech steel products can better withstand demand fluctuations and maintain a competitive edge.

Resource Constraints and Environmental Pressures

Challenges related to raw material availability, energy consumption, and sustainability have shaped the strategic priorities of steel companies. Efforts to diversify sourcing, optimise resource utilisation, and adopt cleaner technologies reflect a broader commitment to sustainable development. Companies that adopt sustainable practices and technologies reduce their environmental impact, comply with stringent regulations, and enhance their corporate image, attracting environmentally conscious customers and investors. Efficient use of raw materials and energy leads to significant cost savings, with optimized resource utilization through recycling and waste minimization reducing production costs and improving profitability. Innovating in sustainability, such as developing low-carbon steelmaking processes using hydrogen instead of coal, positions firms as leaders in sustainability and provides a competitive advantage by meeting the growing demand for eco-friendly products.

Sustainability and Environmental Regulations

Steel manufacturers are increasingly adopting sustainable practices and technologies to mitigate environmental impacts and enhance long-term viability. Companies adopting sustainable practices and technologies reduce their environmental impact, comply with stringent regulations, and enhance their corporate image, attracting environmentally conscious customers and investors. Efficient use of raw materials and energy leads to significant cost savings, with resource optimization through recycling and waste minimization reducing production costs and improving profitability. Developing low-carbon steelmaking processes, like using hydrogen instead of coal, positions companies as sustainability leaders, providing a competitive advantage by meeting the growing demand for eco-friendly products.

Peer Analysis

Following is the analysis of the peer companies

Peer Analysis		
Particulars	**Min**	**Max**
EBITDA %	1.92%	19.97%
PAT %	0.90%	13.55%
Manpower to sales	1.03%	6.17%
RM to sales	58.89%	93.36%
Other Expenses to sales	-6.37%	25.57%
Fixed Asset Turnover	0	31
Inventory Days	46	172
Debtor Days	38	110
Creditor Days	17	202

Major Entry Barriers

High initial investment, raw material availability (mostly nickel, chromium, and other non-ferrous metals), and economies of scale have created entry barriers, providing existing players a competitive advantage.

Global Economic Uncertainties: The steel industry is highly sensitive to global economic conditions, including trade tensions, geopolitical conflicts, and currency fluctuations. Uncertainties in global markets can impact steel prices, demand-supply dynamics, and investment sentiments, posing challenges for manufacturers.

Raw Material Procurement: Securing a cost-effective supply of raw materials, such as iron ore, coal, and scrap metal, remains a significant challenge. Dependency on imports, volatile commodity prices, and logistical constraints can disrupt production schedules and affect profitability.

Technological Disruptions: Technological advancements in steel offer efficiency gains and innovation opportunities, yet they require substantial capital investment, workforce training, and cybersecurity measures. Successful adaptation hinges on strategic planning and continuous research and development investment.

Global Competition: The Indian steel industry faces intense competition from domestic players as well as international giants in the global market. Competing on price, quality, and innovation requires continuous improvement in productivity, supply chain efficiency, and customer service.

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Capital Intensive: Establishing modern steel plants in India demands substantial investments, typically around Rs 7,000 crores for a plant with a capacity of 1 million tonnes. This financial barrier poses considerable challenges for domestic entities aiming to expand or establish new facilities.

Infrastructure challenges: India faces severe logistics challenges affecting both raw materials and finished steel transport. Despite needing 3-3.5 tonnes of raw materials per tonne of steel, India grapples with exorbitant freight costs, especially for iron ore, which are 500% higher than Australia's due to inadequate inland road and rail infrastructure.

Taxation burden: Indian steel manufacturers face a burdensome tax regime, with royalty on iron ore set at 15%, significantly above the global average of 3%-7%. Additionally, clean production costs.

Seasonal Demand: India's reliance on imported coking coal raises costs for steel manufacturers, while cyclical demand, worsened by monsoon slowdowns, causes financial strains during low demand periods.

Major Challenges

Increasing import from is cited as major threat to stainless steel product manufacturer. In Union-Budget 2021-22, the government announced revocation of CVD on imports of certain hot rolled and cold rolled stainless steel flat products originating or exported from China (uptill 30th September 2021) and subsequently extended it upto 31st Jan 2022. Moreover, the budget also announced the revocation of the provisional CVD on import of flat products of stainless steel, originating or exported from Indonesia.

The detail review of the industry development over the last two three years also suggests a large part of import from Indonesia are being driven by the Chinese companies operating from Indonesia. China has been investing aggressively in Indonesia to scale up SS capacity and displace India as a second largest SS player in world. Indonesia total installed capacity stood at 5.5Mn tonnes, which was higher than India (5 Mn tonnes in 2021) and the country replaced India to become the second largest SS producer globally in 2021.

In addition, Indonesia's SS capacity is also 25 times more than their total annual domestic consumption requirement of just 0.2 MTPA which serve India as a fertile dumping ground for Indonesian SS flat product exports as Indonesia is a part of India's free trade agreement (FTA) with the Association of Southeast Asian Nations (ASEAN).

This surge in cheaper import is severely hurting the supply dynamics of domestic SS industry with underutilized domestic capacity which is dwindling somewhere near 60%. Majority of underutilized capacity is concentrated in MSME segment which contributes about 28% share (1.4 Mn Tonnes) in total SS capacity of India. Under-utilization of domestic capacity are adding its resulting woes to the domestic SS industry such as falling revenue, declining profitability, significant unemployment, bringing fresh investment at halt, turning many companies out of business, and converting many manufacturers into trader. As per recent insight from the President of Indian Stainless Steel Development Association (ISSDA), about 30-35% of medium and small businesses in the stainless-steel industry in Gujarat state which represents 80% of the MSMEs in the sector ceased their operation in Q2 FY 2024 due to heavy influx of cheaper Chinese imports.

Profiling of Key Players

Company	Jindal Stainless Limited	Viraj Profiles Limited	Salem Steel Plant	Avtar Steel Limited
Brief Profile	Established in 1970, leading stainless-steel producer in India. Specializes in flat and long products for various industries.	Founded in 1992, specializes in stainless steel long products. Produces over 50,000 SKUs.	Part of SAIL, established in 1970. Leading stainless steel producer in Tamil Nadu, India.	ncorporated in 1996, the company s a player in the ndustry, specializing in a variety of long products for diverse applications.

Services Offered / Features & Attributes	Produces coils, sheets, plates, and strips. High-quality products with extensive R&D facilities.	Produces wires, bars, fasteners, flanges, and profiles. Global presence with diversified product range and advanced manufacturing facilities.	Produces flat stainless-steel products such as coils, sheets, and plates. State-of-the-art facilities.	Produces round bright bars, hexagonal bars, square bars and hot rolled and cold finished products.
Manufacturing Capacity	2.1 million tons per annum	528,000 tons per annum	434,000 tons per annum	72,000 MT per annum for specialty Stainless steel
Other Factors	Strong domestic and international market presence. Commitment to sustainability.	Serves oil and gas, automotive, and construction industries. Focus on high-quality standards.	Serves railways, power, and architecture industries.	Modern facilities for melting, hot rolling, heat treatment, and cold finishing. Strict quality control.

Note: The peer companies have been selected based on their operations in the stainless steel industry with product portfolio similar to the subject entity These companies share comparable manufacturing processes, end-user segments, and market presence.

Financial Performance

Backed by strong domestic demand, particularly from infrastructure and industrial sectors, along with a substantial increase in export demand, the stainless-steel industry has witnessed robust sales growth in recent years. Between FY 2020 and FY 2024, total sales have grown at a CAGR of 20%.

Expense Snapshot

	Raw Material	Power & Fuel	Salary & Wage	SG&A	Interest
FY 2020	74.5%	7.9%	3.5%	1.9%	1.7%
FY 2021	76.6%	7.4%	3.5%	1.5%	1.5%
FY 2022	81.9%	5.4%	2.4%	1.9%	0.9%
FY 2023	77.5%	5.4%	2.7%	1.7%	0.8%
FY 2024	84.9%	6.1%	1.4%	1.4%	1.5%

Source: CMIE Prowess IQ, Dun & Bradstreet Research, Based on a Sample of 4 Companies (Avtar Steel Ltd, Maa Mahamaya Alloys Pvt. Ltd, Rajputana Stainless Ltd, and Surya Alloy Industries Ltd.)

India remains a significant consumer and producer of stainless steel, but the industry continues to depend heavily on imported raw materials especially ferrochrome and nickel, both critical inputs for stainless steel production. This dependence on global markets exposes manufacturers to price fluctuations and supply chain uncertainties, resulting in elevated and volatile raw material costs. Raw material expenses have consistently been the largest cost component, ranging between 74.5% in FY 2020 to a peak of 84.9% in FY 2024, averaging around 79% over the five-year period. This sharp increase in FY 2024 underscores the intensified cost pressure due to global commodity price volatility. The second major cost heads are power & fuel and salaries & wages, which together accounted for an average of approximately 6.5% of total revenue over the years. Power & fuel costs, stemming from the energy-intensive nature of stainless-steel manufacturing and the logistics of bulk raw material movement, have ranged between 5.4% and 7.9%, with FY 2024 witnessing a rise to 6.1%, up from 5.4% in the previous two fiscal years.

Salaries & wages, while relatively stable in percentage terms between 1.4% and 3.5% have grown at a CAGR of 19% during this period, reflecting increased labour costs amid rising production and operational scales. Selling, General & Administrative (SG&A) expenses have remained within a narrow band of 1.4% to 1.9% of sales, recording a CAGR of 23% from FY 2020 to FY 2024. Despite their relatively small share, the consistent growth in SG&A reflects increased investments in distribution, marketing, and administrative functions to support industry expansion. Interest expenses have gradually declined from 1.7% in FY 2020 to 0.8% in FY 2023, before rising slightly to 1.5% in FY 2024, potentially indicating a shift in capital structure or rising borrowing costs in recent periods.

Profitability Margins

	Operating Profit Margin	Net Profit Margin
FY 2020	8.1%	3.9%
FY 2021	7.8%	3.5%
FY 2022	8.3%	5.1%
FY 2023	7.0%	3.9%
FY 2024	3.8%	1.3%

Source: CMIE Prowess IQ, Dun & Bradstreet Research, Based on a Sample of 4 Companies

Between FY 2020 and FY 2022, the domestic stainless-steel industry maintained healthy profitability, with operating profit margins ranging from 7.8% to 8.3% and net profit margins improving from 3.9% to 5.1%, supported by strong revenue growth and stable cost structures. However, starting FY 2023, the industry began to experience margin pressure due to rising operating expenses, including an increase in SG&A, power & fuel costs, and a 10% year-on-year rise in interest expenses. This trend worsened in FY 2024, where operating profit margin declined sharply to 3.8% and net profit margin fell to 1.3% the lowest in the five-year period. The sharp deterioration in margins was largely driven by a steep rise in raw material costs, which surged to 84.9% of revenue, along with increased energy and financing costs. While both operating and net profits recorded strong CAGR growth of 18% and 27%, respectively, over FY 2020 to FY 2024,

the recent margin compression underscores mounting cost pressures and the growing need for efficiency improvements, cost control measures, and reduced dependence on imported raw materials.

Key Ratios

Indicators	Average FY 2021, 2022, 2023, 2024
Return on Assets	14.9%
Return on Capital Employed	21%
Return on Networth	23.1%
Debt Equity Ratio	0.39
Interest Coverage Ratio	6.62
Current Ratio	1.77
Asset Turnover Ratio	2.25
Working Capital Turnover Ratio	8.11

Source: CMIE, Dun & Bradstreet Research, based on a Sample of 4 Companies

Key Standalone Financial Indicators of Key Players: FY 2021

Indicators (In Crores)	Panchmahal Steel Ltd	Manglam Worldwide Ltd	Mukand Ltd	Electrotherm India Ltd	Rajputana Stainless Ltd
Total Income	343.32	303.31	3,347.38	2530.59	429.83
Revenue from Operations	338.98	303.16	2,680.70	2526.79	427.7
EBITDA	27.44	5.87	463.33	230.04	23.77
EBITDA Margin	7.99%	1.94%	13.84%	9.09%	5.53%
PAT	9.81	2.7	46	63.3	2.23
PAT Margin	2.86%	0.89%	1.37%	2.50%	0.52%
Operating Cash Flow	29.33	5.6	-262.14	224.98	15.17
Net Worth	101.66	12.83	897.33	-906.79	62.39
Long Term Borrowing	54.63	0	1,735.41	2,121.40	19.73
Debt Equity Ratio	0.54	0	1.93	-2.34	0.32
Return on Capital Employed	12.79%	45.66%	15.00%	9.32%	23.89%
Return on Equity	9.65%	21.06%	5.13%	-6.98%	3.58%

Key Standalone Financial Indicators of Key Players: FY 2022

Indicators (In Crore)	Panchmahal Steel Ltd	Manglam Worldwide Ltd	Mukand Ltd	Electrotherm India Ltd	Rajputana Stainless Ltd
Total Income	577.61	523.32	4676.02	2834.04	771.70
Revenue from Operations	573.60	523.03	4642.93	2830.28	770.19
EBITDA	80.04	21.96	272.29	76.81	32.04
EBITDA Margin	13.86%	4.20%	5.82%	2.71%	4.15%

Indicators (In Crore)	Panchmahal Steel Ltd	Manglam Worldwide Ltd	Mukand Ltd	Electrotherm India Ltd	Rajputana Stainless Ltd
PAT	58.5822	12.39	91.62	-54.32	8.32
PAT Margin	10.14%	2.37%	1.96%	-1.92%	1.08%
Operating Cash Flow	37.86	1.58	-104.92	179.25	-2.19
Net Worth	159.96	45.48	740.47	-960.72	57.76
Long Term Borrowing	28.21	0.00	885.70	1973.85	33.89
Debt Equity Ratio	0.18	0	1.20	-2.05	0.59
Return on Capital Employed	38.50%	45.65%	13.96%	-0.89%	30%
Return on Equity	36.62%	27.24%	12.37%	*	14%

***PAT & equity both negative**

Key Standalone Financial Indicators of Key Players: FY 2023

Indicators (In Crore)	Panchmahal Steel Ltd	Manglam Worldwide Ltd	Mukand Ltd	Electrotherm India Ltd	Rajputana Stainless Ltd[5]
Total Income	490.05	645.92	6203.47	3080.74	950.69
Revenue from Operations	488.64	644.48	5618.36	3074.05	947.67
EBITDA	16.94	22.76	420.63	36.49	46.86
EBITDA Margin	3.46%	3.52%	6.78%	1.18%	4.93%
PAT	1.3783	15.75	185.48	-76.66	24.04
PAT Margin	0.28%	2.44%	2.99%	-2.49%	2.53%
Operating Cash Flow	-30.09	-70.48	173.85	105.99	31.77
Net Worth	153.83	127.70	881.48	-1039.41	81.16
Long Term Borrowing	76.44	16.17	1448.39	1,874.12	24.81
Debt Equity Ratio	0.50	0.13	1.64	-1.80	0.31
Return on Capital Employed	3.90%	12.59%	15.86%	-1.27%	37.7%
Return on Equity	0.90%	12.33%	21.04%	*	30%

***PAT & equity both negative**

Key Standalone Financial Indicators of Key Players: FY 2024

Indicators (In Crore)	Panchmahal Steel Ltd	Manglam Worldwide Ltd	Mukand Ltd	Electrotherm India Ltd	Rajputana Stainless Ltd
Total Income	431.86	822.46	5233.13	4275.84	915.5
Revenue from Operations	427.61	818.1	5217.53	4271.5	909.8
EBITDA	19.94	41.52	307.82	424.48	65.09
EBITDA Margin	4.66%	5.08%	5.90%	9.94%	7.15%
PAT	2.96	20.1	103.67	319.43	31.62
PAT Margin	0.69%	2.44%	1.98%	7.47%	3.45%
Operating Cash Flow	39.69	-11.09	76.61	354.61	43.51
Net Worth	156.88	172.15	946.32	-722.22	112.26
Long Term Borrowing	_	17.75	1433.09	_	19.48
Debt Equity Ratio	0.25	0.10	1.51	-3.49	0.17
Return on Capital Employed	5.31%	12.39%	10.66%	39.46%	43.10%
Return on Equity	1.89%	11.68%	10.96%	-44.23%	28%

Source: four peers financials has been retrieved from their respective Annual reports expect Rajputana Stainless Ltd which is provided by the company itself.

[5] Rajputana Financial for FY 2023, has been revised basis Financial provided by the company.

Formula Used:

EBITDA - PBT + Finance Cost + D&A

EBITDA Margins- EBITDA/Total Income

PAT Margins - PAT/Total Income

Networth – Total Shareholder's Equity

Debt-Equity Ratio – Long term Borrowing / Total Shareholder's Equity

Return on Capital Employed – EBIT/(Long term borrowing+ shareholder's fund)

Return on Equity - PAT/Total Equity

Key Consolidated Financial Indicators of Key Players: FY 2021

Indicators (in INR Cr)	Mukand Limited	Panchamahal	Mangalam Worldwide Ltd	Electrotherm Limited
Revenue from Operations	2,725.99	338.98	303.16	2,518.06
Total Income	3,474.40	343.32	303.31	2,522.28
EBITDA	246.22	27.44	5.88	224.04
EBITDA Margin	7.09%	8.09%	1.94%	8.90%
PAT	-203.78	9.81	2.70	49.49
PAT Margin	-5.87%	2.89%	0.89%	1.97%
Operating Cash Flow	-328.46	29.24	5.57	224.97
Net Worth	462.54	101.66	12.83	-1,042.38
Net Debt	1,763.49	8.55	0.00	1,012.73
Debt Equity Ratio	3.81	0.08	0.00	NA
Return on Capital Employed	7.98%	18.14%	45.66%	NA
Retun on Equity	-44.06%	9.65%	21.07%	NA
Return on Networth	-44.06%	9.65%	21.07%	NA

Source: Annual Reports of respective companies

Key Consolidated Financial Indicators of Key Players: FY 2022

Indicators (in INR Cr)	Mukand Limited	Panchamahal	Mangalam Worldwide Ltd	Electrotherm Limited
Revenue from Operations	4,642.97	573.60	523.03	2,831.31
Total Income	4,752.58	577.61	533.48	2,837.85
EBITDA	357.56	80.04	21.97	92.98
EBITDA Margin	7.52%	13.95%	4.20%	3.28%
PAT	176.31	58.58	12.39	-40.36
PAT Margin	3.71%	10.21%	2.37%	-1.43%
Operating Cash Flow	-101.81	37.86	1.59	179.24
Net Worth	666.46	159.96	45.46	-1,082.36
Net Debt	885.69	0.00	0.00	362.29

Debt Equity Ratio	1.33	0.00	0.00	NA
Return on Capital Employed	20.11%	45.29%	45.69%	NA
Retun on Equity	26.45%	36.62%	27.26%	NA
Return on Networth	26.45%	36.62%	27.26%	NA

Source: Annual Reports of respective companies

Key Consolidated Financial Indicators of Key Players: FY 2023

Indicators (in INR Cr)	Mukand Limited	Panchamahal	Mangalam Worldwide Ltd	Electrotherm Limited
Revenue from Operations	5,567.60	488.64	644.49	3,074.05
Total Income	6,152.79	490.05	646.55	3,080.74
EBITDA	401.62	16.94	24.44	104.54
EBITDA Margin	6.53%	3.47%	3.79%	3.40%
PAT	171.78	1.38	17.58	-11.82
PAT Margin	2.79%	0.28%	2.73%	-0.38%
Operating Cash Flow	105.91	-30.11	-61.31	107.08
Net Worth	853.78	153.83	139.65	-1,096.21
Net Debt	1,448.39	0.00	15.93	244.92
Debt Equity Ratio	1.70	0.00	0.11	NA
Return on Capital Employed	15.17%	5.84%	12.22%	NA
Retun on Equity	20.12%	0.90%	12.59%	NA
Return on Networth	20.12%	0.90%	12.59%	NA

Source: Annual Reports of respective companies

Key Consolidated Financial Indicators of Key Players: FY 2024

Indicators (in INR Cr)	Mukand Limited	Panchamahal	Mangalam Worldwide Ltd	Electrotherm Limited
Revenue from Operations	5,174.81	427.62	818.11	4,271.50
Total Income	5,190.84	431.86	822.47	4,276.15
EBITDA	308.02	19.95	42.52	424.14
EBITDA Margin	5.93%	4.67%	5.20%	9.93%
PAT	102.70	2.97	22.98	317.33
PAT Margin	1.98%	0.69%	2.81%	7.43%
Operating Cash Flow	64.94	39.70	-9.77	351.34
Net Worth	921.10	156.89	186.08	-781.12
Net Debt	1,433.09	0.00	17.76	606.59

Debt Equity Ratio	1.56	0.00	0.10	NA
Return on Capital Employed	10.97%	7.56%	17.30%	NA
Retun on Equity	11.15%	1.89%	12.35%	NA
Return on Networth	11.15%	1.89%	12.35%	NA

Source: Annual Reports of respective companies

Key Consolidated Financial Indicators of Key Players: FY 2025

Indicators (in INR Cr)	Mukand Limited	Panchamahal	Mangalam Worldwide Ltd	Electrotherm Limited
Revenue from Operations	4,889.99	383.1	1060.7	4,115.37
Total Income	4,904.42	385.81	1066.03	4,123.66
EBITDA	143.7893	6.17	27.00	53.39
EBITDA Margin	2.93%	1.60%	2.53%	1.29%
PAT	75.89	3.32	29.52	442.15
PAT Margin	1.55%	0.86%	2.77%	10.72%
Operating Cash Flow	172.95	1.38	-86.79	331.71
Net Worth	904.78	160.29	261.66	-158.78
Net Debt	1,435.84	48.34	185.26	1210.65
Debt Equity Ratio	1.645759	0.31	0.73	-8.0798
Return on Capital Employed	0.24%	0.51%	0.44%	0.05
Return on Equity	8.39%	2.07%	11.28%	-278%
Return on Networth	8.39%	2.07%	11.28%	-278%

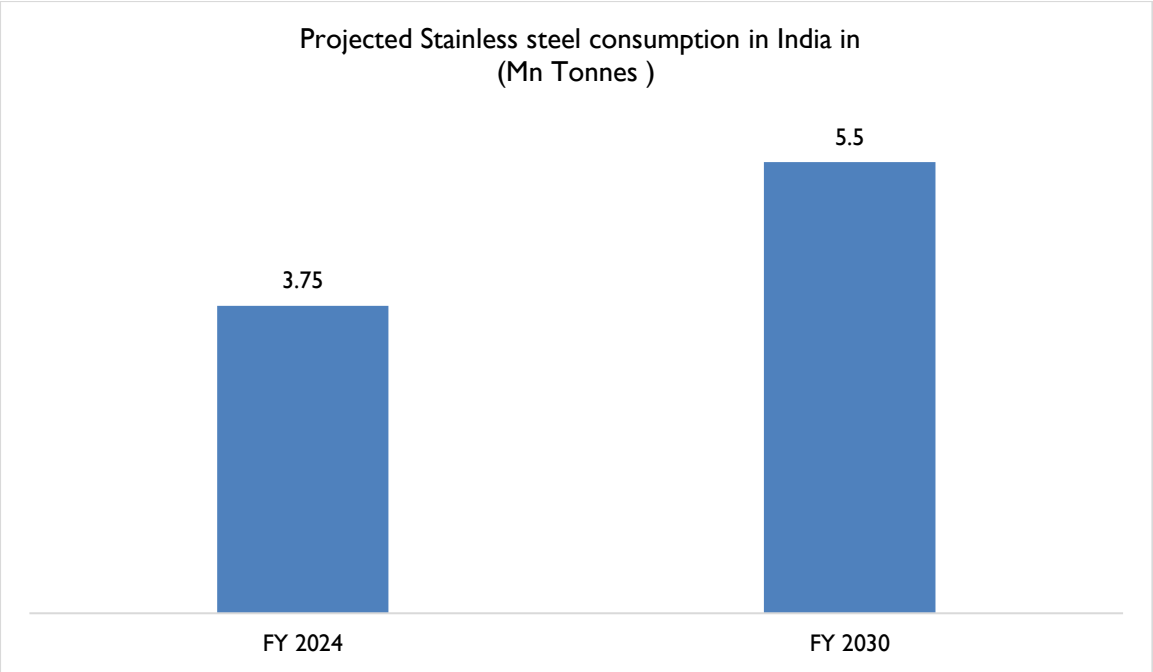
Source: Annual Reports of respective companies

Note: Panchamahal Steel Limited does not have any subsidiaries, associate companies, or joint ventures. Therefore, the financial information and analysis presented herein pertains solely to the company's Standalone Financial Statements, which have been considered equivalent to consolidated figures for the purpose of this assessment.

Growth Forecast:

With India being one of the fastest growing economies amongst the global peer, the country's stainless-steel demand in India is expected to witness steady growth as projected under the 'Stainless Steel Vision Document 2047' by CRISIL and the Indian Stainless Steel Development Association. The vision projects India's per capita stainless-steel consumption to grow to 8-9 Kg by 2040 and further to 11-12 Kg by 2047 while the domestic consumption is expected to grow to 12.7 MTPA and 20 MTPA by fiscals 2040 and 2047, indicating promising growth trajectory.

In near term, India's growth scenario for stainless steel consumption remains intact on the back of substantial government expenditure planned in major end user industries under National Infrastructure Pipeline and recently announced PM gati Shakti project. Higher capital expenditure planned towards sectors with higher metals consumption intensity such as Railway, Road and Bridges, Water infrastructure and Affordable Housing is positive as this will support demand for metal. We expect domestic stainless-steel industry to grow from approximately 3.75 million tonnes in FY 2024 to 5.5 million tonnes by 2030, at a compound annual growth rate (CAGR) of 6.59%



Sources: Dun & Bradstreet Research Estimates

This couple with supportive policy reform through scheme like Atmanirbhar Bharat, PLI, amended DMISP policy and make in India will give push to domestic manufacturing and strengthen the supply side dynamics. However, domestic SS face a major downside risk from rising imports, mainly from low-cost destination like China which is creating material harm to the domestic industry. Given the higher input cost and other overheads, domestic manufacturers find it difficult to compete with Chinese imports based on price. Only government level initiatives, to create a level playing field would help in nullifying this challenge.

Company Profiling: Rajputana Stainless Limited[6]

Background

Rajputana Stainless Limited (RSL), established in 1991, has been engaged in the steel manufacturing business for over three decades. Throughout the years, RSL has expanded its production. The manufacturing facility is located in Panchmahal district, Gujarat, and is equipped to produce a diverse range of products, including of billets, forging ingots, rolled black bar, rolled bright bar, flat & patti and other ancillary product.

During the year 1999, RSL was declared a Non-BIFR Sick Industrial Unit vide Government of Gujarat, Industries and Mines Department Resolution No. SIU-1098-668-CH under Scheme for Rehabilitation of Small Scale and Non-BIFR Sick Viable Industries. Subsequently RSL was removed from list of Non-BIFR Sick Unit and became viable as per the then norms of Government of Gujarat.

[6] The Company profile section has been compiled basis information collected from public domain (company website / other publicly available information) as well as information (if any) shared by the Company. D&B has not independently verified the claims made by the Company.

Manufacturing Infrastructure

RSL's Manufacturing Facility is strategically located with the availability of transportation ensuring convenient transportation of our products. RSL's Manufacturing Facility is equipped with an induction furnace, Argon Oxygen Decarborizer ("**AOD**"), Continuous Casting Machine ("**CCM**"), heat treatment facilities, Oxygen and Nitrogen Plant, rolling mill and bright bar shop.

RSL as on 31st December, 2024, had an installed melting capacity of 48,000 MTPA, rolling capacity of 36,000 MTPA and bright bar capacity of 6,000 MTPA, heat treatment facility of 25 tonnes/batch size and Oxygen and Nitrogen plants having installed capacity of 350 scm/hour and 250 scm/hour respectively.

Key Customer Segment

The Company's key customers include Venus Pipes and Tubes Limited, Hindustan Inox Limited, Aamor Inox Limited, D H Exports Private Limited, Maximum Tubes Company Pvt Limited, Suraj Limited, and Sieves Manufacturer (I) Pvt. Ltd.. This diverse customer base indicates the capability of RSL to meet demand emerging from sectors including infrastructure, automotive, engineering, oil manufacturing, and utensil manufacturing. The top 5 customers are Aamor Inox Limited, Hindustan Inox Limited, Maxim Tubes Company Pvt. Ltd, Suraj Limited, and Sieves Manufacturer (India) Pvt. Ltd contributed approximately 30–35% of RSL's total sales in FY 2024.

Key Achievements:

Rajputana Stainless Limited's dedication to quality and innovation has earned significant industry recognition through awards and certifications. Key achievements include the IBR 2022 – 2024 certification, highlighting compliance with Indian Boiler Regulations, and the PED Certificate from TUV Nord, indicating adherence to the Pressure Equipment Directive. Additionally, the company holds an ISO 9001:2015 Certificate for its quality management systems, demonstrating its commitment to maintaining high standards across its operations. These accolades affirm Rajputana Stainless Limited's position as a company that consistently meets industry expectations.

Financial Analysis:

Rajputana Stainless Limited has demonstrated substantial financial growth and resilience, supported by the extensive industry experience of its promoters. Having worked in the steel industry for over thirty years, the promoters have a deep understanding of sector dynamics and are adept at navigating business cycles. The company's total revenue has shown significant growth, increasing to INR 950.7 crores in fiscal 2023 from INR 770.2 crores in fiscal 2022. This increase is attributed to higher product prices and better volume sales, driven by growing demand from end-user industries. However, there was a drop in domestic sales in FY 2024, leading to a drop in sales by nearly 4% over previous year. This downturn is largely due to a surge in imports of finished stainless steel products into India.

	Total Income	Income from Operations	Expense (INR Cr.)	PBDITA (INR Cr.)	PAT (INR Cr.)
FY 2021	429.8	427.7	422.44	23.77	2.23

FY 2022	771.7	770.2	755.5	32.04	8.32
FY 2023	950.7	947.7	922.11	46.86	24.04
FY 2024	915.5	909.8	873.18	65.09	31.63

The business is susceptible to fluctuations in raw material prices, such as scraps, ferrous alloys, and base metals, influenced by the demand-supply scenario.

The strong sales growth experienced by RSL has helped the company improve its profitability. From INR 23.77 Crore in FY 2021, the PBDITA of the Company improved to nearly INR 65.09 Crore in FY 2024. During the same period, the Profit After Tax improved from INR 2.23 Crore to INR 31.63 Crore. RSL has managed to improve its profitability despite the steady growth in expenses, driven by strong growth in raw material cost across the industry. This points to streamlining of operations and improvement in operational efficiencies.

	PBDITA Margin	PAT Margin
FY 2021	5.5%	0.5%
FY 2022	4.2%	1.1%
FY 2023	4.9%	2.5%
FY 2024	7.1%	3.5%

Note: PBDITA & PAT margin, as a percentage of total income

The key financial ratios for Rajputana Stainless Limited, averaged over FY 2022, 2023 and 2024, indicate a robust financial performance. The company achieved a Return on Assets of 3.70%, reflecting efficient asset utilization. A Return on Capital Employed of 28.48% demonstrates effective use of capital in generating profits. The Return on Net Worth stood at 13.21%, highlighting the company's ability to generate returns for its shareholders. Debt Equity Ratio of company stood at 0.21. An Interest Coverage Ratio of 3.04 signifies the company's capacity to meet its interest obligations, while a Current Ratio of 1.23 indicates good short-term liquidity.

Key Ratio	Average FY 2022, 23 & 24
Return on Assets	14.10%
Return on Capital Employed	38%
Return on Networth	25%
Debt Equity Ratio	0.31
Interest Coverage Ratio	3.36
Current Ratio	1.32

Project Cost

Rajputana Stainless Limited, the Company, plant to manufacture stainless steel seamless pipes at the proposed site in Gujarat. They aim to begin commercial operations on January 1, 2027 (4th quarter of FY2027) following 15 months of construction after financial closure in September 2025. Stainless steel seamless pipes are manufactured through a process involving hot extrusion or piercing of solid bars followed by elongation and rolling to achieve the desired dimensions and properties.

The total project cost as estimated by the Company is INR 57.2086 Cr. The details are given as under:

(all values in INR Cr)

Particulars	Basic Cost	GST	Total Cost with GST
Land Cost	-	-	-
Civil & Structural Work, Site Development	5.7502	1.0350	6.7852
Plant & Equipment & Utilities	9.5877	1.6647	11.2524
Misc. Fixed Assets	1.0502	0.1890	1.2392
Total Hard Cost	**16.3881**	**2.8888**	**19.2769**
Contingency	0.5736	0.1011	0.6747
Pre-operative Expenses	1.6100	0.2538	1.8638
IDC			
Total Soft Cost	**2.1836**	**0.3549**	**2.5385**
Working Capital Funding	35.3933		35.3933
Total Project Cost	**53.9649**	**3.2437**	**57.2086**

Source: RSL & D&B-India Assessment

Land Cost

The Company proposes to establish the new pipe unit within the premises of existing facility. Hence, the land cost is not considered for the project. As informed by Company the land available at existing plant is sufficient for the proposed plant. The Company has provided general layout for the existing unit without specific dimensions, also the Layout for proposed facility is provided. Based on the visual inspection of site during visit the proposed land is considered to be adequate for proposed facility.

Civil & Structural Work

The civil and structural work include:

(all Values in INR Cr)

Particulars	Basic Cost	GST	Total Cost with GST	Vendor Name
Civil	2.56	0.46	3.03	Ganesh Engineering
PEB	3.19	0.57	3.76	Ganesh Engineering
Revised Value	**5.75**	**1.04**	**6.79**	

The detailed summary of civil and PEB is as below,

(all Values in INR)

Particulars	Vendor	Units	Basic Value(Rs)	Units	Gross Value	GST	Total Value	Remark
Civil								
Earth Excavation (0-1mtr.) 25 x 40	Ganesh Engineering	640	150.00	per cum	96,000.00	17,280.00	113,280.00	Quotation no: 011 Quotation Date: 13th November 25 Quotation Validity: 6 Months Delivery of Total Supply item and Complete of Erection Work: 8 to 9 Approximate months on receipt of confirm order & received Payment as per terms & conditions.
Earth Excavation (1mtr-3mtr.) 75 x 40		960	175.00	per cum	168,000.00	30,240.00	198,240.00	
Back filling site - to - site		1,500	85.00	per cum	127,500.00	22,950.00	150,450.00	
Back filling brought from outside		1,382	500.00	per cum	691,000.00	124,380.00	815,380.00	
P.C.C. Work (1:4:8) 100 mm		350	4,500.00	per cum	1,575,000.00	283,500.00	1,858,500.00	
C.C. Footing 1:3:6		128	4,800.00	per cum	614,400.00	110,592.00	724,992.00	
R.C.C. Column & Beam (1:1.5 :3) height 0-4 mtr.M-30		427.00	8,000.00	per cum	3,416,000.00	614,880.00	4,030,880.00	
Footing Shuttering		576	410.00	per sq mt	236,160.00	42,508.80	278,668.80	
Shuttering for Coolum & Beam Ply and Steel		766	450.00	per sq mt	344,700.00	62,046.00	406,746.00	
230 mm Thick in (CM 1:6)		246	6,800.00	per cum	1,672,800.00	301,104.00	1,973,904.00	
Stone Soling 230mm Thick water bound with Roller		759	2,000.00	per cum	1,518,000.00	273,240.00	1,791,240.00	
12mm (1:4) 1224 x 2		2,448	290.00	per sq mt	709,920.00	127,785.60	837,705.60	
18mm (1:4) 1224 x 2		2,448	320.00	per sqmt	783,360.00	141,004.80	924,364.80	
Net Cement Plaster Work 1224 x 2		2,448	380.00	per sqmt	930,240.00	167,443.20	1,097,683.20	
Trimix Flooring Work 700		660	6,800.00	per cum	4,488,000.00	807,840.00	5,295,840.00	

Grove Cutting		2,200	170.00	per R mt	374,000.00	67,320.00	441,320.00	
With Cutting, Banding		100.00	79,000.00	per MT	7,900,000.00	1,422,000.00	9,322,000.00	
PEB								
PEB -Structural Steel Fabricated Shed-: 1) 421.7 F L x 83 F W x 12 M H Sq.ft. = 35000 Sq.ft	Ganesh Engineering	196791.7	130.00	per KG	25,582,921.00	4,604,925.78	30,187,846.78	Quotation no: 014 Quotation Date: 21st November 25 Quotation Validity: 6 Months Delivery of Total Supply item and Complete of Erection Work: 8 to 9 Approximate months on receipt of confirm order & received Payment as per terms & conditions.
Top Roofing Sheet Supply & Erection		4593.5	800.00	per Sq mt	3,674,800.00	661,464.00	4,336,264.00	
Roofing Sheet vertical Sheet Supply & Erection		1125	800.00	per Sq mt	900,000.00	162,000.00	1,062,000.00	
Roofing Sheet Accessories :- Gutter , Gutter Clamp , Ridge , Ridge Clamp , Corner Flashing , Inclined Flashing Supply & Erection		391.31	1,150.00	per Sq mt	450,006.50	81,001.17	531,007.67	
Drain Water Down Pipe: As per Technical Specification – PVC 32 Nos. PVC Pipe x 12 Mtr. Length Total 384 R.mtr Supply & Erection		384	800.00	per R mt	307,200.00	55,296.00	362,496.00	
Polycarbonate Sheet (5%) Transform Sheet 500 mm Wide sky light sheet to be considered Throughout top & vertical Supply & Erection		170.2000	2,715.00	per Sq mt	462,093.00	83,176.74	545,269.74	
24" Turbo Ventilator With polycarbonate base Supply & Erection		64	7,500.00	per unit	480,000.00	86,400.00	566,400.00	

The Company has provided the detailed estimations of Civil & building cost with the breakup of Construction materials. The Rates considered for the Civil Works includes RCC Work, excavation work, PCC work and Shuttering work. The rates seem to be at par with the market rates for relevant materials.

Plant & Machineries cost

The detailed summary of the Plant and machinery is as below:

(Values in INR)

Particulars	Vendor	Units	Basic Value(Rs)	Units	Gross Value	Duties	GST	Total Value	Remark
Fabrication of the furnace casing compromising	Shreenath G Nambiar	2	2,950,000.00	per unit	5,900,000.00		1,062,000.00	6,962,000.00	Quotation No. 3907 Quotation date: 13th November 2025 Quotation Validity: 6 Months Delivery Period: not Mentioned
Flue duct fabrication cost with material labour and rolling of duct. [chimney not in estimation for gas fired furnace only the flue need to be taken outside the shed]]		2	125,000.00		250,000.00		45,000.00	295,000.00	
Flue exhaust damper for furnace pressure control		2	50,000.00		100,000.00		18,000.00	118,000.00	
Door Lifting System		2	10,000.00		20,000.00		3,600.00	23,600.00	
Walking beam frames fabrication cost with material, consumable and labour fabrication		2	900,000.00		1,800,000.00		324,000.00	2,124,000.00	
Guide rails ,Taper wedge,Wheel assembly machining and fabrication with material		2	200,000.00		400,000.00		72,000.00	472,000.00	
Bearings and hardware		2	200,000.00		400,000.00		72,000.00	472,000.00	
Hydraulic Power Pack		2	800,000.00		1,600,000.00		288,000.00	1,888,000.00	
Control panel plus Programmable logic controller [SCADA System is optional]		2	950,000.00		1,900,000.00		342,000.00	2,242,000.00	
Combustion equipments		2	950,000.00		1,900,000.00		342,000.00	2,242,000.00	
Instruments and control		2	300,000.00		600,000.00		108,000.00	708,000.00	
Ceramic fiber insulation with stainless steel anchors		2	900,000.00		1,800,000.00		324,000.00	2,124,000.00	
Refractory insulation		2	900,000.00		1,800,000.00		324,000.00	2,124,000.00	

Ceramic beams and related items		2	2,500,000.00		5,000,000.00		900,000.00	5,900,000.00	
Erection and comm/Assembly expences		2	800,000.00		1,600,000.00		288,000.00	1,888,000.00	
Insulation expenses refractory lining.		2	550,000.00		1,100,000.00		198,000.00	1,298,000.00	
Charging and Discharge rollers [Or Ejector]		2	450,000.00		900,000.00		162,000.00	1,062,000.00	
Roller Drive		2	30,000.00		60,000.00		10,800.00	70,800.00	
Design Enigineering charges		2	1,080,000.00		2,160,000.00		388,800.00	2,548,800.00	
Unforseen Exp		2	200,000.00		400,000.00		72,000.00	472,000.00	
Travel Hotel Stay		2	200,000.00		400,000.00		72,000.00	472,000.00	
Gas Trains		2	225,000.00		450,000.00		81,000.00	531,000.00	
Electrical cabling with 10 meters from the furnace [Material and labour]		2	150,000.00		300,000.00		54,000.00	354,000.00	
Water and other piping within 10 meters from furnace		2	130,000.00		260,000.00		46,800.00	306,800.00	
LXC-60 Piercing mill	Yantai Yujiya Machinery Company Ltd	2	20,574,000.00		41,148,000.00	3,394,710.00	7,406,640.00	51,949,350.00	Quotation Number: YY081 Qoute date 15th January 2026 Quotation Validity: 180 days Delivery time: 120days ready for shipment after receiving advance payment
Conveyor Mill	K Patel Drives System	2	974576	Nos	1,949,152.00		350,847.36	2,299,999.36	Quotation Number: 175/25-26 Quote date:11th November 2025 Quotation Validity: 6 motnhs Delivery time:3-4 weeks after receiving Confirm order
Centring Mill		2	380355	Nos	760,710.00		136,927.80	897,637.80	
Quenching Discharge		2	185000	Nos	370,000.00		66,600.00	436,600.00	
Compressor		2	675000	Nos	1,350,000.00		243,000.00	1,593,000.00	

Round Bar straightening Machine	Gayatri Engineers	2	5,509,000.00	per unit	11,018,000.00		1,983,240.00	13,001,240.00	Quotation No. 1 Quo Date: 13th November 2025 Quotation Validity: 6 Months Delivery: within 120 Days
End Cutting Machine	Gayatri Engineers	2	212,000.00	per unit	424,000.00		76,320.00	500,320.00	Quotation No. 2 Quo Date: 14th November 2025 Quotation Validity: 6 Months Delivery: within 120 Days
MTB Pump	K Patel Drives System	4	45500	Nos	182,000.00		32,760.00	214,760.00	Quotation Number: 175/25-26 Quote date:11th November 2025 Quotation Validity: 6 motnhs Delivery time:3-4 weeks after receiving Confirm order
Furnace Colling Pump		4	29600	Nos	118,400.00		21,312.00	139,712.00	
Mill Water Supply		4	29500	Nos	118,000.00		21,240.00	139,240.00	
Mill Dewatering Pump		4	29750	Nos	119,000.00		21,420.00	140,420.00	
Cooling Towers	Paharpur Cooling Towers Limited	2	450000	Nos	900,000.00		162,000.00	1,062,000.00	Quotation No: W2T240150/AK Date : 04-February-2026 Validity: 6 months
MS Reducer/Ballvalve	Jineshwar Steels	2	9,000.00	per unit	18,000.00		3,240.00	21,240.00	Invoice Number: 488 Quotation Date:-15th November 2025 Quotation Validity- 6 months Delivery Period: not Mentioned
MS/GI Pipes 96x48x3.2		5500	65.00	per KG	357,500.00		64,350.00	421,850.00	
MS/GI Pipes 50x50x3.2		6100	65.00	per KG	396,500.00		71,370.00	467,870.00	
MS/GI Pipes 122x61x3.2		500	66.00	per KG	33,000.00		5,940.00	38,940.00	

7.5 tons EOT Crane Complete set	Manish Engineers	2	1,060,000.00	per machine	2,120,000.00	-	381,600.00	2,501,600.00	Quotation Number: ME-029/2025-26 Quotation Date: 10th November 2025 Quotation Validity: 180 days Delivery Time: 30-45 days after confirming order

The GST considered for the quotations value is 18% and the INR/USD rate is INR 90/USD.

Company has taken Quotation for 2 Furnaces from Sreenath G. Nambiar with segregation of cost as per quotation is as follows:

ITEM NO	DESCRIPTION	COST UNDER HEAD A	FABRICATORS COST Head B	Total A+B
1	Fabrication of the furnace casing comprising			
1.1	Furnace casing and Water sealing tray fabrication cost with material, consumable and labour fabrication	4800000	1100000	5900000
1.2	Stainless steel Hearth retainer fabrication cost with material			
1.3	Water sealing tray fabrication cost with material			
2	Flue duct fabrication cost with material labour and rolling of duct. [chimney not in estimation for gas fired furnace only the flue needs to be taken outside me shed]	200000	50000	250000
3	Flue exhaust damper for furnace pressure control	100000		100000
4	Door lifting system	20000		20000
5	Walking beam mechanism			
5.1	Walking beam frames fabrication cost with material, consumable and labour fabrication	800000	1000000	1800000
5.2	Guide rails, Taper wedge, Wheel assembly machining and fabrication with material	400000		400000
5.3	Bearings and hardware	400000		400000
6	Hydraulic power pack	1600000		1600000
7	Control panel plus Programmable logic controller [SCADA System is optional]	1900000		1900000
8	Combustion equipment	1900000		1900000

8.1	Combustion air blower [One running one spare]			
8.2	Solenoid valve safety shut Off			
8.3	Air-fuel piping			
8.4	Burners			
8.5	Pressure switches			
8.6	Butterfly			
8.7	Air-gas ratio regulator			
8.8	Limiting orifice valves			
8.9	Auto ignition of burners and flame monitoring complete with flame monitoring system and control unit for entry section burners			
9	Instruments and control	600000		600000
9.1	Thermocouple and pyrometers			
9.2	Motorized valves			
10	Ceramic fiber insulation with stainless steel anchors	1800000		1800000
11	Refractory insulation	1800000		1800000
11.1	Cold face bricks			
11.2	Hot face bricks			
11.3	Fire bricks			
11.4	Fire clay etc.			
12	Ceramic beams and related items	5000000		5000000
13	Erection and comm/Assembly expenses		1600000	1600000
14	Insulation expenses refractory lining.		1100000	1100000
15	Charging and Discharge rollers [Or Ejector]	900000		900000
16	Roller drive	60000		60000
17	My design engineering charges	2160000		2160000
18	Unforeseen expenses	400000		400000
19	Travel hotels stay etc. [Estimated expenses]	400000		400000
20	Gas train	450000		450000
21	Electrical cabling with 10 meters from the furnace [Material and labour]	300000		300000

22	Water and other piping within 10 meters from furnace	200000	60000	260000
	Total estimated	26190000	4910000	31100000

The basic plant & equipment cost estimated by the Company is ~INR 9.5877 Cr. D&B has validated the above consolidated quotations. The Company has provided purchase quotation for piercing mill received from Yantai Yujia Machinery Co. Ltd and the same is validated. Company has provided the 100% of the quotations for Plant & Machinery Cost.

**D&B India suggests the company to review the quotation for the mention of delivery note number and date.*

Misc. Fixed Assets

The summary of the MFA is as given below:

all Values in INR)

Particulars	Vendor	Units	Basic Value(Rs)	Units	Gross Value	GST	Total Value	Remark
MS Angle 50x50x6	Jigneshwar Steels	4800	72.00	per KG	345,600.00	62,208.00	407,808.00	Invoice number: 493 Quotation Date:-14th November 2025 Quotation Validity- 6 months Delivery Period: not Mentioned
MS Beam 200		4050	74.00	per KG	299,700.00	53,946.00	353,646.00	
MS Channel 150		3400	69.25	per KG	235,450.00	42,381.00	277,831.00	
Flat/Bars 122x61x3.2		2900	69.50	per KG	201,550.00	36,279.00	237,829.00	
MS Beam 300		3800	71.50	per KG	271,700.00	48,906.00	320,606.00	
MS Channel 250		8250	71.50	per KG	589,875.00	106,177.50	696,052.50	
Plug Moly	J Poonamchand & Sons	800	7,205.00	per KG	5,764,000.00	1,037,520.00	6,801,520.00	Quotation Number: JPS/145/25-26 Quotion Date: 12th November 2025 Quotation Validity: 6 Months Delivery: As per Schedule
Plug Road		800	106.00	per KG	84,800.00	15,264.00	100,064.00	
Connectors	K Patel Drives System	200	720	Nos	144,000.00	25,920.00	169,920.00	Quotation Number: 175/25-26 Quote date:11th November 2025 Quotation Validity: 6 motnhs Delivery time:3-4 weeks after receiving Confirm order
Flanges		100	1910	Nos	191,000.00	34,380.00	225,380.00	

Veedol Avalon HLP 68 (210L)		2940	135.00	per unit	396,900.00	71,442.00	468,342.00	Quotation no. QUO13492 quotation date:11th November 25 Quotation Validity: 31st May 2026 Delivery Period: not Mentioned
Veedol Avalon 220 (210L)		1260	132.00	per unit	166,320.00	29,937.60	196,257.60	
Veedol Alithex 3 grease (180K)	BP Lubricants Pvt Ltd	540	215.00	per unit	116,100.00	20,898.00	136,998.00	
Belt, Bearings ,Gasket Sheets, Teflon Tape, Pulley, Coupling	K Patel Drives System	Set	1694951.42		1,694,951.42	305,091.26	2,000,042.68	Quotation Number: 144/25-26 Quote date: 2nd February 2026 Quotation Validity: 90 Days

The Misc Fixed Assets cost without GST is INR 1.05 Cr and inclusive of GST is INR 1.2392 Cr. Company has provided 100% of the quotations of Misc. fixed assets for review. D&B has validated the above provided quotations.

**D&B India suggests the company to review the quotation for the mention of delivery note number and date.*

Contingency

A contingency provision is made at 3.50% of the hard cost (excluding land cost) of the project, to address various potential risks and cost uncertainties that are characteristic of project at this stage. There are quotations available for total hard cost mentioned for the project, however, despite having quotations, market fluctuations in material costs, labor rates, or currency exchange rates (since project involves procurement of imported machinery from China) over the 12-month implementation period may impact final costs. Minor design refinements or site-specific challenges may necessitate adjustments that were not accounted for in the initial cost estimates. Any unforeseen statutory changes or additional compliance requirements may lead to incremental costs. Delays, logistical challenges, or contractor related issues could lead to additional expenditures beyond the contracted amounts.

The 3.50% contingency thus provides a conservative and industry-standard buffer that allows the project to navigate these financial variances.

Preliminary & Preoperative Expenses

Preliminary & preoperative expenses are considered by Company at INR 1.61Crore as the administrative expenses, preliminary manpower expenses, Trial Raw material expenses & consumable expenses during construction period.

The brief breakup of the same is as follows,

(all values INR Cr)

Particulars	Basic Cost	GST	Total Cost with GST
Preliminary Expenses			
Commissioning and Trail runs	0.50	0.09	0.59
Salaries	0.20	-	0.20
Travelling Boarding & Lodging	0.20	0.04	0.24
communication	0.03	0.01	0.04
Other consultancy (TEV & Legal)	0.10	0.02	0.12
General Admin Exp.	0.08	0.01	0.09
Misc. Expenses	0.50	0.09	0.59
Total Preliminary Expenses	**1.61**	**0.25**	**1.86**

Source: Company

Working Capital

The working capital requirement of the project Is estimated at INR 35.9333 Crore. This is based on the calculations for the first year of operation of the Project i.e., FY 27. A detailed calculation of working capital requirement for the project is provided under the economic viability section of this report.

Comment on Capital Cost

The Based on the review of 100% value of plant & Machinery quotations, the Basic project cost is estimated to be INR 53.9647 Crore.

The Project cost envisaged has covered all the major heads, but still some modifications during detailed engineering and implementation are expected due to unforeseen items (this variation prevails across the industry). The cost for equipment is estimated based on budgetary estimates provided by the Company. The Company will try to negotiate further with the plant and machinery suppliers at the time of placing the final order. Post finalization of the detailed engineering, placement of orders and depending on actual site construction the cost for the project may vary. D&B-India has considered the min and max benchmarking cost based on its experience in handling similar past projects.

D&B-India has analysed seamless steel tubes projects in India for past few years and noted the following:.

Project Name	Annual Capacity (MT)	Capex Year	Capital Expenditure (INR Crore)	Capital cost (INR per MT)
Ratnamani Metals & Tubes (Gandhidham, Gujarat)	40,000	2018	300	112,772
Maharashtra Seamless Ltd (Raigad, Maharashtra)	20,000	2017	150	119,539
Jindal Stainless (Hisar, Haryana)	50,000	2019	200	56,741
Tubacex India (Umbergaon, Gujarat)	25,000	2020	225	120,440
Rajputana Stainless Limited	9,600	2025	56	55,208.33

- This cost is directly influenced by the technology of the pipes, the proposed capacity and Machinery proposed.
- Capital cost for seamless tubes of RSL is estimated to be INR 55,208.33 per MT which is reasonable as per the prevailing Industry benchmarks. The cost is observed to be slightly lower as the company already has a mother hollow facility. The proposed project starts from the pilger mill and thereby the capacity cost per MT is reasonable.

Means of Finance

The proposed funding is as under:

(All values in INR Cr)

Particulars	Basic Cost	GST	Total Funding
IPO Proceeds	18.5717		18.5717
Internal Accruals/ Promoter Funds	35.3933	3.2437	38.6369
Total Equity	**53.9649**	**3.2437**	**57.2086**
Debt	-	-	-
Total Project Cost	**53.9649**	**3.2437**	**57.2086**

IPO Proceeds

The Company plans to bring INR 18.5717 Crore through IPO and 38.6369 Through Internal accruals inclusive of GST, the Company proposes to not raise any funds by means of debt.

Economic Viability

It is necessary to understand the reasonableness of the revenue, cost assumptions and subsequently the margins and the relevant ratios. The relevant industry benchmarks are studied and applied using D&B-India's research and industry expertise. D&B-India projected financial performance of the Company along with sensitivity analysis.

Installed Capacity

Particulars	Units	FY27	FY28	FY29	FY30	FY31
SS Seamless Pipes						
Installed Capacity						
Production speed per day	Mtr/Day	29	29	29	29	29
Operating Days per annum	Days	**83**	330	330	330	330
Annual Installed Capacity	**MTPA**	**2,400**	**9,600**	**9,600**	**9,600**	**9,600**
Capacity Utilization	%	50%	80%	85%	95%	95%
Production	MTPA	1,200	7,680	8,160	9,120	9,120
Scrap Generated During Process	%	5.78%	5.78%	5.78%	5.78%	5.78%
Burning loss		0.25%	0.25%	0.25%	0.25%	0.25%
Scale Generation	%	0.50%	0.50%	0.50%	0.50%	0.50%

The proposed COD for the project is 1st January 2027. The production speed per day is considered at 29 Mtr/Day and with 330 days per annum operations, the installed capacity arrived to be at 9600 MTPA. The capacity utilization for the unit is considered at 50.00% for FY 2027 which is considered only for 3 months due to the COD being in the 4th Quarter, considering the Company is offering a new product variant. Subsequently capacity utilization has been ramped up to 80.00% for 2028, 85.00% for 2029 and at 95.00% for FY 2030 which continues for the remaining projected period. The scrap generated during the process is arrived at ~5.78%. Burning loss is considered around 0.25% and scale generation during the process are considered to be constant throughout at 0.50%.

The manufacturing unit's stated production capacity utilizations have been technically vetted and deemed feasible. The projected output aligns with operational efficiencies, equipment capabilities, and industry benchmarks, ensuring that the estimated production levels can be reliably achieved.

Particulars	Units	FY27	FY28	FY29	FY30	FY31
Reheater						
Reheating Rate	MT/Hr	3	3	3	3	3
Operating time of Re-heater per day	Hours	16	16	16	16	16
Annual operating days	Days	83	330	330	330	330
Installed Capacity of Reheater	**MTPA**	**3,300**	**13,200**	**13,200**	**13,200**	**13,200**
Derived utilization of Reheater	%	36.36%	58.18%	61.82%	69.09%	69.09%
Estimated Fuel Consumption per ton of processing	Kg/MT	50	50	50	50	50
Annual Fuel Consumption	MTPA	60.00	384.00	408.00	456.00	456.00
LPG purchase rate	INR/MT	58,620.69	58,620.69	58,620.69	58,620.69	58,620.69
Annual LPG fuel cost	INR Cr	0.35	2.25	2.39	2.67	2.67

The reheating rate is considered at 3MT/hr and the operating time of re-heater per days is considered as 16Hrs based on the consolidated quotations submitted by the Company. The operational days is considered to be 330 Days. The estimated fuel consumption per ton of processing is considered as 50 Kg/MT as per the technical details provided in

quotations the same arrived to be 40 Kg/MT and the D&B-India has considered additional 25% consumption cost. The annual fuel consumption is arrived at 60 MTPA for FY27, 384 MTPA for FY28, 408 MTPA for FY29 and 456 MTPA for FY30 which is then continued throughout the projected period.

Based on the above data analysis and the technical input, the annual LPG fuel cost for reheating of Bars is arrived at INR 0.35 Cr for FY27, INR 2.25 Cr for FY28, INR 2.39 Cr for FY29 and INR 2.67 Cr for FY30 which continues for rest of the projected period.

Revenue Generation

(all Values in INR Cr)

Particulars	FY27	FY28	FY29	FY30	FY31
Domestic Sales	28.34	258.76	280.20	312.11	314.50
Other Operating Income	0.65	5.47	5.90	6.57	6.62
Total Net Revenue	**28.99**	**264.23**	**286.10**	**318.69**	**321.12**

Source: D&B-India

D&B-India has considered the capacity utilization of plant at 50% in FY 2027, 80% in FY 2028, 85% in FY 2029 & 95% in FY 2030 which is then carried forward for remaining projected period.

Based on the capacity utilization of manufacturing facility and the proposed selling rates the sales arrived as for FY 2027 at INR 28.99 Cr, for FY 2028 at INR 264.23 Cr, for FY2029 at INR 286.10 Cr, for FY2030 at INR 318.69 Cr which then increases to INR 321.12 Cr throughout the projected period. D&B-India asserts that, the capacity utilization & production proportion can be achieved by Company subject to proper management of assets and adherence to work schedule.

The Company will majorly sell the proposed products to existing customers.

The detailed marketing plan of Company is as follows,

Marketing Plan for RAJPUTANA for the New Seamless PIPE PLANT:

1. Increase brand awareness by 30% among target customers.
2. Achieve sales revenue growth
3. Establish relationships with new customers.

Target Market:

1. Industries: Oil & Gas, Chemical, Power, Construction, and Automotive.
2. Customer segments: Fabricators, Manufacturers, and End-users.
3. Geographic focus: Major cities and industrial hubs.

Marketing Strategies:

Offline Marketing:

1. Trade Shows and Exhibitions: Participate in 4-6 industry events.
2. Sales Outreach: Regular sales visits to target customers.
3. Distributor Network: Establish partnerships with 10-15 distributors.
4. Print Advertising: Advertise in industry-specific magazines.

Online Marketing:

1. Website Optimization: Enhance website user experience and SEO.
2. Social media: Establishing awareness about Rajputana Stainless Limited 's new unit on LinkedIn, Twitter.

3. Email Marketing: Sending Email's to all the existing customers and potential customers.
4. Digital Advertising: Google Ads and industry-specific online ads.

Content Marketing:

1. Technical Articles: Publish articles on the start of the new unit of Rajputana Stainless Limited's seamless pipe plant
2. Case Studies: Share success stories and customer testimonials.
3. Product Catalogs: Distribute comprehensive product catalogs.
4. Video Content: Creating product demonstration and quality standards.

Pricing Strategy:

1. Competitive Pricing: Align prices with industry standards.
2. Discounts: Offer loyalty discounts and volume-based discounts.

Promotions:

1. Loyalty Program: Implement a rewards program.
2. Combination of grades resulting into better pricing program.

Key points:

Rajputana Stainless Limited is yet to finalize on the allocated budget for the marketing expense.

Steel Industry majorly is reliant on the brand name of the company for which Company gets the benefit of being in the market for 30 years.

Given these factors, the sales projection is well-supported, reflecting realistic market demand, achievable production output, and competitive pricing, positioning the company to effectively bridge the supply gap.

Sales Realization

Particulars	Units	FY27	FY28	FY29	FY30	FY31
Product Portfolio						
304L	INR/MT	265,000	265,000	265,000	265,000	265,000
316L	INR/MT	378,000	378,000	378,000	378,000	378,000
321Ti	INR/MT	340,000	340,000	340,000	340,000	340,000
316Ti	INR/MT	450,000	450,000	450,000	450,000	450,000
2205	INR/MT	490,000	490,000	490,000	490,000	490,000
904L	INR/MT	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000
317L	INR/MT	515,000	515,000	515,000	515,000	515,000
410L	INR/MT	175,000	175,000	175,000	175,000	175,000
Domestic Sales Rate - SS Tubes	**INR/MT**	**344,850**	**344,850**	**344,850**	**344,850**	**344,850**
Scrap sales rate	INR/MT	125,000	125,000	125,000	125,000	125,000
Scale sales rate	INR/MT	5,000	5,000	5,000	5,000	5,000

Based on the proposed product and current market trend, D&B India has considered the following sales price:

- SS seamless Pipes INR 3.45 Lakh per MT
- Scrap INR 1.25 Lakh per MT
- Scale INR 0.05 Lakh per MT

The selling prices have been benchmarked against industry standards and found to be reasonable. This ensures market competitiveness while maintaining profitability, further supporting the feasibility of the projected sales.

Operating Costs

The annual manufacturing expenses are estimated based on the interaction with Company's officials, industry standards and technical evaluations. The estimated annual manufacturing expenses for the plant, in the next few years are given as under:

(Values in INR Cr)

Particulars	FY27	FY28	FY29	FY30	FY31
Cost of Materials Consumed	34.19	218.82	232.50	259.85	259.85
Stores, Water and Consumables	1.39	8.88	9.43	10.54	10.54
Packaging Expenses	0.04	0.23	0.24	0.27	0.27
Power & Fuel Expenses	2.04	13.08	13.89	15.53	15.53
Manpower Expense	0.18	1.51	1.91	2.44	2.52
Repair and Maintenance Charges	0.01	0.14	0.15	0.15	0.16
Other Manufacturing Expense & Insurance Expense	0.20	0.35	0.35	0.36	0.34
Sub-total	**38.06**	**243.01**	**258.47**	**289.15**	**289.21**
Add: Opening WIP	-	2.19	3.21	3.41	3.81
Add: Opening FG	-	10.14	14.81	15.76	17.63
Less: Closing WIP	2.19	3.21	3.41	3.81	3.81
Less: Closing FG	10.14	14.81	15.76	17.63	17.64
Cost of Production	**25.72**	**237.32**	**257.32**	**286.88**	**289.20**
Admin Expenses	0.21	0.22	0.23	0.23	0.24
Selling Expenses	0.72	5.28	5.72	6.37	6.42
Total Operating Expenses	**26.66**	**242.82**	**263.27**	**293.49**	**295.87**

Source: D&B-India

*Per unit costing is given below in Annexure.

- The Company has provided technical and operating assumptions. D&B India and vetted the same based on the secondary research and industry benchmarking. The consumables purchase rates are taken as per industry standards. The raw material loading & unloading cost are considered as INR 50/ MT of bars to be transferred from existing facility by material movement equipment.
- The SS bars purchase rate for production of seamless pipes is considered at INR 2,67,400/ MT, which is assumed to be the cost of production of bars manufactured in the existing unit. The stores & spares expenses for seamless pipes production are considered at INR 11540/ MT which includes cost for cutting, end cutting, pickling, degreasing, polishing, passivation & final inspection, testing & packing. The water & other consumables expense is considered at INR 5/ KL. D&B-India has considered these consumption norms from similar industry usage. D&B-India as per secondary research have found the rates to be appropriate.
- The power consumption and requirement are considered as 1,484 kWh/ MT of Pierced pipe produced and the power purchase rate is taken at INR 9.50 per kWh.
- The packaging expenses are considered as INR 300/ MT of production.
- The operational manpower expenses for FY 27, for 3 months of operation is arrived at INR 0.18 Crore, For FY 28 at INR 1.51 Crore, for FY 29 at INR 1.91 Crore and for FY 30 at INR 2.44 Crore which is then increased by inflation rate of 3.0% YoY for the projected period.

- The repair & maintenance expense is considered at 0.75% of GFA of the project over the projected period. However, the first year of operations not being a whole year repairs and maintenance expenses for FY27 are considered at 0.25%.
- The other manufacturing expenses for sales are considered at INR 250/ MT. The insurance cost is considered at 1.00% of NFA for FY 27. The repair & maintenance cost for FY 27 is arrived at INR 0.01 Crore which is then increased by 3% YoY for the projected period.
- The administrative expenses for FY 2027 is arrived at INR 0.21 & INR 0.22 Crore in FY2028 which is then increased by inflation rate of 3.00% for the projected period.
- The Company need to establish its products in the market. Therefore, for the initial full year of operations, selling expenses are estimated to be 2.50% of net sales in FY 27, decreasing to 2.00% in FY 28 and maintained at that level for the subsequent projected period.

EBITDA

The average operating margin or the EBITDA margin for SS seamless pipes unit works out to be ~7.86% to 8.10%. The EBITDA margin as per industry standards is found to be inline considering the Company is saving on raw material cost & transportation cost due to internal transfer from adjacent existing facility.
As the raw material will be internally available, there are no creditor days considered.

Working Capital

D&B-India has prepared the Peer Analysis data of Venus Pipes & tubes Limited (India), Scoda Tubes Limited, Maxim Tubes Company Private Limited, Chandan Steel Limited, Shalco Industries Pvt. Ltd.

The Summary is as follows,

Ratios	Industry		Company	D&B-India Comment
	Min	Max	FY 2031	
Inventory Days	46	145	41	Below Industry range
Debtor Days	36	96	45	Within Industry Range
Creditor Days	17	118	-	Below Industry range

For Company, it proposes to transfer the Raw material for proposed facility to be transferred from existing operations, hence Inventory & Creditor Days are considered to be less than Industry standards.

Based on the industry norms and past data analysis, the holding norms assumed for estimating the working capital for Project, is as under:

Description	Days
RM Holding Norms - Domestic	15
Consumables Holding Norms	60
Packaging	30
Pipes WIP	5
Pipes FG	21
Debtors	45
Creditors	-
Annual Days	360

Based on the working capital norms as given above, the working capital requirement as estimated for the Project has been provided below:

(Values in INR Cr)

Particulars	FY27	FY28	FY29	FY30	FY31
Current Assets					
Raw Material Holding	6.22	9.12	9.69	10.83	10.83
Consumables Holding	1.03	1.52	1.61	1.80	1.80
WIP	2.19	3.21	3.41	3.81	3.81
FG	10.14	14.81	15.76	17.63	17.64
Debtors	15.81	33.03	35.76	39.84	40.14
Total Current Assets	**35.39**	**61.68**	**66.23**	**73.90**	**74.21**
Current Liabilities					
Creditors under cc	-	-	-	-	-
Creditors under lc	-	-	-	-	-
Total Current Liabilities	**-**	**-**	**-**	**-**	**-**
Working Capital Gap	**35.39**	**61.68**	**66.23**	**73.90**	**74.21**

Source: D&B-India

The Working capital margin of the company is brought in through Internal Accruals and hence no funds are raised through means of debt. Therefore, no interest cost on working capital is considered.

Depreciation

The depreciation rates considered for estimating the depreciation based on SLM method for Companies Act method, is as under:

Particulars of Assets	Company Act
Land Cost	0.00%
Civil & Structural Work, Site Development	3.17%
Plant & Equipment	11.88%
Misc. Fixed Assets	11.88%

Tax

D&B India has carried out the tax assessment for the Project, as per the Income Tax Act 1961, Section 115BAA as per the following table:

Particulars	Rate (%)
Base Rate	22.00%
Income Tax Surcharge	10.00%
Health & Education Cess	4.00%
Corporate Tax Rate	25.17%

NOTE: The domestic companies, which have opted for special taxation regime under Section 115BAA & 115BAB are exempted from provision of Minimum Alternate Tax (MAT).

Standalone Expansion Profitability

Profit & Loss Statement

(Values in INR Crore)

Particulars	FY27	FY28	FY29	FY30	FY31
Revenue from Operations					
Gross Revenue	**28.99**	**264.23**	**286.10**	**318.69**	**321.12**
Export Sales	-	-	-	-	-
Domestic Sales	28.34	258.76	280.20	312.11	314.50
Other Operating Income	0.65	5.47	5.90	6.57	6.62
Total Net Revenue	**28.99**	**264.23**	**286.10**	**318.69**	**321.12**
Operating Expenses					
Cost of Materials Consumed	34.19	218.82	232.50	259.85	259.85
Stores, Water and Consumables	1.39	8.88	9.43	10.54	10.54
Packaging Expenses	0.04	0.23	0.24	0.27	0.27
Power & Fuel Expenses	2.04	13.08	13.89	15.53	15.53
Manpower Expense	0.18	1.51	1.91	2.44	2.52
Repair and Maintenance Charges	0.01	0.14	0.15	0.15	0.16
Other Manufacturing Expense & Insurance Expense	0.20	0.35	0.35	0.36	0.34
Sub-total	**38.06**	**243.01**	**258.47**	**289.15**	**289.21**
Add: Opening WIP	-	2.19	3.21	3.41	3.81
Add: Opening FG	-	10.14	14.81	15.76	17.63
Less: Closing WIP	2.19	3.21	3.41	3.81	3.81
Less: Closing FG	10.14	14.81	15.76	17.63	17.64
Cost of Production	**25.72**	**237.32**	**257.32**	**286.88**	**289.20**
Admin Expenses	0.21	0.22	0.23	0.23	0.24
Selling Expenses	0.72	5.28	5.72	6.37	6.42
Total Operating Expenses	**26.66**	**242.82**	**263.27**	**293.49**	**295.87**
EBITDA	2.33	21.40	22.83	25.20	25.25
EBITDA Margin	**8.02%**	**8.10%**	**7.98%**	**7.91%**	**7.86%**
Depreciation	0.41	1.64	1.64	1.64	1.64
EBIT	**1.92**	**19.76**	**21.19**	**23.56**	**23.61**
Interest on New Term Loan	-	-	-	-	-
Interest on WC	-	-	-	-	-
Interest on Unsecured loan	-	-	-	-	-
Bank charges/ loan processing fees	-	-	-	-	-
EBT	**1.92**	**19.76**	**21.19**	**23.56**	**23.61**
Current Tax	0.43	4.79	5.23	5.90	5.97
Deferred Tax					
PAT	**1.49**	**14.98**	**15.96**	**17.67**	**17.64**
Net profit margin	**5.13%**	**5.67%**	**5.58%**	**5.54%**	**5.49%**

Source: D&B-India

Cash Flow Statement

(Values in INR Crore)

Particulars	FY26	FY27	FY28	FY29	FY30	FY31
Cash Inflow						
PAT	-	1.49	14.98	15.96	17.67	17.64
DEPRICATION	-	0.41	1.64	1.64	1.64	1.64
Increase in Share Capital	18.57	-	-	-	-	-
Increase in Internal Accruals for GST Payment	3.24	35.39	5.00	-	-	-
Increase in Reserves	-	-	-	-	-	-
Increase in Long Term Liabilities	-	-	-	-	-	-
Increase in New Term Loan	-	-		-	-	-

Particulars	FY26	FY27	FY28	FY29	FY30	FY31
Increase in Unsecured Loan	-	-	-	-	-	-
Increase in Deferred Tax Liabilities	-	-	-	-	-	-
Increase in Other non-current Liabilities	-	-	-	-	-	-
Increase in Working Capital Limit	-	-	-	-	-	-
Increase in Creditors	-	-	-	-	-	-
Increase in Current maturities of New Term Loan	-	-	-	-	-	-
Increase in Other current Liabilities	-	-	-	-	-	-
Decrease in Gross Fixed Assets	-	-	-	-	-	-
Decrease in CWIP	-	5.57	-	-	-	-
Decrease in Investment	-	-	-	-	-	-
Decrease in Non-current trade receivables	-	-	-	-	-	-
Decrease in Other Non-current Asset	-	-	-	-	-	-
Decrease in Margin Money Deposited	-	-	-	-	-	-
Decrease in Raw Material Holding	-	-	-	-	-	-
Decrease in Consumables Holding	-	-	-	-	-	-
Decrease in WIP	-	-	-	-	-	-
Decrease in FG	-	-	-	-	-	-
Decrease in Debtors	-	-	-	-	-	-
Decrease in GST Credit	-	0.42	2.82	-	-	-
Total cash inflow	**21.82**	**43.28**	**24.44**	**17.60**	**19.30**	**19.28**
Cash outflow						
Decrease in Share Capital	-	-	-	-	-	-
Decrease in Internal Accruals for GST Payment	-	-	-	-	-	-
Decrease in Reserves	-	-	-	-	-	-
Decrease in Long Term Liabilities	-	-	-	-	-	-
Decrease in New Term Loan	-	-	-	-	-	-
Decrease in Unsecured Loan	-	-	-	-	-	-
Decrease in Deferred Tax Liabilities	-	-	-	-	-	-
Decrease in Other non-current Liabilities	-	-	-	-	-	-
Decrease in Working Capital Limit	-	-	-	-	-	-
Decrease in Creditors	-	-	-	-	-	-
Decrease in Current maturities of New Term Loan	-	-	-	-	-	-
Decrease in Other current Liabilities	-	-	-	-	-	-
increase in Gross Fixed Assets	-	18.57	-	-	-	-
increase in CWIP	5.57	-	-	-	-	-
increase in Investment	-	-	-	-	-	-
increase in Non-current trade receivables	-	-	-	-	-	-
increase in Other Non-current Asset	-	-	-	-	-	-
increase in Margin Money Deposited	-	-	-	-	-	-
increase in Raw Material Holding	-	6.22	2.90	0.57	1.14	-
increase in Consumables Holding	-	1.03	0.48	0.09	0.19	-
increase in WIP	-	2.19	1.02	0.20	0.40	0.00
increase in FG	-	10.14	4.67	0.95	1.87	0.01
increase in Debtors	-	15.81	17.22	2.73	4.07	0.30
increase in GST Credit	3.24	-	-	-	-	-
Total cash outflow	**8.82**	**53.96**	**26.29**	**4.55**	**7.67**	**0.31**
Cash during the year	**13.00**	**-10.69**	**-1.85**	**13.05**	**11.63**	**18.97**
add: opening	-	13.00	2.31	0.47	13.51	25.15
closing balance	**13.00**	**2.31**	**0.47**	**13.51**	**25.15**	**44.12**

Source: D&B-India

Balance Sheet

(Values in INR Crore)

Particulars	FY26	FY27	FY28	FY29	FY30	FY31
LIABILITIES						
Shareholders' Funds						
Share Capital	18.57	18.57	18.57	18.57	18.57	18.57

Particulars	FY26	FY27	FY28	FY29	FY30	FY31
Internal Accruals for GST Payment	3.24	**38.64**	43.64	43.64	43.64	43.64
Reserves						
Profit & Loss Account	-	1.49	16.46	32.42	50.09	67.73
Total Shareholders' Funds	**21.82**	**58.69**	**78.67**	**94.63**	**112.29**	**129.94**
Long Term Liabilities						
New Term Loan	-	-	-	-	-	-
Unsecured Loan	-	-	-	-	-	-
Deferred Tax Liabilities						
Total Long Term Liabilities	**-**	**-**	**-**	**-**	**-**	**-**
Current Liabilities						
Working Capital Limit	-	-	-	-	-	-
Creditors	-	-	-	-	-	-
Current maturities of New Term Loan	-	-	-	-	-	-
Other current Liabilities						
Total Current Liabilities	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL LIABILITIES	**21.82**	**58.69**	**78.67**	**94.63**	**112.29**	**129.94**
ASSETS						
Gross Fixed Assets	-	18.57	18.57	18.57	18.57	18.57
Less: Accum. Depreciation	-	0.41	2.05	3.69	5.33	6.96
Net Fixed Assets	**-**	**18.16**	**16.52**	**14.88**	**13.25**	**11.61**
CWIP	**5.57**	-				
Current Assets						
Cash & Cash equivalent	13.00	2.31	0.47	13.51	25.15	44.12
Margin Money Deposited	-	-	-	-	-	-
Raw Material Holding	-	6.22	9.12	9.69	10.83	10.83
Consumables Holding	-	1.03	1.52	1.61	1.80	1.80
WIP	-	2.19	3.21	3.41	3.81	3.81
FG	-	10.14	14.81	15.76	17.63	17.64
Debtors	-	15.81	33.03	35.76	39.84	40.14
GST Credit	3.24	2.82	-	-	-	-
Total Current Assets	**16.24**	**40.53**	**62.15**	**79.74**	**99.05**	**118.33**
TOTAL ASSETS	**21.82**	**58.69**	**78.67**	**94.63**	**112.29**	**129.94**

Source: D&B-India

Existing Financials

Projections of Existing facility are considered as provided by Company, D&B-India has not validated the same and considered it for the preparation of Consolidated financials.

Profit & Loss Statement

(Values in INR Crore)

Particulars	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31
Revenue from Operations									
Gross Revenue	**950.69**	**915.50**	**937.49**	**1,003.11**	**1,073.33**	**1,148.47**	**1,228.86**	**1,314.88**	**1,406.92**
Less: Taxes/GST			-	-	-	-	-	-	-
Export Sales			15.28	16.35	17.49	18.71	20.02	21.43	22.93
Domestic Sales	947.67	909.81	912.42	976.29	1,044.63	1,117.76	1,196.00	1,279.72	1,369.30
Other Operating Income	3.02	**5.69**	9.79	10.48	11.21	12.00	12.83	13.73	14.69
Total Net Revenue	**950.69**	**915.50**	**937.49**	**1,003.11**	**1,073.33**	**1,148.47**	**1,228.86**	**1,314.88**	**1,406.92**
Operating Expenses									
Cost of Materials Consumed	748.55	742.78	744.32	801.84	857.97	918.03	982.29	1,051.05	1,124.63
Stores, Water and Consumables	44.17	39.58	26.93	45.14	48.30	51.68	55.30	59.17	63.31
Packaging Expenses	-	-		-	-	-	-	-	-
Power & Fuel Expenses	31.67	33.61	40.86	35.11	37.57	40.20	43.01	46.02	49.24
Manpower Expense	21.64	24.96	26.74	25.08	26.83	28.71	30.72	32.87	35.17
Repair and Maintenance Charges	1.16	1.86	0.97	1.50	1.61	1.72	1.84	1.97	2.11
Other Manufacturing Expense & Insurance Expense	18.36	22.97	11.91	21.07	22.54	24.12	25.81	27.61	29.55
Sub-total	**865.54**	**865.76**	**851.73**	**929.74**	**994.82**	**1,064.46**	**1,138.97**	**1,218.70**	**1,304.01**
Add: Opening WIP	4.29	5.05	4.56	7.99	5.57	5.96	6.38	6.83	7.30
Add: Opening FG	68.02	36.85	59.96	65.87	83.59	89.44	95.71	102.40	109.57
Less: Closing WIP	5.05	4.56	7.99	5.57	5.96	6.38	6.83	7.30	7.82
Less: Closing FG	36.85	59.96	65.87	83.59	89.44	95.71	102.40	109.57	117.24
Cost of Production	**895.95**	**843.15**	**842.39**	**914.43**	**988.58**	**1,057.78**	**1,131.83**	**1,211.05**	**1,295.83**

Admin Expenses	5.59	**5.90**	9.00	6.02	6.44	6.89	7.37	7.89	8.44
Selling Expenses	2.29	**1.35**	6.99	2.01	2.15	2.30	2.46	2.63	2.81
Total Operating Expenses	**903.83**	**850.40**	**858.37**	**922.46**	**997.17**	**1,066.97**	**1,141.66**	**1,221.57**	**1,307.08**
EBITDA	46.86	65.10	79.12	80.65	76.16	81.50	87.20	93.30	99.84
EBITDA Margin	**4.93%**	**7.11%**	**8.44%**	**8.04%**	**7.10%**	**7.10%**	**7.10%**	**7.10%**	**7.10%**
Depreciation	6.91	8.32	8.76	8.96	9.25	9.54	9.83	10.11	10.40
EBIT	**39.95**	**56.79**	**70.36**	**71.69**	**66.91**	**71.96**	**77.37**	**83.19**	**89.43**
Interest on New Term Loan	2.85	4.40	6.32	3.16	-	-	-	-	-
Interest on WC	6.83	7.61	5.64	2.82	0.28	0.28	0.28	0.28	0.28
Interest on Unsecured loan	-	-	0.35						
Bank charges/ loan processing fees	1.69	2.46	3.42	3.42	0.50	0.50	0.50	0.50	0.50
EBT before other Income	**28.58**	**42.32**	**54.64**	**62.29**	**66.13**	**71.18**	**76.59**	**82.41**	**88.65**
Add: Other Income	-	**-**							
Less: Other Expenses	-	**-**							
EBT	**28.58**	**42.32**	**54.64**	**62.29**	**66.13**	**71.18**	**76.59**	**82.41**	**88.65**
Current Tax	8.27	10.56	**14.52**	15.68	16.65	17.92	19.28	20.74	22.31
Deferred Tax	-3.74	0.14	0.27						
PAT	**24.04**	**31.63**	**39.85**	**46.61**	**49.49**	**53.26**	**57.32**	**61.67**	**66.34**
Dividend on Equity Shares									
Tax on equity shares									
Retained Earnings	**24.04**	**31.63**	**39.85**	**46.61**	**49.49**	**53.26**	**57.32**	**61.67**	**66.34**
Net profit margin	**2.53%**	**3.45%**	**4.25%**	**4.65%**	**4.61%**	**4.64%**	**4.66%**	**4.69%**	**4.72%**

Cash Flow Statement

(Values in INR Crore)

Particulars	FY26	FY27	FY28	FY29	FY30	FY31
Cash Inflow						
PAT	46.61	49.49	53.26	57.32	61.67	66.34
Depreciation	8.96	9.25	9.54	9.83	10.11	10.40
Increase in Share Capital	14.65	-	-	-	-	-
Increase in Reserves	144.63	-	-	-	-	-
Increase in Term Loan	-	-	-	-	-	-
Increase in Unsecured Loan	1.63	-	-	-	-	-
Increase in Deferred Tax Liabilities	-	-	-	-	-	-
Increase in Other non-current Liabilities	-	-	-	-	-	-
Increase in Working Capital Limit	-	-	-	-	-	-
Increase in Creditors	-	7.02	7.51	8.03	8.60	9.20
Increase in Current maturities of Term Loan	-	-	-	-	-	-
Increase in Other current Liabilities	-	-	-	-	-	-
Decrease in Gross Fixed Assets	-	-	-	-	-	-
Decrease in CWIP	2.24	-	-	-	-	-
Decrease in Investment	-	-	-	-	-	-
Decrease in non-current trade receivables	-	-	-	-	-	-
Decrease in Other Non-current Asset	-	-	-	-	-	-
Decrease in Margin Money Deposited	-	-	-	-	-	-
Decrease in Raw Material Holding	6.04	-	-	-	-	-
Decrease in Consumables Holding	-	-	-	-	-	-
Decrease in WIP	2.41	-	-	-	-	-
Decrease in FG	-	-	-	-	-	-
Decrease in Debtors	10.90	-	-	-	-	-
Decrease in Other Current Assets	-	-	-	-	-	-
Total Cash Inflow	**238.08**	**65.75**	**70.31**	**75.17**	**80.38**	**85.94**
Cash Outflow						
Decrease in Share Capital	-	-	-	-	-	-
Decrease in Reserves	-	-	-	-	-	-
Decrease in Term Loan	17.64	-	-	-	-	-
Decrease in Unsecured Loan	-	-	-	-	-	-
Decrease in Deferred Tax Liabilities	-	-	-	-	-	-
Decrease in Other non-current Liabilities	-	-	-	-	-	-
Decrease in Working Capital Limit	80.11	-	-	-	-	-
Decrease in Creditors	31.58	-	-	-	-	-
Decrease in Current maturities of Term Loan	-	-	-	-	-	-
Decrease in Other current Liabilities	-	-	-	-	-	-
Increase in Gross Fixed Assets	5.00	5.00	5.00	5.00	5.00	5.00
Increase in CWIP	-	-	-	-	-	-

Particulars	FY26	FY27	FY28	FY29	FY30	FY31
Increase in Investment	21.82	35.39	-	-	-	-
Increase in General Corporate Purpose	42.96	-	-	-	-	-
Increase in non-current trade receivables	-	-	-	-	-	-
Increase in Other Non-current Asset	18.00	-	-	-	-	-
Increase in Margin Money Deposited	-	-	-	-	-	-
Increase in Raw Material Holding	-	3.30	3.53	3.78	4.04	4.33
Increase in Consumables Holding	-	-	-	-	-	-
Increase in WIP	-	0.39	0.42	0.45	0.48	0.51
Increase in FG	17.72	5.85	6.26	6.70	7.17	7.67
Increase in Debtors	-	9.75	10.44	11.17	11.95	12.78
Increase in Other Current Assets	-	-	-	-	-	-
Total Cash Outflow	**234.82**	**59.69**	**25.65**	**27.09**	**28.64**	**30.29**
Cash during Year	**3.25**	**6.07**	**44.66**	**48.08**	**51.74**	**55.65**
Opening Cash	0.03	3.28	9.35	54.01	102.10	153.84
Closing Cash	**3.28**	**9.35**	**54.01**	**102.10**	**153.84**	**209.48**

Balance Sheet

(Values in INR Crore)

Particulars	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31
LIABILITIES									
Shareholders' Funds									
Share Capital	34.46	34.46	68.92	83.57	83.57	83.57	83.57	83.57	83.57
Reserves	1.29	0.76	0.59	145.22	145.22	145.22	145.22	145.22	145.22
Profit & Loss Account	45.42	77.05	82.44	129.06	178.54	231.81	289.12	350.79	417.13
Total Shareholders' Funds	**81.17**	**112.27**	**151.95**	**357.84**	**407.33**	**460.59**	**517.91**	**579.57**	**645.91**
Long Term Liabilities									
Term Loan	22.25	16.92	17.64	-	-	-	-	-	-
Unsecured Loan	2.56	**2.56**		1.63	1.63	1.63	1.63	1.63	1.63
Deferred Tax Liabilities	7.01	**6.96**	7.17	7.17	7.17	7.17	7.17	7.17	7.17
Other non-current Liabilities	13.16	**2.67**	4.97	4.97	4.97	4.97	4.97	4.97	4.97
Total Long Term Liabilities	**44.98**	**29.11**	**29.78**	**13.77**	**13.77**	**13.77**	**13.77**	**13.77**	**13.77**
Current Liabilities									
Working Capital Limit	48.81	54.38	82.11	2.00	2.00	2.00	2.00	2.00	2.00

Creditors	97.54	103.35	131.81	100.23	107.25	114.75	122.79	131.38	140.58
Current maturities of Term Loan	6.21	5.99							
Other current Liabilities	18.63	19.01	24.71	24.71	24.71	24.71	24.71	24.71	24.71
Total Current Liabilities	**171.19**	**182.73**	**238.63**	**126.94**	**133.96**	**141.47**	**149.50**	**158.09**	**167.29**
TOTAL LIABILITIES	**297.34**	**324.10**	**420.36**	**498.56**	**555.06**	**615.83**	**681.18**	**751.44**	**826.98**
ASSETS									
Gross Fixed Assets	118.94	145.00	150.88	155.88	160.88	165.88	170.88	175.88	180.88
Less: Accum. Depreciation	66.22	74.54	83.10	92.06	101.31	110.85	120.68	130.79	141.19
Net Fixed Assets	**52.72**	**70.46**	**67.78**	**63.82**	**59.57**	**55.03**	**50.20**	**45.09**	**39.69**
CWIP	15.48	0.03	2.24	-	-				
Non-current Assets									
Investment				21.82	57.21	57.21	57.21	57.21	57.21
Non-current trade receivables									
General Corporate Purpose				42.96	42.96	42.96	42.96	42.96	42.96
Other Non-current Asset	5.97	1.38	2.98	20.98	20.98	20.98	20.98	20.98	20.98
Total Non-current Assets	**5.97**	**1.38**	**2.98**	**85.76**	**121.15**	**121.15**	**121.15**	**121.15**	**121.15**
Current Assets									
IPO expansion marked (Out of Cash & CE)									
Cash & Cash equivalent	0.05	0.02	0.03	3.28	9.35	54.01	102.10	153.84	209.48
Margin Money Deposited	-	-	-	-	-	-	-	-	-
Raw Material Holding	44.02	37.79	53.19	47.15	50.45	53.99	57.76	61.81	66.13
Consumables Holding	2.12	1.89	5.47	5.47	5.47	5.47	5.47	5.47	5.47
WIP	5.05	4.56	7.99	5.57	5.96	6.38	6.83	7.30	7.82
FG	36.85	59.96	65.87	83.59	89.44	95.71	102.40	109.57	117.24
Debtors	106.69	89.50	150.22	139.32	149.07	159.51	170.67	182.62	195.41
Other Current Assets	28.38	58.53	64.59	64.59	64.59	64.59	64.59	64.59	64.59
Total Current Assets	**223.16**	**252.24**	**347.36**	**348.98**	**374.34**	**439.65**	**509.83**	**585.20**	**666.14**
TOTAL ASSETS	**297.33**	**324.10**	**420.36**	**498.56**	**555.06**	**615.83**	**681.18**	**751.44**	**826.98**

Consolidated Profitability

Profit & Loss Statement

(Values in INR Crore)

Particulars	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31
Revenue from Operations									
Gross Revenue	**950.69**	**915.50**	**937.49**	**1,003.11**	**1,068.14**	**1,193.91**	**1,282.51**	**1,373.76**	**1,468.24**
Export Sales	-	-	15.28	16.35	17.49	18.71	20.02	21.43	22.93
Domestic Sales	947.67	909.81	912.42	976.29	1,038.79	1,157.74	1,243.75	1,332.03	1,424.00
Other Operating Income	3.02	5.69	9.79	10.48	11.86	17.46	18.73	20.31	21.31
Total Net Revenue	**950.69**	**915.50**	**937.49**	**1,003.11**	**1,068.14**	**1,193.91**	**1,282.51**	**1,373.76**	**1,468.24**
Operating Expenses									
Cost of Materials Consumed	748.55	742.78	744.32	801.84	857.98	918.07	982.34	1,051.10	1,124.68
Stores, Water and Consumables	44.17	39.58	26.93	45.14	49.69	60.56	64.73	69.71	73.85
Packaging Expenses	-	-	-	-	0.04	0.23	0.24	0.27	0.27
Power & Fuel Expenses	31.67	33.61	40.86	35.11	39.61	53.27	56.90	61.55	64.77
Manpower Expense	21.64	24.96	26.74	25.08	27.02	30.22	32.63	35.32	37.69
Repair and Maintenance Charges	1.16	1.86	0.97	1.50	1.62	1.87	1.99	2.12	2.27
Other Manufacturing Expense & Insurance Expense	18.36	22.97	11.91	21.07	22.74	24.47	26.16	27.97	29.89
Sub-total	**865.54**	**865.76**	**851.73**	**929.74**	**998.69**	**1,088.69**	**1,164.99**	**1,248.05**	**1,333.42**
Add: Opening WIP	4.29	5.05	4.56	7.99	5.57	8.15	9.59	10.23	11.12
Add: Opening FG	68.02	36.85	59.96	65.87	83.59	99.59	110.52	118.17	127.20
Less: Closing WIP	5.05	4.56	7.99	5.57	8.15	9.59	10.23	11.12	11.63
Less: Closing FG	36.85	59.96	65.87	83.59	99.59	110.52	118.17	127.20	134.88
Cost of Production	**895.95**	**843.15**	**842.39**	**914.43**	**980.12**	**1,076.32**	**1,156.70**	**1,238.13**	**1,325.23**
Admin Expenses	5.59	5.90	9.00	6.02	6.65	7.11	7.60	8.12	8.68
Selling Expenses	2.29	1.35	6.99	2.01	2.87	7.58	8.18	9.00	9.24
Total Operating Expenses	**903.83**	**850.40**	**858.37**	**922.46**	**989.65**	**1,091.01**	**1,172.48**	**1,255.26**	**1,343.15**
EBITDA	46.86	65.10	79.12	80.65	78.49	102.90	110.03	118.51	125.09
EBITDA Margin	**4.93%**	**7.11%**	**8.44%**	**8.04%**	**7.35%**	**8.62%**	**8.58%**	**8.63%**	**8.52%**
Depreciation	6.91	8.32	8.76	8.96	9.66	11.18	11.46	11.75	12.04
EBIT	**39.95**	**56.79**	**70.36**	**71.69**	**68.83**	**91.72**	**98.56**	**106.75**	**113.05**
Interest on New Term Loan	2.85	4.40	6.32	3.16	-	-	-	-	-
Interest on WC	6.83	7.61	5.64	2.82	0.28	0.28	0.28	0.28	0.28
Interest on Unsecured loan	-	-	0.35	-	-	-	-	-	-
Bank charges/ loan processing fees	1.69	2.46	3.42	3.42	0.50	0.50	0.50	0.50	0.50
EBT before other Income	**28.58**	**42.32**	**54.64**	**62.29**	**68.05**	**90.94**	**97.78**	**105.97**	**112.27**
Add: Other Income	-	-	-	-	-	-	-	-	-
Less: Other Expenses	-	-	-	-	-	-	-	-	-
EBT	**28.58**	**42.32**	**54.64**	**62.29**	**68.05**	**90.94**	**97.78**	**105.97**	**112.27**

Particulars	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31
Current Tax	8.27	10.56	14.52	15.68	17.08	22.70	24.51	26.64	28.28
Deferred Tax	-3.74	0.14	0.27	-	-	-	-	-	-
PAT	**24.04**	**31.63**	**39.85**	**46.61**	**50.97**	**68.24**	**73.28**	**79.33**	**83.98**
Dividend on Equity Shares	-	-	-	-	-	-	-	-	-
Tax on equity shares	-	-	-	-	-	-	-	-	-
Retained Earnings	**24.04**	**31.63**	**39.85**	**46.61**	**50.97**	**68.24**	**73.28**	**79.33**	**83.98**
Net profit margin	**3%**	**3%**	**4%**	**5%**	**5%**	**6%**	**6%**	**6%**	**6%**

Cash Flow Statement

(Values in INR Crore)

Particulars	FY26	FY27	FY28	FY29	FY30	FY31
Cash Inflow						
PAT	46.61	50.97	68.24	73.28	79.33	83.98
Depreciation	8.96	9.66	11.18	11.46	11.75	12.04
Increase in Share Capital	14.65	-	-	-	-	-
Increase in Reserves	144.63	-	-	-	-	-
Increase in Term Loan	-	-	-	-	-	-
Increase in Unsecured Loan	1.63	-	-	-	-	-
Increase in Deferred Tax Liabilities	-	-	-	-	-	-
Increase in Other non-current Liabilities	-	-	-	-	-	-
Increase in Working Capital Limit	-	-	-	-	-	-
Increase in Creditors	-	7.02	7.51	8.03	8.60	9.20
Increase in Current maturities of Term Loan	-	-	-	-	-	-
Increase in Other current Liabilities	-	-	-	-	-	-
Decrease in Gross Fixed Assets	-	-	-	-	-	-
Decrease in CWIP	-	5.57	-	-	-	-
Decrease in Investment	-	-	-	-	-	-
Decrease in non-current trade receivables	-	-	-	-	-	-
Decrease in Other Non-current Asset	-	-	-	-	-	-
Decrease in Margin Money Deposited	-	-	-	-	-	-
Decrease in Raw Material Holding	6.04	-	-	-	-	-
Decrease in Consumables Holding	-	-	-	-	-	-
Decrease in WIP	2.41	-	-	-	-	-
Decrease in FG	-	-	-	-	-	-
Decrease in Debtors	10.90	-	-	-	-	-
Decrease in Other Current Assets	-	0.42	2.82	-	-	-
Total Cash Inflow	**235.84**	**73.64**	**89.75**	**92.77**	**99.68**	**105.22**

Particulars	FY26	FY27	FY28	FY29	FY30	FY31
Cash Outflow						
Decrease in Share Capital	-	-	-	-	-	-
Decrease in Reserves	-	-	-	-	-	-
Decrease in Term Loan	17.64	-	-	-	-	-
Decrease in Unsecured Loan	-	-	-	-	-	-
Decrease in Deferred Tax Liabilities	-	-	-	-	-	-
Decrease in Other non-current Liabilities	-	-	-	-	-	-
Decrease in Working Capital Limit	80.11	-	-	-	-	-
Decrease in Creditors	31.58	-	-	-	-	-
Decrease in Current maturities of Term Loan	-	-	-	-	-	-
Decrease in Other current Liabilities	-	-	-	-	-	-
Increase in Gross Fixed Assets	5.00	23.57	5.00	5.00	5.00	5.00
Increase in CWIP	3.33	-	-	-	-	-
Increase in Investment	-	-	-	-	-	-
Increase in General Corporate Purpose	42.96	-	-	-	-	-
Increase in non-current trade receivables	-	-	-	-	-	-
Increase in Other Non-current Asset	18.00	-	-	-	-	-
Increase in Margin Money Deposited	-	-	-	-	-	-
Increase in Raw Material Holding	-	9.52	6.43	4.35	5.18	4.33
Increase in Consumables Holding	-	1.03	0.48	0.09	0.19	-
Increase in WIP	-	2.58	1.43	0.65	0.88	0.51
Increase in FG	17.72	15.99	10.93	7.65	9.04	7.68
Increase in Debtors	-	25.57	27.65	13.90	16.02	13.09
Increase in Other Current Assets	3.24	-	-	-	-	-
Total Cash Outflow	**219.58**	**78.26**	**51.93**	**31.64**	**36.31**	**30.60**
Cash during Year	**16.25**	**-4.62**	**37.81**	**61.13**	**63.37**	**74.62**
Opening Cash	0.03	16.28	11.66	49.48	110.61	173.98
Closing Cash	**16.28**	**11.66**	**49.48**	**110.61**	**173.98**	**248.60**

Balance Sheet

(Values in INR Crore)

Particulars	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31
LIABILITIES									
Shareholders' Funds									
Share Capital	34.46	34.46	68.92	83.57	83.57	83.57	83.57	83.57	83.57
Reserves	1.29	0.76	0.59	145.22	145.22	145.22	145.22	145.22	145.22
Profit & Loss Account	45.42	77.05	82.44	129.06	180.03	248.27	321.54	400.88	484.86
Total Shareholders' Funds	**81.17**	**112.27**	**151.95**	**357.84**	**408.81**	**477.05**	**550.33**	**629.66**	**713.64**
Long Term Liabilities									

Particulars	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31
Term Loan	22.25	16.92	17.64	-	-	-	-	-	-
Unsecured Loan	2.56	2.56	-	1.63	1.63	1.63	1.63	1.63	1.63
Deferred Tax Liabilities	7.01	6.96	7.17	7.17	7.17	7.17	7.17	7.17	7.17
Other non-current Liabilities	13.16	2.67	4.97	4.97	4.97	4.97	4.97	4.97	4.97
Total Long-Term Liabilities	**44.98**	**29.11**	**29.78**	**13.77**	**13.77**	**13.77**	**13.77**	**13.77**	**13.77**
Current Liabilities									
Working Capital Limit	48.81	54.38	82.11	2.00	2.00	2.00	2.00	2.00	2.00
Creditors	97.54	103.35	131.81	100.23	107.25	114.75	122.79	131.38	140.58
Current maturities of Term Loan	6.21	5.99	-	-	-	-	-	-	-
Other current Liabilities	18.63	19.01	24.71	24.71	24.71	24.71	24.71	24.71	24.71
Total Current Liabilities	**171.19**	**182.73**	**238.63**	**126.94**	**133.96**	**141.47**	**149.50**	**158.09**	**167.29**
TOTAL LIABILITIES	**297.34**	**324.10**	**420.36**	**498.56**	**556.55**	**632.29**	**713.60**	**801.53**	**894.71**
ASSETS									
Gross Fixed Assets	118.94	145.00	150.88	155.88	179.45	184.45	189.45	194.45	199.45
Less: Accum. Depreciation	66.22	74.54	83.10	92.06	101.72	112.90	124.37	136.12	148.16
Net Fixed Assets	**52.72**	**70.46**	**67.78**	**63.82**	**77.73**	**71.55**	**65.09**	**58.33**	**51.29**
CWIP	15.48	0.03	2.24	5.57	-	-	-	-	-
Non-current Assets									
Investment	-	-	-	-	-	-	-	-	-
Non-current trade receivables	-	-	-	-	-	-	-	-	-
General Corporate Purpose			-	42.96	42.96	42.96	42.96	42.96	42.96
Other Non-current Asset	5.97	1.38	2.98	20.98	20.98	20.98	20.98	20.98	20.98
Total Non-current Assets	**5.97**	**1.38**	**2.98**	**63.94**	**63.94**	**63.94**	**63.94**	**63.94**	**63.94**
Current Assets									
Cash & Cash equivalent	0.05	0.02	0.03	16.28	11.66	49.48	110.61	173.98	248.60
Margin Money Deposited	-	-	-	-	-	-	-	-	-
Raw Material Holding	44.02	37.79	53.19	47.15	56.67	63.10	67.45	72.64	76.96
Consumables Holding	2.12	1.89	5.47	5.47	6.50	6.98	7.08	7.27	7.27
WIP	5.05	4.56	7.99	5.57	8.15	9.59	10.23	11.12	11.63
FG	36.85	59.96	65.87	83.59	99.59	110.52	118.17	127.20	134.88
Debtors	106.69	89.50	150.22	139.32	164.89	192.54	206.44	222.46	235.55
Other Current Assets	28.38	58.53	64.59	67.84	67.42	64.59	64.59	64.59	64.59
Total Current Assets	**223.16**	**252.24**	**347.36**	**365.23**	**414.88**	**496.80**	**584.57**	**679.25**	**779.47**
TOTAL ASSETS	**297.33**	**324.10**	**420.36**	**498.56**	**556.55**	**632.29**	**713.60**	**801.53**	**894.71**


BRADSTREET INFORMATION SERVICES INDIA LTD
MUMBAI

Financial Analysis – Expansion Standalone

Except ratios & indicators all figures in INR Crores (unless otherwise specified)

Key Financial Ratio

(Values in INR Cr)

Particulars	Projected				
	FY27	FY28	FY29	FY30	FY31
Net Revenue	28.99	264.23	286.10	318.69	321.12
% Growth	**0.00%**	**811.44%**	**8.28%**	**11.39%**	**0.76%**
EBITDA	2.33	21.40	22.83	25.20	25.25
EBITDA Margin	**8.02%**	**8.10%**	**7.98%**	**7.91%**	**7.86%**
Net Profit	1.49	14.98	15.96	17.67	17.64
Net Profit Margin	**5.13%**	**5.67%**	**5.58%**	**5.54%**	**5.49%**
Contribution	3.28	27.05	28.93	31.96	32.07
Contribution Margin	**11.30%**	**10.24%**	**10.11%**	**10.03%**	**9.99%**
Break-Even Sales	12.04	71.18	76.52	83.75	84.70
Share Capital (Incl. IPO Proceeds)	18.57	18.57	18.57	18.57	18.57
Reserves and Surplus	1.49	16.46	32.42	50.09	67.73
Total Net Worth (TNW)	**20.06**	**35.03**	**50.99**	**68.66**	**86.30**
Unsecured Loan	-	-	-	-	-
TNW + Unsecured Loan	20.06	35.03	50.99	68.66	86.30
Secured Loan	-	-	-	-	-
Debt-Equity Ratio	**-**	**-**	**-**	**-**	**-**
Cash / Bank Balance	2.31	0.47	13.51	25.15	44.12
IRR	53.49%				
COC	16.00%				
Gap between IRR and CoC	37.49%				

Source: D&B-India

D&B India notes that,

- The average EBITDA margin and PAT margin during projected period from FY 27 to FY 31 is estimated at 7.88% and 5.48% respectively.
- The project IRR considering financials between FY27 to FY31 is envisaged at 53.49%.

Internal Rate of Return

(Values in INR Cr)

Particulars	Projected					
	FY26	FY27	FY28	FY29	FY30	FY31
Cash Outflow:						
Initial Investment	5.57	35.39				
Total (A)	**5.57**	**35.39**	**-**	**-**	**-**	**-**
Cash Inflow:						
PAT	-	1.49	14.98	15.96	17.67	17.64
Finance Cost	-	-	-	-	-	-
Depreciation/ Amortization	-	0.41	1.64	1.64	1.64	1.64
Total (B)	**-**	**1.90**	**16.61**	**17.60**	**19.30**	**19.28**
Terminal Value						**82.92**
Net Cash inflow (a + b)	**(5.57)**	**(33.50)**	**16.61**	**17.60**	**19.30**	**102.20**
IRR (after tax)		**53.49%**				

Source: D&B-India

As per D&B India's assessment, the IRR of the Company works out to be 53.49%.

Return on Capital Employed

(Values in INR Cr)

Particulars	FY27	FY28	FY29	FY30	FY31
Earnings					
PBT	1.92	19.76	21.19	23.56	23.61
Finance Cost	-	-	-	-	-
Total Earnings (A)	**1.92**	**19.76**	**21.19**	**23.56**	**23.61**
Capital Employed					
Net Block	18.16	16.52	14.88	13.25	11.61
Non-current Assets	-	-	-	-	-
Current Assets (Incl. Cash)	40.53	62.15	79.74	99.05	118.33
Less: Current Liabilities (excl. Creditors & other Liabilities)	-	-	-	-	-
Total Obligations (B)	**58.69**	**78.67**	**94.63**	**112.29**	**129.94**
ROCE (A/B)	**3.27%**	**25.12%**	**22.39%**	**20.98%**	**18.17%**
Average ROCE	**15.73%**				

Source: D&B-India

As per D&B India's assessment, the ROCE of the Company works out to be 15.73%.

Break Even Analysis

(Values in INR Cr)

Particulars	Projected				
	FY27	FY28	FY29	FY30	FY31
Revenue	28.99	264.23	286.10	318.69	321.12
Capacity Utilization	50%	80%	85%	95%	95%
Variable Cost					
Cost of Materials Consumed	34.19	218.82	232.50	259.85	259.85
Stores, Water and Consumables	1.39	8.88	9.43	10.54	10.54
Packaging Expenses	0.04	0.23	0.24	0.27	0.27
Power & Fuel Expenses	2.04	13.08	13.89	15.53	15.53
Manpower Expense	0.18	1.51	1.91	2.44	2.52
Other Manufacturing Expense & Insurance Expense	0.20	0.35	0.35	0.36	0.34
Change in Stock	(12.33)	(5.69)	(1.15)	(2.27)	(0.01)
Interest on Working Capital & unsecured Loan	-	-	-	-	-
Total Variable Cost	**25.71**	**237.17**	**257.18**	**286.73**	**289.05**
Contribution	**3.28**	**27.05**	**28.93**	**31.96**	**32.07**
Contribution Margin %	11.30%	10.24%	10.11%	10.03%	9.99%
Fixed Costs	0.01	0.14	0.15	0.15	0.16
Repairs & Maintenance	0.94	5.51	5.95	6.61	6.66
Administrative, Selling Expense	0.41	1.64	1.64	1.64	1.64
Depreciation	-	-	-	-	-
Interest on TL	**1.36**	**7.29**	**7.74**	**8.40**	**8.46**
Total Fixed Costs	**1.92**	**19.76**	**21.19**	**23.56**	**23.61**
Profit	**0.95**	**5.65**	**6.10**	**6.76**	**6.82**
Cash Fixed Cost					
PV Ratio	**11.30%**	**10.24%**	**10.11%**	**10.03%**	**9.99%**
Break Even					
Sales	12.04	71.18	76.52	83.75	84.70
Capacity %	20.76%	21.55%	22.73%	24.96%	25.06%
Cash Break Even					
Sales	8.41	55.17	60.31	67.41	68.29
Capacity %	14.51%	16.71%	17.92%	20.09%	20.20%
Margin of Safety					
Sales	20.58	209.05	225.79	251.28	252.83
Capacity %	35.49%	63.29%	67.08%	74.91%	74.80%

Financial Analysis (Consolidated)

Except ratios & indicators all figures in INR Crores (unless otherwise specified)

Key Financial Ratio

(Values in INR Cr)

Particulars	Projected							
	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31
Net Revenue	915.50	937.49	1,003.11	1,068.14	1,193.91	1,282.51	1,373.76	1,468.24
% Growth	**0.00%**	**2.40%**	**7.00%**	**6.48%**	**11.78%**	**7.42%**	**7.12%**	**6.88%**
EBITDA	65.10	79.12	80.65	78.49	102.90	110.03	118.51	125.09
EBITDA Margin	**7.11%**	**8.44%**	**8.04%**	**7.35%**	**8.62%**	**8.58%**	**8.63%**	**8.52%**
Net Profit	31.63	39.85	46.61	50.97	68.24	73.28	79.33	83.98
Net Profit Margin	**3.45%**	**4.25%**	**4.65%**	**4.77%**	**5.72%**	**5.71%**	**5.77%**	**5.72%**
Contribution	66.60	90.08	87.36	89.36	119.18	127.52	137.48	144.99
Contribution Margin	**7.27%**	**9.61%**	**8.71%**	**8.37%**	**9.98%**	**9.94%**	**10.01%**	**9.88%**
Break-Even Sales	281.44	260.56	225.56	214.40	201.91	211.77	219.84	232.80
Share Capital (Incl. IPO Proceeds)	34.46	68.92	83.57	83.57	83.57	83.57	83.57	83.57
Reserves and Surplus	77.81	83.03	274.27	325.25	393.48	466.76	546.09	630.08
Total Net Worth (TNW)	**112.27**	**151.95**	**357.84**	**408.81**	**477.05**	**550.33**	**629.66**	**713.64**
Unsecured Loan	2.56	-	1.63	1.63	1.63	1.63	1.63	1.63
TNW + Unsecured Loan	114.83	151.95	359.47	410.44	478.68	551.96	631.29	715.27
Secured Loan	-	-	-	-	-	-	-	-
Debt-Equity Ratio	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Cash / Bank Balance	0.02	0.03	16.28	11.66	49.48	110.61	173.98	248.60
IRR				28.09%				
COC				14.45%				
Gap between IRR and CoC				13.64%				

Source: D&B-India

D&B India notes that,

- The average EBITDA margin and PAT margin during projected period from FY 24 to FY 31 is estimated at 8.17% and 5.16% respectively.
- The project IRR considering financials between FY24 to FY31 is envisaged at 28.09%.

Internal Rate of Return

(Values in INR Cr)

Particulars	Projected						
	FY25	FY26	FY27	FY28	FY29	FY30	FY31
Cash Outflow:							
Initial Investment	263.83	5.57	35.39				
Total (A)	**263.83**	**5.57**	**35.39**	**-**	**-**	**-**	**-**
Cash Inflow:							
PAT	39.85	46.61	50.97	68.24	73.28	79.33	83.98
Finance Cost	15.72	9.40	0.78	0.78	0.78	0.78	0.78
Depreciation/ Amortization	8.76	8.96	9.66	11.18	11.46	11.75	12.04
Total (B)	**64.33**	**64.98**	**61.41**	**80.19**	**85.52**	**91.87**	**96.80**
Terminal Value							**82.92**
Net Cash inflow (a + b)	**(199.50)**	**59.40**	**26.02**	**80.19**	**85.52**	**91.87**	**179.72**
IRR (after tax)	**28.09%**						

Source: D&B-India

As per D&B India's assessment, the IRR of the Company works out to be 28.09%.

Return on Capital Employed

(Values in INR Cr)

Particulars	FY25	FY26	FY27	FY28	FY29	FY30	FY31
Earnings							
PBT	54.64	62.29	68.05	90.94	97.78	105.97	112.27
Finance Cost	15.72	9.40	0.78	0.78	0.78	0.78	0.78
Total Earnings (A)	**70.36**	**71.69**	**68.83**	**91.72**	**98.56**	**106.75**	**113.05**
Capital Employed							
Net Block	70.02	69.39	77.73	71.55	65.09	58.33	51.29
Non-current Assets	2.98	63.94	63.94	63.94	63.94	63.94	63.94
Current Assets (Incl. Cash)	347.36	365.23	414.88	496.80	584.57	679.25	779.47
Less: Current Liabilities (excl. Creditors & other Liabilities)	156.52	124.94	131.96	139.47	147.50	156.09	165.29
Total Obligations (B)	**263.83**	**373.61**	**424.59**	**492.82**	**566.10**	**645.43**	**729.42**
ROCE (A/B)	**26.67%**	**19.19%**	**16.21%**	**18.61%**	**17.41%**	**16.54%**	**15.50%**
Average ROCE	**17.06%**						

Source: D&B-India

As per D&B India's assessment, the ROCE of the Company works out to be 17.06%.

Break Even Analysis

(Values in INR Cr)

Particulars	Projected							
	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31
Revenue	915.50	937.49	1,003.11	1,068.14	1,193.91	1,282.51	1,373.76	1,468.24
Capacity Utilization		0%	0%	50%	80%	85%	95%	95%
Variable Cost								
Cost of Materials Consumed	742.78	744.32	801.84	857.98	918.07	982.34	1,051.10	1,124.68
Stores, Water and Consumables	39.58	26.93	45.14	49.69	60.56	64.73	69.71	73.85
Packaging Expenses	-	-	-	0.04	0.23	0.24	0.27	0.27
Power & Fuel Expenses	33.61	40.86	35.11	39.61	53.27	56.90	61.55	64.77
Manpower Expense	24.96	26.74	25.08	27.02	30.22	32.63	35.32	37.69
Other Manufacturing Expense & Insurance Expense	22.97	11.91	21.07	22.74	24.47	26.16	27.97	29.89
Change in Stock	-22.61	-9.34	-15.31	-18.57	-12.37	-8.30	-9.92	-8.19
Interest on Working Capital & unsecured Loan	7.61	5.99	2.82	0.28	0.28	0.28	0.28	0.28
Total Variable Cost	**848.90**	**847.41**	**915.75**	**978.78**	**1,074.73**	**1,154.99**	**1,236.29**	**1,323.24**
Contribution	**66.60**	**90.08**	**87.36**	**89.36**	**119.18**	**127.52**	**137.48**	**144.99**
Contribution Margin %	7.27%	9.61%	8.71%	8.37%	9.98%	9.94%	10.01%	9.88%
Fixed Costs								
Repairs & Maintenance	1.86	0.97	1.50	1.62	1.87	1.99	2.12	2.27
Administrative, Selling Expense	5.90	9.00	6.02	6.65	7.11	7.60	8.12	8.68
Depreciation	8.32	8.76	8.96	9.66	11.18	11.46	11.75	12.04
Interest on TL	4.40	6.32	3.16	-	-	-	-	-
Total Fixed Costs	**20.47**	**25.04**	**19.64**	**17.94**	**20.15**	**21.06**	**22.00**	**22.99**
Profit	**46.12**	**65.05**	**67.72**	**71.42**	**99.02**	**106.46**	**115.48**	**122.00**
Cash Fixed Cost	**12.16**	**16.28**	**10.68**	**8.28**	**8.98**	**9.59**	**10.25**	**10.95**
PV Ratio	**7.27%**	**9.61%**	**8.71%**	**8.37%**	**9.98%**	**9.94%**	**10.01%**	**9.88%**
Break Even								
Sales	281.44	260.56	225.56	214.40	201.91	211.77	219.84	232.80
Capacity %	0.00%	0.00%	0.00%	10.04%	13.53%	14.04%	15.20%	15.06%
Cash Break Even								
Sales	167.12	169.41	122.64	98.93	89.94	96.47	102.41	110.88
Capacity %	0.00%	0.00%	0.00%	4.63%	6.03%	6.39%	7.08%	7.17%
Margin of Safety								
Sales	748.38	768.08	880.47	969.21	1,103.97	1,186.04	1,271.36	1,357.35
Capacity %	0.00%	0.00%	0.00%	45.37%	73.97%	78.61%	87.92%	87.83%

Source: D&B-India

Risk Analysis and mitigation

The risk analysis, allocation and mitigation are shown in the following table.

Risk	Carrier	Mitigation Measure
Experience and capability	RSL	The promoters and management of the Company has been involved in manufacturing of metal products for collective experience of 5 decades and have ample experience and capability in the domain. At present, RSL is engaged in billets, forging ingots, rolled black bar, rolled bright bar, flat & patti and other ancillary products. The promoters of the Company are experienced in this industry and have been successfully operating the existing units at an average EBITDA of Nearly 4.5% for past 2-3 Years. They possess the necessary technical skills to establish and operate the proposed unit as well as market its final products (different variants of SS seamless pipes). Furthermore, they are supported by a capable and experienced management team that oversees day-to-day operations.
Time overrun	RSL	As informed by Company the land available at existing plant is sufficient for the proposed plant. The Company has provided general layout for the existing unit without specific dimensions, also the Layout for proposed facility is provided. Based on the visual inspection of site, during visit, the proposed land is considered to be adequate for proposed facility. The Company has finalized the civil contractor and is in process to enter into agreement to firm up the civil cost and to avoid any cost escalation at a later stage. The Company has received budgetary quotations & estimates for the major equipment from Contractor. The Company has assigned M/s Industrial Furnace Consultant, led by Mr. Nambiyar, to establish the proposed mill. However overall installation & Commissioning of the project will be done by Company Internal team led by Mr. Yash Mehta. As per the implementation schedule, the Company proposes to complete the project by December 2026, and the commercial operations is slated to begin from 1st January 2027. The Company has planned to implement the project in a period of 15 months from September 2025. The Company should be able to meet these timelines subject to timely entering into required contracts as well as continuous monitoring of delivery schedules of major machineries. D&B India recommends the Company to properly monitor and supervise the critical activities for timely completion of the project.

Risk	Carrier	Mitigation Measure
Cost overrun	RSL	Cost overrun could arise on account of three principal factors: a) escalation in the estimated capital cost, b) unforeseen additional capital cost and c) time over-run D&B India notes that the cost estimates are at preliminary stage and the Company has received budgetary quotations & estimates for the major equipment from Contractor. The Project cost envisaged has covered all the major heads, but still some modifications during implementation are expected. However, if the project gets delayed due to unforeseen circumstances, there is a chance of escalation and same may cause cost overrun. Here, 3.50% contingency provision (for Project hard cost, excluding land cost) has been considered in the Capex to mitigate part of the cost overrun. In case of any overrun above the same due to any unforeseen circumstances or substantial delay, the promoters meet the cost over-run out of IPO Proceeds.
Statutory approvals	RSL	D&B India notes that RSL has received the building plan approval from Madhwas Gram Panchayat, and provisional approval from Health and Safety Department. It has received Amendment of Consent to Establish from Gujarat Pollution Control Board (GPCB/CCA-PN-78(6)/ID: 19047/), issued on 13th June 2025. RSL will start applying for various other relevant approvals post financial closure. The Company has assured D&B India, that all relevant approvals would be obtained in due course. The promoters and management of the Company has been involved in manufacturing of Stainless Steel for collective experience of 5 decades and have ample experience and capability in the domain, the Company has the understanding of the procedural aspects, which would help in obtaining relevant approvals.
Offtake risk / demand risk	RSL	In 2024, the steel pipes market in India was estimated at approximately 13.56 million tons. Projections suggest that by 2033, the market could grow to around 27.76 million tons, reflecting a compound annual growth rate (CAGR) of 7.65% between 2025 and 2033. India's steel pipes and tubes market is anticipated to generate revenue of approximately USD 17,599.1 million by 2030. Between 2024 and 2030, the market is projected to grow at a compound annual growth rate (CAGR) of 5.8%. India's seamless steel pipes & tubes market, including alloy and stainless steel, was estimated at 6.77 million tonnes in 2024–25, reflecting a CAGR of 21.02% since 2019–20. For Seamless Pipes and Tubes, Production in 2024–25 reached an all-time high of 1,19,19,200 MT, continuing a consistent growth trend from 68,85,204 MT in 2016–17, driven by strong domestic infrastructure and industrial demand. Imports, after peaking in 2018–19 and falling until 2022–23, rose to 6,96,086 MT in 2023–24 but moderated to 6,09,900 MT in 2024–25, suggesting partial import substitution and improved domestic availability. Exports peaked at 18,62,446 MT in 2019–20 and, after a decline, recovered to 15,82,800 MT in 2023–24 before slightly easing to 14,87,354 MT in 2024–25, indicating steady overseas demand. Consumption grew from 57,13,471 MT in 2016–17 to 97,15,246 MT in 2024–25, underscoring the strong

Risk	Carrier	Mitigation Measure
		momentum in domestic end-user sectors like construction, oil & gas, and water infrastructure. Seamless pipes and tubes (alloy + stainless steel) accounted for around 7% of total consumption throughout the period, with volumes rising to 6,77,808 MT in 2024–25, showing steady niche demand. Stainless steel seamless pipes and tubes made up about 35% of seamless consumption in 2024–25 at 2,37,233 MT, reflecting consistent growth in sectors requiring corrosion resistance and durability. The Company may opt to sell the intermediate product i.e. mother pipes/ tubes to various companies engaged in pilgering of mother tubes. This will widen the market for the company as it will increase its product portfolio and hence customer base. This will further help in mitigating the offtake risk.
Raw material availability & prices	RSL	The Company proposes to procure the required quantity of raw materials i.e. (Rolled round Bars) from the existing facility. The prices of raw material are very volatile. However, the industry usually passes-on the changes in raw material prices to the customers. The Company might face short-term challenges in case raw material prices become highly volatile over a limited period.
Operational risk	RSL	The proposed site has good connectivity via roads and railways. However, since the site is landlocked, the Company relies on nearby ports, Pipavav, Dahej, Magdalla (near Surat) for both imports and exports. The Company has assigned M/s Industrial Furnace Consultant to establish the proposed mill. However overall installation & Commissioning of the project will be done by Company Internal team lead by Mr. Yash Mehta. The promoters propose to recruit experienced & well qualified personnel for day-to-day operation and management of the project. Skilled and unskilled labors will be available locally. The unit is not expected to face challenges in hiring skilled & unskilled manpower.
Government policies	RSL	The steel industry is a strictly regulated sector, as it is high carbon emitting in nature. The Company needs to follow all the guidelines stipulated by the Government of India. The Company must adhere to standard operating procedures (SOPs) and implement preventive measures to minimize environmental pollution.
Pricing level and sustainability	RSL	The steel industry is characterized by high volatility in the prices of inputs and finished products. Though the prices of the finished products tend to move in tandem with the input prices, there is an impact on the operating margins of the industry (in the short term).

Risk	Carrier	Mitigation Measure
		However, majority of the Company's products will be made to order and hence, the Company should follow the process of back-to-back booking of raw material thereby reducing the risk. Further, the Company should focus on more value-added products and applications, with better margins, thereby further mitigating the risk.
Competition risk	RSL	The present market is dominated by 4 players with Ratnamani Metals & Tubes Limited having the highest market share & capacity. There is a large import substitution market available. The new capex will enable RSL to explore untapped opportunities in defense, aerospace, nuclear energy, and high diameter SS tubes/pipes in refineries and power plants. With a proposed large capacity of 9600 TPA with hot piercing facilities for stainless steel seamless tubes/pipes, the Focus on quality product, timely delivery and catering to niche markets are the ways to mitigate the risk.
Forex fluctuation	RSL	The Company is planning to import major plant and machinery through Yantai Yujia Machinery Company Ltd. which exposes it to foreign exchange fluctuation risk. It should take adequate forward cover to mitigate the same.
Force majeure	RSL/Insurer	The company may be advised to take adequate insurance cover for insurable force majeure risks from time to time.

SWOT Analysis

Strength
• The promoters of the Company have the necessary resources, experience and expertise to execute such a project. • The site enjoys an advantage of being well located through roads and rail network. • The primary raw material, Rolled Round Bars, for the project will be sourced from RSL's existing facility located within the same periphery reducing the transport cost which enables positive impact on margins. This also ensures steady supply of raw materials. • The project proposes to manufacture mother hollow pipes in-house, creating strong competitive advantage. Most of the players import mother hollow pipes.
Weakness
• Due to the volatility in raw material prices, the profitability of the Company, in absolute terms, is vulnerable. • Any new player entering this industry will have to invest considerable time and capital to develop products, that meet the customer standards. • Demand for steel tubes and pipes depends on end-user industries engineering, aerospace, forging, oil and gas, pump and shaft, defense automotive, aviation, precision engineering, etc. Any slowdown in these segments could weaken demand for the products, thereby affecting the Company's operating performance. Company should focus on diversified products and non-dependence on a single end-user industry.
Opportunity
• With higher diameter, different lengths, such as ferritic, super duplex & nickel alloy grades, opens a host of opportunities in sectors such as engineering, aerospace, forging, oil and gas, pump and shaft, defense automotive, aviation, precision engineering, etc.
Threats
• The business is cyclical in nature as it entirely depends on the investment momentum in the underlying sectors • Even though, presently there is good potential in the domestic market, there could be increased competition in case global players decide to invest in state-of-the-art facilities in India and existing players decide to expand • The project may also be affected by the general threat of economic slowdown. • Change in government and other regulatory bodies' policies may impact the industry.

Conclusion

Rajputana Stainless Limited proposes to set up a new unit for manufacturing of Stainless Steel (SS) seamless pipes plant at Panchmahal in Gujrat. The Company already has a plant located in Gujarat where it manufactures billets, forging ingots, rolled black bar, rolled bright bar, flat & patti and other ancillary product. They aim to begin commercial operations on 1st January (4th quarter of FY2027) following 15 months of construction after financial closure in September 2025. Stainless steel seamless pipes are manufactured through a process involving hot extrusion or piercing of solid bars followed by elongation and rolling to achieve the desired dimensions and properties.

Technical Assessment Summary

- The Company proposes to manufacture the SS Seamless pipes facility at the proposed location. The Company intends to start commercial operation from 1st January (4th quarter of FY2027) considering 15 months of construction post financial closure during September 2025. Stainless steel seamless pipes are manufactured through a process involving hot extrusion or piercing of solid rolled round bars followed by elongation and rolling to achieve the desired dimensions and properties.
- The project location is considered to be appropriate for the proposed plant.
- The proposed technology, manufacturing process and machinery is found to be in line with latest industry trend and as per the proposed product profile.
- The proposed manpower for the project is considered to be sufficient to manage the operations of the plant, post commissioning with the consideration of integrating the existing plant with the new unit.
- As the project is at its initial stage, the Company is in process of obtaining new approval to include the proposed portfolio.
- The overall project cost (excluding margin money, interest during construction period and land cost) is found to be reasonable and in-line with the proposed plan of the Company, as well as industry norms.
- Based on the Civil- PEB, Plant & Machinery, Misc. fixed assets vendor details, it has been observed that the Vendors selected by Company are known Vendors operating in this industry.

Subject to the above assessment & considering all these critical aspects, **D&B-India is considers that the project is technically feasible**.

Critical Success Factors

Capacity Utilization and Sales

The proposed COD for the project is 1st January (4th quarter of FY2027). The production speed per day is considered at 29 Mtr/Day and with 330 days per annum operations, the installed capacity arrived to be at 9600 MTPA. The capacity utilization for the unit is considered at 50.00% for FY 2027, considering the Company is offering a new product variant. Subsequently capacity utilization has been ramped up to 80.00% for 2028, 85.00% for 2029 and at 95.00% for FY 2030 which continues for the remaining projected period.

The manufacturing unit's stated production capacity utilizations have been technically vetted and deemed feasible. The projected output aligns with operational efficiencies, equipment capabilities, and industry benchmarks, ensuring that the estimated production levels can be reliably achieved.

Implementation Schedule

The COD for the Project is estimated to be 1st January (4th quarter of FY2027). It is important for the Company to closely monitor the implementation schedule for the Project (as per the implementation schedule section of this report), in order to avoid any lapses, in achieving the Project activity wise milestones. In the event of Project activity timeline breach, a resultant direct impact on COD would affect the production volume and subsequently financials of the Company, particularly in its first year of operation.

Statutory and Regulatory Approvals

The Company needs to amend the above approvals to include new product portfolio as a part of production facility. The Company has proposed to acquire all the necessary approvals at appropriate time, for smooth progress of the Project (as detailed under Statutory Approval section of this report). Delay in acquiring one or more of these statutory and regulatory approvals will influence the progress of the Project timeline, Project cost and subsequently yield stress on the financial ratios of the Project.

Economic Viability

The proposed Project can generate a revenue ~INR 321.12 Cr (FY31) in the stabilized years. Corresponding EBITDA is ~INR 25.25 Cr. The EBITDA margin estimated to be ~7.84%. As per industry standards this is acceptable.

Subject to the above assessment, risk and SWOT analysis, achievement of the critical success factors and the impact of various scenarios as envisaged under sensitivity analysis study, **the operations of the entity can be viewed as economically viable.**

Annexure

Per unit costing of operating expenses are as below:

Particulars	Units	FY27	FY28	FY29	FY30	FY31
Annual Sales Quantity	MTPA	822	7,504	8,125	9,051	9,120
Operating Expenses						
Cost of Materials Consumed	INR/MT	416,036	291,623	286,137	287,104	284,922
Stores, Water and Consumables	INR/MT	16,880	11,832	11,609	11,649	11,560
Packaging Expenses	INR/MT	438	307	301	302	300
Power & Fuel Expenses	INR/MT	24,860	17,425	17,098	17,155	17,025
Manpower Expense	INR/MT	2,249	2,008	2,347	2,701	2,761
Repair and Maintenance Charges	INR/MT	141	191	182	168	172
Other Manufacturing Expense & Insurance Expense	INR/MT	2,460	470	433	396	377
Sub-total	**INR/MT**	**463,063**	**323,857**	**318,108**	**319,476**	**317,117**
Add: Opening WIP	INR/MT	-	2,916	3,945	3,765	4,178
Add: Opening FG	INR/MT	-	13,517	18,232	17,415	19,330
Less: Closing WIP	INR/MT	26,626	4,272	4,194	4,210	4,179
Less: Closing FG	INR/MT	123,416	19,743	19,398	19,478	19,338
Cost of Production	**INR/MT**	**313,021**	**316,275**	**316,693**	**316,968**	**317,109**
Admin Expenses	INR/MT	2,610	294	280	259	265
Selling Expenses	INR/MT	8,819	7,043	7,042	7,042	7,042
Total Operating Expenses	**INR/MT**	**324,450**	**323,612**	**324,015**	**324,269**	**324,416**

Limiting Conditions

The revenue and cost estimates for the proposed project are given on the basis of assumptions and not on the basis of actual calculations. The revenue and costs considered are based on the data provided by company and validated from findings from primary survey and secondary research, as detailed in the methodology section. There may be changes in the revenue and cost estimates depending on the market conditions. The revenue and costs are comparable with the industry benchmarks.

- The Company is process of preparation of Area Statement for the proposed expansion and also on consolidated Area Level.

Basis: D&B-India's assumptions are based on the information obtained from owners, prevailing rules and regulations of statutory authorities, prevailing site conditions on the date of inspection and best judgment of the undersigned.

Source of information: D&B-India presumes that complete and correct information is provided to it by the owners. In case, if the information given to D&B-India is incomplete or incorrect, D&B-India shall assume no liability or responsibility for the same, and D&B-India may modify the report to that extent if so required.

Documentation: D&B-India does not normally read leases or documents of title. D&B-India assumes, unless informed to the contrary, that each structure has good and marketable title, that all documentation are satisfactorily drawn and that there are no encumbrances, restrictions, easements or other outgoing of an onerous nature which would have a material effect on the value of interest under consideration, nor material litigation pending. Where D&B-India has been provided with documentation, D&B-India recommends that reliance should not be placed on its interpretation without verification by legal advisors.

Town planning and other statutory regulations: D&B-India recommends that verification be obtained from legal advisors to the effect that:

i. The position is correctly stated in the report:
ii. The property is not adversely affected by any other decision made, or conditions prescribed by public authorities.
iii. There are no outstanding statutory notices.

D&B-India's reports are prepared on the basis that the Owners comply with all relevant statutory regulations, including enactment relating to fire regulations, safety and environmental considerations and stipulation of respective statutory provisions.

Physical surveys: D&B-India has not carried out Physical Survey and leveling exercise of the Structures and advice Owners to carry out actual Physical Survey of the site along with levels if desired. This report is based on documents forwarded to D&B-India by Owners, Government Records made available to D&B-India and on D&B-India's cursory inspection of site.

Structural surveys: D&B-India has not carried out a structural survey, nor has D&B-India tested the services of the Owners and D&B-India therefore does not give any assurance that any Structure or the immoveable assets are free from defects. In D&B-India's general observations, the Structures are erected normally and appear to have been maintained properly. However, no guarantee or opinion can be inferred about the conditions of Structure and Machinery about safe working of the same.

Deleterious materials: D&B-India does not normally carry out investigations on site to ascertain whether any Structure was constructed or altered using deleterious materials or techniques (including, by way of example high alumina cement concrete, wood wool as permanent shuttering, calcium chloride or asbestos). Unless D&B-India was otherwise informed, our report is on the basis that no such materials or techniques have been used.

Site conditions: D&B-India has not carried out investigations on site in order to determine the suitability of ground conditions and services for the purposes for which they are, or are intended to be put, to use, nor does D&B-India undertake archaeological, ecological or environmental surveys. Unless D&B-India is otherwise informed, D&B-India's report is on the basis that these aspects are satisfactory and that, where development is contemplated, no extraordinary expenses or delays will be incurred during the construction period due to these or any other matters related to site.

Environmental Contamination: D&B-India has not carried out physical site surveys or environmental assessments, or investigated historical records, to establish whether any land or premises are, or have been, contaminated. Therefore, unless advised to the contrary, D&B-India's report is carried out on the basis that properties are not affected by environmental contamination.

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