



Shri Kanha Stainless Ltd.

(Formerly Known as Shri Kanha Stainless Pvt. Ltd.)

Mfr : Stainless Steel Strips, Cold Rolled Coils, Circles.

401, Trimurty Prime Tower, Niwaru Road, Jhotwara, Jaipur-302012
Email : kanhastainless@gmail.com CIN : U27109RJ2015PLC047890

CERTIFIED TRUE COPY OF THE RESOLUTION PASSED AT THE MEETING OF THE MEMBERS OF THE AUDIT COMMITTEE OF SHRI KANHA STAINLESS LIMITED HELD ON WEDNESDAY, 26th NOVEMBER, 2025 AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT PLOT NO. 70-B, UNIT NO. 401-402, 4TH FLOOR, TRIMURTY PRIME TOWER, NIRWAROO ROAD, JHOTWARA, JAIPUR 302012, RAJASTHAN, INDIA AT 02:30 P.M.

APPROVAL AND ADOPTION OF THE KEY PERFORMANCE INDICATORS OF THE COMPANY DISCLOSED IN THE ISSUE DOCUMENTS FOR THE INITIAL PUBLIC OFFERING OF THE COMPANY:

The Chairman of the Audit Committee informed the other members of the Committee that the Securities and Exchange Board of India ("SEBI") has on November 21, 2022 (and published in the Official Gazette on November 23, 2022) introduced certain amendments to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the "SEBI ICDR Regulations") vide the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2022 (the "Amendments"). The Amendments, amongst other things, require the Committee to approve the key performance indicators ("KPIs") relating to the Company proposed to be disclosed in the Issue Documents. Further, the Amendments also require the Committee to confirm that it has verified and audited the details for all the KPIs relating to the Company that have been disclosed to investors in the three years prior to filing the Prospectus and are proposed to be disclosed under the section titled "Basis for Issue Price" of the Issue Documents.

The Chairman of the Committee placed before the other members of the Committee, the list and description of key performance indicators pertaining to the Company, as identified by the members of management of the Company and duly initialled by the Chairperson of the Committee for identification purposes (the "Identified KPIs"), proposed to be disclosed in the Prospectus proposed to be filed by the Company with Registrar of Companies, Rajasthan at Jaipur and the Stock Exchange where the securities will be listed.

The members of the Committee were informed that the Identified KPIs have been reviewed by the statutory auditors or peer review auditor of the Company, namely, M/s. Bhojak Lunawat and Company, Chartered Accountants.

Chairperson of the Committee informed the other members of the Committee that other than as proposed to be disclosed in the "Basis for Issue Price" chapter of the Prospectus, the Company had not disclosed any additional key performance indicators in relation to the Company with investors during the three years prior to the date of filing of the Prospectus.

Further, a draft of the section titled "Basis for Issue Price" proposed to be included in the Prospectus was placed before the members of the Committee and the same is enclosed as **Annexure I**.

Pursuant to the review of the Identified KPIs by the members of the Committee, the following resolutions were unanimously passed:



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"RESOLVED THAT in accordance with the applicable provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, and other applicable laws, the members of the Committee confirm that all the Key Performance Indicators (KPIs) pertaining to the Company that have been disclosed to the earlier investors at any point of time during the three years period preceding the date of filing of the Draft Prospectus and the Prospectus with SME Platform of National Stock Exchange of India Limited are disclosed under *"Basis for Issue Price"* section placed before the Committee and the details for all such KPIs disclosed under *"Basis for Issue Price"* section have been verified and audited, in accordance with applicable laws and auditing procedures.

RESOLVED FURTHER THAT, pursuant to the Amendments, the Identified KPIs, as placed before the members of the Committee and initialled by the Chairman for identification purposes and disclosed under the *"Basis for Issue Price"* section of the Prospectus, be and are hereby approved and may be disclosed in the Issue Documents.

RESOLVED FURTHER THAT Any of the director or Company Secretary of the Company, be and are hereby authorized to take all steps for giving effect to the aforesaid resolution.

RESOLVED FURTHER THAT a certified true copy of this resolution be provided to any authority, as and when required, under the signature of any Director or the Company Secretary of the Company."

**CERTIFIED TRUE COPY
FOR SHRI KANHA STAINLESS LIMITED
SHRI KANHA STAINLESS LTD**

JAI BHAGWAN AGARWAL
Managing Director
DIN: 01575848


DIRECTOR

Annexure I BASIS FOR ISSUE PRICE

The Issue Price has been determined by our Company, in consultation with the Lead Manager on the basis of assessment of market demand for the Equity Shares offered through the Fixed Price and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹10/- each and the Issue Price is 9.00 times the face value.

Applicants should read the following basis with the section titled "Risk Factors" and chapters titled "Restated Financial Information", "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Our Business" beginning on page 26, 196, 231 and 134 respectively, of this Prospectus to get a more informed view before making any investment decisions.

Qualitative Factors

Some of the qualitative factors and our strengths which form the basis for computing the Issue Price are:

A private sector manufacturer of cold rolled stainless sections in India
Long term sourcing arrangements for components
Effective Cost Control Management
Quality Assurance and Quality Control of our products
Strong Order Book

For further details, see "Our Business –Strengths" on chapter beginning on 126.

Quantitative Factors

Some of the information presented below relating to our Company is based on the Restated Financial Statements. For details, see "Restated Financial Statements" on page 196.

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

Basic and Diluted Earnings per share ("EPS")

Fiscal Year ended	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight	EPS*Weight
March 31, 2025	5.55	5.55	3	16.65
March 31, 2024	2.49	2.49	2	4.98
March 31, 2023	0.69	0.69	1	0.69
			6	22.32
Weighted Average				3.72
September 30, 2025*	-	4.08	-	-

* Not annualized

Notes:

(1) Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. sum of (EPS x Weight) for each year/Total of weights

(2) Basic Earnings per Equity Share (₹) = Restated profit for the period/year divided by Weighted average number of equity shares outstanding during the period/year, read with note 1 above

Diluted Earnings per Equity Share (₹) = Restated profit for the period/year divided by Weighted average number of diluted equity shares outstanding during the period/year, read with note 1 above

(3) Earnings per Share calculations are in accordance with the notified Accounting Standard 20 'Earnings per share'. The face value of equity shares of the Company is ₹ 10/-.

(4) The figures disclosed above are based on the Restated Financial Statements.

Price/Earning ("P/E") ratio in relation to Issue Price of ₹ 90/- per Equity Share:

Particulars	P/E at the Issue Price (number of times)
Based on Basic & Diluted EPS for Fiscal 2025	16.23
Based on Weighted Average EPS	24.20

Industry Peer Group P/E ratio

Particulars	Industry P/E (number of times)
Highest	35.09
Lowest	15.30
Average	25.20

Notes:

The industry high and low has been considered from the industry peer set provided above. The industry composite has been calculated as the arithmetic average P/E of the industry peer set disclosed above

All the financial information for listed industry peers mentioned above is sourced from the March 31, 2025 audited financial statement of the relevant companies as available on the website of the stock exchange

Return on Net worth ("RoNW")

Fiscal Year ended	RoNW (%)	Weight
March 31, 2025	47.61%	3
March 31, 2024	40.85%	2
March 31, 2023	19.11%	1
Weighted Average	40.61%	
September 30, 2025*	26.55%	

* Not annualized

Notes:

Weighted average = Aggregate of year-wise weighted Return on Net Worth divided by the aggregate of weights i.e. sum of (Return on Net Worth x Weight) for each year/Total of weights.

Return on Net Worth (%) = Restated profit/ (loss) attributable to owners of the holding Company / networth at the end of year/ period.

Net worth, as restated at the end of the relevant period (Equity attributable to the owners of the Company), excluding non-controlling interest

Net asset value per Equity Share (face value of ₹ 10/- each)

Particulars	NAV per equity Share (₹)
As on March 31, 2025 (Post Bonus)	11.65
After the Completion of the Issue:	
- At Issue Price (2)	39.81

Notes:

Net Asset Value per Equity Share = Net worth derived from Restated Financial Statements as at the end of the period/ year divided by number of equity shares outstanding as at the end of period /year as per Restated Financial Statements.

Issue Price per Equity Share will be determined in consultation with lead manager.

COMPARISON OF ACCOUNTING RATIOS WITH LISTED INDUSTRY PEERS

We believe following is our peer group which has been determined on the basis of listed public companies comparable in the similar line of segments in which our Company operates i.e. converting HR coils into CR coils, whose business segment in part or full may be comparable with that of our business, however, the same may not be exactly comparable in size or business portfolio on a whole with that of our business.

Name of the company	Face value	CMP	EPS (₹)		NAV (₹ per share)	P/E Ratio	RoNW (%)	PAT margin (%)
			Basic	Diluted				
Shri Kanha Stainless Limited	10.00	NA	5.55	5.55	11.65	16.23	47.61%	3.97%
Peer Group								
Hisar Metal Industries Limited	10.00	206.67	5.89	5.89	116.00	35.09	9%	1.30%
Quality Foils (India) Limited	10.00	76.05	4.97	4.97	106.00	15.30	4%	0.30%

Source: All the financial information for the listed industry peers mentioned above is on a consolidated basis sourced from the results of the peer company uploaded on NSE/BSE website for the year ended March 31, 2025

Notes for peer group:

P/E Ratio is computed as the peer company based on the closing price on www.nseindia.com and www.bseindia.com

Return on Net Worth (%) = Profit for the year ended March 31, 2025, divided by Total Equity of the Company as on March 31, 2025.

NAV is computed as the Total Equity of the Company as on March 31, 2025, divided by the outstanding number of equity shares as of March 31, 2025.

The trading price of the Equity Shares could decline due to the factors mentioned in the section "Risk Factors" on page 27 and any other factors that may arise in the future and you may lose all or part of your investments.

KEY FINANCIAL AND OPERATIONAL PERFORMANCE INDICATORS ("KPIs") #

Key Performance Indicators (KPIs) are imperative to the Financial and Operational performance evaluation of the company. However, KPIs disclosed below shall not be considered in isolation or as substitute to the Restated Consolidated Financial information. In the opinion of our Management the KPIs disclosed below shall be supplementary tool to the investor for evaluation of the company.

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated November 26, 2025, and the members of the Audit Committee have verified the details of all KPIs pertaining to the Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of the Prospectus. Further, the KPIs herein have been certified by M/s. Bhojak Lunawat and Company, Chartered Accountants, by their certificate dated November 26, 2025.

The KPIs of our Company have been disclosed in the sections "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" starting on pages 126 and 206, respectively. We have described and defined the KPIs, as applicable, in "Definitions and Abbreviations" beginning on page 4.

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or till the complete utilization of the proceeds of the Fresh Issue as per the disclosure made in the Objects of the Offer Section, whichever is later or for such other duration as may be required under the SEBI (ICDR) Regulations, 2018.

Set forth below are KPIs which have been used historically by our Company to understand and analyses the business performance, which in result, help us in analyzing the growth of various verticals of the Company that have a bearing for arriving at the Basis for the Issue Price.

Some of the key performance indicators which may form the basis for computing the Issue Price are as follows:

(₹ in lakhs except percentages and ratios)

Key Performance Indicators	Sep 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Revenue from Operations	11,022.50	14,579.11	13,037.44	13,503.95
EBITDA (1)	924.64	1,338.01	824.28	436.31
EBITDA Margin (2)(3)	8.39%	9.18%	6.32%	3.23%
EBIT	838.66	1,185.12	690.27	306.51
Profit After Tax	425.64	579.03	260.27	72.03
PAT Margin (4)	3.86%	3.97%	2.00%	0.53%
ROE (5)*	26.55%	47.61%	40.85%	19.11%
ROCE (6) *	11.64%	19.20%	13.22%	7.37%
Net Debt/ EBITDA (7)	5.85	3.80	5.09	9.24

KPIs disclosed above has been approved by the Audit Committee of the Company in their meeting held on dated November 26, 2025.

Explanation for the Key Performance Indicators

EBITDA means Earnings before interest, taxes, depreciation and amortisation expense, is calculated as profit before tax/ (loss) before extraordinary item for the period/year and adding back finance costs, and depreciation & amortisation expenses.

EBIT means Earnings before interest and tax, and is calculated as profit before tax/ (loss) before extraordinary item for the period/year and adding back finance cost.

EBITDA Margin is calculated as EBITDA as a percentage of Revenue from operations.

PAT Margin is calculated as profit after tax for the year / period as a percentage of Revenue from operations.

Return on Equity (ROE) is calculated as profit after tax for the year/period divided by Total Equity. Return on Capital Employed (ROCE) is calculated as EBIT divided by Capital Employed. Capital Employed is calculated as total assets less total current liabilities as at the end of the period/year. Net Debt/ EBITDA: Net Debt is calculated as total borrowings (including lease liabilities) less cash and cash equivalents and bank balances other than cash and cash equivalents as at the end of the period/year divided by EBITDA.

We shall continue to disclose these KPIs, on a half-yearly basis, for a duration that is at least the later of (i) three years after the listing date; and (ii) the utilization of the issue proceeds disclosed in the objects of the issue section of the Prospectus. We confirm that the ongoing KPIs would be certified by the statutory auditor of the Issuer Company.

Explanation for KPI metrics

KPI	Explanations
Revenue from Operations (₹ in Lakhs)	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of our Company and size of our business.
EBITDA (₹ in Lakhs)	EBITDA provides information regarding the operational efficiency of the business.
EBITDA Margin (%)	EBITDA Margin is an indicator of the operational profitability and financial performance of our business.
Profit After Tax (₹ in Lakhs)	Profit after tax provides information regarding the overall profitability of the business.
PAT Margin (%)	PAT Margin is an indicator of the overall profitability and financial performance of our business.
RoE (%)	RoE provides how efficiently our Company generates profits from average shareholders' funds.
RoCE (%)	ROCE provides how efficiently our Company generates earnings from the average capital employed in the business.
Net Debt/ EBITDA (In Times)	Net Debt by EBITDA is indicator of the efficiency with which our Company is able to leverage its debt service obligation to EBITDA.

Comparison of the Key Performance Indicators with our listed peers:

Shri Kanha Stainless Limited (₹ in lakhs)

Key Performance Indicators	September 30 2025	2024-25	2023-24	2022-23
Revenue from Operations	11022.53	14,579.11	13,037.44	13,503.95
EBITDA(1)	924.64	1,337.89	824.28	436.32
EBITDA Margin(3)	8.39%	9.18%	6.32%	3.23%
Profit After Tax for the Year	425.64	579.03	260.27	72.02
PAT Margin(4)	3.86%	3.97%	2.00%	0.53%
ROE(5)	26.55%	47.61%	40.85%	19.11%
ROCE(2)(6)	11.64%	19.20%	13.22%	7.37%
Net Debt/ EBITDA(1)(7)	5.85	3.80	5.09	9.24

Hisar Metal Industries Limited

Key Performance Indicators	2024-25	2023-24	2022-23
Revenue from Operations	24,485.00	24,143.00	13,503.95
EBITDA(1)	1321.00	1,702.00	2,337.00
EBITDA Margin(3)	5.40%	7.05%	17.31%
Profit After Tax for the Year	318.00	647.00	1,095.00
PAT Margin(4)	1.30%	2.68%	8.11%
ROE(5)	10.55%	22.51%	39.97%
ROCE(2)(6)	8.81%	10.32%	13.21%
Net Debt/ EBITDA(1)(7)	4.35	1.98	1.58

Quality Foils (India) Limited

Key Performance Indicators	2024-25	2023-24	2022-23
Revenue from Operations	15,084.74	15,468.97	18,636.25
EBITDA(1)	648.30	611.65	899.21
EBITDA Margin(3)	4.30%	3.95%	4.83%
Profit After Tax for the Year	141.85	133.58	318.87
PAT Margin(4)	0.94%	0.86%	1.71%
ROE(5)	5.17%	11.00%	22.0%
ROCE(2)(6)	9.45%	17.00%	27.00%
Net Debt/ EBITDA(1)(7)	10.30	12.47	7.08

Source: Annual Reports of the company / www.bseindia.com and www.nseindia.com

Explanation for the Key Performance Indicators

EBITDA means Earnings before interest, taxes, depreciation and amortisation expense, is calculated as profit before tax/ (loss) before extraordinary item for the period/year and adding back finance costs, and depreciation & amortisation expenses excluding other income.

EBIT means Earnings before interest and tax, and is calculated as profit before tax/ (loss) before extraordinary item for the period/year and adding back finance cost.

EBITDA Margin is calculated as EBITDA as a percentage of Revenue from operations.

PAT Margin is calculated as profit after tax for the year / period as a percentage of Revenue from operations.

Return on Equity (ROE) is calculated as profit after tax for the year/period divided by Total Equity.

Return on Capital Employed (ROCE) is calculated as EBIT divided by Capital Employed. Capital Employed is calculated as total assets less total current liabilities as at the end of the period/year.

Net Debt/ EBITDA: Net Debt is calculated as total borrowings (including lease liabilities) less cash and cash equivalents and bank balances other than cash and cash equivalents as at the end of the period/year divided by EBITDA.

#As certified by the Peer Reviewed Statutory Auditor M/s Bhojak Lunawat and Company, Chartered Accountants vide certificate dated November 26, 2025..

OPERATIONAL KPIs OF THE COMPANY:

Particulars	Sep 30, 2025	For the Year ended on March 31		
		2025	2024	2023
Contribution to revenue from operations of top 5 / 10 customers				
Top 10 Customers (%)	83.01%	82.52%	78.83%	76.41%
Top 5 Customers (%)	56.47%	68.22%	64.16%	68.55%

Explanation for KPI metrics

KPI	Explanations
Contribution to revenue from operations of top 5 / 10 customers	This metric enables us to track the contribution of our key customers to our revenue and assess any concentration risks.

COMPARISON OF OPERATIONAL KPIs OF OUR COMPANY AND OUR LISTED PEER:

The operational KPIs of the listed peer are not publicly available.

WEIGHTED AVERAGE COST OF ACQUISITION:

The price per share of our Company based on the primary/ new issue of shares (equity / convertible securities).

There have been no issuance of Equity Shares, excluding shares issued as bonus shares, during the 18 months preceding the date of this Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue capital before such transaction(s)), in a single transaction or multiple transactions combined together over a span of 30 days.

The price per share of our Company based on the secondary sale / acquisition of shares (equity / convertible securities).

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

Price per share based on the last five primary or secondary transactions;

Type of transaction	Weighted average cost of acquisition (₹ per equity shares)
Weighted average cost of primary/new issue acquisition	NA
Weighted average cost of secondary acquisition	10.00

Note: 1. Calculated for last 18 months

2. Calculated for Transfer of Equity Shares for the last 18 months.

Weighted average cost of acquisition and offer price:

Types of transactions	Weighted average cost of acquisition (Rs. per Equity Shares)	Offer Price (i.e. ₹ 90/-)
Weighted average cost of acquisition of primary / new issue as per paragraph (a) above.	NA	NA
Weighted average cost of acquisition for secondary sale / acquisition as per paragraph (b) above.	10.00	9.00

Note: There were no secondary transactions as mentioned in paragraph (b) above, in last 18 months from the date of this Prospectus.

FOR SHRI KANHA STAINLESS LIMITED
SHRI KANHA STAINLESS LTD

JAI BHAGWAN AGARWAL
Managing Director
DIN: 01575848


DIRECTOR