



CERTIFICATE IN RESPECT OF TOP 10 CUSTOMERS/SUPPLIERS

To,
The Board of Directors
Royal Arc Electrodes Limited
72 B, Bombay Talkies Compound, S.V. Road,
Malad West, Mumbai, Maharashtra-400064.

Dear Sir / Madam,

Re: Proposed initial public Issue ("IPO") of equity shares of face value Rs. 10 each ("Equity Shares") by Royal Arc Electrodes Limited ("Company") ("Offer") in accordance with the provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations"), and other applicable laws, as amended

We, M/s. J.H. Gandhi & Co, Chartered Accountants, and Expert of the Company, have reviewed the relevant records pertaining to the top 10 suppliers, and top 10 customers from the books of accounts of the company. On the basis of such verification including Restated Financial Statements of the Company, comprising of the Restated Financial Statement of Assets and Liabilities as at March 31, 2022, March 31, 2023, March 31, 2024 and the half yearly ended as at September 30, 2024 the Restated Financial Statements of Profit and Loss as at March 31, 2022, March 31, 2023, March 31, 2024 and the half yearly ended as at September 30, 2024 and the Restated Cash Flow Statement for the financial year ended March 31, 2022, March 31, 2023, March 31, 2024 and the half yearly ended as at September 30, 2024 the Summary Statement of Significant Accounting Policies and other explanatory information (collectively, the "Restated Financial Statement"), prepared in accordance with the Companies Act, 2013, as amended (the "Companies Act") and Accounting Standards ("AS") prescribed by the Institute of Chartered Accountants of India ("ICAI") and restated in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations") and the reports issued thereon and according to information and explanations given to us, we confirm that the particulars relating to the top 10 suppliers, and top 10 customers, and other relevant information from the Company, as set out in Annexure A are true and correct.

We have conducted our examination in accordance with the "Guidance Note on Reports in Company Prospectuses (Revised 2019)", issued by the Institute of Chartered Accountants of India, in so far it relates to Expert issuing certificates on information included in the prospectus. We hereby confirm that while providing this certificate we have complied with the Code of Ethics and the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements, issued by the Institute of Chartered Accountants of India.

This certificate is for the information of the Book Running Lead Manager to the public issue and may be relied upon by the Company, the Book Running Lead Manager, and the legal advisors appointed by the Company and the Book Running Lead Manager in relation to the Issue. We hereby consent to the submission of this certificate as may be necessary to the Securities and Exchange Board of India (SEBI), the Registrar of Companies, Mumbai ("RoC"), the relevant stock exchanges, any other regulatory authority, and/or for the records to be maintained by the Book Running Lead Manager in accordance with applicable law. We hereby consent to this certificate being disclosed by the Book Running Lead Manager, if required (i) by reason of any law, regulation, or order of a court or by any governmental or competent regulatory

authority, or (ii) in seeking to establish a defence in connection with or to avoid, any actual, potential, or threatened legal, arbitral, or regulatory proceeding or investigation.

We confirm that we will immediately communicate any changes in writing in the above information to the Book Running Lead Manager until the date when the Equity Shares commence trading on the relevant stock exchanges where the Equity Shares are proposed to be listed. In the absence of any such communication from us, the Book Running Lead Manager and the legal advisors, each to the Company and the Book Running Lead Manager, can assume that there is no change to the above information until the Equity Shares commence trading on the relevant stock exchanges pursuant to the Issue.

In no event shall our total liability; to company or any other person relying on this; for any and all claims, losses, or damages arising out of or in connection with this professional assignment exceed the total amount of fees received by us under this agreement. This limitation of liability applies to all causes of action, including but not limited to breach of contract, negligence, and any other tort or statutory claims.

On the basis of information and explanation provided to us by the company under the assurance, we hereby indemnify the book running lead manager, from losses arising as a result of the aforementioned representations made by me/us in order to disclose details of the same in the issue documents to the extent of fees received by us in agreement with the company.

We confirm that the information in this certificate is true and correct and there is no untrue statement or omission which would render the contents of this certificate misleading in its form or context

This certificate is issued for the sole purpose of the Offer, and can be used, in full or part, for inclusion in the red herring prospectus, prospectus and any other material used in connection with the Offer, and for the submission of this certificate as may be necessary, to any regulatory/ statutory authority, stock exchanges, any other authority as may be required and/ or for the records to be maintained by the BRLMs in connection with the Offer and in accordance with applicable law, and for the purpose of any defense the BRLMs may wish to advance in any claim or proceeding in connection with the contents of the offer documents

All capitalized terms used herein and not specifically defined shall have the same meaning as described to them in the Offer Documents.

Yours faithfully,

For J. H. Gandhi & Co,

Chartered Accountants

FRN: 0116513W



Jasmit H. Gandhi

(Proprietor)

M. No. 044844

UDIN: 25044844BMLMJF3180

Date: 14/01/2025

Place: Mumbai

Cc:

Fedex Securities Private Limited (the "BRLM")

3rd Floor, B Wing, Jay Chambers, Dayaldas Road,

Vile Parle East, Mumbai – 400057



Annexure A

Suppliers

For the Financial Year 2021-22

Name of the Supplier	Amount in Lakhs	% to the Purchase for the year	Related to the Promoter or Promoter group entity
Hitumet Corporation	841.01	17.14%	No
Jenil Steel Pvt Ltd	353.31	7.20%	No
Star Impex	301.32	6.14%	Yes
Ahmedabad Strips Pvt Ltd	294.23	6.00%	No
Uttam Strips Limited	286.69	5.84%	No
Top 5	2,076.56	42.32%	
N Sons	181.08	3.69%	No
Strongwire Industries	170.13	3.47%	No
Irel (India) Limited (Chavara)	134.35	2.74%	No
Vns Industries Pvt. Ltd.	121.28	2.47%	No
Apolo Extrusions Ltd	117.24	2.39%	No
Top 10	2,800.62	57.08%	

For the Financial Year 2022-23

Name of the Supplier	Amount in Lakhs	% to the Purchase for the year	Related to the Promoter or Promoter group entity
Hitumet Corporation	1,034.40	16.65%	No
Uttam Strips Limited	653.28	10.52%	No
Ahmedabad Strips Pvt Ltd	605.15	9.74%	No
Star Impex	360.76	5.81%	Yes
Irel (India) Limited Odisha	349.77	5.63%	No
Top 5	3,003.36	48.34%	
Strongwire Industries	280.13	4.51%	No
Jindal Stainless (Hisar) Limited	205.01	3.30%	No
Rohit Traders	187.48	3.02%	No
Jenil Steel Pvt Ltd	161.72	2.60%	No
K L Wire	160.60	2.59%	No
Top 10	3,998.30	64.36%	

For the Financial Year 2023-24

Name of the Supplier	Amount in Lakhs	% to the Purchase for the year	Related to the Promoter or Promoter group entity
Ahmedabad Strips Pvt Ltd	1,089.03	15.81%	No
Hitumet Corporation Pvt Ltd	822.64	11.94%	No
Star Impex	810.66	11.77%	Yes
Irel (India) Limited Odisha	640.17	9.29%	No
Rohit Traders	341.21	4.95%	No
Top 5	3,703.71	53.76%	

Strongwire Industries	335.17	4.86%	No
N Sons	270.80	3.93%	No
K L Wire	254.44	3.69%	No
Jindal Stainless Limited	215.90	3.13%	No
Crown Ferro Alloys Pvt. Ltd.	168.26	2.44%	No
Top 10	4,948.28	71.81%	

For the half year ended on 30th September,2024

Name of the Supplier	Amount in Lakhs	% to the Purchase for the year	Related to the Promoter or Promoter group entity
Ahmedabad Strips Pvt Ltd	489.78	14.22%	No
Star Impex	301.51	8.76%	Yes
Irel (India) Limited Odisha	300.04	8.71%	No
Hitumet Corporation Pvt Ltd	277.86	8.07%	No
Rohit Traders	256.13	7.44%	No
Top 5	1625.33	47.20%	No
Strongwire Industries	184.36	5.35%	No
Irel (India) Limited Manavalakurichi	159.29	4.63%	No
Jindal Stainless Limited	144.51	4.20%	No
Z V Steels Private Limited	139.63	4.05%	No
Jining Hante Trading Co Ltd	101.08	2.94%	No
Top 10	2354.20	68.36%	

Customer

For the Financial Year 2021-22

Name of the Customer	Amount in Lakhs	% to the Sales for the year	Related to the Promoter or Promoter group entity
Henco Asuzu Nigeria Limited	732.71	11.65%	No
Shree Om Traders	472.47	7.51%	No
Sanjay Sales	387.80	6.16%	No
Sopydivine Global Ventures	377.13	5.99%	No
Prathamesh Welding Solutions (I) Pvt Ltd	343.40	5.46%	No
Top 5	2,313.51	36.77%	
East Central Railway (Bihar)	276.50	4.40%	No
Impex Engg. & Equipments Co.	238.58	3.79%	No
Weld Safe Products	199.61	3.17%	No
Bharat Heavy Electrical Ltd (Bhopal)	179.83	2.86%	No
Kamal Agencies	151.91	2.41%	No
Top 10	3,359.94	53.40%	

For the Financial Year 2022-23

Name of the Customer	Amount in Lakhs	% to the Sales for the year	Related to the Promoter or Promoter group entity
Henco Asuzu Nigeria Limited	1,094.33	11.29%	No
Shree Om Traders	606.89	6.26%	No
Sanjay Sales	414.20	4.27%	No
Prathamesh Welding Solutions (I) Pvt Ltd	396.47	4.09%	No
Larsen & Toubro Limited	355.76	3.67%	No
Top 5	2,867.65	29.58%	
Dilipkumar & Associates	346.62	3.58%	No
Jindal Steel & Power Limited	310.38	3.20%	No
Kamal Agencies	297.77	3.07%	No
S.S.Tools	277.26	2.86%	No
Nikhil Traders	231.51	2.39%	No
Top 10	4,331.19	44.68%	

For the Financial Year 2023-24

Name of the Customer	Amount in Lakhs	% to the Sales for the year	Related to the Promoter or Promoter group entity
Henco Asuzu Nigeria Limited	872.94	8.75%	No
Shri Om Traders	673.74	6.75%	No
Prathamesh Welding Solutions (I) Pvt Ltd	489.62	4.91%	No
Dilipkumar & Associates	417.45	4.18%	No
Sanjay Sales	404.52	4.05%	No
Top 5	2,858.27	28.64%	
South Central Railway	337.41	3.38%	No
Bharat Heavy Electrical Ltd (Bhopal)	317.86	3.19%	No
S.S.Tools	311.88	3.13%	No
Kamal Agencies	303.70	3.04%	No
Nikhil Traders	280.67	2.81%	No
Top 10	4,409.79	44.19%	

For the half year ended on 30th September,2024

Name of the Customer	Amount in Lakhs	% to the Sales for the year	Related to the Promoter or Promoter group entity
Henco Asuzu Nigeria Limited	485.49	10.65%	No
Shri Om Traders	315.13	6.91%	No
Prathamesh Welding Solutions (I) Pvt Ltd	261.63	5.74%	No
Dilipkumar & Associates	213.95	4.69%	No
National Industrial Corporation	198.25	4.35%	No
Top 5	1474.35	32.33%	
Sanjay Sales	188.08	4.12%	No
S.S.Tools	155.84	3.42%	No
Arc Weld Engineers Pvt. Ltd.	136.56	2.99%	No
Kamal Agencies	123.28	2.70%	No
Premier Industries	103.82	2.28%	No
Top 10	2181.92	47.84%	