

BIPIN SANGHVI

Address: Flat No – 701, Adarsh Harmony CHS Ltd, Adarsh Dugdhalaya Lane, Off. Marve Road, Malad (West), Mumbai – 400064.

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

Sub: Proposed Initial Public Offering of Equity Shares of Royal Arc Electrodes Limited

Dear Sir/ Madam,

This is in relation to your letter dated 25th June, 2024 (“**OFS Notice**”) in relation to the Offer. I would like to inform you that I am interested in participating in the Offer for Sale. I hereby acknowledge and accept all terms and conditions set out in the letter with respect to my Offered Shares and confirm that I comply with all the eligibility conditions as provided under the SEBI ICDR Regulations and the Companies Act. Kindly send the detailed set of instructions and documents as indicated in your letter so that I can take appropriate steps to participate in the Offer for Sale.

My details are as follows –

Name: Bipin Sanghvi

Address: Flat No – 701, Adarsh Harmony CHS Ltd, Adarsh Dugdhalaya Lane, Off. Marve Road, Malad (West), Mumbai – 400064.

Number of Equity Shares held as on date: 8,92,717 shares

Number of Equity Shares proposed to be sold in the Offer: 1,71,000 shares

DP/Client ID: IN301549/ 62308804

PAN No: AAJPS1042B

Telephone number: 9726719000

Email ID: hardik@royalarc.in

Signature: _____

Name: Bipin Sanghvi

Date: 3rd July, 2024

BIPIN SANGHVI

Address: Flat No – 701, Adarsh Harmony CHS Ltd, Adarsh Dugdhalaya Lane, Off. Marve Road, Malad (West), Mumbai – 400064.

CONSENT FROM THE SELLING SHAREHOLDER

Date: 3rd July, 2024

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

Dear Sir/ Madam,

Sub: Proposed initial public offering of equity shares (the “Equity Shares”) of Rs.10/- each (the “Company” and such offer, the “Offer”)

I hereby give my consent to the following:

- (i) Inclusion of up to 1,71,000 Equity Shares held by me constituting 1.84% of the 93,00,200 [pre-Offer]/[paid-up] share capital of the Company, held by me in the Company as part of the Offer for Sale in the Company as part of the offer for sale in the Offer (the “**Offered Shares**”), subject to the approval of the NSE, Securities and Exchange Board of India (“**SEBI**”), and of any other regulatory authority, if required.
- (ii) Inclusion of my name as an Individual Selling Shareholder and any other information as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the “**SEBI ICDR Regulations**”) and other applicable laws in the Draft Red Herring Prospectus to be filed by the Company with the NSE where the Equity Shares are proposed to be listed (the “**Stock Exchanges**”), the Red Herring Prospectus and the Prospectus which the Company intends to file with the Registrar of Companies, Mumbai (the “**RoC**”) and thereafter file with SEBI and the Stock Exchanges.

I hereby consent that my entire pre- Offer shareholding, excluding the Offered Shares which are successfully sold and transferred as part of the Offer, shall be locked-in, in terms of Regulation 17 of the SEBI ICDR Regulations from the date of allotment in the Offer for such period as may be required under the SEBI ICDR Regulations.

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I also authorise you to deliver a copy of this letter of consent to the RoC, pursuant to the provisions of sections 26 and 32 of the Companies Act, 2013, the Stock Exchanges, SEBI or any other statutory or regulatory authority, as required by law.

I confirm that this consent will remain valid and in force till the date on which Equity Shares of the Company start trading on the Stock Exchanges, in the absence of any written communication from me.

I confirm that the information in this letter is true, fair, correct, complete and accurate and adequate to enable investors to make a well informed decision, and is in accordance with the requirements of the Companies Act, 2013, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and other applicable law, and there is no untrue statement or omission which would render the contents of this letter misleading in its form or context.

I confirm that I will immediately communicate any changes in writing in the above information to the Book Running Lead Manager until the date when the Equity Shares are listed and commence trading on the NSE pursuant to the Offer. In the absence of any such communication from me, the Book Running Lead Manager and the legal advisor to each of the Company and Book Running Lead Manager can assume that there is no change to the above information until the date when the Equity Shares are listed and commence trading on the NSE pursuant to the Offer.

I also consent to the inclusion of this letter as a part of "**Material Contracts and Documents for Inspection**" in connection with this Offer, which will be available for public for inspection from date of the filing of the RHP until the Bid/ Offer Closing Date.

This letter is for information and for inclusion (in part or full) in the draft red herring prospectus ("DRHP"), the red herring prospectus ("RHP") and the prospectus ("**Prospectus**") filed in relation to the Offer (collectively, the "**Offer Documents**") or any other Offer-related material, and may be relied upon by the Company, the Book Running Lead Manager and the legal advisor appointed by the Company and the Book Running Lead Manager in relation to the Offer.

I 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 defense in connection with, or to avoid, any actual, potential or threatened legal, arbitral or regulatory proceeding or investigation.

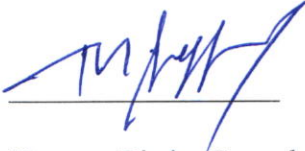
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Lane, Off. Marve Road, Malad (West), Mumbai – 400064.

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

Thanking you

Yours faithfully,



Name: Bipin Sanghvi
Place: Mumbai

Cc:

The Book Running Lead Manager (“BRLM”)

Fedex Securities Private Limited

B 7, 3rd Floor, Jay Chambers,
Dayaldas Road, Vile Parle (East),
Mumbai - 400 057, Maharashtra, India

Legal Advisors to the Issue

Vidhigya Associates

501, 5th Floor, Jeevan Sahakar Building,
Sir P M Road, Homji Street,
Fort, Mumbai - 400 001

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Lane, Off. Marve Road, Malad (West), Mumbai – 400064.

CERTIFICATE FROM THE SELLING SHAREHOLDER

Date: 3rd July, 2024

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

Dear Sirs,

Sub: Proposed initial public offering of equity shares (the “Equity Shares”) of Royal Arc Electrodes Limited (the “Company” and such offer, the “Offer”)

I hereby give my consent to the inclusion of 1,71,000 Equity Shares held by me (“**Offered Shares**”), constituting 1.84% of the pre-Offer equity share capital of the Company, as part of the offer for sale, subject to the approval of the NSE/Securities and Exchange Board of India (“**SEBI**”), and of any other regulatory authority, if required, for cash at such premium per Equity Share as may be determined by the Company and the Selling Shareholders, in consultation with the book running lead manager appointed in relation to the Offer (the “**Book Running Lead Manager**”),] in accordance with provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the “**SEBI ICDR Regulations**”) and other applicable laws. The 1,71,000 equity shares Offered Shares may be offered to such category of persons in accordance with the SEBI ICDR Regulations and other applicable laws.

I hold 9.59% of the pre-Offer equity share capital of the Company (on a fully diluted basis).

I further confirm that the information in **Schedule 1** is true and correct.

I confirm that I am the legal and beneficial holder(s) and have full title to the Offered Shares.

I confirm that the Offered Shares (i) are fully paid-up; (ii) were not issued under a bonus issue of Equity Shares of the Company undertaken through utilization of revaluation reserves or unrealised profits of the Company; (ii) have been held by me for a continuous period of at least one year prior to the date of this letter or have been issued or received in accordance with

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Regulation 8 of the SEBI ICDR Regulations; (iii) are held by me in dematerialized form and will continue to be in dematerialized form till the date of allotment in the Offer; (iv) are eligible to be offered in the Offer for Sale in accordance with the eligibility criteria set out in this letter; and (v) shall be transferred to the successful bidders (the “**Allottees**”) in the Offer without any delay or demurral on Allotment and in accordance with the instructions of the registrar to the Offer, at which time the Allottees shall attain full title to my Offered Shares, free and clear options, warrant, put, call, right of first refusal, commitment of sale, right to acquire or subscribe, trust, pledges and any transfer restriction, of any encumbrance whatsoever .

I further confirm that I shall not, directly or indirectly, offer, sell or contract to sell, transfer, lend, mortgage, assign, charge, pledge, or enter into any transaction with the same economic effect, these Equity Shares during the period starting from the date of filing of the Company’s Draft Red Herring Prospectus with the NSE, except in accordance with the SEBI ICDR Regulations, until such time that the lock-in period expires.

I undertake to comply with the regulatory restrictions, in India or otherwise, as applicable to me on publicity and comply with the requirements of the publicity restrictions, and undertake to comply with the regulations on publicity, marketing and research restrictions given in any publicity guidelines circulated by the legal counsel in relation to the Offer, SEBI ICDR Regulations and other applicable law.

I also authorise you to deliver a copy of this letter of consent to the RoC, pursuant to the provisions of Sections 26 and 32 of the Companies Act, 2013, the relevant stock exchanges or any other regulatory authority required by law.

I undertake to provide a certificate from an independent chartered accountant (peer reviewed) regarding (i) the details of price at which specific securities were acquired in the immediately preceding three years; (ii) the average cost of acquisition of Equity Shares held by me in the Company; (iii) weighted average price at which the Equity Shares were acquired by me in the last three years and one year; and (iv) weighted average cost of acquisition of all shares transacted in last immediately preceding three years and one year.

I confirm that (a) I am not debarred or prohibited from accessing capital markets or restrained from buying, selling or dealing in securities, in either case, under any order or directions passed by SEBI or any securities market regulator in any other jurisdiction or any other authority/court; (b) I am not a promoter or director of any other company which is debarred from accessing capital markets by SEBI; (c) I or any entity with which I am associated, as a promoter or director have not been declared as a wilful defaulter or fraudulent borrower as defined in the SEBI ICDR Regulations; (d) I am not associated

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with the securities market and no action or investigation has been initiated, including show cause notices, by the SEBI or any other regulatory authority or statutory authority, whether in India or abroad, against me/us; and (e) neither have I committed any securities laws violations in the past nor have any proceedings (including show cause notices) pending against me or have had the SEBI or any other governmental entity initiate any action, suits, proceedings or investigation against me, which will prevent me from offering and selling the Offered Shares pursuant to the Offer or prevent the completion of the Offer.

I also undertake that upon successful completion of the Offer, I will reimburse the Company for expenses incurred in relation to the Offer on my behalf, to the extent of the Offered Shares, in the manner agreed to amongst the selling shareholders and the Company under the offer agreement entered into by me with the Company and the book running lead manager, and in accordance with applicable law. I acknowledge and agree that the applicable taxes in respect of the Offered Shares shall be deducted by the Book Running Lead Manager from the proceeds arising out of the Offer.

I further consent to lock-in my entire pre-Offer equity shareholding that is not transferred in the Offer, for such period as may be required under the SEBI ICDR Regulations.

It is further confirmed that I shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise, to any person for making a bid in the Offer, and shall not make any payment, whether direct or indirect, whether in the nature of discounts, commission, allowance or otherwise, to any person who makes a bid in the Offer.

I confirm that I am in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018, as amended and any notifications and circulars related thereto, to the extent applicable.

I have not been declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.

I confirm that I have not entered, and shall not enter, into buyback arrangements directly or indirectly for purchase of the Offered Shares to be offered and sold in the Offer.

I confirm that my participation in the Offer and the transfer of the Offered Shares in the Offer is voluntary and that it does not create any obligation on the Company to purchase any Offered Shares from me.

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I acknowledge that in the event that (i) a regulatory approval is not received in a timely manner or the conditions specified in the approval are not satisfied, or (ii) there is any litigation leading to stay on the Offer, or (iii) the SEBI or any other regulator instructs the Company not to proceed with the Offer, or (iv) for any other reason beyond the control of the Company, the Offer may be delayed beyond the schedule of activities indicated in the Red Herring Prospectus or the Prospectus, the payment of consideration to me for the Offered Shares may be delayed and I undertake that I shall not have recourse to the proceeds of the Offer for Sale pursuant to the Offer until the final listing and trading approvals from the relevant stock exchanges have been obtained.

I hereby authorise the Company to take all actions in respect of the Offer for and on my behalf as required under Section 28 of the Companies Act, 2013. I confirm that I shall provide all support and cooperation as may be reasonably requested by the Company and the Book Running Lead Manager in relation to the Offer.

I hereby also authorise the compliance officer of the Company and the registrar to the Offer to redress complaints, if any, of the investors and perform all other necessary acts, as permitted and required in relation to the Offer.

I confirm that no sale/transfer of the Offered Shares shall be made until, the earlier of (i) listing of the Shares offered through the Red Herring Prospectus or until the bid monies are refunded on account of non-listing, under-subscription etc. pursuant to the Offer; or (ii) postponement of the Offer, withdrawal or abandonment as per the terms of the agreement(s) between the Company, the Selling Shareholders and the Book Running Lead Manager.

I undertake to disclose and furnish to the Book Running Lead Manager, all information relating to pending litigation, arbitration, complaint or notice that may affect the ownership or title to the Offered Shares held by me or my ability to offer the Offered Shares in the Offer.

I confirm that the information in this certificate is true, fair, correct, complete and accurate and adequate to enable investors to make a well informed decision, and is in accordance with the requirements of the Companies Act, 2013, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and other applicable law, and there is no untrue statement or omission which would render the contents of this certificate misleading in its form or context.

I confirm that I will immediately communicate any changes in writing in the above information to the Book Running Lead Manager until the date when the Equity Shares are listed and commence trading on the relevant stock exchanges (the “**Stock Exchanges**”) pursuant to the Offer. In the absence of

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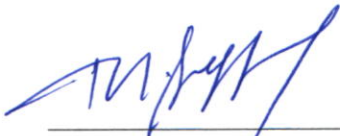
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any such communication from me, the Book Running Lead Manager and the legal advisor to each of the Company and the Book Running Lead Manager can assume that there is no change to the above information until the date when the Equity Shares are listed and commence trading on the Stock Exchanges pursuant to the Offer.

This certificate is for information and for inclusion (in part or full) in the draft red herring prospectus (“**DRHP**”), the red herring prospectus (“**RHP**”) and the prospectus (“**Prospectus**”) filed in relation to the Offer (collectively, the “**Offer Documents**”) or any other Offer-related material, and may be relied upon by the Company, the Book Running Lead Manager and the legal advisor appointed by the Company and the Book Running Lead Manager in relation to the Offer.

I 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 defense in connection with, or to avoid, any actual, potential or threatened legal, arbitral or regulatory proceeding or investigation.

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



Name: Bipin Sanghvi
Place: Mumbai

Cc:

The Book Running Lead Manager (“BRLM”)

Fedex Securities Private Limited

B 7, 3rd Floor, Jay Chambers,
Dayaldas Road, Vile Parle (East),
Mumbai - 400 057, Maharashtra, India

Legal Advisors to the Issue

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Schedule 1

Name of the Selling Shareholder	Bipin Sanghvi
Residential Address of the Selling Shareholder	Flat No – 701, Adarsh Harmony CHS Ltd, Adarsh Dugdhalaya Lane, Off. Marve Road, Malad (West), Mumbai – 400064.
Telephone number	9726719000