

# S. K. PATEL

(M) 9825048157

**B.E. (Mech) F.I.V, F.I.E (India)**

**Chartered Engineer (No.F/014852/7) ■ Storage Tanks Calibrator(No.LM/VNP/REPAIR 80/2002)  
Regd. Valuer ( M&P ) (No.CatVII/94/2000-01) ■ Boiler Proficiency Engineer (No.214 Dt.10-10-1973)**

**A-38, Swagat Society, Opp.Sahjanand School, Mahadev Nagar Tekra, Vastral, Ahmedabad-382418.**

## CHARTERED ENGINEER'S CERTIFICATE

### **CERTIFICATE FROM INDEPENDENT CHARTERED ENGINEER FOR CAPACITIES & UTILIZATIONS**

Date: December 4, 2024

To,

The Board of Directors

Royal Arc Electrodes Limited,

72 B, Bombay Talkies Compound, S.V. Road Malad West, Mumbai, Maharashtra- 400064.

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

Dear Sir / Madam,

I, the undersigned, confirm that I am duly registered as a chartered engineer with the Institution of Engineers (India) bearing registration number F0148852-7 (Certificate of registration enclosed herewith as Annexure I), and that I am authorized and competent to issue this certificate. Further, I confirm that the aforesaid registration is valid as on date hereof, and as such, I am duly qualified to issue this certification.

Based on the information, explanations and representations provided to me by the Company along with the basis of working and assumptions followed, wherever applicable, examination and verification of the manufacturing plant, physical inspection of the equipment and based on my verification of the relevant records and documents of the Company, I, hereby certify the following as true, fair, complete, accurate and not misleading:

- (i) Details of the Company's aggregate installed production capacities, and the capacity utilization of the Company's production facilities, during the relevant period, is enclosed as Annexure II hereto; and
- (ii) The products manufactured by the Company in each of the production facilities is enclosed as Annexure III

The information relating to the estimated annual installed production capacities and the capacity utilization of the manufacturing units included in the materials (as defined below) is based on a number of assumptions and estimates of the management, including expected operations, availability of raw materials, expected unit utilization levels, downtime resulting from scheduled maintenance activities, downtime resulting from change in stock keeping units for a particular product, unscheduled breakdowns, mould changeover, as well as expected operational efficiencies. In particular, the following assumptions have been made in the calculation of the estimated annual installed production capacities of the Company's manufacturing units, and are certified by me:

- Past experience of the management to manufacture the products
- Available orders on hand for the products
- Raw material consumption and the availability of raw materials to estimate the production of each product

I represent that my execution, delivery and performance of this certificate has been duly authorised by all necessary actions (corporate or otherwise).

I further confirm that I am an independent person with no direct or indirect interest in the Company except for provision of professional services in the ordinary course of my profession. Further, I am not in any way connected with or related to the Company, its promoters, promoter group, its key managerial personnel, its directors, its group companies or directors of its group companies, the BRLMs or their affiliates.



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I hereby confirm that the information in this certificate and the annexures, including any extracts thereof, may be reproduced in the red herring prospectus ("RHP") and the prospectus of the Company ("Prospectus") to be filed with the Registrar of Companies ("RoC"), the Securities and Exchange Board of India ("SEBI"), the National Stock Exchange of India Limited ("the Stock Exchange"), as applicable or any other document(s) to be issued, published or filed in connection with the Offer (such materials, together with the RHP and the Prospectus, the "Materials").

I agree to keep the information regarding the Offer strictly confidential.

I consent to be named as an "expert" as defined under the provisions of the Companies Act, 2013, as amended and the rules framed thereunder, in the Materials. Further, I confirm that I am not, and have not been, engaged or interested in the formation or promotion of the management of the Company. The following details with respect to me may be disclosed in the Materials:

Name	Shivabhai Patel
Address	A-32 Swagat Society, Opp. Sahjanand School Mahadev Nagar Tekra, Vastral, Ahmedabad, 382418
Telephone Number	9825048157
Fax Number	NA
E-mail	skpatel1946@gmail.com
Website	NA
Membership No.	F0148852-7

I confirm that the Book Running Lead Manager ("BRLM") may rely on the contents of this certificate in connection with the Offer. Further, I undertake to immediately inform the Company and the BRLM in writing of any changes or qualifications or any developments in respect of the matters covered in this certificate until the date when the Equity Shares issued pursuant to the Offer commence trading on the Stock Exchanges. In the absence of any such written communication from me/us, the above information contained in the Materials and certified herein should be taken as true, correct, and accurate and updated until the date when the Equity Shares issued pursuant to the Offer commence trading on the Stock Exchanges.

Further, I also give my consent to include this certificate as part of the 'Material Contracts and Documents for Inspection' in the Offer Documents, thereby making it available to the public for inspection.

I hereby authorize you to deliver this letter to SEBI (including for any inspections), the Stock Exchanges, the RoC and any other governmental or regulatory authority as may be required.

All capitalized terms not defined herein would have the same meaning as attributed to it in the RHP.

Yours faithfully,

Thanking you,



Shivabhai Patel  
Chartered Engineer  
Membership No. F0148852-7



Place: Ahmedabad  
Date: 4/12/2024

CC:



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**Fedex Securities Private Limited (Formerly known as Fedex Securities Limited)**

3rd Floor, B Wing, Jay Chambers, Dayaldas Road, Vile Parle East,

Mumbai - 400057

(Fedex Securities Private Limited is hereinafter referred to as the "Book Running Lead Manager" or  
BRLM")

ANNEXURE I

**The Institution of Engineers (India)**

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F014852-7.



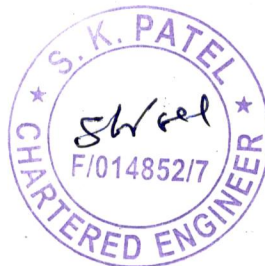
By virtue of Professional training, experience and Corporate Membership of this Institution

**SHIVABHAI K PATEL**

is hereby authorised to use the style and title of

**Chartered Engineer [India]**

Dated this **Twenty Fourth** day of **June** **2003**



Secretary and Director General

# S. K. PATEL

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## ANNEXURE II

### Capacity and Utilization

The following table sets forth details of the Company's aggregate installed production capacity, as per product groups as on September 30, 2024:

Sr. No.	Manufacturing Unit location	Area covered by the facility	Products	Installed Production Capacity per annum
I	Bhilad	2,87,000 Sq. Feet	Welding Consumable	18,000 MT





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**ANNEXURE III**

The following table sets forth the average capacity utilization of the company's products at the Company's manufacturing facilities for the specified periods:

<b>For the six months period ended September 30, 2024</b>					
<b>Product</b>	<b>Location</b>	<b>Total Installed Capacity</b>	<b>Units</b>	<b>Qty Produced</b>	<b>Utilization %</b>
Welding Electrodes	Bhilad	10800	MT	1951	36.13
Flux Cored Wire	Bhilad	7200	MT	1500	41.67
TIG/MIG wire*	Bhilad	Nil	MT	Nil	Nil

<b>For the Financial Year Ended March 31, 2024</b>					
<b>Product</b>	<b>Location</b>	<b>Total Installed Capacity</b>	<b>Units</b>	<b>Qty Produced</b>	<b>Utilization %</b>
Welding Electrodes	Bhilad	10800	MT	3459	32.02
Flux Cored Wire	Bhilad	7200	MT	2879	39.99
TIG/MIG wire*	Bhilad	Nil	MT	Nil	Nil

<b>For the Financial Year Ended March 31, 2023</b>					
<b>Product</b>	<b>Location</b>	<b>Total Installed Capacity</b>	<b>Units</b>	<b>Qty Produced</b>	<b>Utilization %</b>
Welding Electrodes	Bhilad	10800	MT	2944	27.26
Flux Cored Wire	Bhilad	6480	MT	2624	40.49
TIG/MIG wire*	Bhilad	Nil	MT	Nil	Nil

<b>For the Financial Year Ended March 31, 2022</b>					
<b>Product</b>	<b>Location</b>	<b>Total Installed Capacity</b>	<b>Units</b>	<b>Qty Produced</b>	<b>Utilization %</b>
Welding Electrodes	Bhilad	10800	MT	3522	32.61
Flux Cored Wire	Bhilad	6480	MT	1477	22.79
TIG/MIG wire*	Bhilad	Nil	MT	Nil	Nil

\*Machines used for manufacturing are interchangeable with welding electrodes and flux cored wires. In absence of manufacturing of TIG/MIG wire during six months period ended September 30, 2024, fiscal 2024, fiscal 2023 and, fiscal 2022 installed capacity and utilized capacity of TIG/MIG wire is shown as nil.s

**Notes:**

- Considering the criticality of the product the Company does not carry out full-fledged manufacturing activities during night time.
- The Capacity is assumed as if machines are in operation for twenty-four hours irrespective of fact if they are in operation for 24 hours or not.
- The Production quantity is determined as per the actual manufacturing hours i.e. 12 hours.

