

CHARTERED ENGINEER'S CERTIFICATE

CERTIFICATE FROM INDEPENDENT CHARTERED ENGINEER FOR CAPACITIES & UTILIZATIONS

Date: May 16, 2024

To,

The Board of Directors

Aditya Ultra Steel Limited

R.S. No.48P1 to 48P5,
8-A N.H, BHALGAM,
Wankaner, Rajkot,
Wankaner, Gujarat, India, 363621

Swastika Investment Limited

Flat No.18, 2nd Floor, North Wing,
Madhaveshwar Co-operative Housing Society Ltd,
Madhav Nagar, 11/12, S. V. Road,
Andheri W, Mumbai – 400058.

(Collectively referred to as the "Book Running Lead Managers" or the "BRLMs")

SUB: Proposed initial public offering of equity shares ("Equity Shares") of Aditya Ultra Steel Limited (the "Company" and offer the "Offer")

Dear Sir/Ma'am,

I, the undersigned, confirm my registration as a chartered engineer with the Institution of Engineers (India), bearing registration number M. -131433-5 (Certificate of registration enclosed as **Annexure-I**). I affirm my competence to issue this certification, with the current validity of my registration duly acknowledged.

With respect to the request from **M/s. Aditya Ultra Steel Limited**, I have visited their plant and their situated at R.S. No.48P1 to 48P5, 8-A N.H, BHALGAM, Wankaner, Rajkot, Wankaner, Gujarat, India, 363621 to verify and certify the details of capacity and utilization of capacity of the Company.

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, hereby certify the following as true, fair, complete, accurate and not misleading:

- Details of the Company's production capacity is enclosed as **Annexure II** hereto,
- Details of capacity utilization of the Company's facility for production of TMT Bars, during their Relevant periods, are enclosed as **Annexure III** hereto;



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, as well as 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:

- Design, Past Historical data and experience of the management to manufacture the products
- Available orders on hand for the products
- Raw material quality, its design specifications and the availability of raw materials to estimate the production of each product

It may be noted that the installed production capacity is worked out on the basis of 24*7 working basis for TMT Bars and the company is capable of manufacturing various TMT Bars with different sizes mainly 8 MM, 10 MM, 12MM, 16MM, 20MM, 25MM, 32MM.

I represent that my execution, delivery and performance of this certificate has been duly authorized 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.

I hereby consent to, and have no objection to, the inclusion of my name, and this report or any extracts thereof, may be reproduced in the Draft Red Herring Prospectus ("DRHP") to be filed with National Stock Exchange of India Limited ("NSE" the "Stock Exchange") and Red herring prospectus ("RHP") and the prospectus of the Company ("Prospectus") to be filed with the Registrar of Companies, Ahmedabad at Gujarat ("RoC"), SEBI, National Stock Exchange of India Limited ("NSE" 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	B P OZA
Address	A/104, Mangalam Nirman-2, Nr.



A handwritten signature in black ink, appearing to be "B. P. Oza", located below the professional stamp.

	Bhagwat Vidhyaptih, S.G. Highway, Sola, Ahmedabad
Telephone Number	9824562500
Membership No.	M-131433-5

I confirm that the Book Running Lead Managers and the legal counsels may rely on the contents of this certificate in connection with the Offer. Further, I undertake to immediately inform the Company and the Book Running Lead Managers 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 Exchange. In the absence of any such written communication from me, the above information contained in the Materials and certified herein should be taken as true, correct, accurate and updated until the date when the Equity Shares issued pursuant to the Offer commence trading on the Stock Exchange.

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 Exchange, 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.



ANNEXURE – II
Capacity and Utilisation

The following table sets forth details of the Company's aggregate installed production capacity, as per product Divisions as on March 31, 2024, m:

Sr. No.	Manufacturing Unit Location	Products	Installed Production Capacity (in MT)		
			FY 2023-24	FY 2022-23	FY 2021-22
1	Factory: R.S. No.48P1 to 48P5,8-A N.H, BHALGAM, Wankaner, Rajkot, Wankaner, Gujarat, India, 363621	TMT Bars with different types	1,08,000	1,08,000	1,08,000

Manufacturing of TMT Bars from third party on Job work Basis

In addition, the company has entered into agreement with Maheshwar Ispat Private Limited for manufacturing of Kamdhenu NXT & Kay TMT and agreement on 1st June, 2023 having validity upto 3 Years.

Moreover, both parties have agreed to produce between 5,000 and 6,000 metric tons per month. Additionally, they have committed to a minimum production of 3,000 metric tons per month.



Handwritten signature of B. P. Oza in blue ink.

ANNEXURE – III

The following tables sets forth the average capacity utilisation of the company's products for the specified periods based on various parameters.

(Quantity in MT)

Period	Own Production (a)	Job Work Production (b)	Total Production (c) = (a-b)	Months of Operations (d)	Plant Capacity (e)	Capacity Utilization (%) (c/e*12/d)
2021-22	93,187	-	93,187	12	1,08,000	86.28%
2022-23	93,286	-	93,286	12	1,08,000	86.38%
2023-24	85,493	-	85,493	11	1,08,000	86.36%

Details of Production received from Maheshwar Ispat Private Limited (MIPL):

(Quantity in MT)

Period	Agreement Production (a)	Actual Production received from MIPL (e)
2023-24	33,000	10,866

From June 01, 2023 to March 31, 2024.

- (1) The average plant utilization capacity is hovering at 86.00% mainly due to good continues availability of raw material, healthiness of equipment's, etc.
- (2) During Financial year 2023-24, the company has upgraded its furnace by replacing existing bricks with high quality brick which would help maintaining the high temperature. In addition to that the rolling section underwent an upgrade with the installation of more efficient machinery and high speed rolls which will enhance the movement of TMT Bars on rolling line. As a result of these two significant upgrades, the production plant was collectively non-operational for approximately one month.
- (3) The company has consistently operated at an 86.00% capacity utilization rate over the past three years which is operational production capacity of the plant. Due to increasing in demand for our product and our factory being operated at its maximum efficiency, the promoters of the company have entered into agreement with Maheshwar Ispat Private Limited for manufacturing of TMT Bars to carter the additional demand of the market with contracted supply 3000 MT per month commencing from June 2023.
- (4) The information relating to the actual production as of the dates included above are based on the examination of the Tally software / internal production records provided by the Company, explanations provided by the Company, the period during which the manufacturing facilities operate in a fiscal year, expected operations, availability of raw materials, downtime resulting from scheduled maintenance activities, unscheduled breakdowns, as well as expected operational efficiencies.
- (5) assumption is also based on the three (3) shifts that the Company is running for eight (8) hours a day. The assumptions and estimates taken into account include the following:
 - (i) Number of working days in a fiscal year - 360;
 - (ii) Number days in a month - 30;
 - (iii) Number of shifts in a day - 3
 - (iv) Number of hours - 8 and
 - (v) Schedule preventive maintenance days - 10-15 days.



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