

DRAFT LETTER OF OFFER
“THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION”

This Draft Letter of Offer is being sent to you as a Public Shareholder(s) (*as defined below*) of Nilachal Refractories Limited (“**Target Company**”). If you require any clarifications about the action to be taken, you may consult your stock broker or an investment consultant or the Manager to the Offer (*as defined below*) or the Registrar to the Offer (*as defined below*). In the event you have recently sold your Equity Shares in the Company (*as defined below*), please hand over the Letter of Offer and the accompanying Form of Acceptance cum Acknowledgement to the purchaser of the Equity Shares or the Member of Stock Exchange through whom the said sale was effected.

OFFER (“OFFER”)

BY

SFAL SPECIALITY ALLOYS LIMITED

CIN: U24209WB2023PLC260273

Registered Office: Vishwakarma Building, 86C, Topsia Road, 2nd Floor, Abinash Chowdhury Lane, Kolkata- 700046, West Bengal, India

Tel. No.: +91 8013487872; **Email ID:** sfalspecialityalloys@gmail.com;

(hereinafter referred to as the “**Acquirer**”)

TO ACQUIRE

UP TO 59,83,928 (FIFTY-NINE LAKH EIGHTY-THREE THOUSAND NINE HUNDRED TWENTY-EIGHT) FULLY PAID-UP EQUITY SHARES (*AS DEFINED BELOW*) OF FACE VALUE OF ₹ 10/- (RUPEE TEN ONLY) EACH (“**OFFER SHARES**”) AT A PRICE OF ₹ 22/- (RUPEES TWENTY TWO ONLY) PER EQUITY SHARE (“**OFFER PRICE**”), REPRESENTING 29.39% (TWENTY NINE DECIMAL THREE NINE PERCENT) OF THE VOTING SHARE CAPITAL (*AS DEFINED BELOW*) IN ACCORDANCE WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMENDMENTS THERETO (“**SEBI (SAST) REGULATIONS**”) AND THE SECURITIES AND EXCHANGE BOARD OF INDIA (DELISTING OF EQUITY SHARES) REGULATIONS, 2021 AND SUBSEQUENT AMENDMENTS THERETO (“**SEBI DELISTING REGULATIONS**”) FROM THE PUBLIC SHAREHOLDERS (*AS DEFINED BELOW*)

OF

NILACHAL REFRACTORIES LIMITED

CIN: L26939OR1977PLC000735

Registered Office: Plot No. 598/599, Kedarnath Apartment, Mahabir Nagar, Lewis Road, Bhubaneswar – 751002, Odisha, India;



Tel. No.: +91 8018495262;

Email ID: cs@nilachal.in; **Website:** www.nilachal.in

(hereinafter referred to as the “**Target Company**”)

1. This Offer is being made by the Acquirer (*as defined below*) pursuant to and in compliance with the provisions of Regulation 3(1), Regulation 4, Regulation 5A of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto (“**SEBI SAST Regulations**”) for substantial acquisition of shares / voting rights of the Target Company.
2. **In accordance with Regulation 5A(1) of the SEBI (SAST) Regulations, the Acquirer has expressed its intention in the Public Announcement (*as defined below*) and the Detailed Public Statement (*as defined below*) to delist the Target Company pursuant to this Offer. The delisting of the Target Company is proposed to be in accordance with Regulation 5A of the SEBI (SAST) Regulations and the applicable provisions of the SEBI Delisting Regulations.**
3. **This Offer is a fixed price delisting offer at ₹ 22/- (Rupees Twenty-Two only) per Equity Share. The Offer is made in accordance with Regulation 5A of SEBI (SAST) Regulations and therefore, the delisting price will not be determined through the reverse book building process as per SEBI Delisting Regulations**
4. This Offer is not a conditional offer in terms of Regulation 19(1) of the SEBI (SAST) Regulations and is not subject to any minimum level of acceptance.
5. This Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations.
6. **There has been no competing offer as on the date of this Draft Letter of Offer. If there are competing offers at any time hereafter, the offers under all subsisting bids will open and close on the same date.**
7. As on the date of this Draft Letter of Offer, there are no statutory or regulatory approvals required by the Acquirer, to acquire the Equity Shares validly tendered by Public Shareholders pursuant to this Offer other than as set out in Section 7.4 (*Statutory and Other Approvals*) with respect to (i) passing of a valid shareholders resolution approving the delisting of the Target Company through the Offer in accordance with all the requirements of Regulation 11 of the SEBI Delisting Regulations; and (ii) grant of in-principle approval of the Stock Exchanges (*as defined below*) for the delisting of the Target Company through the Offer in accordance with Regulation 12 of the SEBI Delisting Regulations. However, in case of any other statutory or regulatory approval(s) are required by the Acquirer prior to completion of the Offer, this Offer shall be subject such approval(s) being obtained. Please refer to Section 7.4 (*Statutory and Other Approvals*) of this Draft Letter of Offer for further details and the current status of such statutory and governmental approval(s).
8. Where the statutory approvals extend to some but not all Eligible Shareholders, the Acquirer will have the option to make payment to such Eligible Shareholders in respect of whom no statutory approvals are required in order to complete this Offer.
9. In the event the Delisting Offer (*as defined below*) is unsuccessful, the Acquirer shall provide a Withdrawal Window as specified in paragraph 7.1.6 of Section 7.1 (*Operational Terms and Conditions*) of this Draft Letter of Offer and then complete the Open Offer (*as defined below*) by acquiring up to 39,47,782 (Thirty-Nine Lakh Forty-Seven Thousand Seven Hundred Eighty-Two) Equity Shares constituting 19.39% (Ninety decimal Thirty Nine percent) of the Voting Share Capital of the Target Company in accordance with Regulation 7(1) and other applicable provisions of the SEBI (SAST) Regulations. The Equity Shares that will be accepted pursuant to the Open Offer shall be acquired at the Base Price, i.e., ₹ 20/- per Equity Share.
10. In the event of withdrawal of the Open Offer in terms of Regulation 23(1) of the SEBI (SAST) Regulations, 2011, the Acquirer (through the Manager to the Offer) shall, within 2 (Two) Working Days (*as defined below*) of such withdrawal, make a public announcement of such withdrawal, in the same Newspapers (*as defined below*) in which the Detailed Public Statement (*as defined below*) was published, stating the grounds for the withdrawal in accordance with Regulation 23(2) of the SEBI (SAST) Regulations and such public announcement shall be sent to SEBI (*as defined below*), Stock Exchanges (*as defined below*) and the Target Company at its registered office.
11. Under Regulation 18(4) of the SEBI (SAST) Regulations, the Acquirer is permitted to revise the Offer Price or the Offer Size at any time prior to the commencement of the last 1 (One) Working Day (*as defined below*) before the commencement of the Tendering Period. In the event of such revision, in terms of Regulation 18(5) of the SEBI (SAST) Regulations, the Acquirer shall make corresponding increases to the escrow amount in the Escrow Account, (ii) make an announcement in the same newspapers in which the DPS was published, and (iii) simultaneously notify the Stock Exchanges, SEBI and the Target Company at its registered office. Such revision would be done in compliance with other requirements prescribed under the SEBI (SAST) Regulations. The Acquirer would pay such revised price for all the Equity Shares validly tendered at any time during the Offer and accepted under the Offer in accordance with the terms of the DLOF.
12. The Acquirer shall complete all procedures relating to this Offer within 10 (Ten) Working Days (*as defined below*) from the date of closure of the Tendering Period (*as defined below*), including payment of consideration to those Public Shareholders whose share certificates and/or other documents are found valid and in order and are accepted for acquisition by the Acquirer.
13. Copies of the Public Announcement (“PA”) and the Detailed Public Statement (“DPS”) are available and copies of the DLOF and the LOF (including Form of Acceptance cum Acknowledgement) are expected to be available on the website of the Securities and Exchange Board of India (“SEBI”) at www.sebi.gov.in and is expected to be available at the website of Stock Exchanges where the Target Company is listed i.e. BSE Limited at www.bseindia.com and the Calcutta Stock Exchange (“CSE”) at www.cse-india.com.
14. BSE Limited (“BSE”) shall be the Designated Stock Exchange for the purpose of tendering equity shares in the Offer. The facility for Acquisition of shares through Stock Exchange Mechanism pursuant to an Offer shall be available on the BSE in the form of Separate Window (“Acquisition Window”).

All future correspondence should be addressed to the Manager to the Offer/Registrar to the Offer at the addresses mentioned below:

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
 <p>NARNOLIA FINANCIAL SERVICES LIMITED Address: 201, 2nd Floor, Marble Arch, 236 B A.J.C Bose Road, Kolkata - 700020, West Bengal, India. Contact Person: Akash Das Telephone: +91 033 40501500 Email ID: akash.das@narnolia.com Website: www.narnolia.com SEBI Registration Number: INM000010791</p>	 <p>S K Infosolutions Private Limited D/42, Katju Nagar, Ground Floor, (Near South City Mall), Jadavpur, Kolkata-700 032, West Bengal, India. Contact Person: Mr. Dilip Bhattacharya Tel. No.: 033-2410027; 033-2410029 Email Id: compliance@skcinfo.com; skcdilip@gmail.com Website: www.skinfo.in SEBI Registration No.: INR000003886</p>
Offer Opens on: Monday, May 11, 2026	Offer Closes on: Friday, May 22, 2026

TENTATIVE SCHEDULE OF THE MAJOR ACTIVITIES OF THE OFFER

Nature of the Activity	Schedule of Activities (as disclosed in the DLOF)	
	Date	Day
Date of making the Public Announcement	March 11, 2026	Wednesday
Date of publication of Detailed Public Statement in newspapers	March 18, 2026	Wednesday
Last Date of filing of Draft Letter of Offer with SEBI	March 27, 2026	Friday
Last date for the public announcement of competing offer(s)	April 15, 2026	Wednesday
Change of Control	April 22, 2026	Wednesday
Last date for receipt of comments from SEBI on Draft Letter of Offer (in the event SEBI has not sought clarifications or additional information from the Manager to the Offer)	April 22, 2026	Wednesday
Identified Date*	April 24, 2026	Friday
Last date for dispatch of the Letter of Offer to the public shareholders of the Target Company whose names appear on the Register of Members as on the identified Date	May 04, 2026	Monday
Last Date of publication of recommendation by the committee of the independent directors of the Target Company	May 07, 2026	Thursday
Last date for upward revision of the Offer Price and/or the Offer Size	May 08, 2026	Friday
Date of public announcement for opening of the Offer in the newspapers where the DPS has been published	May 08, 2026	Friday
Date of Commencement of Tendering Period (“Offer Opening Date”)	May 11, 2026	Monday
Date of Closing of Tendering Period (“Offer Closing Date”)	May 22, 2026	Friday
Public announcement in case of failure of Delisting Offer	May 24, 2026	Sunday
Last date for shareholders to withdraw the Equity Shares tendered under the Offer, in case of failure of Delisting Offer	June 01, 2026	Monday
Last date of communicating rejection/acceptance and completion of payment of consideration or return of unaccepted Equity Shares to the shareholders of the Target Company	June 08, 2026	Monday

(* Identified date is only for the purpose of determining the names of the shareholders as on such date to whom the Draft Letter of Offer would be sent. All shareholders (registered or unregistered) of equity shares of the Target Company (except Acquirer and Sellers) are eligible to participate in the Offer any time before the closure of the Offer.

The above timelines are tentative prepared on the basis of timelines provided under the SEBI SAST Regulations and are subject to change for any reason, including, but not limited, to delays in receipt of approvals or comments from regulatory authorities.

RISK FACTORS

The risk factors set forth below pertain to this Offer, the Underlying Transaction contemplated under the SPA and association with the Acquirer and do not pertain to the present or future business or operations of the Target Company or any other related matters. These risk factors are neither exhaustive nor intended to constitute a complete or comprehensive analysis of the risks involved in or associated with the participation by a Public Shareholders in the Offer but are merely indicative. Public Shareholders are advised to consult their legal advisor, stock broker and investment consultant and/ or tax advisors, for analyzing all the risks with respect to their participation in the Offer.

For capitalised terms used herein please refer to the section on Key Definitions set out below

A. Risk relating to the Underlying Transaction and Offer:

- a. As on the date of this Draft Letter of Offer, there are no statutory or regulatory approvals required by the Acquirer, to acquire the Equity Shares validly tendered by Public Shareholders pursuant to this Offer other than as set out in Section 7.4 (*Statutory and Other Approvals*) with respect to (i) passing of a valid shareholders resolution approving the delisting of the Target Company through the Offer in accordance with all the requirements of Regulation 11 of the SEBI Delisting Regulations; and (ii) grant of in-principle approval of the Stock Exchanges for the delisting of the Target Company through the Offer in accordance with Regulation 12 of the SEBI Delisting Regulations. However, in case any statutory approvals become applicable and are required by the Acquirer at a later date before the completion of the Offer, this Offer shall be subject to receipt of such approvals. In terms of Regulation 23(1) of the SEBI (SAST) Regulations, the Acquirer shall have the right to withdraw this Offer under the following circumstances: (a) if any statutory or regulatory approvals required for the offer or for effecting the acquisitions attracting the obligation to make an offer under these regulations having been finally refused, subject to such requirements for approval having been specifically disclosed in the detailed public statement and the Draft Letter of Offer; (b) if any condition stipulated in the agreement for acquisition attracting the obligation to make the offer is not met for reasons outside the reasonable control of the Acquirer and such agreement is rescinded, subject to such conditions having been specifically disclosed in the detailed public statement and the Draft Letter of Offer; or (c) any other circumstances as in the opinion of the Board, merit withdrawal. In the event of such a withdrawal of the Offer, the Acquirer (through the Manager) shall, within 2 (Two) Working Days of such withdrawal, make an announcement of such withdrawal stating the grounds for the withdrawal in accordance with Regulation 23(2) of the SEBI (SAST) Regulations.
- b. If, (a) there is delay in receipt of any applicable statutory or other approvals; or (b) there is any litigation leading to a stay on the Offer, then the Offer process may be delayed beyond the schedule of activities indicated in this DLOF. Consequently, the payment of consideration to the Eligible Shareholders whose Equity Shares have been accepted in this Offer as well as return/release of the Equity Shares not accepted by the Acquirer may be delayed. In case of delay, due to non-receipt of statutory approval(s) in accordance with Regulations 18(11) and 18(11A) of the SEBI (SAST) Regulations, SEBI may, if satisfied that the non-receipt of approvals was not on account of any wilful default or negligence on the part of the Acquirer, grant extension for the purpose of completion of this Offer subject to the Acquirer agreeing to pay interest to the Eligible Shareholders, as may be specified by SEBI. Where the required statutory approvals apply to some but not all of the Eligible Shareholders, the Acquirer will have the option to make payment to such Eligible Shareholders in respect of whom no statutory approvals are required in order to complete this Offer.
- c. In the event the Delisting Offer is unsuccessful, the Acquirer shall provide a Withdrawal Window (*as defined below*) and then complete the Open Offer (*as defined below*) by acquiring up to 39,47,782 (Thirty-Nine Lakh Forty-Seven Thousand Seven Hundred Eighty-Two) Equity Shares constituting 19.39% (Ninety decimal Thirty Nine percent) of the Voting Share Capital, at ₹ 20/- (Rupees Twenty Only) (“Base Price”) for the Open Offer in accordance with Regulation 7(1) and other applicable provisions of the SEBI SAST Regulations. The total consideration payable by the Acquirer to the Public Shareholders (assuming full acceptance) of the Open Offer at the Base Price will be up to ₹ 7,89,55,640/- (Rupees Seven Crore Eighty-Nine Lakh Fifty-Five Thousand Six Hundred Forty Only) (“Open Offer”).
Note: As per Regulation 3(1) of the SEBI (SAST) Regulations, 2011, the Acquirer is obligated to make an open offer for at least 26% of the Voting Share Capital of the Target Company. However, considering that the Acquirer is acquiring 70.61% of the Voting Share Capital of the Target Company under the SPA, the present Open Offer size stands restricted to 19.39% of the Voting Share Capital.
It is further clarified that any acquisition by the Acquirer of Equity Shares in excess of 39,47,782 Equity Shares pursuant to the Offer, which results in the public shareholding of the Target Company falling below the minimum public shareholding

requirement prescribed under Rule 19A of the Securities Contracts (Regulation) Rules, 1957, shall trigger the applicability of the SEBI (Delisting of Equity Shares) Regulations, 2021, and the Acquirer will comply with the provisions relating to delisting

- d. The Eligible Shareholders should note that in terms of the SEBI (SAST) Regulations, through the Form of Acceptance-cum-Acknowledgement or through the Acquisition Window (as applicable) in the Offer, cannot be withdrawn by the Eligible Shareholders even in the event of a delay in the acceptance of the Equity Shares under the Offer and/ or the payment of consideration. In compliance with SEBI circular SEBI/HO/CFD/DCR-III/CIR/P/2021/615 dated August 13, 2021, a lien shall be marked in depository system by the Depositories against the Equity Shares tendered in the Offer by the Eligible Shareholders until the completion of the formalities of this Offer. Once tendered, the Eligible Shareholders will not be able to trade in such Equity Shares. During such period, there may be fluctuations in the market price of the Equity Shares of the Target Company that may adversely impact the Eligible Shareholders who have tendered their Equity Shares in this Offer. Accordingly, neither the Acquirer nor the Manager to the Offer make any assurance with respect to the market price of the Equity Shares and disclaim any responsibility with respect to any decision by any Eligible Shareholder on whether or not to participate in the Offer. It is understood that the Eligible Shareholders will be solely responsible for their decisions regarding their participation in this Offer. However, in case the Delisting Offer is not successful, the Public Shareholders of the Target Company shall have a right to withdraw any Equity Shares tendered under the Offer within 5 (five) Working Days from the date of announcement of failure of Delisting Offer in terms of Regulation 5A(5) of the SEBI (SAST) Regulations. Such announcement will be made within 2 (two) Working Days after the expiration of the Tendering Period and include, among other things: the number and percentage of outstanding Equity Shares the Acquirer elects to acquire under the SPA; the aggregate percentage of outstanding Equity Shares that the Acquirer will hold after acquiring the tendered Equity Shares and the Equity Shares under the SPA; the fact that the Equity Shares will be acquired at the Base Price (i.e., ₹ 20 per Equity Share) as against the Offer Price of ₹ 22/- per Equity Share as a result of the failure of the Delisting Offer; the fact that Public Shareholders are entitled to a Withdrawal Window; and instructions to Public Shareholders on how to access related information in the offer documents. Such announcement would be published in the Newspapers in which DPS has been published and filed with SEBI and the Stock Exchanges, which filings would be available on the websites of SEBI and the Stock Exchanges.
- e. The DLOF/LOF, together with the DPS and the PA in connection with the Offer have been prepared for the purposes of compliance with the applicable laws and regulations of India, including the SEBI Act and the SEBI (SAST) Regulations and have not been filed, registered or approved in any jurisdiction outside India. Recipients of this DLOF/LOF who are resident in jurisdictions outside India should inform themselves of and comply with any applicable legal requirements. This Offer is not directed towards any person or entity in any jurisdiction where the same would be contrary to the applicable laws or regulations or would subject the Acquirer or the Manager to the Offer to any new or additional registration requirements. This is not an offer for sale or a solicitation of an offer to buy in, any foreign jurisdictions covered under the “General Disclaimer” clause in Section 2 (*Disclaimer Clause*) of this Draft Letter of Offer and cannot be accepted by any means or instrumentality from within any such foreign jurisdictions.
- f. The Eligible Shareholders are advised to consult their respective tax advisors for assessing the tax liability pursuant to this Offer or in respect of any other aspects such as the treatment that may be given by their respective assessing officers in their case and the appropriate course of action that they should take. The Acquirer and the Manager do not accept any responsibility for the accuracy or otherwise of the tax provisions set forth in the DLOF.
- g. The Underlying Transactions and/ or this Offer is/are subject to completion risks as would be applicable to similar transaction.
- h. The acquisition of Equity Shares under the Offer from all Public Shareholders (resident and non-resident) is subject to all approvals required to be obtained by such Public Shareholders in relation to the Offer and the transfer of Equity Shares held by them to the Acquirer. Further, if the Public Shareholders who are not persons resident in India require or had required any approvals in respect of the transfer of Equity Shares held by them, they will be required to submit such previous approvals that they would have obtained for holding the Equity Shares, to tender the Equity Shares held by them pursuant to this Offer, along with the other documents required to be tendered to accept this Offer. In the event such prior approvals are not submitted, the Acquirer reserves their right to reject such Equity Shares tendered in this Offer. If the Equity Shares are held under general permission of the RBI, the non-resident Public Shareholder should state that the Equity Shares are held under general permission and clarify whether the Equity Shares are held on repatriable basis or non-repatriable basis.

- i. The Acquirer along with the Manager to the Offer, accept no responsibility for statements made otherwise than in the Public Announcement, DPS or this Draft Letter of Offer or in the advertisements or any materials issued by or at the instance of the Acquirer and/or the Manager to the Offer, excluding such information pertaining to the Target Company and the Sellers, which has been obtained from publicly available sources or provided or confirmed by the Target Company and the Sellers, respectively. Any person placing reliance on any other source of information (not released by the Acquirer or Manager to the offer) would be doing so at his/her/its/their own risk.
- j. In accordance with the terms and conditions of the SPA and the acquisition of Offer Shares, the Acquirer (i) will appoint its directors on the Board of Directors of the Target Company; and (ii) shall acquire control of the Target Company. The Sellers will resign from the Board of Directors of the Target Company, which will result in a change in ownership, control and management of the Target Company, which may have a significant effect on the business, financial condition and the results of operations of the Target Company.
- k. The SPA is subject to the compliance of provisions of the SEBI (SAST) Regulations.
- l. This Offer is a composite offer (i.e. an open offer cum delisting offer) being made in accordance with provisions of Regulations 3(1), 4, and 5A of the SEBI (SAST) Regulations and the applicable provisions of the SEBI Delisting Regulations to all the Public Shareholders of the Target Company. This Open Offer, being a mandatory open offer, is being made by the Acquirer in terms of Regulations 3(1) and 4 of the SEBI (SAST) Regulations, pursuant to the execution of the SPA to acquire up to 59,83,928 (Fifty-Nine Lakh Eighty-Three Thousand Nine Hundred Twenty-Eight) fully paid-up equity shares of face value of ₹ 10/- (Rupee Ten only) each (“Equity Share”) representing 29.39% (Twenty Nine decimal Three Nine percent) of the Voting Share Capital accompanied with control over the Target Company from Public Shareholders. Pursuant to this Offer, the Acquirer express their intent to delist the Target Company pursuant to Regulation 5A of the SEBI (SAST) Regulations and the applicable provisions of the SEBI Delisting Regulations

B. Risk relating to the Acquirer:

- a. Neither the Acquirer nor Manager to the Offer makes any assurance with respect to the financial performance of the Target Company or the continuation of the past trends in the financial performance of the Target Company nor do they make any assurance with respect to the market price of the Equity Shares before, during or after the Offer. The Acquirer and Manager to the Offer expressly disclaim any responsibility or obligation of any kind (except as required under applicable law) with respect to any decision by any of the Eligible Shareholders on whether or not to participate in this Offer.
- b. None of the Acquirer, the Manager or the Registrar to the Offer or any of their respective affiliates accepts any responsibility for any loss of documents during transit (including but not limited to Offer acceptance forms, copies of delivery instruction slips, etc.) and Public Shareholders are advised to adequately safeguard their interest in this regard.
- c. The Acquirer and Manager to the Offer make no assurances with respect to their investment/divestment decisions relating to their proposed shareholding in the Target Company.
- d. In the event the Delisting Offer is unsuccessful and the Open Offer is completed, then as per Regulation 38 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“SEBI (LODR) Regulations”) read with Rules 19(2) and 19A of the Securities Contracts (Regulation) Rules, 1957, as amended or modified (“SCRR”), the Target Company is required to maintain at least 25.00% (Twenty-Five per cent) public shareholding as determined in accordance with SCRR, on a continuous basis for listing. Pursuant to completion of the Underlying Transactions and this Open Offer, if the public shareholding in the Target Company falls below the minimum prescribed level required for continued listing then, the Acquirer will ensure that the Target Company satisfies the minimum public shareholding set out in Rule 19A of the SCRR in compliance with applicable laws, within the prescribed time period and in prescribed manner. Any failure to do so could have an adverse effect on the price of the Equity Shares of the Target Company.

DISCLAIMER FOR SHAREHOLDERS IN OTHER FOREIGN COUNTRIES

This DLOF does not in any way constitute an offer to sell or an invitation to sell, any securities in any jurisdiction in which such offer or invitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation. Potential users of the information contained in this DLOF are requested to inform themselves about and to observe any such restrictions.

The Offer described in this DLOF is not being made to, nor will tender of shares be accepted from or on behalf of Eligible Shareholders in any jurisdiction in which such offer or invitation is not in compliance with applicable law or to any person to whom it is unlawful to make such offer or solicitation. Potential users of the information contained in this DLOF are requested to inform themselves about and to observe any such restrictions.

DISCLAIMER FOR SHAREHOLDERS IN UNITED STATES

In addition to the above, please note that the Offer is being made for acquisition of securities of an Indian company and Eligible Shareholders in the U.S. should be aware that this DLOF and any other documents relating to the Offer have been or will be prepared in accordance with Indian procedural and disclosure requirements, including requirements regarding the Offer timetable and timing of payments, all of which differ from those in the U.S. Any financial information included in this DLOF or in any other documents relating to the Offer, has been or will be prepared in accordance with non-U.S. accounting standards that may not be comparable to financial statements of companies in the U.S. or other companies whose financial statements are prepared in accordance with U.S. generally accepted accounting principles.

CURRENCY OF PRESENTATION

- a. In this Draft Letter of Offer, all references to “Rs.”/ “Rupees”/ “INR”/ “₹” are references to Indian Rupee(s), the official currency of India.
- b. In this Draft Letter of Offer, any discrepancy in any table between the total and sums of the amounts listed are due to rounding off and/or regrouping.

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1. KEY DEFINITIONS AND ABBREVIATIONS

Term	Definition/Abbreviation
Acquirer	SFAL Speciality Alloys Limited
Base Price	₹ 20/- per equity shares i.e. the price at which open offer is being made which is higher than the price that is determined in accordance with Regulations 8(1) and 8(2) of the SEBI (SAST) Regulations read with Regulation 8(7) of the SEBI (SAST) Regulations, details of which are set out in paragraph 4 of Section 6.1 (<i>Justification of the Offer Price</i>).
Board of Directors	The Board of Directors of the Target Company
Book Value	Book Value of each Equity Share as on the date referred to
BSE	BSE Limited
Buying Broker	Stock broker appointed by the Acquirer for the purpose of this Offer i.e. AUM Capital Market Private Limited, having registered office at 226/1, AJC Bose Road, 3rd Floor, Trinity, Unit no. 3G, Kolkata – 700020
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identification Number
Closure of the Tendering Period	Monday, May 25, 2026
Clearing Corporation	Clearing Corporation of Stock Exchanges
Companies Act	The Companies Act, 1956, as amended and the Companies Act, 2013, as amended, as the case may be
Composite Offer Consideration/ Offer Size	₹ 13,16,46,416/- (Rupees Thirteen Crore Sixteen Lakh Forty-Six Thousand Four Hundred Sixteen Only) being the maximum consideration payable under this Offer assuming full acceptance of the Offer.
CSE	The Calcutta Stock Exchange Limited
Delisting Offer	Delisting offer pursuant to Regulation 5A of the SEBI (SAST) Regulations and applicable provisions of the SEBI Delisting Regulations
Delisting Threshold	39,47,783 (Thirty-Nine Lakh Forty-Seven Thousand Seven Hundred Eighty-Three) Equity Shares, representing 19.39% (Nineteen decimal Three Nine percent) of the Voting Share Capital being validly tendered and accepted in the Offer.
Depositories	CDSL and NSDL
DIN	Director Identification Number
DP	Depository Participant
Detailed Public Statement or DPS	Detailed Public Statement of the Offer made by the Acquirer, which appeared in the newspapers as mentioned in para 3.2.3
Draft Letter of Offer/DLOF	This Draft Letter of Offer dated March 27, 2026
EBITDA	Earnings before Interest, Tax, Depreciation and Amortization
Eligible Person(s) / Eligible Shareholder(s) for the Offer/Public Shareholders	All shareholders / beneficial owners (registered or otherwise) of the shares of the Target Company except the Acquirer and the Sellers
EPS	Earnings per Equity Share
Escrow Account	The account opened with Escrow Bank under the name and title “SFAL Speciality Alloys Limited - OPEN OFFER 2026” bearing Account No. 926020008799057
Escrow Agreement	Escrow Agreement dated March 11, 2026, entered amongst the Acquirer, Escrow Bank and Manager to the Offer.
Escrow Bank	Axis Bank Limited
Equity Shares	Fully paid-up equity shares of the Target Company of face value ₹ 10/- each
Exit Window	A period of 1 (One) year following the date of delisting of Equity Shares from the Stock Exchanges
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time.
FII	Foreign Institutional Investor registered with SEBI
Form of Acceptance/FOA	Form of Acceptance cum Acknowledgement, which is a part of this Draft Letter of Offer.
FY	Financial Year
Identified Date	The date, falling on the 10 th Working Day prior to the commencement of the Tendering Period, for the purpose of determining the names of shareholders as on such date to whom the Draft Letter of Offer will be sent.
Income Tax Act	The Income Tax Act, 1961 as amended.
KYC	Know Your Client
Listing Agreement	Equity Listing Agreement with each of the stock exchanges in India, as amended from time to time.

Maximum Consideration in the Offer	i. The maximum consideration payable by the Acquirer, assuming full acceptance of the Offer, to acquire 59,83,928 fully paid-up equity shares at the Offer Price of ₹ 22.00 (Rupees Twenty-Two Only) per equity share, would be ₹ 13,16,46,416/- (Rupees Thirteen Crore Sixteen Lakh Forty-Six Thousand Four Hundred Sixteen Only), payable in cash.
NAV	Net Asset Value per Equity Share
Narnolia/ NFSL/ Manager to the Offer/ Merchant Banker	Narnolia Financial Services Limited, the Merchant Banker appointed by the Acquirer pursuant to Regulation 12 of the SEBI SAST Regulations, having registered office at 201, 2nd Floor, Marble Arch, 236 B A.J.C Bose Road, Kolkata - 700020, West Bengal, India
Negotiated Price	₹ 30.00 (Rupees Twenty Only) per fully paid-up Equity Share of face value of ₹ 10/- each.
NRIs	Non-Resident Indians and Persons of Indian origin residing abroad
NSDL	National Securities Depository Limited
Offer	This Composite Offer being made by the Acquirer to the Public Shareholders of the Target Company in accordance with Regulations 3(1), 4 and 5A and other applicable provisions of SEBI (SAST) Regulations and applicable provisions of the SEBI Delisting Regulations to acquire up to 59,83,928 (Fifty-Nine Lakh Eighty-Three Thousand Nine Hundred Twenty-Eight) fully paid-up equity shares of face value of Rs. 10/- each ("Offer Shares") representing 29.39% (Twenty Nine decimal three nine percent) of the total paid-up equity and voting share capital of Target Company, at the Offer Price of ₹ 22/- (Rupees Twenty-Two Only) per Equity Share and consequently delist the Equity Shares of the Target Company from the Stock Exchanges.
Offer Period	Period from the date of entering into Share Purchase Agreement to the date on which the payment of consideration to the shareholders whose Equity Shares are accepted in this Offer, is made, or the date on which this Offer is withdrawn, as the case may be.
Offer Price	₹ 22.00 (Rupees Twenty Two Only) per fully paid-up Equity Share of face value of ₹ 10/- each.
Open Offer	Open offer pursuant to Regulations 3(1) and 4 and other applicable provisions of the SEBI (SAST) Regulations
PA /Public Announcement	Public Announcement of the Offer issued by the Manager to the Offer, on behalf of the Acquirer on March 11, 2026
PAC, Person's Acting in Concert	There is no Person Acting in Concert with the Acquirer for the purposes of this Offer, in accordance with Regulation 2(1)(q)(1) of the SEBI (SAST) Regulations
PAN	Permanent Account Number
PAT	Profit after Tax
PBT	Profit before Tax
Promoters of Target Company	Bhagwati Prasad Jalan and Sons HUF, Niraj Jalan and Others HUF, Pankaj Jalan and Others HUF, Bhagwati Prasad Jalan, Aditi Jalan, Nidhi Jalan, Pankaj Jalan, Niraj Jalan, Parwati Devi Jalan, Ishika Jalan, Aarav Jalan, Ganpati Industrial Pvt Ltd, Pushpak Dealcom Private Limited, Seasons Trading and Investments Pvt Ltd, Likewise Properties LLP (Formerly Known as Likewise Properties Pvt Ltd & Likewise Investment and Marketing Pvt Ltd), Jekay International Track Pvt. Ltd., P P Suppliers and Agencies Private Limited, Alok Prakash HUF, Kamal Prakash HUF, Anubhuti Prakash, Raj Rani Agarwal, Anupama Prakash, Madhu Agarwal, Vimal Prakash HUF, Ambarella Cap Fin Pvt Ltd and Minicraft Enterprise Pvt Ltd
RBI	Reserve Bank of India
Registrar/ Registrar to the Offer	S K Infosolutions Private Limited having registered office at D/42, Katju Nagar, Ground Floor, (Near South City Mall), Jadavpur, Kolkata-700 032, West Bengal, India
Rs. or Rupees or INR or ₹	Indian Rupees
RTGS	Real Time Gross Settlement.
Sale Shares	1,43,77,522 fully paid-up equity shares of face value of ₹ 10/- each, constituting 70.61% of the issued, subscribed and voting capital of the Target Company to be sold by the Sellers to the Acquirer, in terms of the SPA.
SCRR	Securities Contract (Regulations) Rules, 1957 and subsequent amendments thereto.
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992 and subsequent amendments thereto.
SEBI Delisting Regulations	Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021, as amended
SEBI LODR Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and subsequent amendments thereof
SEBI SAST Regulations/ SAST Regulations/ Takeover Code/ Regulation	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, and subsequent amendments thereof

Selling Broker	Respective stock brokers of all Shareholders who desire to tender their Equity Shares under the Offer
Sellers	Bhagwati Prasad Jalan and Sons HUF, Niraj Jalan and Others HUF, Pankaj Jalan and Others HUF, Bhagwati Prasad Jalan, Aditi Jalan, Nidhi Jalan, Pankaj Jalan, Niraj Jalan, Parwati Devi Jalan, Ishika Jalan, Aarav Jalan, Ganpati Industrial Pvt Ltd, Pushpak Dealcom Private Limited, Seasons Trading and Investments Pvt Ltd, Likewise Properties LLP (Formerly Known as Likewise Properties Pvt Ltd & Likewise Investment and Marketing Pvt Ltd), Jekay International Track Pvt. Ltd., P P Suppliers and Agencies Private Limited, Alok Prakash HUF, Kamal Prakash HUF, Anubhuti Prakash, Raj Rani Agarwal, Anupama Prakash, Madhu Agarwal, Vimal Prakash HUF, Ambarella Cap Fin Pvt Ltd and Minicraft Enterprise Pvt Ltd
SPA / Share Purchase Agreement	Share Purchase Agreement dated March 11, 2026 entered amongst the Acquirer and Sellers.
Stock Exchanges	Collectively, BSE Limited and The Calcutta Stock Exchange Limited
Target Company	Nilachal Refractories Limited (NRL)
Tendering period	Period within which shareholders may tender their shares in acceptance of this offer i.e. from May 11, 2026 to May 22, 2026
TRS	Transaction Registration Slips
Working Day	A working day of SEBI, as defined in the SEBI SAST Regulations.

Note:

All terms beginning with a capital letter used in this Draft Letter of Offer, but not otherwise defined herein, shall have the meaning ascribed thereto in the SEBI SAST Regulations unless specified.

2. DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DRAFT LETTER OF OFFER WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE ELIGIBLE SHAREHOLDERS OF NILACHAL REFRACTORIES LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER OR THE TARGET COMPANY WHOSE EQUITY SHARES/CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ACQUIRER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT LETTER OF OFFER, THE MANAGER TO THE OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRER DULY DISCHARGES ITS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER TO THE OFFER – NARNOLIA FINANCIAL SERVICES LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED MARCH 27, 2026 TO SEBI IN ACCORDANCE WITH THE SEBI (SAST) REGULATIONS. THE FILING OF THE DRAFT LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OPEN OFFER.

GENERAL DISCLAIMER

THIS DLOF TOGETHER WITH THE PUBLIC ANNOUNCEMENT DATED MARCH 11, 2026, AND THE DPS THAT WAS PUBLISHED ON MARCH 18, 2026, IN CONNECTION WITH THE OFFER, HAS BEEN PREPARED FOR THE PURPOSES OF COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS OF THE SEBI (SAST) REGULATIONS. ACCORDINGLY, THE INFORMATION DISCLOSED MAY NOT BE THE SAME AS THAT WHICH WOULD HAVE BEEN DISCLOSED IF THIS DOCUMENT HAD BEEN PREPARED IN ACCORDANCE WITH THE LAWS AND REGULATIONS OF ANY JURISDICTION OUTSIDE OF INDIA. NEITHER THE DELIVERY OF THE DLOF AND/OR THE LOF, UNDER ANY CIRCUMSTANCES, CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE TARGET COMPANY AND/OR THE ACQUIRER, SINCE THE DATE HEREOF OR THAT THE INFORMATION CONTAINED HEREIN IS CORRECT AS AT ANY TIME SUBSEQUENT TO THIS DATE, NOR IS IT TO BE IMPLIED THAT THE ACQUIRER OR ANY PERSONS DEEMED TO ACT IN CONCERT WITH THEM ARE UNDER ANY OBLIGATIONS TO UPDATE THE INFORMATION CONTAINED HEREIN AT ANY TIME AFTER THIS DATE.

NO ACTION HAS BEEN OR WILL BE TAKEN TO PERMIT THIS OFFER IN ANY JURISDICTION WHERE ACTION WOULD BE REQUIRED FOR THAT PURPOSE. THE DLOF SHALL BE SENT TO ALL ELIGIBLE SHAREHOLDERS WHOSE NAMES APPEAR IN THE REGISTER OF MEMBERS OF THE TARGET COMPANY, AT THEIR STATED ADDRESS, AS OF THE IDENTIFIED DATE. HOWEVER, RECEIPT OF THE DLOF BY ANY ELIGIBLE SHAREHOLDER IN A JURISDICTION IN WHICH IT WOULD BE ILLEGAL TO MAKE THIS OFFER, OR WHERE MAKING THIS OFFER WOULD REQUIRE ANY ACTION TO BE TAKEN (INCLUDING, BUT NOT RESTRICTED TO, REGISTRATION OF THE DLOF AND/OR THE LOF UNDER ANY LOCAL SECURITIES LAWS), SHALL NOT BE TREATED BY SUCH ELIGIBLE SHAREHOLDER AS AN OFFER BEING MADE TO THEM, AND SHALL BE CONSTRUED BY THEM AS BEING SENT FOR INFORMATION PURPOSES ONLY. ACCORDINGLY, NO SUCH ELIGIBLE SHAREHOLDER MAY TENDER HIS, HER OR ITS EQUITY SHARES IN THIS OFFER IN SUCH JURISDICTION.

PERSONS IN POSSESSION OF THE PA, THE DPS, THIS DLOF, AND/OR ANY OTHER ADVERTISEMENT/PUBLICATION MADE OR DELIVERED IN CONNECTION WITH THE OFFER ARE REQUIRED TO INFORM THEMSELVES OF ANY RELEVANT RESTRICTIONS. ANY ELIGIBLE SHAREHOLDER WHO TENDERS HIS, HER OR ITS EQUITY SHARES IN THIS OFFER SHALL BE DEEMED TO HAVE DECLARED, REPRESENTED, WARRANTED AND AGREED THAT HE, SHE, OR IT IS AUTHORIZED UNDER THE PROVISIONS OF ANY APPLICABLE LOCAL LAWS, RULES, REGULATIONS AND STATUTES TO PARTICIPATE IN THIS OFFER.

3. DETAILS OF THE OFFER

3.1 Background to the Offer

- 3.1.1 This Offer is a composite offer (i.e. an open offer cum delisting offer) being made in accordance with provisions of Regulations 3(1), 4, and 5A of the SEBI (SAST) Regulations and the applicable provisions of the SEBI Delisting Regulations to all the Public Shareholders of the Target Company. This Open Offer, being a mandatory open offer, is being made by the Acquirer in terms of Regulations 3(1) and 4 of the SEBI (SAST) Regulations, pursuant to the execution of the SPA to acquire up to 59,83,928 (Fifty-Nine Lakh Eighty-Three Thousand Nine Hundred Twenty-Eight) fully paid-up equity shares of face value of ₹ 10/- (Rupee Ten only) each ("Equity Share") representing 29.39% (Twenty Nine decimal Three Nine percent) of the Voting Share Capital accompanied with control over the Target Company from Public Shareholders. Pursuant to this Offer, the Acquirer express their intent to delist the Target Company pursuant to Regulation 5A of the SEBI (SAST) Regulations and the applicable provisions of the SEBI Delisting Regulations.
- 3.1.2 The Acquirer has entered into a Share Purchase Agreement ("SPA") on March 11, 2026 with the Sellers, wherein it is proposed that the Acquirer shall purchase 1,43,77,522 (One Crore Forty-Three Lakh Seventy-Seven Thousand Five Hundred Twenty-Two) fully paid up equity shares of the Target Company of face value ₹ 10/- each, which constitutes 70.61% (Seventy decimal Six One Percent) of the issued, subscribed, paid-up and voting share capital. The said sale is proposed to be executed at a price of ₹ 20.00 (Rupees Twenty Only) per fully paid-up equity share ("**Negotiated Price**") aggregating to ₹ 28,75,50,440 (Rupees Twenty-Two Crore Seventy-Five Lakh Fifty Thousand Four Hundred Forty Only) ("**Purchase Consideration**") payable in cash.
- 3.1.3 The proposed sale and purchase of Equity Shares under the SPA (as explained in paragraph 3.1.2 of this Section 3.1 (*Background to the Offer*) of this Draft Letter of Offer) is referred to as the "**Underlying Transaction**"
- 3.1.4 A summary of some of the salient features of the Share Purchase Agreement ("SPA"), which are all subject to detailed terms in the Share Purchase Agreement is as follows:
- a. The Acquirer has agreed to purchase from the Sellers 1,43,77,522 (One Crore Forty-Three Lakh Seventy-Seven Thousand Five Hundred Twenty-Two) fully paid up equity shares of the Target Company of face value ₹ 10/- each, which constitutes 70.61% (Seventy decimal Six One Percent) of the total issued, subscribed, paid-up and voting capital of the Target Company at a price of ₹ 20.00 (Rupee Twenty Only) per equity share payable in cash aggregating to ₹ 28,75,50,440 (Rupees Twenty-Two Crore Seventy-Five Lakh Fifty Thousand Four Hundred Forty Only).
 - b. The consummation of the Underlying Transaction ("Closing") shall take place after the expiry of 21 (Twenty-One) Working Days from date of the detailed public statement published by the Acquirer under the SEBI (SAST) Regulations.
 - c. The SPA contains standard obligations on the Acquirer and the Sellers to maintain confidentiality.
 - d. On the Closing Date, a Board Meeting of the Target Company shall be called, convened and conducted to transact the following business:
 - Recording of the transfer of Sale Shares from the Sellers to the Acquirer in terms of the Agreement;
 - The appointment of the Acquirer's nominees as Directors on the Board of Directors of the Company subject to compliance with Regulation 24 of the Takeover Code;
 - Approval for change in bank signatories; and
 - Authorize the filing of statutory forms with any Governmental Authority required under applicable Law.

e. Details of the Underlying Transaction is set out below:

Details of Underlying Transaction						
Type of transaction (direct/indirect)	Mode of transaction (Agreement/allotment/market purchase)	Shares/voting rights acquired/proposed to be Acquired		Total consideration for shares/voting rights acquired (₹)	Mode of payment	Regulation which has triggered
		Number	% vis a vis total equity / voting capital ⁽¹⁾			
Direct Acquisition	Share Purchase Agreement: The Acquirer has entered into the SPA with the Sellers pursuant to which the Acquirer has agreed to acquire 1,43,77,522 Equity Shares of the Target Company from the Sellers, subject to the terms and conditions set out in the SPA	1,43,77,522	70.61%	28,75,50,440.00	Cash	Regulations 3(1) and 4 of the SEBI (SAST) Regulations

Notes:

(1) Calculated as a percentage of the Voting Share Capital.

- 3.1.5 The Acquirer did not hold any Equity Shares in the Target Company as on date of SPA.
- 3.1.6 There is no separate arrangement for the proposed change in control of the Target Company except for the terms as mentioned in SPA.
- 3.1.7 Neither the Acquirer nor the Sellers have been prohibited by SEBI from dealing in securities, in terms of direction issued under Section 11B of the SEBI Act or under any of the Regulations made under the SEBI Act.
- 3.1.8 The Acquirer may, after completion of the acquisition of Sale Shares and in compliance with the first proviso to Regulation 24(1) of the SEBI SAST Regulations reconstitute the Board of Directors of the Target Company by appointing representatives, as the Acquirer may deem fit. As on date, the Acquirer has not decided on the names of persons who may be appointed on the Board of Directors of the Target Company pursuant to the acquisition of Sale Shares.
- 3.1.9 In accordance with Regulation 25(4) of the SEBI (SAST) Regulations, the Acquirer will not sell the Equity Shares of the Target Company during the Offer Period.
- 3.1.10 This Offer is not pursuant to any open market purchase or a global acquisition resulting in an indirect acquisition of the Equity Shares.
- 3.1.11 The Sellers will cease to be the Promoter of the Target Company and will relinquished management control in favor of the Acquirer pursuant to execution of SPA. The Acquirer will acquire control of the Target Company and will be classified as the “Promoter”. Pursuant to the acquisition of shares, the Sellers will be reclassified from the “Promoter” category to the “Public” in compliance with Regulation 31A of the SEBI (LODR) Regulations, 2015.
- 3.1.12 As on the date of this DLOF, there are no (i) partly paid-up Equity Shares: or (ii) outstanding convertible instruments (warrants, fully convertible debentures, partially convertible debentures including employee stock options) issued by the Target Company.

3.2 Details of the Proposed Offer

- 3.2.1 This Offer is a composite offer (i.e. an open offer cum delisting offer) being made in accordance with provisions of Regulations 3(1), 4, and 5A of the SEBI (SAST) Regulations and the applicable provisions of the SEBI Delisting Regulations to all the Public Shareholders of the Target Company. The Open Offer under Regulation 3(1) and 4 was triggered pursuant to the proposed acquisition by the Acquirer of more than 25.00% (twenty five percent) of the Voting Share Capital of the Target Company and control over the Target Company, detailed further in paragraph 3.1.2 of this Section 3.1 (*Background to the Offer*) above. Pursuant to this Offer, the Acquirer express their intent to delist the Target Company pursuant to Regulation 5A of the SEBI (SAST) Regulations and the applicable provisions of the SEBI Delisting Regulations.
- 3.2.2 The Public Announcement announcing the Offer, under Regulations 3(1), 4 and 5A read with Regulations 13(1) and 14(1) of the SEBI (SAST) Regulations was made on Mach 11, 2026 to the Stock Exchanges and a copy thereof was also filed with SEBI and sent to the Target Company on March 12, 2026.
- 3.2.3 A Detailed Public Statement as per Regulation 14(3) of SEBI (SAST) Regulations pursuant to Public Announcement made by the Acquirer has appeared in the following Newspapers, on March 18, 2026:

Name of the Newspaper	Language	Edition
Financial Express	English	English National Daily
Jansatta	Hindi	Hindi National Daily
Pratahkal	Marathi	Mumbai
Nitidin	Odia	Bhubaneswar

Simultaneously, a copy of the DPS was sent through the Manager to the Offer to SEBI, Stock Exchanges and Target Company on March 18, 2026.

- 3.2.4 A copy of the PA and DPS is also available on the website of SEBI at www.sebi.gov.in
- 3.2.5 **Composite Offer:** The Acquirer make this Offer to the Public Shareholders to acquire up to 59,83,928 (Fifty-Nine Lakh Eighty-Three Thousand Nine Hundred Twenty-Eight) fully paid-up equity shares of face value of Rs. 10/- each (“**Offer Shares**”) representing 29.39% (Twenty-Nine decimal Three Nine percent) of the total paid-up equity and voting share capital of Target Company, at the Offer Price of ₹ 22/- (Rupees Twenty-Two Only) per equity share (“**Offer Price**”) for the Offer. The total consideration payable by the Acquirer to the Public Shareholders (assuming full acceptance) of the Offer at the Offer Price will be up to ₹ 13,16,46,416/- (Rupees Thirteen Crore Sixteen Lakh Forty-Six Thousand Four Hundred Sixteen Only) (“**Composite Offer Size**”).
- 3.2.6 **Open Offer:** In the event that the post offer shareholding of the Acquirer, along with the shares tendered by public shareholders accepted as eligible bids does not reach ninety percent of the total paid-up equity and voting share capital of Target Company, the Acquirer will complete the Open Offer to the Public Shareholders to acquire up to 39,47,782 (Thirty-Nine Lakh Forty-Seven Thousand Seven Hundred Eighty-Two) Equity Shares constituting 19.39% (Ninety decimal Thirty Nine percent) of the Voting Share Capital, at ₹ 20/- (Rupees Twenty Only) (“**Base Price**”) for the Open Offer in accordance with Regulation 7(1) and other applicable provisions of the SEBI SAST Regulations. The total consideration payable by the Acquirer to the Public Shareholders (assuming full acceptance) of the Open Offer at the Base Price will be up to ₹ 7,89,55,640/- (Rupees Seven Crore Eighty-Nine Lakh Fifty-Five Thousand Six Hundred Forty Only) (“**Open Offer**”).
- Note: As per Regulation 3(1) of the SEBI (SAST) Regulations, 2011, the Acquirer is obligated to make an open offer for at least 26% of the Voting Share Capital of the Target Company. However, considering that the Acquirer is acquiring 70.61% of the Voting Share Capital of the Target Company under the SPA, the present Open Offer size stands restricted to 19.39% of the Voting Share Capital.*
- It is further clarified that any acquisition by the Acquirer of Equity Shares in excess of 39,47,782 Equity Shares pursuant to the Offer, which results in the public shareholding of the Target Company falling below the minimum public shareholding requirement prescribed under Rule 19A of the Securities Contracts (Regulation) Rules, 1957, shall trigger the applicability of the SEBI (Delisting of Equity Shares) Regulations, 2021, and the Acquirer will comply with the provisions relating to delisting.*

- 3.2.7 The Offer Price of ₹ 22/- (Rupees Twenty Two Only) per Equity Share is a fixed delisting price being offered to the public shareholders for tendering the Equity Shares. The Offer is made in accordance with Regulation 5A of SEBI (SAST) Regulations and therefore, the delisting price will not be determined through the reverse book building process as per SEBI Delisting Regulations.
- 3.2.8 The price at which Open Offer is being made is ₹ 20/- (Rupees Twenty Only) (“**Base Price**”), which is higher than the price that has been determined in accordance with Regulations 8(1) and 8(2) of the SEBI (SAST) Regulations read with Regulation 8(7) of the SEBI (SAST) Regulations, detailed further in Section 6.1 (*Justification of the Offer Price*). In accordance with Regulation 5A(2) and other applicable provisions of the SEBI (SAST) Regulations and applicable provisions of the SEBI Delisting Regulations, the Offer is being made at the Offer Price, which is the indicative price and is higher than the Base Price and reflects the price that the Acquirer is willing to pay for the delisting of the Target Company pursuant to this Offer. The rationale for the Offer Price is set out in paragraph 6 under Section 6.1 (*Justification of the Offer Price*).
- 3.2.9 The Offer Price will be paid in cash in accordance with Regulation 9(1)(a) of the SEBI (SAST) Regulations and the applicable provisions of the SEBI Delisting Regulations.
- 3.2.10 This Offer is not a competing offer and there is no competing offer as on the date of this DLOF in terms of Regulation 20 of the SEBI (SAST) Regulations.
- 3.2.11 This Offer is unconditional and not subject to any minimum level of acceptance from the Eligible Shareholders of the Target Company, in terms of Regulation 19(1) of the SEBI (SAST) Regulations.
- 3.2.12 There is no person acting in concert in relation to the Offer within the meaning of Regulation 2(1)(q)(1) of the SEBI (SAST) Regulations.
- 3.2.13 The Delisting Offer shall be deemed to be successful if the post Offer shareholding of the Acquirer, which comprises of the Equity Shares validly tendered / offered by the Public Shareholders in the Offer and the Equity Shares agreed to be acquired under the SPA from the Sellers, reaches 90.00% (Ninety percent) of the Voting Share Capital excluding such Equity Shares as may be determined under Regulation 21 of SEBI Delisting Regulations.
- 3.2.14 If the Delisting Offer is successful, the Target Company will be delisted from the Stock Exchanges in accordance with the SEBI Delisting Regulations.
- 3.2.15 If the Delisting Offer is not successful, the Acquirer shall provide a Withdrawal Window as specified in paragraph 7.1.6 of Section 7.1 (*Operational Terms and Conditions*) and then complete the Open Offer by acquiring up to 39,47,782 (Thirty-Nine Lakh Forty-Seven Thousand Seven Hundred Eighty-Two) Equity Shares constituting 19.39% (Ninety decimal Thirty Nine percent) of the Voting Share Capital, at ₹ 20/- (Rupees Twenty Only) (“**Base Price**”) per Equity Share in accordance with Regulation 7(1) and other applicable provisions of the SEBI (SAST) Regulations.
- 3.2.16 The Manager to the Offer, Narnolia Financial Services Limited does not hold any Equity Shares in the Target Company as at the date of PA. The Manager to the Offer further declares and undertakes that it will not deal on its own account in the Equity Shares of the Target Company during the Offer Period. There are no directions subsisting or proceedings, under the SEBI Regulations, pending against the Manager to the Offer.
- 3.2.17 The Acquirer vide letter dated March 27, 2026, has confirmed that they have not acquired any Equity Shares of the Target Company after the date of PA i.e., March 11, 2026 and up to the date of this Draft Letter of Offer.
- 3.2.18 The Public Shareholders who tender their Equity Shares in the Offer shall ensure that the Equity Shares are free from all liens, charges and encumbrances. The Equity Shares of the Target Company acquired by the Acquirer shall be free from all liens, charges and encumbrances together with all rights attached thereto, including the right to all dividends, bonus and rights offer declared hereafter in accordance with the applicable law and the terms set out in the PA, the DPS and this DLOF, and the tendering Public Shareholders shall have obtained all necessary consents required by them to tender the Offer Shares.
- 3.2.19 All Equity Shares validly tendered by the Eligible Shareholders will be acquired by the Acquirer in accordance with the terms and conditions contained in the DPS and this Draft Letter of Offer.

- 3.2.20 If the Delisting Offer is unsuccessful and Open Offer is completed, then as per Regulation 38 of the SEBI (LODR) Regulations read with Rules 19(2) and 19A of the SCRR, the Target Company is required to maintain at least 25.00% (Twenty Five per cent) public shareholding as determined in accordance with SCRR, on a continuous basis for listing. If the public shareholding in the Target Company falls below the minimum prescribed level required for continued listing as a result of the Offer and/or the Underlying Transaction, then, the Acquirer may take appropriate actions in accordance with Regulation 5A(6) of the SEBI (SAST) Regulations or in compliance with applicable laws to ensure continued compliance with the conditions of the SCRR and the SEBI (LODR) Regulations.
- 3.2.21 As per Regulations 26(6) and 26(7) of the SEBI SAST Regulations, the Board of Directors of the Target Company is required, upon receipt of the Detailed Public Statement, to constitute a Committee of Independent Directors to provide their reasoned recommendations on the Offer. The reasoned recommendations are required to be published in the same newspapers in which the Detailed Public Statement was published at least 2 (Two) Working Days before the commencement of the Tendering Period and simultaneously a copy of such recommendations is required to be sent to SEBI, the Stock Exchanges and to the Manager to the Offer.
- 3.2.22 The Target Company notified the Stock Exchanges on March 26, 2026, that a meeting of the board of directors was proposed to be held on March 31, 2026 to inter-alia consider and approve / reject the Delisting Offer and other matters incidental thereto or required in terms of Regulation 10 and other applicable provisions the SEBI Delisting Regulations, including seeking shareholders' approval, as may be required.
- 3.2.23 The Company had completed the dispatch of the notice of postal ballot to the Shareholders for seeking their approval for the voluntary delisting of the Equity Shares from the Stock Exchanges through e-voting on [●], 2026.
- 3.2.24 The Shareholders passed a special resolution through e-voting on [●], 2026 approving the Delisting Offer the results of which were disclosed to the Stock Exchanges on [●], 2026. The said special resolution was passed by the requisite majority in accordance with Regulation 11(4) of the SEBI Delisting Regulations as the votes casted by the Public Shareholders in favour of the Delisting Offer i.e. [●] were more than two times the number of votes casted by the Public Shareholders against it. i.e. [●].

3.3 Object of the Acquisition

- 3.3.1 The prime object of Acquirer for the Underlying Transaction and the Offer is substantial acquisition of equity shares and voting rights accompanied with the change in control and management of the Target Company.
- 3.3.2 This Offer is a composite offer being made in accordance with provisions of Regulations 3(1), 4, and 5A and other applicable provisions of the SEBI (SAST) Regulations and the applicable provisions of the SEBI Delisting Regulations to all the Public Shareholders of the Target Company. The Open Offer under Regulation 3(1) and 4 was triggered pursuant to the SPA between the Acquirer and the Sellers as defined under paragraph 3.1.2 of Section 3.1 (*Background to the Offer*). Pursuant to this Offer, the Acquirer proposes to delist the Target Company in accordance with Regulation 5A of the SEBI (SAST) Regulations and the applicable provisions of the SEBI Delisting Regulations.
- 3.3.3 Subsequent to completion of the Offer, the Acquirer proposes to explore opportunities for expansion and diversification of the Target Company's business into new segments, which will be identified in due course, subject to the prior approval of the Shareholders. The Acquirer believes that the proposed acquisition is in the best interest of the public shareholders, as such initiatives are expected to enable the Company to commence revenue generation in the near future. In addition, the Acquirer may consider restructuring the existing capital structure of the Company and strengthening the composition of its Board to support future growth plans. The board of directors of the Target Company will take decisions on these matters in accordance with the requirements of the business of the Target Company and in accordance with and as permitted by applicable law.
- 3.3.4 The Acquirer reserves the right to modify the present structure of the business in a manner which is useful to the larger interest of the shareholders Any change in the structure that may be carried out, will be in accordance with the laws applicable.

3.3.5 In terms of the SEBI Delisting Regulations, the rationale for the Delisting Offer is as follows:

- The Delisting Offer is in the interest of the Public Shareholders as it will provide all the Public Shareholders an opportunity to exit from the Target Company and providing immediate liquidity;
- Delisting of the Target Company will enable the Acquirer to obtain full ownership of the Target Company, which will provide enhanced operational and financial flexibility;
- As the Target Company will no longer remain listed, there will be reduction in dedicated management time to comply with the requirements associated with the continued listing, which can be focused on the business of the Target Company; and
- The delisting of the Target Company will enhance the Target Company's operational, financial and strategic flexibility including but not limited to corporate restructurings, acquisitions, exploring new financing structures including financial support from Acquirer.

4. BACKGROUND OF THE ACQUIRER

4.1 SFAL Speciality Alloys Limited (Acquirer)

4.1.1 The Acquirer, SFAL Speciality Alloys Limited, is a company incorporated as a private limited company under the provisions of the Companies Act, 2013 on March 10, 2023. There has been no change in the name of the Acquirer since its incorporation.

4.1.2 The registered office of the Acquirer is situated at Vishwakarma Building, 86C, Topsia Road, 2nd Floor, Abinash Chaowdhury Lane, Kolkata- 700046, West Bengal, India and its CIN is U24209WB2023PLC260273.

4.1.3 The Acquirer is engaged in the manufacturing of other non-ferrous metals and in undertaking activities related thereto, including acquiring, constructing, carrying out, equipping, maintaining, altering, improving, developing, managing, operating, controlling and superintending works and facilities of all kinds that may be directly or indirectly conducive to the objects of the Company.

4.1.4 The Authorised Equity share capital of Acquirer is ₹ 1,00,00,000 divided into 10,00,000 shares of ₹ 10/- each and the issued and paid up share capital of ₹ 90,00,000 comprising of 9,00,000 equity shares of face value of ₹ 10 each. The securities of Acquirer are not listed on any stock exchange in India or abroad.

4.1.5 Subham Capital Private Limited is the ultimate beneficial owner of the Acquirer. It holds significant shareholding in the Acquirer.

4.1.6 The Acquirer, its directors and key employees do not have any relationship with or interest in the Target Company except for the Underlying Transaction, as detailed in paragraph 3.1.2 of Section 3.1 (*Background to the Offer*) of this Draft Letter of Offer, that has triggered this Offer.

4.1.7 The Acquirer does not hold any Equity Shares or voting rights in the Target Company. The Acquirer has not acquired any Equity Shares of the Target Company between the date of the PA, i.e., Wednesday, March 11, 2026 and the date of this DLOF.

4.1.8 The Acquirer has not been prohibited by the SEBI, from dealing in securities, in terms of directions issued by SEBI under Section 11B of the SEBI Act or any other regulations made under the SEBI Act. Further, there are no directions subsisting or proceedings pending against the Acquirer under the SEBI Act and regulations made thereunder or by any other regulator.

4.1.9 Neither the Acquirer nor its directors or key managerial employees (if any) are categorized as a wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI, in terms of Regulation 2(1)(ze) of the SEBI (SAST) Regulations.

4.1.10 Neither the Acquirer nor its directors or key managerial employees (if any) are categorized/declared as a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018 (17 of 2018), in terms of Regulation 2(1)(ja) of the

SEBI (SAST) Regulations.

- 4.1.11 There are no pending actions or proceedings initiated by any regulatory authority against the Acquirer, its promoters or its directors.
- 4.1.12 As on the date of the DLOF, the Acquirer is in compliance with Regulation 6A & Regulation 6B of the SEBI (SAST) Regulations.
- 4.1.13 The Acquirer has complied the compliances w. r. t. Chapter V of the Takeover Regulations, 2011 in respect of acquisitions of Equity Shares in the Target Company.
- 4.1.14 Acquirer confirms that there are no pending litigations and contingent liabilities as on March 31, 2025.
- 4.1.15 The shareholding pattern of Acquirer as on the date of this DLOF is as under:

Sr. No.	Name of Shareholders	No. of shares held	% of holding
A. Promoters			
1	Subham Capital Private Limited	2,98,800	33.20%
2	Yuken Merchandise Pvt Ltd	1,68,750	18.75%
3	Aarpee Commercial Company Pvt Ltd	1,68,750	18.75%
4	Kalpataru Housefin & Trading Pvt Ltd	1,49,400	16.60%
5	SRG Advisory Services	1,12,500	12.50%
6	Subham Agarwal	600	0.07%
7	Sheetji Agarwal	600	0.07%
8	Divansh Agarwal	600	0.07%
Total (A)		9,00,000	100.00%
B. FII/ Mutual-Funds/ FIs/Banks		-	-
C. Public		-	-
TOTAL PAID UP SHARE CAPITAL (A+B+C)		9,00,000	100.00%

- 4.1.16 The details of the board of directors of the Acquirer, as on the date of this DLOF, are as follows:

Sr. No.	Name of Directors	DIN	Date of Appointment/ Re-appointment	Designation	Qualifications and Experience
1	Aditya Vimalkumar Agrawal	03330313	March 10, 2023	Director	Aditya Vimalkumar Agrawal holds a Master's Degree in Business Management. He has more than 25 years' experience in field of marketing, business administration and commercial activities. She holds directorship in various companies.
2	Suman Goyal	02717977	March 10, 2023	Director	Suman Goyal holds a Bachelor Degree and has experience of a decade in the field of Marketing and commercial activities. She holds directorship in various companies.
3	Madhusudanrao Baratam	09782715	March 10, 2023	Director	Madhusudanrao Baratam holds a Master's Degree in Business Management. He has experience of business administration.

- 4.1.17 None of the directors of the Acquirer are on the board of directors of the Target Company.

4.1.18 Financial Information

The key financial information of Acquirer is based on its financial statements as on and for the eleven months ended February 28, 2026 and as on and for the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023 is as below:

Statement of Profit and Loss

(Amount in Lakhs)

Particulars	Eleven months ended February 28, 2026 (Provisional CA Certified)	Year Ended March 31, 2025 (Audited)	Year Ended March 31, 2024 (Audited)	Year Ended March 31, 2023 (Audited)
Income from Operations	-	-	-	-
Other Income	0.01	1.02	0.46	-
Total Income	0.01	1.02	0.46	-
Total Expenditure (excluding depreciation and interest)	3.12	1.46	1.40	0.53
Profit/ (Loss) before Interest, Depreciation and Tax	(3.11)	(0.44)	(0.94)	(0.53)
Depreciation	-	-	-	-
Interest	-	-	-	-
Profit before Tax	(3.11)	(0.44)	(0.94)	(0.53)
Tax Expense	-	-	-	-
Profit after Tax	(3.11)	(0.44)	(0.94)	(0.53)

Balance Sheet

(Amount in Lakhs)

Particulars	Eleven months ended February 28, 2026 (Provisional CA Certified)	Year Ended March 31, 2025 (Unaudited)	Year Ended March 31, 2024 (Audited)	Year Ended March 31, 2023 (Audited)
(A) Source of Funds				
Share Capital	90.00	15.00	15.00	15.00
Reserves & Surplus	(5.02)	(1.91)	(1.47)	(0.53)
Net Worth	84.98	13.09	13.53	14.47
Non-Current Debt	-	-	-	-
Current Debt	4,000.00	-	-	-
Trade Payables	-	-	-	-
Other Liabilities & Provisions	3.31	0.10	2.10	0.82
Total (A)	4,088.29	13.19	15.63	15.29
Application of Funds				
Fixed Assets	-	-	-	-
Other Non-Current Assets	0.15	0.15	0.22	0.29
Current Assets	4,088.14	13.04	15.41	15.00
Total (B)	4,088.29	13.19	15.63	15.29

Other Relevant Information

Particulars	Eleven months ended February 28, 2026 (Provisional CA Certified)	Year Ended March 31, 2025 (Unaudited)	Year Ended March 31, 2024 (Audited)	Year Ended March 31, 2023 (Audited)
Basic Earnings per share (₹)	-	(0.29)	(0.63)	(0.35)
Diluted Earnings per share (₹)	-	(0.29)	(0.63)	(0.35)
Dividends (%)	-	-	-	-
Return on net worth (%)	(3.66)	(3.36)	(6.95)	(3.66)
Book value per share (₹)	9.44	8.73	9.02	9.65

Note: February 28, 2026 figures are not annualized.

- 4.1.19 The Net worth of Acquirer as on February 28, 2026 is ₹ 84.98 Lakhs (Rupees Eighty Four Lakh and Ninety Eight Thousand only) and the same is certified by Anurag Khetan & Co., (FRN: 329464E) signed by its Partner, CA Anurag Kumar Khetan (Membership No. 068086) having office at 32, Chattawala Gulli, Room No. 102, 1st Floor, Bow Bazar, Kolkata – 700 012 vide their certificate dated March 11, 2026, bearing Unique Document Identification Number (“UDIN”) 26068086WQLWQN8449.
- 4.1.20 There is no any person is acting in concert (PAC) with the Acquirer for the purposes of this Offer. While persons may be deemed to be acting in concert with the Acquirer in terms of Regulation 2(1)(q)(2) of the SEBI (SAST) Regulations (“Deemed PACs”), however, such Deemed PACs are not acting in concert with the Acquirer for the purposes of this Offer, within the meaning of Regulation 2(1)(q)(1) of the SEBI (SAST) Regulations.
- 4.1.21 During the preceding 8 (eight) years from the date of the Public Announcement (i.e. March 11, 2026), the Acquirer was not (i) a promoter, promoter group or person(s) in control, (ii) directly / indirectly associated with the promoter or any person(s) in control, or (iii) holding more than 25.00% (Twenty Five percent) of the Equity Shares or voting rights in the Target Company. As on the date of this DLOF, the Acquirer do not have any direct or indirect linkages with (i) the Sellers or directors of the Target Company other than the Underlying Transaction; or (ii) the Public Shareholders of the Target Company other than the present Offer.

5. BACKGROUND OF THE TARGET COMPANY

(The disclosure mentioned under this section has been sourced from information published by the Target Company or provided by the Target Company or publicly available sources)

- 5.1 Nilachal Refractories Limited, the Target Company is a public limited company incorporated on June 30, 1977 under the Companies Act, 1956 as Ipiel Refractories Limited. Subsequently, the name of the Company was changed from Ipiel Refractories Limited to Ipitata Refractories Limited on April 16, 1987. Thereafter, the name of the Company was further changed from Ipitata Refractories Limited to Nilachal Refractories Limited, pursuant to a fresh Certificate of Incorporation dated August 31, 1999.
- 5.2 The registered office of Target Company is situated at Plot No. 598/599, Kedarnath Apartment, Mahabir Nagar, Lewis Road, Bhubaneswar – 751002, Odisha, India. The CIN of the Company is L26939OR1977PLC000735.
- 5.3 The Equity shares of Target Company got listed on Bombay Stock Exchange Ltd. with Scrip Code 502294 and on The Calcutta Stock Exchange Ltd. with Scrip code 19120 (The current status of listing in CSE is suspended). The Target Company is not listed on any other stock exchange in India or abroad. ISIN of Equity Shares is INE416N01013.
- 5.4 The authorized share capital of the Target Company is ₹ 20,40,00,000 comprising of 2,04,00,000 equity shares of face value of ₹ 10 each and the issued and paid up share capital of ₹ 20,36,14,500 comprising of 2,03,61,450 equity shares of face value of ₹ 10 each.
- 5.5 There are no outstanding shares of the Target Company that have been issued but not listed on the Stock Exchanges.

- 5.6 The trading of Equity Shares of the Target Company has not been suspended on the BSE where Equity Shares of the Target Company. However due to non-filing annual listing fees to CSE, the Equity Shares of the Target Company were suspended on the CSE. As on date of this DLOF, the Equity Shares of the Target Company are traded on BSE.
- 5.7 There are currently no outstanding partly paid-up shares or any other instruments convertible into Equity Shares of the Target Company at a future date.
- 5.8 The board of directors of the Target Company have confirmed that all material information which is required to be disclosed under the provisions of SEBI (LODR) Regulations, continuous listing requirement under the listing agreement executed with the Stock Exchanges have been disclosed to BSE.
- 5.9 The Target Company has not been prohibited by SEBI from dealing in securities pursuant to the terms of any directions issued under Section 11B of the SEBI Act or under any other regulations made under the SEBI Act.
- 5.10 The Target Company is neither categorised as a wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI nor a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018 (17 of 2018). Further, there are no directions subsisting or proceedings pending against the Target Company under the SEBI Act and regulations made thereunder or by any other regulator. Also, the present promoters of the Target Company (i.e., the Sellers) are neither categorised as a wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI nor a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018 (17 of 2018).
- 5.11 There are no pending actions or proceedings initiated by any regulatory authority against the Target Company, its promoters, or its directors.
- 5.12 As per the applicable provisions of the SEBI (SAST) Regulations, there is no public shareholders who are acting or deemed to be in acting in concert with the Sellers in this Offer.
- 5.13 The Equity Shares of the Target Company are infrequently traded on Stock Exchanges in terms of Regulation 2(1)(j) of the SEBI (SAST) Regulations.
- 5.14 Target Company confirms that there are no pending litigations and contingent liabilities as on March 31, 2025.
- 5.15 The Share Capital Structure of the Target Company as on the date of this DLOF is as follows: -

Paid up Equity shares of Target Company	No. of shares / voting rights	% of shares/ voting rights
Fully Paid up equity Shares	2,03,61,450	100%
Partly Paid up equity shares	-	-
Outstanding vested employee stock options	-	-
Warrants convertible into equity share(s) each	-	-
Total paid up equity shares	2,03,61,450	100%
Total Voting rights in Target Company	2,03,61,450	100%

- 5.16 As on the date of this DLOF, there are no: (a) partly paid-up Equity Shares; or (b) outstanding convertible securities which are convertible into Equity Shares (such as depository receipts, fully convertible debentures, warrants, or employee stock options) issued by the Target Company.
- 5.17 As on the date of this DLOF, the composition of the board of directors of the Target Company is as follows:

Sr. No.	Name of Directors	DIN	Date of Appointment/ Re-appointment	Designation
1	Vimal Prakash	00174915	May 6, 2006	Non-Executive - Non Independent Director
2	Niraj Jalan	00551970	May 6, 2006	Non-Executive - Non

				Independent Director
3	Vinay Agarwal	02341559	July 23, 2020	Non-Executive - Non Independent Director
4	Sundaresan Radhakrishnan	00009818	November 25, 2014	Non-Executive - Independent Director
5	Bindu Jain	07159504	March 25, 2025	Non-Executive - Independent Director
6	Pradip Kumar Mohapatra	08067067	February 14, 2018	Non-Executive - Independent Director

5.18 The Equity Shares of Target Company are presently listed on BSE (Scrip Code: 502294). The ISIN of Equity Shares of Target Company is INE508R01018. The marketable lot of Target Company is 1 (one). As on the date of this DLOF, the shares of the company are trading under Graded Surveillance Measure (GSM) Stage 1 (*Source: www.bseindia.com*). Further Equity shares of Target Company are also listed on CSE but are suspended.

5.19 There was no amalgamation, restructuring, merger/demerger and spin off during last three years involving the Target Company.

5.20 As on date of this LOF, Target Company has not issued any depository receipts in respect of the Equity Shares in foreign countries.

5.21 Financial Information:

The key financial information of Target Company is based on its financial statements as on and for the eleven months ended February 28, 2026 and as on and for the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023 is as below :

Statement of Profit and Loss

(Amount in Lakhs)

Particulars	Eleven months ended February 28, 2026 (Provisional CA Certified)	Year Ended March 31, 2025 (Audited)	Year Ended March 31, 2024 (Audited)	Year Ended March 31, 2023 (Audited)
Income from Operations	147.73	94.52	129.25	105.84
Other Income	49.43	11.93	185.66	3.36
Total Income	197.16	106.45	314.91	109.19
Total Expenditure (excluding depreciation and interest)	596.35	2,240.18	340.02	234.32
Profit/ (Loss) before Interest, Depreciation and Tax	(399.19)	(2,133.73)	(25.11)	(125.13)
Depreciation	41.13	54.33	56.48	65.23
Interest	30.84	22.39	38.56	-
Profit before Tax	(471.15)	(2,210.45)	(120.14)	(190.36)
Provision for Tax	-	(8.68)	529.51	(10.88)
Profit after Tax	(471.15)	2,201.77	(649.65)	(179.48)

Balance Sheet

(Amount in Lakhs)

Particulars	Eleven months ended February 28, 2026 (Provisional CA Certified)	Year Ended March 31, 2025 (Unaudited)	Year Ended March 31, 2024 (Audited)	Year Ended March 31, 2023 (Audited)
(A) Source of Funds				
Share Capital	2,036.15	2,036.15	2,036.15	2,036.15
Reserves & Surplus	(5,301.21)	(4,830.06)	(2,628.28)	(1,978.62)

Net Worth	(3,265.06)	(2,793.91)	(592.13)	57.53
Non-Current Debt	2,980.05	2,982.71	2,837.17	2,837.17
Non-Current Liabilities	19.20	25.26	33.07	19.24
Current Debt	1,224.25	1,472.64	1,477.59	1,421.58
Trade Payables	52.66	120.12	191.19	321.59
Other Liabilities & Provisions	1,330.32	112.17	107.02	340.15
Total (A)	2,341.43	1,919.00	4,053.90	4,997.27
(B) Application of Funds				
Fixed Assets	1,070.74	1,444.37	3,525.11	3,581.74
Other Non-Current Assets	26.77	26.77	36.03	542.84
Current Assets	1,243.93	447.86	492.76	872.68
Total (B)	2,341.43	1,919.00	4,053.90	4,997.27

Other Relevant Information

Particulars	Eleven months ended February 28, 2026 (Provisional CA Certified)	Year Ended March 31, 2025 (Unaudited)	Year Ended March 31, 2024 (Audited)	Year Ended March 31, 2023 (Audited)
Basic Earnings per share (₹)	-	(10.81)	(3.19)	(0.88)
Diluted Earnings per share (₹)	-	(10.81)	(3.19)	(0.88)
Dividends (%)	-	-	-	-
Return on net worth (%)	-	-	-	(311.98)
Book value per share (₹)	(16.04)	(13.72)	(2.91)	0.28

Note: February 28, 2026 figures are not annualized.

5.22 Pre and Post-Offer shareholding pattern of the Target Company is as per the following table (Shareholding Pattern as on the date of SPA): -

Shareholders' Category	Shareholding & voting rights prior to the agreement/ acquisition and offer		Shareholding & Voting Rights acquired through SPA		Shares/Voting rights to be acquired in offer (assuming full acceptances)		Shareholding / voting rights after the acquisition and offer (assuming full acceptance)	
	(A)		(B)		(C)		(A)+(B)+(C)=(D)	
	No.	%	No.	%	No.	%	No.	%
(1) Promoter Group								
a. Parties to agreement								
Bhagwati Prasad Jalan and Sons HUF	1,50,000	0.74	(1,50,000)	(0.74)	-	-	-	-
Niraj Jalan and Others HUF	50,000	0.25	(50,000)	(0.25)	-	-	-	-
Pankaj Jalan and Others HUF	75,000	0.37	(75,000)	(0.37)	-	-	-	-
Bhagwati Prasad Jalan	7,15,584	3.51	(7,15,584)	(3.51)	-	-	-	-
Aditi Jalan	2,40,000	1.18	(2,40,000)	(1.18)	-	-	-	-
Nidhi Jalan	1,65,000	0.81	(1,65,000)	(0.81)	-	-	-	-
Pankaj Jalan	10,32,000	5.07	(10,32,000)	(5.07)	-	-	-	-
Niraj Jalan	7,90,000	3.88	(7,90,000)	(3.88)	-	-	-	-
Parwati Devi Jalan	1,40,000	0.69	(1,40,000)	(0.69)	-	-	-	-
Ishika Jalan	44,000	0.22	(44,000)	(0.22)	-	-	-	-
Aarav Jalan	44,000	0.22	(44,000)	(0.22)	-	-	-	-
Ganpati Industrial Pvt Ltd	5,00,000	2.46	(5,00,000)	(2.46)	-	-	-	-
Pushpak Dealcom Private Limited	3,00,000	1.47	(3,00,000)	(1.47)	-	-	-	-
Seasons Trading and Investments Pvt Ltd	15,00,000	7.37	(15,00,000)	(7.37)	-	-	-	-
Likewise Properties LLP	2,75,000	1.35	(2,75,000)	(1.35)	-	-	-	-

(Formerly Known as Likewise Properties Pvt Ltd & Likewise Investment and Marketing Pvt Ltd)									
Jekay International Track Pvt. Ltd.	5,00,000	2.46	(5,00,000)	(2.46)	-	-	-	-	-
P P Suppliers and Agencies Private Limited	6,67,879	3.28	(6,67,879)	(3.28)	-	-	-	-	-
Alok Prakash HUF	62,500	0.31	(62,500)	(0.31)	-	-	-	-	-
Kamal Prakash HUF	3,62,500	1.78	(3,62,500)	(1.78)	-	-	-	-	-
Anubhuti Prakash	3,19,250	1.57	(3,19,250)	(1.57)	-	-	-	-	-
Raj Rani Agarwal	6,81,823	3.35	(6,81,823)	(3.35)	-	-	-	-	-
Anupama Prakash	19,250	0.09	(19,250)	(0.09)	-	-	-	-	-
Madhu Agarwal	3,19,250	1.57	(3,19,250)	(1.57)	-	-	-	-	-
Vimal Prakash HUF	3,62,500	1.78	(3,62,500)	(1.78)	-	-	-	-	-
Ambarella Cap Fin Pvt Ltd	22,50,000	11.05	(22,50,000)	(11.05)	-	-	-	-	-
Minicraft Enterprise Pvt Ltd	28,11,986	13.81	(28,11,986)	(13.81)	-	-	-	-	-
b. Promoters other than (a) above	-	-	-	-	-	-	-	-	-
Total 1 (a+b)	1,43,77,522	70.61	(1,43,77,522)	(70.61)	-	-	-	-	-
(2) Acquirer^{(2) (3)}									
SFAL Speciality Alloys Limited (“Acquirer”)	-	-	1,43,77,522	70.61	59,83,928	29.39	2,03,61,450	100.00	
Total 2 (a+b+c)	-	-	1,43,77,522	70.61	59,83,928	29.39	2,03,61,450	100.00	
(3) Public (other than parties to agreement and Acquirer)	-	-	-	-	-	-	-	-	-
(4) Public⁽¹⁾	59,83,928	29.39	-	-	(59,83,928)	(29.39)	-	-	-
GRAND TOTAL (1+2+3+4)	2,03,61,450	100.00	-	-	-	-	2,03,61,450	100.00	

Note:

(1) Assuming full acceptance under the Offer.

(2) As on date, the Acquirer do not hold any equity shares of the Target Company.

(3) For the purpose of this Offer, there are no Person Acting in Concert (PAC) with the Acquirer.

The difference if any in the percentage is due to rounding-off.

5.23 The Promoters of the Target Company will be ceased to be classified as promoters pursuant to the completion of the transaction envisaged under the Share Purchase Agreement (SPA) on March 11, 2026 and Acquirer will be classified as Promoter of the Target Company.

5.24 Compliance Officer of Target Company

Mr. Vijay Kumar Gupta

Company Secretary and Compliance Officer - Nilachal Refractories Limited

Plot No. 598/599, Kedarnath Apartment,

Mahabir Nagar, Lewis Road,

Bhubaneswar – 751002, Odisha, India

Tel. No.: +91 8018495262

Email: cs@nilachal.in

Website: www.nilachal.in

6. OFFER PRICE AND FINANCIAL ARRANGEMENTS

6.1 Justification of the Offer Price

6.1.1 Presently, the equity shares of the Target Company are listed on CSE & BSE

6.1.2 The trading turnover in the equity shares of the Target Company on CSE & BSE, during the 12 (twelve) calendar months preceding the month in which the PA was required to be issued (i.e., March, 2026) is given below:

Name of the Exchange	Traded turnover of equity shares of the Target Company during the Twelve Months period (“A”)	Total Number of Equity Shares listed (“B”)	Total Turnover (%) (A/B)
BSE	3,31,601	2,03,61,450	1.63%
CSE	Nil	2,03,61,450	Nil

(Source: <https://www.cse-india.com>, www.bseindia.com)

Based on the above, the equity shares are infrequently traded in terms of Regulation 2(1)(j) of the SEBI SAST Regulations.

- 6.1.3 iii. The Offer Price is ₹ 22/- (Rupees Twenty Two only) per Equity Share which is higher than the Base Price. The Base Price of ₹ 20/- (Rupees Twenty Only) per Equity Share has been justified in terms of regulation 8(2) of SEBI (SAST) Regulations in view of the following:

Sr. No.	Particulars	₹ per Equity Share
(a)	The highest negotiated price per share of the Target Company under the agreement attracting the obligation to make a PA of this Offer	20 (Price as per SPA)
(b)	The volume weighted average price paid or payable by the Acquirer during the fifty-two weeks immediately preceding the date of the PA	N.A. ⁽¹⁾
(c)	The highest price paid or payable for any acquisition by the Acquirer during the twenty-six weeks immediately preceding the date of the PA	N.A. ⁽¹⁾
(d)	The volume weighted average market price of Equity Shares of the Target Company for a period of sixty trading days immediately preceding the date of the PA as traded on CSE	N.A. ⁽¹⁾
(e)	Where the shares are not frequently traded, the price determined by the Acquirer and the Manager to the Offer taking into account valuation parameters including, book value, comparable trading multiples, and such other parameters as are customary for valuation of shares of such companies	17.34*
(f)	The per equity share value computed under regulation 8(5) of the SEBI (SAST) Regulations, if applicable	N.A. ⁽²⁾

Notes: 1. Not applicable as the Equity Shares of the Target Company are not frequently traded.

2. Not Applicable since the acquisition is not an indirect acquisition in terms of the SEBI (SAST) Regulations, 2011.

*Infominer Valuation Services Private Limited, Registered Valuer (IBBI Registration No. IBBI/RV/05/2019/11463), having office at 410, 4th Floor, Shri Shddi Vinayak Trade Center, Agra – 282004, Uttar Pradesh, India; Contact No.: +91 9910436850; Email id: info@infominergroup.com, vide valuation report dated November 20, 2025, has certified and considered the (i) Net Asset Value method (NAV) (ii) Market Approach method and (ii) Market quotes for shares traded for the purposes of arriving at fair value of Equity Shares of the Target Company. As per valuation report and in terms of SEBI (SAST) Regulations, 2011, the Fair Value of Equity Shares of the Target Company on September 30, 2025, is ₹ 17.34/- (Rupees Seventeen decimal three four only) per Equity Share.

- 6.1.4 In view of the parameters considered and presented in the table in paragraph 6.1.3 above, the Base Price i.e. ₹ 20.00 per Equity Share is higher than the highest of item numbers (a) to (f) above i.e. ₹ 20.00 (Rupees Twenty Only) per Equity Share. In the opinion of the Acquirer and Manager to the Offer, the Base Price of ₹ 20 (Rupee Twenty Only) per fully paid-up equity share is justified in terms of Regulations 8(1) and 8(2) of the SEBI (SAST) Regulations.

- 6.1.5 In accordance with Regulation 5A(2) and other applicable provisions of the SEBI (SAST) Regulations and applicable provisions of the SEBI Delisting Regulations, the Offer is being made at an indicative price of ₹ 22/- (Rupees Twenty Two only) per Offer Share. The Offer Price includes a premium of ₹ 2/- (Rupee Two only) per Equity Share over the Base Price i.e. a premium of 10% over Base Price and reflects the price that the Acquirer is willing to pay for the delisting of the Company pursuant to this Offer. The rationale and justification for the Offer Price is as follows:

- The Offer Price is higher than the price determined in accordance with Regulation 8(2) read with Regulation 8(7) of the SEBI SAST Regulations.
- The Offer Price is not less than the book value of the Equity Shares of the Target Company as computed in accordance with the explanation to Regulation 22(5) of the SEBI Delisting Regulations.

(Source: Certificate issued by Infominer Valuation Services Private Limited dated November 20, 2026)

- 6.1.6 As on the date of this DLOF, there have been no corporate actions by the Target Company warranting adjustment of any of the relevant price parameters under Regulation 8(9) of the SEBI (SAST) Regulations.
- 6.1.7 As on date of this DLOF, there is no revision in Offer Price or Offer Size. In case of any revision in the Offer Price or Offer Size, the Acquirer shall comply with Regulation 18 and all the provisions of SEBI (SAST) Regulations which are required to be fulfilled for the said revision in the Offer Price or Offer Size.
- 6.1.8 If the Acquirer acquires or agrees to acquire any equity shares or voting rights in the Target Company during the offer period, whether by subscription or purchase, at a price higher than the Offer Price, the Offer Price pursuant to future purchases / competing offers shall stand revised to the highest price paid or payable for any such acquisition in terms of regulation 8(8) of SEBI (SAST) Regulations. Provided that no such acquisition shall be made after the third working day prior to the commencement of the tendering period and until the expiry of the tendering period of this offer. In the event of such revision, the Acquirer shall: (i) make corresponding increases to the Escrow Amount; (ii) make a public announcement in the same Newspapers in which the DPS has been published; and (iii) simultaneously with the issue of such public announcement, inform SEBI, the Stock Exchanges, and the Target Company at its registered office of such revision.
- 6.1.9 The Offer Price is subject to revision, if any, pursuant to the SEBI (SAST) Regulations or at the discretion of the Acquirer at any time prior to 1 (one) Working Day before the commencement of the Tendering Period in accordance with Regulation 18(4) of the SEBI (SAST) Regulations. In the event of such revision, (i) Acquirer is required to make corresponding increases to the amount kept in the Escrow Account; (ii) the Acquirer is required to make a public announcement in the Newspapers where the DPS was published; and (iii) the Acquirer is required to simultaneously with the issue of such public announcement, inform SEBI, the Stock Exchanges and the Target Company at its registered office of such revision. Such revision would be done in compliance with other formalities prescribed under the SEBI (SAST) Regulations.
- 6.1.10 If the Acquirer acquire equity shares of the Target Company during the period of 26 (twenty six) weeks after the tendering period at the price higher than the Offer Price, then the Acquirer shall pay the difference between the highest acquisition price and the Offer Price, to all shareholders whose shares have been accepted in Offer within 60 (sixty) days from the date of such acquisition. However, no such difference shall be paid in the event that such acquisition is made under another offer under the SEBI SAST Regulations or pursuant to SEBI (Delisting of Equity Shares) Regulations, 2021 or open market purchases made in the ordinary course on the stock exchanges, not being negotiated acquisition of shares of the Target Company in any form.

6.2 Details of Financial Arrangements

- 6.2.1 The maximum consideration payable by the Acquirer, assuming full acceptance of the Offer, to acquire 59,83,928 fully paid-up equity shares at the Offer Price of ₹ 22.00 (Rupees Twenty-Two Only) per equity share, would be ₹ 13,16,46,416/- (Rupees Thirteen Crore Sixteen Lakh Forty-Six Thousand Four Hundred Sixteen Only) i.e. the Composite Offer Consideration.
- 6.2.2 In accordance with Regulation 17 read with Regulation 22(2) of the SEBI (SAST) Regulations, the Acquirer, Manager to the Offer and Axis Bank Limited (“Escrow Banker”) have entered into an escrow agreement on March 11, 2026. Pursuant to the escrow agreement, the Acquirer has opened an Escrow Account under the name and style of “SFAL SPECIALITY ALLOYS LIMITED -OPEN OFFER 2026” bearing account number 926020008799057 with Axis Bank Limited, Dalhousie, Kolkata and made therein a cash deposit of ₹ 13,16,46,416/- (Rupees Thirteen Crore Sixteen Lakh Forty-Six Thousand Four Hundred Sixteen Only) being 100% of the total consideration payable in the Offer, assuming full acceptance.
- 6.2.3 The Acquirer confirm that they have made firm financial arrangements for fulfilling the payment obligations under this Offer in terms of Regulation 25(1) of the SEBI (SAST) Regulations. Since the Offer involves a change in control and management of the Target Company, the 100.00% of consideration amount of ₹ 13,16,46,416/- (Rupees Thirteen Crore Sixteen Lakh Forty-Six Thousand Four Hundred Sixteen Only) payable under the Offer has been deposited in the Escrow Account. The Acquirer has contributed ₹ 13,16,46,416/- (Rupees Thirteen Crore Sixteen Lakh Forty-Six Thousand Four Hundred Sixteen Only) towards the Offer obligations.
- 6.2.4 The Net worth of Acquirer as on February 28, 2026 is ₹ 84.98 Lakhs (Rupees Eighty Four Lakh and Ninety Eight Thousand only) and the same is certified by Anurag Khetan & Co., (FRN: 329464E) signed by its Partner, CA Anurag Kumar Khetan (Membership No. 068086) having office at 32, Chattawala Gulli, Room No. 102, 1st Floor, Bow Bazar, Kolkata – 700 012 vide their certificate dated March 11, 2026, bearing Unique Document Identification Number (“UDIN”)

- 6.2.5 The Acquirer has authorized the Manager to the Offer to operate the Escrow Account in terms of the SEBI (SAST) Regulations.
- 6.2.6 Based on the aforesaid financial arrangements, the net worth certificates issued by Chartered Accountants certifying the financial strength of the Acquirer and on the confirmations received from the Escrow Banker and the Chartered Accountant, the Manager to the Offer is satisfied about the ability of the Acquirer to implement the Offer in accordance with the SEBI (SAST) Regulations.
- 6.2.7 In case of any upward revision in the Offer Price or the size of the Offer, the corresponding increase to the escrow amounts as mentioned above shall be made by the Acquirer in terms of Regulation 17(2) of the SEBI (SAST) Regulations, prior to effecting such revision.

7. TERMS AND CONDITIONS OF THE OFFER

7.1 Operational Terms and Conditions

- 7.1.1 The Offer is being made by the Acquirer to all the Public Shareholders, to acquire up to 59,83,928 (Fifty-Nine Lakh Eighty-Three Thousand Nine Hundred Twenty-Eight) fully paid-up equity shares of face value of ₹ 10/- (Rupee Ten only) each (“Equity Share”) representing 29.39% (Twenty Nine decimal Three Nine percent) of the Voting Share Capital of the Target Company in accordance with Regulations 3(1), 4 and 5A of the SEBI (SAST) Regulations and applicable Regulations of SEBI Delisting Regulations, subject to the terms and conditions set out in the PA, DPS and this DLOF.
- 7.1.2 The Offer is not subject to any minimum level of acceptances from shareholders in terms of Regulation 19 of the SEBI (SAST) Regulations.
- 7.1.3 This Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations.
- 7.1.4 The Draft Letter of Offer along with Form of Acceptance cum Acknowledgement will be mailed to all those shareholder(s) of the Target Company (except the Acquirer, Sellers, Remaining Promoters, if any) whose name appear on the Register of Members and whose names appear on the beneficial records of the Depository Participant, at the close of business hours on April 24, 2026 (“Identified Date”).
- 7.1.5 In terms of Regulation 18(9) of the SEBI (SAST) Regulations, the Public Shareholders who tender their Equity Shares in acceptance of this Offer shall not be entitled to withdraw such acceptance during the Tendering Period.
- 7.1.6 In case the Delisting Offer is not successful, the Acquirer shall provide a Withdrawal Window and the Public Shareholders of the Target Company shall have a right to withdraw any Equity Shares tendered under the Offer within 5 (five) Working Days from the date of announcement of failure of Delisting Offer in terms of Regulation 5A(5) of the SEBI (SAST) Regulations. Such announcement will be made within 2 (two) Working Days after the expiration of the Tendering Period and include, among other things: the number and percentage of outstanding Equity Shares the Acquirer elects to acquire under the SPA; the aggregate percentage of outstanding Equity Shares that the Acquirer will hold after acquiring the tendered Equity Shares and the Equity Shares under the SPA; the fact that the Equity Shares will be acquired at the Base Price (i.e., ₹ 20 per Equity Share) as against the Offer Price of ₹ 22/- per Equity Share as a result of the failure of the Delisting Offer; the fact that Public Shareholders are entitled to a Withdrawal Window; and instructions to Public Shareholders on how to access related information in the offer documents. Such announcement would be published in the Newspapers in which DPS has been published and filed with SEBI and the Stock Exchanges, which filings would be available on the websites of SEBI and the Stock Exchanges.
- 7.1.7 The Public Shareholders may tender their Equity Shares in the Offer at any time from the commencement of the Tendering Period but prior to the closure of the Tendering Period. In the event the Delisting Offer is successful, the Acquirer has up to 10 (Ten) Working Days from the closure of the Tendering Period to pay the consideration to the Public Shareholders whose Equity Shares are accepted in the Offer.

- 7.1.8 The Public Shareholders who tender their Equity Shares in this Offer shall ensure that they have good and valid title on the Offer Shares. The Public Shareholders who tender their Equity Shares under the Open Offer shall ensure that the Equity Shares are free and clear from all liens, charges, equitable interests and encumbrances and are tendered together with all rights attached thereto, including the rights to all dividends, bonus and rights offers, if any, declared thereafter and the tendering Public Shareholder shall have obtained any necessary consents (including any statutory approvals, if required) for it to sell the Equity Shares on the foregoing basis.
- 7.1.9 The shareholders to whom the Offer is being made are free to offer their Equity Shares in whole or in part while accepting the Offer.
- 7.1.10 The acceptance of this Offer by the Shareholders must be absolute and unqualified. Any acceptance of this Offer which is conditional or incomplete in any respect will be rejected without assigning any reason whatsoever.
- 7.1.11 All Public Shareholders, (including resident or non-resident shareholders) must obtain all requisite approvals required, if any, to tender the Offer Shares (including without limitation, the approval from the RBI) held by them, in the Offer and submit such approvals, along with the other documents required to accept this Offer. In the event such approvals are not submitted, the Acquirer reserves the right to reject such Equity Shares tendered in this Offer. Further, if the holders of the Equity Shares who are not persons resident in India had required any approvals (including from the RBI, or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals, that they would have obtained for holding the Equity Shares, to tender the Offer Shares held by them, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirer reserves the right to reject such Offer Shares.
- 7.1.12 The instructions, authorisations and provisions contained in the Form of Acceptance-cum-Acknowledgement constitute an integral part of the terms and conditions of this Offer. The Public Shareholders can write to the Registrar to the Offer/Manager to the Offer requesting for the Draft Letter of Offer along with the Form of Acceptance-cum-Acknowledgement. Alternatively, the Draft Letter of Offer along with the Form of Acceptance-cum-Acknowledgement is also expected to be available at SEBI's website, www.sebi.gov.in
- 7.1.13 Accidental omission to dispatch the Draft Letter of Offer to any member entitled to this Offer or non- receipt of this Draft Letter of Offer by any member entitled to this Offer shall not invalidate the Offer in any manner whatsoever.
- 7.1.14 The Acquirer shall not be responsible in any manner for any loss of documents during transit (including but not limited to Offer acceptance forms, copies of delivery instruction slips, etc.) and the Public Shareholders are advised to adequately safeguard their interests in this regard.
- 7.1.15 The marketable lot for the Equity Shares of the Target Company for the purpose of this Offer shall be 1 (one).
- 7.1.16 Any Equity Shares that are subject matter of litigation or are held in abeyance due to pending court cases/attachment orders/restriction from other statutory authorities wherein the Public Shareholders may be precluded from transferring the Equity Shares during pendency of the said litigation are liable to be rejected.
- 7.1.17 There has been no revision in the Offer Price as on the date of this DLOF. The Acquirer reserve the right to revise the Offer Price upwards at any time prior to the commencement of 1 (One) Working Day prior to the commencement of the Tendering Period, in accordance with the SEBI (SAST) Regulations. In the event of such revision, in terms of Regulation 18(5) of the SEBI (SAST) Regulations, (i) Acquirer is required to make corresponding increases to the amount kept in the Escrow Account, as set out in Section 6.2 (Financial Arrangements) of this DLOF; (ii) the Acquirer is required to make a public announcement in the same Newspapers where the DPS was published; and (iii) the Acquirer is required to simultaneously with the issue of such public announcement, inform SEBI, the Stock Exchanges and the Target Company at its registered office of such revision. Such revision would be done in compliance with other formalities prescribed under the SEBI (SAST) Regulations. In case of any revision of the Offer Price, the Acquirer would pay such revised price for all the Equity Shares validly tendered at any time during the Offer and accepted under the Offer in accordance with the terms of the DLOF.

7.2 Locked in shares

The Equity Shares of the Target Company are not subjected to lock in.

7.3 Persons eligible to participate in the Offer

7.3.1 The Offer is made to all the public shareholders (except the Acquirer and Sellers) whose names appeared in the register of shareholders on April 24, 2026 at the close of the business hours on April 24, 2026 and also to those persons who own shares any time prior to the closure of the Offer, but are not registered shareholders(s).

7.4 Statutory and Other Approvals

7.4.1 The consummation of the Underlying Transaction and the Offer is subject to the receipt (or waiver by the Acquirer in certain cases) of the Required Approvals namely:

- (i) a valid shareholders resolution approving the delisting of the Target Company through the Offer is passed in accordance with all the requirements of Regulation 11 of the SEBI Delisting Regulations; and
- (ii) the Stock Exchanges have granted their in-principle approval to the delisting of the Target Company in accordance with Regulation 12 of the SEBI Delisting Regulations.

7.4.2 No other statutory approval is required for the proposed Offer. The Offer is being made in compliance with the provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, and does not attract any specific statutory or regulatory approval under applicable laws as on date. In case any such approval becomes applicable at a later stage, the Acquirer shall comply with the same as required under the applicable provisions. As on the date of DLOF, the approvals from Banks / Financial Institutions is not required for this offer.

7.4.3 In case of delay in receipt of any statutory approval, or any other approval that may be required by the Acquirer, SEBI may, if satisfied, grant an extension of time to the Acquirer for making payment of the consideration to the Public Shareholders whose Offer Shares have been accepted in the Offer, subject to such terms and conditions as may be specified by SEBI, including payment of interest in accordance with Regulation 18(11) of the SEBI (SAST) Regulations. Where any statutory approval extends to some but not all of the Public Shareholders, the Acquirer shall have the option to make payment to such Public Shareholders in respect of whom no statutory approvals are required in order to complete this Offer.

7.4.4 The Offer would be subject to all other statutory approvals that may become applicable at a later date before the completion of Offer.

7.4.5 In the event that any statutory or other approvals required are not obtained or are finally refused or are otherwise not received, within the time period set out in the SPA (or such other later date as the Acquirer and Sellers may mutually agree in writing under the SPA) for reasons outside the reasonable control of the Acquirer or the Termination Event happens, the Acquirer may withdraw the Offer under Regulation 23 of the SEBI (SAST) Regulations. In the event of withdrawal, a public announcement will be made within 2 (two) working days of such withdrawal in the same Newspapers in which the DPS has appeared and such public announcement will also be sent to the Stock Exchanges, SEBI and the Target Company at its registered office.

7.4.6 If the holders of the Equity Shares who are not persons resident in India (including non-resident Indians (“NRIs”), overseas corporate body (“OCB”), and foreign institutional investors (“FIIs”) had required any approvals (including from the Reserve Bank of India (“RBI”), the Foreign Investment Promotion Board (“FIPB”) or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals, that they would have obtained for holding the Equity Shares, to tender the Equity Shares held by them in this Offer, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirer reserves the right to reject such Equity Shares tendered in this Offer. It is clarified that NRI, OCB or any other non-resident holders of Equity Shares, if any, must obtain all approvals required, if any, to tender the Equity Shares held by them pursuant to this Offer (including without limitation, the approval from the RBI) and submit such approvals, along with the other documents required in terms of the Draft Letter of Offer, and provide such other consents, documents and confirmations as may be required to enable the Acquirer to purchase the Equity Shares so tendered.

7.4.7 No approval is required from any bank or financial institutions for this Offer.

7.4.8 The instructions and provisions contained in Form of Acceptance constitute an integral part of the terms of this Offer.

8. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

- 8.1 The Offer will be implemented by the Acquirer through Stock Exchange Mechanism made available by the Stock Exchanges in the form of separate window (“Acquisition Window”) as provided under the SEBI (SAST) Regulations and SEBI circular CIR/CFD/POLICY/CELL/1/2015 dated April 13, 2015 issued by SEBI.
- 8.2 BSE Limited (“BSE”) shall be the Designated Stock Exchange for the purpose of tendering equity shares in the Offer.
- 8.3 The facility for Acquisition of shares through Stock exchange Mechanism pursuant to an Offer shall be available on the BSE in the form of Separate Window (“Acquisition Window”).
- 8.4 The Acquirer have appointed: AUM Capital Market Private Limited (“Buying Broker”) for the offer through whom the purchases and settlement of the Offer Shares tendered under the Offer shall be made. The contact details of the buying broker are as mentioned below:

Name: AUM Capital Market Private Limited
Address: 226/1, AJC Bose Road, 3rd Floor, Trinity, Unit no. 3G, Kolkata - 700020
Contact Person: Mr. Praveen Kumar Jain
Telephone: +91 9830433777
Email ID: aumcapital@aumcap.com
Website: www.aumcap.com
SEBI Registration: INZ000185431

- 8.5 All the shareholders who desire to tender their equity shares under the Offer will have to intimate their respective stock brokers (“Selling Brokers”) within the normal trading hours of the Secondary Market, during the Tendering period.
- 8.6 A separate Acquisition Window will be provided by the BSE to facilitate placing of sell orders. The Selling broker can enter orders for dematerialized as well as physical Equity shares.
- 8.7 The cumulative quantity tendered shall be displayed on the Exchange website throughout the trading session at specific intervals by the Stock Exchange during the Tendering period.
- 8.8 Shareholders can tender their shares only through a Broker with whom the shareholder is registered as client.
- 8.9 **Procedure for tendering shares held in Dematerialized Form:**
- a) The Equity shareholders who are holding the equity shares in demat form and who desire to tender their Equity shares in this offer shall approach their broker indicating to their broker the details of equity shares they intend to tender in Offer.
- b) The Selling Broker shall provide early pay-in of demat shares (except for custodian participant orders) to the Clearing Corporation before placing the orders and the same shall be validated at the time of order entry.
- c) For custodian participant, orders for Demat equity Shares early pay-in is mandatory prior to confirmation of order by the custodian. The custodians shall either confirm or reject orders not later than close of trading hours on the last day of the Offer period. Thereafter, all unconfirmed orders shall be deemed to be rejected.
- d) The details of settlement number for early pay-in of Equity Shares shall be informed in the issue opening circular that will be issued by the Stock Exchanges/ Clearing Corporation, before the opening of the Offer.
- e) Upon placing the order, the Selling Broker(s) shall provide transaction registration slip (“TRS”) generated by the Exchange bidding system to the shareholder. TRS will contain details of order submitted like Bid ID No., DP ID, Client ID, No. of equity shares tendered etc.
- f) The shareholders will have to ensure that they keep the depository participant (“DP”) account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to prorated Offer.

The shareholders holding Equity shares in demat mode are not required to fill any Form of Acceptance-cum-

Acknowledgement. The shareholders are advised to retain the acknowledged copy of the DIS and the TRS till the completion of Offer Period.

8.10 Procedure to be followed by the registered Shareholders holding Equity Shares in physical form:

- a) Shareholders who are holding physical equity shares and intend to participate in the offer will be required to approach their respective Selling Broker alongwith the complete set of documents for verification procedures to be carried out including the:
- (i) The form of Acceptance-cum-Acknowledgement duly signed (by all equity Shareholders in case shares are in joint names) in the same order in which they hold the Equity Shares;
 - (ii) Original Share Certificates;
 - (iii) Valid shares transfer form(s) duly filled and signed by the transferors (i.e., by all registered Shareholders in same order and as per the specimen signatures registered with the Target Company and duly witnessed at the appropriate place authorizing the transfer in favor of the Acquirer;
 - (iv) Self-attested copy of the Shareholder's PAN card;
 - (v) Any other Relevant documents such as (but not limited to):
 - Duly attested power of attorney if any person other than the equity shareholder has signed the relevant Form of Acceptance-cum-Acknowledgement;
 - Notarized Copy of death Certificate/ succession certificate or probated will, if the original Shareholder has deceased;
 - Necessary corporate authorizations, such as Board Resolutions etc, in case of companies.
 - (vi) In addition to the above, if the address of the Shareholders has undergone a change from the address registered in the register of members of the Target Company, the Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: Valid Adhar Card, Voter Identity card or Passport.
- b) Selling Broker should place order on the Acquisition Window with the relevant details as mentioned on the physical share certificate(s). Upon placing the order, the Selling broker shall provide a TRS generated by the Exchange bidding system to the Shareholder. TRS will contain the details of order submitted like folio no., certificate no., distinctive no., no. of Equity shares tendered etc.
- c) After placement of order the Selling Broker must ensure delivery of the Form of Acceptance-cum-Acknowledgement, TRS, Original share certificate(s), valid share transfer form(s) and other documents either by registered post or courier or hand delivery to the Registrar to the Offer (at the address mentioned on the cover page not later than 2 (two) days from the Offer Closing Date (by 5 PM). One copy of the TRS will be retained by the Registrar to the Offer and it will provide acknowledgement of the same to the Selling Broker.
- d) Shareholders holding physical Equity shares should note that the physical equity Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the physical equity shares by the Acquirer shall be subjected to verification as per the SEBI (SAST) Regulations and any further directions issued in this regard. Registrar to the Offer will verify such orders based on the documents submitted on a daily basis and till such time the BSE shall display such orders as "unconfirmed physical Bids". Once, Registrar to the Offer confirms the order it will be treated as "Confirmed Bids".
- e) In case any person has submitted Equity shares in physical form for dematerialization, such shareholders should ensure that the process of getting the equity shares dematerialized is completed well in time so that they can participate in the offer before the Offer Closing Date.

8.11 Modification/Cancellation of orders will not be allowed during the period the Offer is open.

8.12 The cumulative quantity tendered shall be made available on the website of the BSE throughout the trading session and will be updated at specific intervals during the tendering period.

8.13 Procedure for Tendering the Shares in case of Non-Receipt of this Draft Letter of Offer:

Persons who have acquired equity shares but whose names do not appear in the register of members of the Target Company on the Identified date, or those who have not received the Draft Letter of Offer, may also participate in this Offer. A shareholder may participate in the Offer by approaching their broker and tender Equity shares in the Offer as per the procedure mentioned in this Draft Letter of Offer or in the Form of Acceptance-cum-Acknowledgement. The Draft Letter of Offer along with Form of Acceptance-cum-Acknowledgement will be dispatched to all the eligible shareholders of the Target Company as on the Identified date. In case of non-receipt of this Draft Letter of Offer, such eligible shareholders of the Target Company may download the same from the SEBI website (www.sebi.gov.in) or BSE website (www.bseindia.com) or Merchant Banker website (www.narnolia.com) or obtain a copy of the same from the Registrar to the Offer on providing suitable documentary evidence of holding of the Equity shares of the Target Company. Alternatively, in case of non-receipt of this Draft Letter of Offer, shareholders holding shares may participate in the Offer by providing their application in plain paper in writing signed by all shareholder, stating name, address, number of shares held, client Id number, DP name, DP ID number, number of shares tendered and other relevant documents such as physical share certificates and Form SH-4 in case of shares being held in physical form. Such Shareholders have to ensure that their order is entered in the electronic platform to be made available by the BSE before the closure of the Offer.

8.14 Non- receipt of this Draft Letter of Offer by, or accidental omission to dispatch this Draft Letter of Offer to any shareholder, does not validate the Offer in any way.

8.15 The acceptance of the Offer made by the Acquirer is entirely at the discretion of the shareholders of the Target Company. The Acquirer does not accept any responsibility for the decision of any Shareholder to either participate or to not participate in this Offer. The Acquirer will not be responsible in any manner for any loss of share certificate(s) and other documents during transit and the shareholders are advised to adequately safeguard their interest in this regard.

8.16 Acceptance of Equity Shares:

Registrar to the Offer shall provide details of order acceptance to Clearing Corporation within specified timelines. In the event that the number of Equity Shares (including demat Equity Shares, physical Equity Shares and locked-in Equity Shares) validly tendered by the Shareholders under this Offer is more than the number of Offer Shares, the Acquirer shall accept those Equity Shares validly tendered by the Shareholders on a proportionate basis in consultation with the Manager, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots, provided that acquisition of Equity Shares from a Shareholder shall not be less than the minimum marketable lot.

The share certificates will be held in trust by the Registrar to the Offer till the Acquirer completes the offer obligations in terms of SEBI SAST Regulations.

8.17 Settlement Process:

- a) On closure of the Offer, reconciliation for acceptances shall be conducted by the Manager to the Offer and the Registrar to the Offer and the final list shall be provided to the Stock Exchange to facilitate settlement on the basis of Shares transferred to the Clearing Corporation. The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market. Selling Brokers should use the settlement number to be provided by the Clearing Corporation to transfer the shares in favor of Clearing Corporation.
- b) The shares shall be directly credited to the pool account of the Buying Broker. For the same, the existing facility of client direct pay-out in the capital market segment shall be available. Once the basis of acceptance is finalised, the Clearing Corporation would facilitate clearing and settlement of trades by transferring the required number of shares to the pool account of the Buying Broker. In case of partial or non-acceptance of orders or excess pay-in, demat Shares shall be released to the securities pool account of the Selling Broker / custodian, post which, the Selling Broker would then issue contract note for the shares accepted and return the balance shares to the Shareholders. Any excess physical Equity Shares, to the extent tendered but not accepted, will be returned to the Shareholder(s) directly by Registrar to the Offer.

8.18 Settlement of Funds/ Payment Consideration:

The settlement of fund obligation for demats and physical Equity Shares shall be effected through existing settlement accounts of Selling Broker. The payment will be made to the Buying Broker for settlement. For Equity Shares accepted under the Offer, the Selling Broker / Custodian Participant will receive funds payout in their settlement bank account. The Selling Brokers / Custodian participants would pay the consideration to their respective clients. The funds received from Buying Broker by the Clearing Corporation will be released to the Selling Broker(s) as per secondary market pay-out mechanism. Shareholders who intend to participate in the Offer should consult their respective Selling Broker for payment to them of any cost, charges and expenses (including brokerage) that may be levied by the Selling Broker upon the selling Shareholders for tendering Equity Shares in the Offer (secondary market transaction). The consideration received by the selling Shareholders from their respective Selling Broker, in respect of accepted Equity Shares, could be net of such costs, charges and expenses (including brokerage) and the Acquirer accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the selling Shareholder. In case of delay in receipt of any statutory approval(s), SEBI has the power to grant extension of time to Acquirer for payment of consideration to the shareholders of the Target Company who have accepted the Offer within such period, subject to Acquirer agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18 (11) of the SEBI (SAST) Regulations, 2011.

9. NOTE ON TAXATION

- 9.1 The basis of charge of Indian income-tax depends upon the residential status of the taxpayer during a tax year. The Indian tax year runs from April 1 until March 31. A person who is an Indian tax resident is liable to income-tax in India on his worldwide income, subject to certain tax exemptions, which are provided under the Income Tax Act, 1961. A person who is treated as a non-resident for Indian income-tax purposes is generally subject to tax in India only on such person's India sourced income (i.e. income which accrues or arises or deemed to accrue or arise in India) or income received or deemed to be received by such persons in India. In case of shares of a company, the source of income from shares would depend on the 'Situs' of such shares. 'Situs' of the shares is generally where a company is 'incorporated'. Accordingly, since the Target Company is incorporated in India, the Target Company's shares should be deemed to be 'situated' in India and any gains arising to a non-resident on transfer of such shares should be taxable in India under the Income Tax Act, 1961 ("IT Act").
- 9.2 Gains arising from the transfer of shares may be treated either as 'capital gains' or as 'business income' for income-tax purposes, depending upon whether such shares were held as a capital asset or business asset (i.e. stock-in-trade). The IT Act also provides for different income-tax regimes/ rates applicable to the gains arising from the tendering of Equity Shares under the Offer, based on the period of holding, residential status, classification of the shareholder and nature of the income earned, etc. Any applicable surcharge and education cess would be in addition to such applicable tax rates.
- 9.3 Based on the provisions of the IT Act, the shareholders would be required to file an annual income-tax return, as may be applicable to different category of persons, with the Indian income tax authorities, reporting their income for the relevant year. The summary of income-tax implications on tendering of Equity Shares on the recognized stock exchange and chargeable to Securities Transaction Tax (STT) is set out below.
- 9.4 Taxability of capital gain in the hands of the Equity Shareholders:
- The Finance Act, 2024, vide Section 112A, has imposed an income tax on long-term capital gains at the rate of 12.50% (Ten percent only) on transfer of equity shares that are listed on a recognized stock exchange, which have been held for more than 1 (one) year and have been subject to STT upon both acquisition and sale (subject to certain transactions, to which the provisions of applicability of payment of STT upon acquisition Rs. 1,25,000/- (Indian Rupees One Lakh twenty-five thousand only) (without any indexation and foreign exchange fluctuation benefits). It may also be noted that any capital gains arising up to January 31, 2018, are grandfathered under this provision. The cost of acquisition for the long-term capital asset acquired on or before January 31, 2018, will be the actual cost. However, if the actual cost is less than the fair market value of such asset (lower of consideration on transfer) as on January 31, 2018, the fair market value will be deemed to be the cost of acquisition.
 - As per section 111A of the IT Act, short-term capital gains arising from transfer of listed shares on which STT is paid would be subject to tax at the rate of 20% (Fifteen percent only) for Equity Shareholders (except certain specific categories).
 - Any applicable surcharge and education cess would be in addition to above applicable rates.

- In case of resident Public Shareholders, in absence of any specific provision under the IT Act, the Acquirer shall not deduct tax on the consideration payable to resident Public Shareholders pursuant to the Offer. However, in case of non-resident Public Shareholders, since the Offer is through the recognized stock exchange, the responsibility to discharge the tax due on the gains (if any) is on the non-resident Public Shareholders. It is therefore recommended that the non-resident Public Shareholder may consult their custodians/authorized dealer's/ tax advisors appropriately.
- The tax implications are based on provisions of the IT Act as applicable as on date of this DLOF. In case of any amendment made effective prior to the date of closure of this Offer, then the provisions of the IT Act as amended would apply.
- Notwithstanding the details given above, all payments will be made to the Public Shareholders subject to compliance with prevailing tax laws. The final tax liability of the Public Shareholder shall remain of such Public Shareholder and the said Public Shareholder will appropriately disclose the amounts received by it, pursuant to this Offer, before the Indian income tax authorities.

THE ABOVE DISCLOSURE ON TAXATION SETS OUT THE PROVISIONS OF LAW IN A SUMMARY MANNER ONLY AND IS NOT A COMPLETE ANALYSIS OR LISTING OF ALL POTENTIAL TAX CONSEQUENCES OF THE DISPOSAL OF THE EQUITY SHARES. THIS DISCLOSURE IS NEITHER BINDING ON ANY REGULATORS NOR CAN THERE BE ANY ASSURANCE THAT THEY WILL NOT TAKE A POSITION CONTRARY TO THE COMMENTS MENTIONED HEREIN. HENCE, THE EQUITY SHAREHOLDERS ARE ADVISED TO CONSULT THEIR TAX ADVISORS FOR TAX TREATMENT ARISING OUT OF THE PROPOSED OFFER THROUGH TENDER OFFER AND APPROPRIATE COURSE OF ACTION THAT THEY SHOULD TAKE. THE ACQUIRER AND THE MANAGER TO THE OFFER DO NOT ACCEPT NOR HOLD ANY RESPONSIBILITY FOR ANY TAX LIABILITY ARISING TO ANY EQUITY SHAREHOLDER AS A REASON OF THIS OFFER.

10. DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection at the Principal Place of Business of the Manager to the Offer, Narnolia Financial Services Limited at 201, 2nd Floor, Marble Arch, 236 B A.J.C Bose Road, Kolkata - 700020, West Bengal, India. on any working day between 10.00 a.m. and 2.00 p.m. during the Tendering Period. The Public Shareholders interested to inspect any of the following documents can send an email from their registered email ids with a subject line "Document for Inspection – NRL Offer", to the Manager of the Offer at akash.das@narnolia.com by providing details such as DP-ID-Client-ID and Folio No. etc.

- i. Copy of Memorandum & Articles of Association of Acquirer along with its Certificate of Incorporation.
- ii. Copy of Memorandum & Articles of Association of Target Company along with its Certificate of Incorporation.
- iii. The Net worth of Acquirer as on February 28, 2026 is ₹ 84.98 Lakhs (Rupees Eighty Four Lakh and Ninety Eight Thousand only) and the same is certified by Anurag Khetan & Co., (FRN: 329464E) signed by its Partner, CA Anurag Kumar Khetan (Membership No. 068086) having office at 32, Chattawala Gulli, Room No. 102, 1st Floor, Bow Bazar, Kolkata – 700 012 vide their certificate dated March 11, 2026, bearing Unique Document Identification Number ("UDIN") 26068086WQLWQN8449.
- iv. Certificate from Infominer Valuation Services Private Limited, Registered Valuer, IBBI Registration No. IBBI/RV/05/2019/11463 certifying the fair value of the equity shares of Target Company.
- v. Audited Annual Reports of Target Company, Acquirer for the financial year ended March 31, 2023, March 31, 2024 and March 31, 2025.
- vi. Provisional CA certified account of Target Company, Acquirer for period ended February 28, 2026.
- vii. Copy of the letter received from Axis Bank Limited confirming the required amount kept in the escrow account and marked lien in favour of Manager to the Offer.
- viii. The copy of Share Purchase Agreement dated March 11, 2026 between the Sellers and the Acquirer, which triggered the

Offer.

- ix. Copy of the Memorandum of Understanding between the Acquirer and the Manager to the Offer, dated January 10, 2026.
- x. Copy of the recommendations dated [●] made by the Committee of Independent Director of the Target Company.
- xi. Copy of the Public Announcement dated March 11, 2026 and published copy of the Detailed Public Statement dated March 18, 2026.
- xii. Copy of SEBI Observation letter no. [●].

11. DECLARATION BY THE ACQUIRER

In accordance with the regulation 25(3) of the SEBI (SAST) Regulations, the Acquirer accept full responsibility jointly and severally for the information contained in the Public Announcement & Detailed Public Statement and also for the obligations of the Acquirer laid down in the SEBI (SAST) Regulations and the Acquirer would be responsible for ensuring compliance with the SEBI (SAST) Regulations.

ISSUED BY MANAGER TO THE OFFER ON BEHALF OF THE ACQUIRER

Executed for and on behalf of SFAL Speciality Alloys Limited (“Acquirer”)

Sd/-
Mr. Suman Goyal
Director
Place: Kolkata
Date: Friday, March 27, 2026

FORM OF ACCEPTANCE CUM ACKNOWLEDGEMENT
(All terms and expressions used herein shall have the same meaning as described thereto in the DLOF)
(Please send this form of acceptance with enclosures to the Registrar to the Offer)

To,
The Acquirer,
C/o. SFAL Speciality Alloys Limited,
Vishwakarma Building, 86C, Topsia Road,
2nd Floor, Abinash Chaowdhury Lane,
Kolkata- 700046, West Bengal, India.

Date:	
Offer	
Opens on	Monday, May 11, 2026
Closes on	Friday, May 22, 2026

For Office Use Only	
Acceptance Number	
Number of Equity shares offered	
Number of Equity shares accepted	
Purchase Consideration (Rs.)	

Dear Sir,

Sub: Offer by SFAL Speciality Alloys Limited (“Acquirer”) to the public shareholders of Nilachal Refractories Limited (“NRL” or the “Target Company”) to acquire from them up to 59,83,928 equity shares of Rs. 10/- each representing 29.39% of the total equity and voting share capital of NRL.

I/We refer to the DLOF dated Friday, March 27, 2026 for acquiring the equity shares held by me/us in Nilachal Refractories Limited.

I/We, the undersigned have read the Draft Letter of Offer, understood its contents including the terms and conditions as mentioned therein.

I/We, unconditionally Offer to tender shares to the Acquirer the following equity shares in NRL held by me/us at a price of ₹ 22/- (Rupee Twenty Two Only) per equity shares.

I/We enclose the original share certificate(s) in respect of my/our equity shares as detailed below (please enclose additional sheet(s) if required).

DETAILS OF SHARES CERTIFICATE

Sr. No.	Certificate No(s).	Distinctive No(s).		No. of equity shares
		From	To	
Total No. of equity shares				

SHARES HELD IN DEMATERIALISED FORM

Sr. No.	DP Name	DP ID	Client ID	No. of Shares

I / We confirm that the equity shares which are being tendered herewith by me / us under this Offer, are free from liens, charges, equitable interests and encumbrances and are being tendered together with all rights attached thereto, including all rights to dividends, bonuses and rights offers, if any, declared hereafter and that I/ We have obtained any necessary consents to sell the equity shares on the foregoing basis.

I / We also note and understand that the obligation on the Acquirer to pay the purchase consideration arises only after verification of the certification, documents and signatures submitted along with this Form of Acceptance cum-Acknowledgment.

I / We confirm that there are no taxes or other claims pending against us which may affect the legality of the transfer of equity shares under Income Tax Act, 1961. I/We are not debarred from dealing in equity shares.

I / We authorize the Acquirer to accept the Shares so offered which they may decide in terms of the Offer Letter and I / We further authorize the Acquirer to return to me/us, Equity Share certificate(s) in respect of which the Offer is not found valid / not accepted, specifying the reasons thereof.

I / We authorize the Acquirer or the Registrar to the Offer to send by registered post/under certificate of posting, the Cheque, in settlement of the amount to the sole/first holder at the address mentioned below:

Yours faithfully,

Signed and Delivered:

	Full Names (s) of the holders	Address & Telephone No.	Signature
First/Sole Holder			
Joint Holder 1			
Joint Holder 2			

Note: In case of joint holdings, all holders must sign. A corporation / Company must affix its common seal.

Address of First/Sole Shareholder: _____

Place: _____ Date: _____

So as to avoid fraudulent encashment in transit, Shareholders(s) may provide details of bank account of the first / sole Shareholder and the consideration cheque or demand draft will be drawn accordingly.

Please enclose cancelled cheque and copy of PAN card

-----Tear along this line -----

ACKNOWLEDGEMENT SLIP

Sub: Offer by SFAL Speciality Alloys Limited (“Acquirer”) to the public shareholders of Nilachal Refractories Limited (“NRL” or the “Target Company”) to acquire from them up to 59,83,928 equity shares of Rs. 10/- each representing 29.39% of the total equity and voting share capital of NRL.

Acknowledgement Slip Sr. No. _____

Received from Mr./Ms./M/s. _____

Address _____

Physical Shares: Folio No. _____

Demat Shares: DP ID: _____ Client ID: _____

Form of Acceptance along with (Tick whichever is applicable):

Physical Shares: No. of Shares _____; No. of certificate enclosed _____

Demat Shares: Copy of delivery instruction for _____; No. of Shares _____

Signature of Official: _____; Date of Receipt _____; Stamp of collections Centre _____

Note: All Future correspondence, if any, should be addressed to Registrar to the Offer.

S K Infosolutions Private Limited

D/42, Katju Nagar, Ground Floor,
(Near South City Mall), Jadavpur,
Kolkata-700 032, West Bengal, India.

Tel. No.: 033-2410027; 033-2410029

Email Id: compliance@skcinfo.com; skcdilip@gmail.com

Website: www.skinfo.in

Contact Person: Mr. Dilip Bhattacharya

SEBI Registration No.: INR000003886