

**CERTIFICATE ON THE OBJECTS OF THE OFFER INCLUDING THE SOURCES AND
DEPLOYMENT OF FUNDS**

To,

The Board of Directors,
Behari Lal Engineering Limited
Salani-village, Amlah Road,
Mandi Gobindgarh
Punjab-147301, India

Emkay Global Financial Services Limited
7th Floor, The Ruby, Senapati Bapat Marg,
Dadar - West
Mumbai - 400 028,
Maharashtra, India

And

Systematix Corporate Services Limited
The Capital, A-wing, No. 603-606, 6th Floor,
Plot No. C-70, G Block, Bandra Kurla Complex,
Bandra (East), Mumbai - 400051,
Maharashtra, India

(Emkay Global Financial Services Limited and Systematix Corporate Services Limited are individually referred to as '**Book Running Lead Manager/BRLM**' and collectively referred to as '**Book Running Lead Managers/BRLMs**')

Sub: Proposed initial public offering of equity shares of face value ₹ 10 each (Equity Shares) by Behari Lal Engineering Limited (Company) through a fresh issue of Equity Shares and an offer for sale of the Equity Shares by the Selling Shareholders (Offer).

Dear Sir/ Madam,

We, M/s Ashwani & Associates, Chartered Accountants, the statutory auditor of the Company, have been informed that the company has filed the Draft red Herring Prospectus (DRHP) with the Securities and Exchange Board of India (**SEBI**), BSE Limited (**BSE**) and National Stock Exchange of India Limited (**NSE** and together with BSE, **Stock Exchanges**) in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (**SEBI ICDR Regulations**). Further, red herring prospectus (**RHP**) and the prospectus (**Prospectus**, together with the RHP, the **Offer Documents**) to be filed with the Registrar of Companies, Punjab at Chandigarh (**RoC**) and thereafter with SEBI and the Stock Exchanges and any other documents or materials to be issued in relation to the Offer.

We have been requested by the Company to verify and certify the details of the monies spent/ utilized so far towards the Objects. In this regard, we have been informed that the Company proposes to utilize the funds raised through the fresh issue pursuant to the Offer, for certain purposes, as detailed in **Annexure A** hereto (**Objects**) and In this regard, we have verified the relevant documents, records,

registers and books of accounts as prepared and provided by the management of the Company, as we deemed relevant and appropriate. Based upon the said verification, we hereby verify and certify that the following details of the monies spent/ utilized by the Company as on May 31, 2026 towards the Objects are true, accurate and complete: Nil

The Net Proceeds are proposed to be used in accordance with the details provided in the below table:
(in ₹ million)

Sr. No.	Particulars	Estimated utilisation from Net Proceeds
1.	Funding capital expenditure requirement for:	
i.	purchase and installation of new equipment / machinery along with civil work for such installation at Manufacturing Facility 1	195.89
ii.	purchase and installation of new roof-top solar panels at Manufacturing Facility 1	34.00
iii.	purchase and installation of new equipment / machinery along with civil work for such installation at Manufacturing Facility 2	366.50
iv.	purchase and installation of new roof-top solar panels at Manufacturing Facility 2	34.00
2.	Repayment and/ or pre-payment, in full or part, of certain borrowings availed by our Company	5.70
3.	General corporate purposes ⁽¹⁾⁽²⁾	[•]
	Net Proceeds	[•]

⁽¹⁾ The amount to be utilised for general corporate purposes shall not exceed 35% of the Gross Proceeds. Further, the amount to be utilised for general corporate purposes alone shall not exceed 25% of the Gross Proceed.

⁽²⁾ To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC.

We hereby consent to the extracts of this certificate being used in Offer Documents and in any other material used in connection with the Offer, and/or submission of this certificate as may be necessary, to any regulatory authority statutory, judicial or governmental authorities, Stock Exchanges, any other authority as may be required and/ or for disclosure on the website of the Company in connection with the Offer and/or for the records to be maintained by the Book Running Lead Managers in connection with the Offer and in accordance with applicable law. We also consent to this certificate to be uploaded on the website of the Company, repository and, or, the database of the Stock Exchanges.

We have conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes' (Revised 2016) issued by the Institute of Chartered Accountants of India (ICAI) which requires that we comply with ethical requirements of the Code of Ethics issued by the ICAI and in accordance with 'Guidance Note on Reports in Company Prospectuses' (Revised 2019). We hereby confirm that while providing this certificate we have complied with the Code of Ethics issued by the ICAI.

We have also complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial information, and Other Assurance and Related Services Engagements issued by ICAI.

We confirm that the information in this certificate is true, fair, complete, accurate, not misleading and correct and there is no untrue statement of a material fact or omission which could render the contents of this certificate misleading in its form or context.

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

We hereby consent to this certificate being disclosed by the Book Running Lead Managers, if required (i) by reason of any law, regulation, order or request of a court or by any governmental or competent

regulatory authorities or (ii) in seeking to establish a defence in connection with, or to avoid any actual, potential or threatened legal, arbitral or regulatory proceeding or investigation related to any matter regarding issuance and listing of the equity shares of the Company.

We undertake to update you, in writing, of any change in the above-mentioned disclosures which we are aware of until the Equity Shares allotted, pursuant to the Offer, are listed and commence trading on the Stock Exchanges. In the absence of any such communication from us, the above information should be considered as updated information until the Equity Shares commence trading on the Stock Exchanges, pursuant to the Offer.

This certificate may be relied on by the Book Running Lead Managers, their respective affiliates and the legal counsel in relation to the Offer and to assist the Book Running Lead Managers in the context of due diligence procedures that the Book Running Lead Managers have to conduct and the documents in relation of their investigation of the affairs of the Company in connection with the Offer.

All capitalized terms not defined herein bear the meaning ascribed to them in the Offer Documents.

Yours Sincerely,

For M/s Ashwani & Associates

Chartered Accountants

Firm Registration No: 000497N

Aditya Kumar

Partner

Membership No.: 506955

Date: 06.08.2026

Place: Ludhiana

UDIN: 26506955LNTJUZ3070

Cc:

Legal Counsel to the Offer

Bharucha & Partners

13th Floor, Free Press House,
Free Press Journal Marg,
Nariman Point,
Mumbai, Maharashtra 400021
Enclosed: As above:

1. **Annexure A** – Details of the proposed utilization of funds and the Objects.
2. **Annexures** in connection with the deployment and source of funds as detailed above.

Annexure A

(in ₹ million)

Particulars		Reference	Estimated utilisation from Net Proceeds
Repayment and/ or pre-payment, in full or part, of certain borrowings availed by our Company		(1)	5.70
Funding capital expenditure requirement for:		(2)	
(i)	purchase and installation of new equipment / machinery along with civil work for such installation at Manufacturing Facility 1	(a)	195.88
(ii)	purchase and installation of new roof-top solar panels at Manufacturing Facility 1	(b)	34.00
(iii)	purchase and installation of new equipment / machinery along with civil work for such installation at Manufacturing Facility 2	(c)	366.42
(iv)	purchase and installation of new roof-top solar panels at Manufacturing Facility 2	(d)	34.00

(1) Detail Pertaining to Repayment of Loan

Sr. No .	Name of the lender	Date of the facility agreement / sanction letter	Date of first disbursal	Nature of the borrowing	Purpose of the loan	Amount sanctioned (in ₹ million)	Amount outstanding as on May 31, 2026 (in ₹ million)	Rate of Interest (% per annum)	Tenor and repayment schedule	Prepayment terms / penalty, if any	Whether loan is for capital expenditure (Yes/ No)	Instalments / EMI due for the current Fiscal
1.	HDFC Bank Ltd	30.01.2026	20.12.2022	Business banking working capital term loan	For purchase of machinery and equipment for Manufacturing Facility 1	6.51	3.87	7.35	36 Months	Nil	Yes	10

Sr. No .	Name of the lender	Date of the facility agreement / sanction letter	Date of first disbursal	Nature of the borrowing	Purpose of the loan	Amount sanctioned (in ₹ million)	Amount outstanding as on May 31, 2026 (in ₹ million)	Rate of Interest (% per annum)	Tenor and repayment schedule	Prepayment terms / penalty, if any	Whether loan is for capital expenditure (Yes/ No)	Instalments / EMI due for the current Fiscal
2.	HDFC Bank Ltd	30.01.2026	24.02.2022	Business banking working capital term loan	For purchase of machinery and equipment for Manufacturing Facility 2	5.77	2.93	7.42	30 Months	Nil	Yes	10

Notes:

Latest Sanction letter has been considered for calculation of Repayment.

(2) Details pertaining to CAPEX

(a) Capex In SMS and Foundry Division

Sr. No	Description/ Type of Equipment / Machinery	Purpose	Qty	Proposed Deployment in Fiscal	Preferred Supplier	Details in relation to Quotations Obtained					Intended Use
						Cost per Unit (in ₹ million)*	Total Cost (in ₹ million)*	Name of the Vendor	Date of Quotation	Validity of the Quotation	
1	CNC Lathe Machine Roll turning (700*3500)	Enhancing machining capacity for metal rolls	2	26-27	Tirupati CNC products	6.30	12.60	Tirupati CNC products	30.05.26	6 months	Upgradation of Roll & Casting M/c
2	Equotip 550 Leeb Hardness Tester	Quality Improvement	1	26-27	TESTING & MEASURING EQUIPMENTS	1.45	1.45	TESTING & MEASURING EQUIPMENTS	20.05.26	6 months	Upgradation of Process, E&M
3	All Geared heavy-duty Lathe Machine (17FT)	Enhancing machining capacity for metal rolls	6	26-27	Sound Machinery Makers	2.38	14.28	Sound Machinery Makers	30.05.26	6 months	Upgradation of Roll & Casting M/c
4	Civil Work for Installation of Heavy-Duty Lathe Machine (17FT)	Civil Work for Installation	6	26-27	Sonu Civil Construction	0.18	1.08	Sonu Civil Construction	01.06.26	12 months	Upgradation of Roll & Casting M/c

Sr. No.	Description/ Type of Equipment / Machinery	Purpose	Qty	Proposed Deployment in Fiscal	Preferred Supplier	Details in relation to Quotations Obtained					Intended Use
						Cost per Unit (in ₹ million)*	Total Cost (in ₹ million)*	Name of the Vendor	Date of Quotation	Validity of the Quotation	
5	All Geared heavy-duty Lathe Machine (21FT)	Enhancing machining capacity for metal rolls	4	26-27	Sound Machinery Makers	2.70#	10.78#	Sound Machinery Makers	30.05.26	6 Months	Upgradation of Roll & Casting M/c
6	Civil Work for Installation of Heavy-Duty Lathe Machine (21FT)	Civil Work for Installation	4	26-27	Sonu Civil Construction	0.24	0.96	Sonu Civil Construction	01.06.26	12 Months	Upgradation of Roll & Casting M/c
7	All Geared heavy-duty Lathe Machine (24FT)	Enhancing machining capacity for metal rolls	2	26-27	Sound Machinery Makers	3.00#	5.99	Sound Machinery Makers	30.05.26	6 Months	Upgradation of Roll & Casting M/c
8	Civil Work for Installation of Heavy-Duty Lathe Machine (24FT)	Civil Work for Installation	2	26-27	Sonu Civil Construction	0.24	0.48	Sonu Civil Construction	01.06.26	12 Months	Upgradation of Roll & Casting M/c
9	All Geared heavy-duty Lathe Machine (28FT)	Enhancing machining capacity for metal rolls	2	26-27	Sound Machinery Makers	4.00#	7.99	Sound Machinery Makers	30.05.26	6 Months	Upgradation of Roll & Casting M/c

Sr. No	Description/ Type of Equipment / Machinery	Purpose	Qty	Proposed Deploy ment in Fiscal	Preferred Supplier	Details in relation to Quotations Obtained					Intended Use
						Cost per Unit (in ₹ million)*	Total Cost (in ₹ million)*	Name of the Vendor	Date of Quotation	Validit y of the Quota tion	
10	Civil Work for Installation of Heavy-Duty Lathe Machine (28FT)	Civil Work for Installation	2	26-27	Sonu Civil Construction	0.30	0.60	Sonu Civil Construction	01.06.26	12 Months	Upgradation of Roll & Casting M/c
11	Measuring Instruments like Micrometer, Vernier, Vernier Calliper	Quality Improvement	N A	26-27	BSW TOOLS CORPORATION	1.09#	1.09#	BSW Tools Corporation	01.06.26	6 months	Upgradation of Process, E&M
12	OES Spectrometer and its calibrations and installation	Quality Improvement	1	26-27	SPECTRO Analytical Instruments GmbH	7.20	7.20	SPECTRO Analytical Instruments GmbH	29.05.26	31.12.26	Upgradation of Process, E&M
13	Element Handheld XRF Analyzer -Spectro Guns	Quality Improvement	6	26-27	I.R TECHNOLOGY SERVICES PVT. LTD	1.23	7.41#	I.R TECHNOLOGY SERVICES PVT. LTD	30.05.26	180 days	Upgradation of Process, E&M
14	Computer-Desktops, monitors, UPS and Printers	Cost reduction	N A	26-27	CENTRAL COMPUTER AND CCTV	2.10	2.10	CENTRAL COMPUTER AND CCTV	30.05.26	4 months	Upgradation of Process, E&M

Sr. No	Description/ Type of Equipment / Machinery	Purpose	Qty	Proposed Deployment in Fiscal	Preferred Supplier	Details in relation to Quotations Obtained					Intended Use
						Cost per Unit (in ₹ million)*	Total Cost (in ₹ million)*	Name of the Vendor	Date of Quotation	Validity of the Quotation	
15	Articulated Hydraulic Crane	Faster turnaround times	1	26-27	Crane Kraft India Pvt Ltd	1.91	1.91	Crane Kraft India Pvt Ltd	01.06.26	4 months	Upgradation of Process, E&M
16	Double beam E.O.T. Crane 50MT / 25MT Span-20 MTR	Faster turnaround times	1	26-27	Asia Cranes Pvt Ltd	15.65	15.65	Asia Cranes Pvt Ltd	01.06.26	6 months	Upgradation of Process, E&M
17	Double beam E.O.T. Crane 20 M.T. Span-21 MTRS	Faster turnaround times	2	26-27	Asia Cranes Pvt Ltd	7.45	14.90	Asia Cranes Pvt Ltd	01.06.26	6 months	Upgradation of Process, E&M
18	Double beam E.O.T. Crane 15 M.T. Span-21 MTR	Faster turnaround times	6	26-27	Asia Cranes Pvt Ltd	5.75	34.50	Asia Cranes Pvt Ltd	01.06.26	6 months	Upgradation of Process, E&M
19	VMC/Planner	Enhance Machining Capacity	1	26-27	Precitech Precision Machineries Pvt. Ltd.	48.40	48.40	Precitech Precision Machineries Pvt. Ltd.	06.06.26	4 months	Upgradation of Roll & Casting Machines
20	All Geared heavy-duty Lathe Machine (16FT)	Enhancing machining capacity for metal rolls	4	26-27	Sound Machinery Makers	1.45	5.80	Sound Machinery Makers	30.05.26	6 Months	Upgradation of Roll & Casting M/c

Sr. No.	Description/ Type of Equipment / Machinery	Purpose	Qty	Proposed Deployment in Fiscal	Preferred Supplier	Details in relation to Quotations Obtained					Intended Use
						Cost per Unit (in ₹ million)*	Total Cost (in ₹ million)*	Name of the Vendor	Date of Quotation	Validity of the Quotation	
21	Civil Work for Installation of Heavy-Duty Lathe Machine (16FT)	Civil Work for Installation	4	26-27	Sonu Civil Construction	0.18	0.72	Sonu Civil Construction	01.06.26	12 Months	Upgradation of Roll & Casting M/c
Total Cost						195.89					

*Excluding GST

\$Inclusive of GST

Rounded-off to the next integer

^ calculated after converting amounts at the exchange rate of 1USD = ₹ 95.10, as of June 12, 2026.S

(b) Solar in SMS and Foundry Division

Sr. No.	Description/Type of Equipment / Machinery	Purpose	Qty	Proposed Deployment in Fiscal	Preferred Supplier	Details in relation to Quotations Obtained					
						Cost per Unit (in ₹ million)*	Total Cost (in ₹ million)*	Name of the Vendor	Date of Quotation	Validity of the Quotation	Intended Use
1	Rooftop Solar Power Plant 1000kWp	Reduction in units of power	1	26-27	Solidus Techno Power Pvt. Ltd.	34.00	34.00	Solidus Techno Power Pvt. Ltd.	13.06.26	1 year	Reduction in units of power
Total Cost						34.00					

*Excluding GST

(c) Capex In Rolling Mill Division

Sr. No.	Description/Type of Equipment / Machinery	Purpose	Qty	Proposed Deployment in Fiscal	Total cost by preferred supplier (in ₹ million) excluding GST	Details in relation to Quotations Obtained					
						Cost per Unit (in ₹ million)*	Total Cost (in ₹ million)*	Name of the Vendor	Date of Quotation	Validity of the Quotation	Intended Use
1	1600 Ton Hydraulic open die Forging press	Increased production, improved quality, reduction in outsourcing cost	1	26-27	Adhvika Forge Tech Private Limited	98.90	98.90	Adhvika Forge Tech Private Limited	4.06.26	4 months	Forging Press & Equipment Machinery
2	Forging Manipulator (7MT) for 1600 Ton Forging Press	Increased production, improved quality, reduction in outsourcing cost	1	26-27	Adhvika ForgeTech Pvt Ltd	39.80	39.80	Adhvika ForgeTech Pvt Ltd	4.06.26	4 months	Forging Press & Equipment Machinery
3	2 T fully hydraulic open die forging hammer	Increased production, improved quality, reduction in outsourcing cost	1	26-27	Adhvika ForgeTech Pvt Ltd	28.70	28.70	Adhvika ForgeTech Pvt Ltd	4.06.26	4 months	Forging Press & Equipment Machinery
4	Forging Manipulator (5MT) for 2T Forging Hammer	Increased production, improved quality, reduction in outsourcing cost	1	26-27	Adhvika ForgeTech Pvt Ltd	26.70	26.70	Adhvika ForgeTech Pvt Ltd	04.06.26	4 months	Forging Press & Equipment Machinery
5	Pre-Engineered Building (Shed)- Multispan Lean to with Mezzanine Building	Faster turnaround time	NA	26-27	Mahawar Alloys	20.71#\$	20.71#\$	Mahawar Alloys	04.06.26	4 months	Upgradation of Process, E&M

Sr. No.	Description/Type of Equipment / Machinery	Purpose	Qty	Proposed Deployment in Fiscal	Total cost by preferred supplier (in ₹ million) excluding GST	Details in relation to Quotations Obtained					
						Cost per Unit (in ₹ million)*	Total Cost (in ₹ million)*	Name of the Vendor	Date of Quotation	Validity of the Quotation	Intended Use
6	Civil Work for Installation of Forging Hammers, Manipulators and Press	Civil Work for Installation	NA	26-27	SHIVA TILE WORKS	7.80	7.80	SHIVA TILE WORKS	31.05.26	1 year	Forging Press & Equipment Machinery
7	Reheating Furnace for 2-4 MT hammer	Increased production, improved quality, reduction in outsourcing cost	1	26-27	Sai Ram Ispat	4.00	4.00	Sai Ram Ispat	04.06.26	6 months	Forging Press & Equipment Machinery
8	Bogie Hearth Furnace for 2000T forging press	Increased production, improved quality, reduction in outsourcing cost	1	26-27	Sai Ram Ispat	12.90	12.90	Sai Ram Ispat	04.06.26	6 months	Forging Press & Equipment Machinery
9	Electric Fired Heat Treatment Furnace Inside Size :6MTR X 3MTR X 2.5MTR	Increased Production	1	26-27	Kohlisons Esco Pvt. Ltd.	17.80 [#]	17.80 [#]	Kohlisons Esco Pvt. Ltd.	04.06.26	4 months	Upgradation of Process, E&M
10	Civil Work for Installation of HT furnace Size :6MTR X 3MTR X 2.5MTR	Civil Work for Installation	NA	26-27	Sonu Civil Construction	2.15	2.15	Sonu Civil Construction	01.06.26	12 months	Upgradation of Process, E&M
11	Double beam E.O.T. Crane 15T	Faster turnaround times	2	26-27	Asia Cranes Pvt. Ltd.	4.75	9.50	Asia Cranes Pvt. Ltd.	01.06.26	6 months	Upgradation of Process, E&M

Sr. No.	Description/Type of Equipment / Machinery	Purpose	Qty	Proposed Deployment in Fiscal	Total cost by preferred supplier (in ₹ million) excluding GST	Details in relation to Quotations Obtained					
						Cost per Unit (in ₹ million)*	Total Cost (in ₹ million)*	Name of the Vendor	Date of Quotation	Validity of the Quotation	Intended Use
12	Double beam E.O.T.Crane 10 T	Faster turnaround times	1	26-27	Asia Cranes Pvt. Ltd.	3.85	3.85	Asia Cranes Pvt. Ltd.	01.06.26	6 months	Upgradation of Process, E&M
13	Double beam E.O.T.Crane 5T	Faster turnaround times	1	26-27	Asia Cranes Pvt. Ltd.	2.15	2.15	Asia Cranes Pvt. Ltd.	01.06.26	6 months	Upgradation of Process, E&M
14	Double beam E.O.T.Crane 7.5T	Faster turnaround times	1	26-27	Asia Cranes Pvt. Ltd.	2.45	2.45	Asia Cranes Pvt. Ltd.	01.06.26	6 months	Upgradation of Process, E&M
15	CNC boring/HMC	Increased production, improved quality , reduction in outsourcing cost.	1	26-27	Machine Tools (India) Ltd.	71.33	71.33	Machine Tools (India) Ltd.	04.06.26	180 days	Upgradation of Process , E&M
16	Straightening Machine	Increased production, improved quality , reduction in outsourcing cost	1	26-27	Bhambra Engineering Works	17.76	17.76	Bhambra Engineering Works	01.06.26	6 months	Upgradation of Process , E&M
Total Cost							366.50				

*Excluding GST

Rounded-off to the next integer

^ calculated after converting amounts at the exchange rate of 1USD = ₹ 95.10, as of June 12, 2026.

(d) Solar in Rolling Mill Division

Sr. No.	Description/Type of Equipment / Machinery	Purpose	Qty	Proposed Deployment in Fiscal	Preferred Supplier	Details in relation to Quotations Obtained					
						Cost per Unit (in ₹ million)*	Total Cost (in ₹ million)*	Name of the Vendor	Date of Quotation	Validity of the Quotation	Intended Use
1	Rooftop Solar Power Plant 1000kWp	Reduction in units of power	1	26-27	Solidus Techno Power Pvt. Ltd.	34.00	34.00	Solidus Techno Power Pvt. Ltd.	13.06.26	12 months	Reduction in units of power
Total Cost						34.00					

*Excluding GST

Foreign Currency Details				
Description of Machinery	Name of Vendor	Amount in USD	Conversion Rate as on 12.06.2026	Amount in INR (million)
OES Spectro meter and its calibrations and installation	SPECTRO Analytical Instruments GmbH	75,702	95.10	7.20
CNC boring/HMC	Machine Tools (India) Ltd.	7,50,000	95.10	71.33