March 21, 2025

Chief General Manager,
Listing Operation,
BSE Limited,
P.J. Towers, Dalal Street,
Mumbai – 400 001

Dear Sir/Madam,

Ref.: In-principle Approval for Fixed Price Initial Public Offering of Advance Technoforge Limited ("Company" or "Issuer") on BSE SME for upto 25,30,000 Equity Shares of Face Value of Rs. 10 each ("Issue")

Sub.: Plant Visit Report

We, Sun Capital Advisory Services Private Limited, have been appointed as the Lead Manager to the Issue for the proposed SME IPO of the Issuer.

Please find enclosed a brief note on our Plant Visit in the captioned Issue.

Thanking you,

For Sun Capital Advisory Services Private Limited

Sun Capital Advisory Services Pvt. Ltd.

Ajesh

Authorised Signatory
Name: Ajesh Dalal
Designation: Managing Partner & Head - Merchant Banking

Encl.: As above

Sun Capital Advisory Services Pvt. Ltd.
CIN U67190MH2006PTC159258
302, Kumar Plaza, Kalina Kurla Road, Near Kalina Market, Santacruz East, Mumbai – 400029, India
Tel: + 91 6178 6000/ 01. **Fax:** +91 6178 6008. www.suncapital.co.in

<u>Brief Note on Pant Visit in the proposed SME IPO of Advance Technoforge Limited ("Company" or "Issuer")</u>

Transaction: Proposed fundraising through SME IPO of the Company

Visited on: October 4, 2024

Venue: Rajkot, Gujarat

Merchant Banking Personnel on Visit from Sun Capital Advisory Services Private Limited:

1. Ajesh Dalal

Legal Advisor Personnel on Visit from RMA Legal, Advocates & Solicitors:

1. Ms. Meenakshi Acharya

I. Preliminary Process:

A. We had asked for and reviewed the following information of the Issuer before planning for their Plant and Registered Office Visit:

1. Annual Reports of the Company for latest three Financial Years
2. Checked information available on the website of the Issuer;
3. Checked information available under Assets Schedule under Annual Reports
4. Business related information received as per our Initial Checklist
5. Group and Organization related information received as per our Initial Checklist
6. Other available information of the Issuer in public domain

B. Post completing the preliminary due diligence and analysis of the basic information about the Issuer, we alongwith Legal Advisor team decided to visit their factory unit, Registered Office and other properties

C. Then, we visited the registered office and met Managing Director, CFO, CS, KMPs and other employees of the Company

D. We explained Top Management team of the Issuer about the process of SME IPO, various key activities needed to be taken in future, key role of CFO, CS & Promoter required during the process of proposed IPO, regulatory requirements of Companies Act and SEBI Acts and specially, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation 2018, as amended etc.

E. Then, we visited the factory unit of the Issuer and reviewed infrastructure and met their factor in-charge and other employees and workers.

F. We requested plant in-charge and Managing Director to follow sequence of our movement during the visit in the manner in which manufacturing process moves i.e. to start the visit from raw material entry, its storing, checking, processing, then manufacturing to finished products, their storage and dispatch.

II. Observations of Plant and Registered Office Visit

Ajesh

A. The Company is engaged in the business of manufacturing high precision components for OEMs for commercial vehicles, farm equipment, off highway and industrial equipment and machinery for oil and gas, power generation, railways and industries. Its key products are closed die hot forging, Ring Rolling, Upset forging etc. The Company has manufacturing facilities of forging capacity of 6000 MTPA and has three (3) production lines on an land of approximate 50,000 sq. ft.

B. We have also visited the utility available such as Electricity, Water, factory office, Security staff, and entry and exit system etc.

C. We had various discussion during our visit and tried to understand system and processes in place. We also studied various documents / information on Registered Office and factor sites, including –

   i. Various business-related documents, the processes they follow, their market and products, their various bills & other documents.

   ii. Secretarial Records such as the Statutory Registers, Various Minutes of AGM / EGM/ Board Meetings etc.

   iii. Employees related documents

   iv. Copies of approvals and licenses of the Company

   v. Documents related to factory unit

   vi. Documents related to Registered Office

Along with the Legal Advisors to the Issue, we had various discussions and tried to understand and assess about the various industry regulations applicable on the Issuer, legal and business related risk involved in the Issuer's business.

III. <u>Facts about the manufacturing faacilities and Registered Office Visit</u>

1. We refer to visit of the manufacturing facilities of the Issuer's on October 42, 2024 in relation to the proposed SME IPO of the Company.

2. The objective of the visit was inter alia to get a better understanding of the operations, manufacturing process, product portfolio, strengths, strategies and other business related matters of the Issuer.

3. The site visit may be summarized as follows:

   (a) At the outset, a kick-off discussion was held to understand the aforesaid aspects at the aforesaid manufacturing facilities. The discussion was attended by Mr. Nilesh Moliya, Managing Director and Promoter of the Company, Plant incharge, CFO and other senior personnel of the Company.

   (b) A broad overview of the industry in which the Company operates and the regulatory framework with respect to the business was presented by Mr. Nilesh Moliya, which was followed by detailed discussions in relation to the process involved for manufacturing of product, raw material acquisition process, storage and dispatch of finished goods, amongst other matters.

   (c) A detailed description of each product along with the raw material used, time taken in manufacturing each product, etc. was provided by the Company for the manufacturing facilities.

4. The visit was concluded with thanks to the Company's team.

5. Flights Tickets and few of the photographs of the Registered Office and the factory site visited have been separately taken for the purpose of information and record, attached to this report as Annexures.

Ajesh

6. Other relevant visit report information are as under:

Particular	Checked Y/N	Any specific Comments/ Remarks/ observation
A. Registered Office of the Company:		
Registered Office Address	Plot No. 1-6, Padwala Village, Kotdasangani Taluk, Rajkot, Gujarat	Around size of 1,000 Sq. ft.
Registered Office facilities	All basic facilities. It was appropriate for an entity size of having small or an SME size business and staff was there.	With the Company' permission, the few photographs are taken.
Condition of the Registered Office (like old/ new/ dilapidated)	New. It appeared maintained.	Nil
Ownership of the Registered Office premises (Owned/ rented/ leased)	Owned by the Company.	Nil
How many employees were there in the premise?	Around 9 to 10	Nil
B. Manufacturing Facilities		
Factory Unit Address and business details	Plot No. 20 and 21, Padwala Village, Kotdasangani Taluk, Rajkot, Gujarat.	Around size of 50,000 Sq. ft.
Other relevant information	Production capacity 6,000 MT	The few photographs are taken with their permission.
Condition of the unit premises (like old/ new/ dilapidated)	Old. It was running and appeared maintained.	Nil
Ownership of the unit premises (Owned/ rented/ leased)	Leased	Nil
How many people were there in the premise?	Approx. 30 to 35 including labour	Nil
Whether the premise of Unit was appeared to be shared by any other entity or any other activity or business any other illegal activity.	No. No such observation. Not shared by any other entity or no other unrelated goods were there.	Nil
Key machines / equipment in Unit premise	Forging machines, CNC Machines etc.	

Ajesh


Advance Technoforge Ltd


AMS
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AT
MC-43
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USE
HYD PUMP
ON
OFF


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