

Banshi Jain & Associates

Chartered Accountants

To,
THE BOARD OF DIRECTORS
VISHNU PRAKASH R PUNGLIA LIMITED
Unit No. 3, 5th Floor, B-wing,
Trade Star Premises Co-operative Society Limited,
Village Kondivita, Mathuradas Vasanji Road,
Near Chakala Metro Station, Andheri (East),
Mumbai – 400 059

Dear Sir / Madam,

1. This report is issued in accordance with the terms of our engagement letter dated 27th July 2023.
2. In connection with the proposed issue of equity shares (the “Issue”) of **Vishnu Prakash R Punglia Limited** (the “Company”), the Company is required to obtain a report from the Statutory Auditors that holds a valid peer review certificate issued by the Peer Review Board of the ICAI, with regard to the Key Performance Indicators (“KPIs”) as identified by the Company for the purposes of disclosure in the [Red Herring Prospectus and Prospectus] (the “Offer Document” /collectively, the “Offer Documents”), as required by Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the “ICDR Regulations”).
3. The accompanying statement containing details of GAAP measures and Non-GAAP Financial measures as described in the Technical Guide on Disclosure and Reporting of Key Performance Indicators (KPIs) in Offer Documents (herein, referred to as the “KPIs”) identified by the Company as at and for the years ended 31st March 2023, 31st March 2022 and 31st March 2021 as per the requirement of Clause (3) in Part A of Schedule VI, in paragraph 9 under the heading “(K) 'Basis for Issue Price' of the ICDR Regulations (the “Statement”) is prepared by the Management of the Company, which we have initialed for identification purposes only.

Management’s Responsibility for the Statement

4. The preparation of the accompanying Statement is the responsibility of the Management of the Company. This responsibility includes designing, implementing, and maintaining adequate internal controls that were operating effectively and testing of such controls for ensuring the accuracy and completeness of information relating to KPIs including such accounting records relevant to the preparation and presentation of the Statement, and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

5. The Management is responsible for:



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- a) identification, definition, completeness, accuracy, relevance, appropriateness and sufficiency of the KPIs included in the Statement;
- b) providing access to the accounting and other records including information and explanations required for reporting on the KPIs;
- c) maintenance of the accounting and other records in relation to point (a) and (b) above; and
- d) compliance with the ICDR Regulations, the Technical Guide on Disclosure and Reporting of Key Performance Indicators (KPIs) in Offer Documents and other regulatory requirements.

Auditor's Responsibility

6. Pursuant to the requirements of Clause (3) in Part A of Schedule VI, in paragraph 9 under the heading "(K) 'Basis for Issue Price' of the ICDR Regulations, it is our responsibility to obtain limited assurance and conclude as to whether (i) the financial details provided in the Statement are in agreement with the Restated Financial Information as at and for the years ended 31st March 2023, 31st March 2022 and 31st March 2021 and the underlying books of account maintained by the Company used for the purpose of preparation of the Restated Financial Information and (ii) KPIs included in the Statement are mathematically accurate.

7. The restated financial information referred to in paragraph [6] above, have been examined by us on which we issued our examination report dated 27th July 2023. Our examination of these restated financial information was conducted taking into consideration the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the restated financial information and the requirements of Section 26 of Part I of Chapter III of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Technical Guide. Our work was not planned and performed in connection with any transactions to identify matters that may be of potential interest to third parties.

8. We conducted our examination of the Statement in accordance with the Technical Guide on Disclosure and Reporting of Key Performance Indicators (KPIs) in Offer Documents and Guidance Note on Reports or Certificates for Special Purposes (Revised 2016), which require that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

9. We have 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.



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10. A limited assurance engagement includes performing procedures to obtain sufficient appropriate evidence that vary in nature, timing and extent from a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we have performed the following procedures in relation to the Statement:

a) Obtained list of KPIs from the management and compared the specific components of KPIs as mentioned in the Statement to source of KPIs as maintained by management which includes books of account and restated financial information maintained by the Company as described in the paragraph [6] above;

b) Obtained the certified copy of resolution passed by the audit committee on 1st April 2023 for approving matrix of KPIs and further on 27th July 2023 for approving the KPIs;

c) Recomputed the mathematical accuracy of the KPIs included in the Statement; and

d) Conducted relevant management inquiries and obtained necessary representation.

11. We have no responsibility to update this report for events and circumstances occurring after the date of the examination report on the restated financial information mentioned in paragraph [7] above.

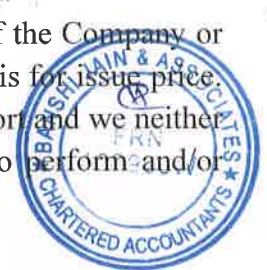
12. We have no responsibility for identification, definition, completeness, relevance, appropriateness and sufficiency of the KPIs included in the Statement.

13. The procedures we have performed do not constitute an audit or review made in accordance with generally accepted auditing standards. Furthermore, they will not necessarily reveal matters of significance with respect to any material misstatement of the information related to KPIs of the Company.

Inherent Limitations

14. Our work and conclusion shall not in any way constitute advice or recommendations (and we accept no liability in relation to any advice or recommendations) regarding any commercial decisions associated with the Issue, including, in particular, but without limitation, any which may be taken by the Company, the Bankers/ Book Running Lead Managers or the Syndicate Members in the capacity of investor or in providing investment advice to their clients or the Company.

15. We, however, state that this is not an assurance as to the future viability of the Company or whether the KPIs have been considered / have a bearing for arriving at the basis for issue price. We further state that our reporting is based on the facts up to the date of the report and we neither give any guarantee nor any assurance that the KPIs reported will continue to perform and/or



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report in similar manner in future. It should be noted that the KPIs contained in the Statement may not be measures of operating performance or liquidity defined by generally accepted accounting principles. We make no comment about the Company's definition, methodology or presentation of the KPIs in the Statement or its usefulness for any purposes.

16. The KPIs included in the Statement should not be considered in isolation from, or as a substitute for, analysis of Company's historical financial performance, as reported and presented in the restated financial information of the Company included in the Offer Documents. These KPIs (other than GAAP measures) are not defined in Indian Accounting Standards (Ind AS) notified under section 133 of the Act, are not presented in accordance with Ind AS and have limitations. These KPIs may differ from similarly titled information used by certain peer companies, who may calculate such information differently and hence their comparability with the measures used by the Company may be limited. Therefore, such KPIs should not be viewed as substitutes for measures of performance under Ind AS or as indicators of Company's financial position, financial performance or its cash flows.

Conclusion

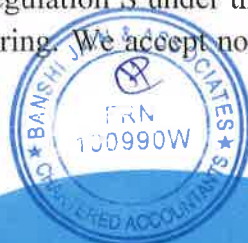
17. Based on the limited procedures performed by us and the information and explanations given to us, nothing has come to our attention that causes us to believe that (i) the financial details provided in the Statement are not in agreement with the Restated Financial Information as at and for the years ended March 31, 2023, 2022 and 2021 and the underlying books of account maintained by the Company used for the purpose of preparation of the Restated Financial Information and (ii) KPIs included in the Statement are not mathematically accurate.

Restriction on Use

18. This report is addressed to, and provided to, the Board of Directors of the Company for the limited purpose to comply with the requirements of ICDR Regulations and should not be used by any other person or for any other purpose. This report should not be relied upon by existing or prospective investors for their investment purposes and by the bankers/ book running lead managers involved in the Offer for their due diligence purposes. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come.

19. The report is issued solely for the limited purpose to comply with Indian SEBI ICDR Regulations on KPIs. Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in jurisdictions outside India (including in the United States of America), and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices. This report should not be relied upon by prospective investors outside India (including persons who are Qualified Institutional Buyers as defined under (i) Rule 144A or (ii) Regulation S under the United States Securities Act of 1933, as amended) participating in the Offering. We accept no responsibility and deny any liability to

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any person who seeks to rely on this report and who may seek to make a claim in connection with any offering of securities on the basis that they had acted in reliance on such information under the protections afforded by United States of America law and regulation or any other laws other than laws of India.

For **Banshi Jain & Associates**
Chartered Accountants
Firm's Registration No 0100990W



Hemant Malu
Partner
Membership No. 404017

UDIN: 23404017BQZRBZ5181

Place: Jodhpur
Date: 17th August 2023



Key Performance Indicators Statement

(Rs.in Million, unless stated otherwise)

Key Performance Indicators	Year ended 31 st March, 2023	Year ended 31 st March, 2022	Year ended 31 st March, 2021
Revenue from Operations ⁽¹⁾	11,684.04	7,856.13	4,857.31
Total Income ⁽²⁾	11,714.64	7,873.87	4,876.73
EBITDA ⁽³⁾	1,596.43	886.41	473.21
EBITDA Margin ⁽⁴⁾ (in %)	13.63	11.26	9.70
Net Profit for the Year / Period ⁽⁵⁾	906.43	448.47	189.82
Net Profit Margin ⁽⁶⁾ (in %)	7.74	5.70	3.89
Return on Net Worth ⁽⁷⁾ (in %)	38.31	32.94	18.24
Return on Capital Employed ⁽⁸⁾ (in %)	33.72	29.94	19.40
Debt-Equity Ratio ⁽⁹⁾	0.80	1.11	0.98
Interest Coverage Ratio ⁽¹⁰⁾	5.05	3.51	2.46
Days Working Capital ⁽¹¹⁾	71	54	54

Notes:

1. Revenue from operations represents the revenue from sale of service & product & other operating revenue of our Company as recognized in the Restated financial information.
2. Total income includes revenue from operation and other income
3. EBITDA means Earnings before interest, taxes, depreciation and amortization expense, which has been arrived at by obtaining the profit before tax/ (loss) for the year and adding back finance costs, depreciation, and amortization expense.
4. EBITDA margin is calculated as EBITDA as a percentage of total income.
5. Net Profit for the year represents the restated profits of our Company after deducting all expenses.
6. Net Profit margin is calculated as restated profit & loss after tax for the year divided by total income.
7. Return on net worth is calculated as Profit for the year, as restated, attributable to the owners of the Company for the year divided by Average Net worth (average total equity).



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Average total equity means the average of the aggregate value of the paid-up share capital and other equity of the current and previous financial year.

8. *Return on capital employed calculated as Earnings before interest and taxes divided by average capital employed (average capital employed calculated as average of the aggregate value of total equity, total debt and deferred tax liabilities of the current and previous financial year).*
9. *Debt- equity ratio is calculated by dividing total debt by total equity. Total debt represents long term and short term borrowings. Total equity is the sum of equity share capital and other equity.*
10. *Interest coverage ratio is defined as Earnings before interest and taxes (EBIT) divided by finance cost for the year.*
11. *Days Working Capital is arrived at by dividing working capital (current assets less current liabilities) by revenue from operation multiplied by the number of days in the year (365).*



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