

# NDAA & ASSOCIATES LLP

## CHARTERED ACCOUNTANTS

### CERTIFICATE ON KEY PERFORMANCE INDICATORS

To,

**The Board of Directors,**

Kasturi Metal Composite Limited  
A30/3/1, MIDC, H. V. Nagar, Amravati,  
Maharashtra, India-444605

And

**Hem Securities Limited**

904, A Wing, Naman Midtown  
Senapati Bapat Marg, Prabhadevi Station,  
Lower Parel, Mumbai-400013

(Hem Securities Limited referred to as the “Book Running Lead Manager” or the “BRLM”)

**Re: Proposed initial public offering of equity shares of face value of Rs. 10 each (“Equity Shares” and such initial public offer, an “IPO” or “Issue”) of Kasturi Metal Composite Limited (the “Company”).**

We, NDAA & Associates LLP, Chartered Accountants, the Statutory Auditors, have received a request from the Company to issue a certificate on the Key Performance Indicators of the Company based on restated financial information.

Our responsibility is to obtain reasonable assurance and form an opinion as to whether the information agrees with the Restated Financial Information of the Company and is mathematically accurate.

1. We have examined the Restated financial statements of the company and recomputed the below mentioned Key performance indicators / ratios based on the figures from the restated financial statements of respective years to ensure the mathematical accuracy of the same.
2. Based on the aforementioned procedures, we hereby report that:

(₹ In Lakhs except percentages and ratios)

Key Financial Performance	Consolidated		Standalone	
	For Period Ending September 30, 2024	FY 2023-24	FY 2022-23	FY 2021-22
Revenue from operations <sup>(1)</sup>	3,181.01	4,974.55	3,711.94	2,321.52
EBITDA <sup>(2)</sup>	466.96	539.54	397.47	180.61
EBITDA Margin (%) <sup>(3)</sup>	14.68%	10.85%	10.71%	7.78%
PAT <sup>(4)</sup>	224.93	235.14	149.22	64.24
PAT Margin <sup>(5)</sup>	7.04%	4.68%	3.99%	2.74%
RoE (%) <sup>(6)</sup>	16.79%	24.35%	23.76%	11.91%
RoCE (%) <sup>(7)</sup>	14.78%	18.43%	17.24%	9.51%
Net Worth <sup>(8)</sup>	1450.35	1228.65	702.77	553.54

**Notes:**

<sup>(1)</sup> Revenue from operation means Revenue from Sales and other Operating Revenues

<sup>(2)</sup> EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses (Excluding bank charges) Other Income



(3) 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations

(4) PAT is Profit after tax

(5) 'PAT Margin' is calculated as PAT for the year divided by Total Income

(6) Return on Equity is ratio of Profit after Tax and Average Shareholder Equity

(7) Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders' equity plus total borrowings (Current and Non- Current)

(8) Net Worth = Equity Share Capital + Reserve and Surplus (including surplus in the Statement of Profit & Loss) - Preliminary Expenses to the extent not written-off.

#### Explanation for KPI metrics:

KPI	Explanations
Revenue from Operations	Revenue from Operations is used by management to track the revenue profile of the business and in turn helps to assess the overall financial performance of the Company and volume of the business
EBITDA	EBITDA provides information regarding the operational efficiency of the business
EBITDA Margin (%)	EBITDA Margin (%) is an indicator of the operational profitability and financial performance of the business
PAT	Profit after tax provides information regarding the overall profitability of the business.
PAT Margin (%)	PAT Margin (%) is an indicator of the overall profitability and financial performance of the business.
RoE (%)	RoE provides how efficiently the Company generates profits from shareholders' funds.
RoCE (%)	RoCE provides how efficiently the Company generates earnings from the capital employed in the business.
Net Worth	Net worth is used by the management to ascertain the total value created by the entity and provides a snapshot of current financial position of the entity.

#### Management's Responsibility:

The management of the company is responsible for the preparation and presentation of the restated financial statements including the computation of Key performance indicators (KPI) mentioned above and for ensuring that the Company has an adequate system of internal controls to enable the preparation and presentation of accurate and complete KPI's and restated financial statements in accordance with Accounting Standards that are free from material misstatement, whether due to fraud or error. The management is responsible for the authenticity and accuracy of the books of accounts, and any other relevant information, provided to us by the company. It is responsible for ensuring that the information and explanation provided to us, is true, fair, correct, complete, accurate and not misleading without omission of any matter that is likely to mislead, and adequate to enable investors to make a well-informed decision

#### Auditor's Responsibility:

We have conducted our examination in accordance with the "Guidance Note on Reports or Certificates for Special Purposes (Revised 2019)" ("**Guidance Note**") issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India. 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.

We have not audited the financial statements for the financial year ending March 31, 2023 and March 31, 2022. These financial statements were audited by M/s Kaloti & Lathiya, Chartered Accountants and who have issued their reports dated 6th September, 2023 and 6th September, 2022 respectively.

We confirm that the information above is based and relied upon restated financial statement and same is true, fair, correct, accurate to the extent of information and documents made available to us for verification, and not misleading, without omission of any matter that is likely to mislead, and adequate to enable investors to make a well-informed decision.

#### Restriction on Use:


This certificate is addressed to and provided to the Company and BRLM solely for the purpose of further submission to the Securities and Exchange Board of India and should not be used by any other person or for any other purpose. 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 without our prior consent in writing.



This certificate may be relied on by the Book Running Lead Manager in relation to the Issue.

We confirm that we will immediately communicate upon receiving communication or notice in writing from the Company/Issuer or from the management of any changes in the above information to the Book Running Lead Manager until the Equity Shares commence trading on the stock exchanges. In the absence of any such communication from us, the Book Running Lead Manager can assume that there is no change to the above information until the Company's shares commence trading on the stock exchanges, pursuant to the Offer.

**For: NDAA & Associates LLP**  
**Chartered Accountants**  
**Firm's Registration Number: 129486W/W100775**

  
**Niraj D. Adatia**  
**Partner**  
**Membership No: 120844**  
**UDIN: 25120844BMNZSB9416**



**Place: Mumbai**  
**Date: 20<sup>th</sup> March, 2025**