

**REPORT IN CONNECTION WITH OPERATIONAL KEY PERFORMANCE INDICATORS
(KPIS)**

To,

The Board of Directors

Scoda Tubes Limited,

Survey No. 1566/1 Village Rajpur,

Tal. Kadi, Mehsana, Gujarat - 382740, India.

AND

Monarch Networth Capital Limited,

4th Floor, 'B' Wing, Laxmi Tower, G Block,

Bandra Kurla Complex, Bandra East, Mumbai - 400051.

(Monarch Networth Capital Limited with any other book running lead managers that may be appointed in connection with the Issue, the "BRLM")

Re: Proposed initial public offering of equity shares of face value of ₹ 10 each (the "Equity Shares" and such offering, the "Issue") of Scoda Tubes Limited (the "Company")

We, **Dhirubhai Shah & Co LLP**, Chartered Accountants, the present Statutory Auditors of the Company, have performed the procedures enumerated below with respect to the operational key performance indicators including business metrics and financial performance of the Company ("KPIs") as on respective dates and for the respective period mentioned against each annexure (the "Periods").

To evaluate the accuracy, validity and completeness of KPIs:

- (i) We have read the items identified by you on the attached copy of the red herring prospectus ("RHP"), received by us and to be filed on May 22, 2025 and have compared the amounts to the corresponding amounts set out in the **Annexure** and found them to be in agreement.
- (ii) Compared the amounts/ metrics with, or recalculated the percentages based on, corresponding amounts/ metrics appearing in a schedule prepared by officials of the Company based on the accounting and other records of the Company and found them to be in agreement. We verified the mathematical accuracy of such schedule prepared by the officials of the Company. We also compared the amount identified in such schedule with the corresponding amount appearing in the relevant accounting records of the Company and found them to be in agreement.
- (iii) Compared the amounts/ metrics with, or recalculated the percentages based on, corresponding amounts/ metrics appearing in a schedule prepared by officials of the Company based on management accounts, relevant management information system reports, the enterprise resource planning (ERP) systems or other financial information, corporate, secretarial, regulatory filings with authorities or other records of the Company and found them to be in agreement. We verified the mathematical accuracy of such schedule prepared by the officials of the Company. We also compared the amounts/ metrics identified in such schedule with the corresponding amounts/ metrics appearing in the relevant corporate, secretarial and other records of the Company and found them to be in agreement.
- (ii) Verified the arithmetic accuracy or computation of the percentages or amounts.

On the basis of the procedures set forth above we confirm that KPIs are accurate, valid and complete.

We hereby consent to, and have no objection to, the inclusion of this report or any extract thereof in the red herring prospectus ("RHP") and the prospectus ("Prospectus") to be filed with the Registrar of Companies, Gujarat at Ahmedabad ("RoC"), SEBI and the Stock Exchanges or any other document to be issued or filed in relation to the Issue, including in any corporate or investor presentation made by or on behalf of the Company.



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Head Office : 4th Floor, Aditya Building, Near Sardar Patel Seva Samaj, Mithakhali Six Roads, Ellisbridge, Ahmedabad - 380006.

Branch Office : 204, Sakar Complex, Opp. Abs Tower, Old Padra Road, Vadodara - 390015.

This certificate is issued for the sole purpose of the Issue and this certificate or any extracts or annexures thereof, can be used, in full or part, for inclusion in the red herring prospectus and prospectus and any other material used in connection with the Issue, and for the submission of this certificate as may be necessary, to any regulatory / statutory authority, stock exchanges, any other authority as may be required and/or for the records to be maintained by the BRLM in connection with the Issue and in accordance with applicable law, and for the purpose of any defense the BRLM may wish to advance in any claim or proceeding in connection with the contents of the Issue documents.

We confirm that the information above is true, fair, correct, accurate, not misleading and without omission of any matter that is likely to mislead, and adequate to enable investors to make a well-informed decision.

This certificate may be relied on by the BRLM and legal counsel in relation to the Issue.

We undertake to immediately communicate, in writing, any changes to the above information/confirmations as and when: (i) made available to us; or (ii) we become aware of any such changes, to the BRLM and the Company until the Equity Shares allotted/transferred in the Issue commence trading on the Stock Exchanges. In the absence of any such communication from us, the Company, the BRLM and the legal advisor appointed with respect to the Issue can assume that there is no change to the information/confirmations forming part of this certificate and accordingly, such information should be considered to be true and accurate.

Yours faithfully,

For and on behalf of
Dhirubhai Shah & Co LLP
Chartered Accountants
FRN: 102511W/W100298



Parth S. Dadawala
Partner
Membership No.: 134475
UDIN: 25134475BMIVYO3028

Place: Ahmedabad
Date: May 22, 2025

Encl: As above

CC:

Legal Counsel to the Issue

M/s. Crawford Bayley & Co.
State Bank Buildings
N.G. N. Vaidya Marg
Fort, Mumbai 400 023

Annexure

Sr. No.	Particulars	As of and for the nine months period ended December 31, 2024	As of and for the Fiscal		
			2024	2023	2022
1	Revenue from operations (₹ million)	3,611.71	3,998.61	3,051.28	1,940.28
2	Growth in Revenue from Operations (%)	NA	31.05%	57.26%	83.21
3	EBITDA (₹ million)	606.28	587.91	347.84	99.89
4	EBITDA Margin (%)	16.79%	14.70%	11.40%	5.15%
5	EBIT (₹ million)	472.57	424.04	233.07	84.60
6	EBIT Margin (%)	13.08%	10.60%	7.64%	4.36%
7	Profit After Tax (₹ million)	249.14	183.00	103.36	16.36
8	Profit After Tax Margin (%)	6.90%	4.58%	3.39%	0.84%
9	RoE (%)	17.36%	28.77%	22.81%	4.68%
10	RoCE (%)	13.67%	15.92%	12.62%	5.84%
11	Fixed Asset Turnover (x)	4.16	4.90	4.91	4.30
12	EBITDA/Tonne	61,535.51	65,009.63	57,791.46	23,240.62
13	Realization/Tonne	366,577.21	442,156.35	506,951.29	451,429.58
14	Seamless Products Installed Capacity (Tonnes)	10,068	10,068	6,540	4,410
15	Welded Products Installed Capacity (Tonnes)	1,020	1,020	1,020	1,020
16	Production Seamless Products (Tonnes)	7,954	7,165	6,061	3,905
17	Production Welded Products (Tonnes)	86	39	123	463
18	Utilization rate Seamless Products (%)	79.01%	71.17%	92.68%	88.55%
19	Utilization rate Welded Products (%)	8.46%	3.82%	12.06%	45.39%

Notes:

1. Revenue from Operations means the revenue from operations as appearing in the Financial Information.
2. Growth in revenue from operations (%) is calculated as a percentage of revenue from operations of the relevant period/year minus Revenue from Operations of the preceding period/year, divided by revenue from operations of the preceding period/year.
3. EBITDA is calculated as profit / (loss) for the period / year, plus total tax expense (credit) for the period / year, finance costs and depreciation and amortization expenses, excluding other Income.
4. EBITDA Margin (%) is computed as EBITDA divided by revenue from operations.
5. EBIT is calculated as profit / (loss) for the period / year plus total tax expense / (credit) plus finance costs excluding other Income.
6. EBIT Margin (%) is computed as EBIT divided by revenue from operations.
7. Profit after Tax means profit / (loss) for the year as appearing in the Financial Information.
8. Profit after Tax Margin refers to the percentage margin derived by dividing profit after tax by revenue from operations.
9. Return on Equity refers to the profit for the year/period attributable to equity shareholders of our Company divided by total Equity for the year/period.
10. Return on Capital Employed is calculated as earnings before interest and tax divided by Capital Employed. Earnings before interest and tax is calculated as profit / (loss) for the period / year plus



- total tax expense / (credit) plus finance costs excluding other income. Capital Employed is calculated as total equity plus total borrowings*
- 11. Fixed Asset Turnover is calculated as revenue from operations divided by fixed assets. Fixed asset shall mean aggregate of property, Plant and Equipment, CWIP and Intangible assets.*
 - 12. EBITDA/Tonne is calculated as EBITDA divided by total tonnes sold.*
 - 13. Realization/Tonne is calculated as revenue from operations divided by total tonnes sold.*
 - 14. Utilization rate (%) is calculated as Production (tonnes) divided by Capacity (tonnes).*
 - 15. NA implies Not Applicable*

