



CERTIFICATE ON UTILISATION OF PRE-IPO PROCEEDS

To,
The Board of Directors
Scoda Tubes Limited,
Survey No. 1566/1 Village Rajpur,
Tal. Kadi, Mehsana, Gujarat - 382740, India.

(The “Company”)

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, (FRN: 102511W/ W100298), are the statutory auditors of the Company. In connection with the proposed Issue of the Scoda Tubes Limited, the Company is required to obtain a report from the Statutory Auditors, with regards to the utilisation of Pre-IPO Proceeds, as required by Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the “ICDR Regulations”).

The Company, in consultation with the BRLM (Monarch Network Capital Limited is appointed as a Book Running Lead Manager (“BRLM”) to the issue), has undertaken a Pre-IPO Placement of 44,00,000 Equity Shares at an issue price of Rs. 125/- per Equity Shares (including premium of Rs. 115) for cash consideration aggregating to ₹ 550.00 million i.e. 20% of the Issue size on October 21, 2024.

In connection with the Pre-IPO placement, the accompanying statement of payments made from the proceeds of the Pre-IPO placement (“Pre-IPO Proceeds”) contains the details as required pursuant to compliance of applicable laws and generally accepted accounting policies in India, which we have initialled for identification purposes only (hereinafter referred as the “Statement” annexed as Annexure 1)

Managements’ responsibility for the Statement

The preparation of the Statement is the responsibility of the Management of the Company. This responsibility includes designing, implementing and maintaining internal control 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. The Management is also responsible for ensuring compliance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“ICDR Regulations”) and the Companies Act, 2013, as amended (“Companies Act”)

Auditor’s Responsibility

Pursuant to the requirements of the arrangement, it is our responsibility to obtain limited assurance and conclude as to whether the details provided in the Statement is in agreement with the books of accounts and other records for the for the period ended March 31, 2025.

The books of accounts and other relevant records referred above, have been reviewed by us. Review of these books of accounts and other relevant records were conducted in accordance with the SRE 2410: Standards on Review Engagements issued by Institute of Chartered Accountants of India. Those Standards require that we plan and perform the review to obtain limited assurance about whether the books of accounts are free of material misstatement.

In relation to the Statement we have:

- Reviewed the books of accounts for the period ended March 31, 2025
- Reviewed relevant minutes, records produce before us.



We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes ("Revised 2016") ("Guidance Note") issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

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.

Opinion

Based on our examination, as above, and the information and explanations given to us, we report that the Statement is in agreement with the unaudited books of accounts and other relevant records of the Company as produced to us for our examination

Restriction on use

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, 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 the applicable law, and for the purpose of any defence the BRLM may wish to advance in any claim or proceeding in connection with the contents of the Issue documents.

This certificate may be relied on by the Company, the BRLM and the Legal counsel to the Issue.

All capitalised terms not defined herein would have the same meaning as attributed to it in the Offer Documents, as applicable.

Yours faithfully,

For and on behalf of

Dhirubhai Shah & Co LLP,

Chartered Accountants

Firm Reg. No.: 102511W/ W100298



Parth S. Dadawala

Partner

Membership No. 134475

UDIN: 25134475BMIVZC4418

Place: Ahmedabad

Date: May 22, 2025

CC:

Book Running Lead Manager

Monarch Network Capital Limited,

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

Bandra Kurla Complex, Bandra East, Mumbai - 400051.

Legal Counsel to the Issue

M/s Crawford Bayley & Co.

State Bank Buildings

N.G.N Vaidya Marg

Fort, Mumbai 400 023

Annexure 1

The Company has pursuant to the Pre-IPO placement raised Rs. 550 million, utilization of which is provided below:

Purpose	Category as per DRHP	Amount (in million)
Advance towards plant and machinery and civil work	Capital expenditure towards expanding production capacity of seamless and welded tubes and pipes	279.94
Repayment of loan and bank charges	General Corporate Purposes	68.93
Pre -IPO expenses	Issue Expenses	18.71
Balance amount as on March 31, 2025		182.42

