

EXTRACT OF THE RESOLUTION PASSED AT THE AUDIT COMMITTEE MEETING OF SCODA TUBES LIMITED, HELD ON THURSDAY, MAY 22, 2025 AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT SURVEY NO. 1566/1 VILLAGE RAJPUR, KADI, MEHSANA GUJARAT 382740.

To consider and approve the details of Key Performance Indicators (KPIs) as of the nine months period ended December 31, 2024 and for the Fiscals ended March 31, 2024, March 31, 2023 and March 31, 2022:

In connection with the proposed initial public offering of equity shares of the Company of face value of ₹ 10 each (the “**Equity Shares**”), the Company is in the process of filing the Red Herring Prospectus (“**RHP**”) with the Securities and Exchange Board of India (“**SEBI**”) and the relevant stock exchange(s).

The Audit Committee was apprised that pursuant to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“**SEBI ICDR Regulations**”), the Company is required to disclose all the key performance indicators (“**KPIs**”) pertaining to the Company that have been disclosed to its investors at any point of time during the three years preceding to the date of filing of the RHP. Further, in consultation with the lead merchant banker, the Company may make disclosure of any other relevant and material KPIs of the business of the Company as it deems appropriate that have a bearing for arriving at the basis for issue price.

The Audit Committee was also apprised that the Institute of Chartered Accountants of India (ICAI) has issued in April 2023 a ‘Technical Guide on Disclosure and Reporting of Key Performance Indicators (KPIs) in Offer Documents’ providing guidance to the members of ICAI and other professionals who are certifying KPIs disclosed in the offer documents and the SEBI circular dated February 28, 2025, on ‘Industry Standards on Key Performance Indicators Disclosures in the draft Offer Document and Offer Document’ (“**Industry Standards**”) laid down industry standards for disclosure of KPIs in the offer documents.

The Audit Committee also noted that the KPIs as set in the section titled “*Basis of Issue Price*” and “*Our Business*” in the Issue Documents shall continue to be disclosed by the Company post listing, in accordance with Paragraph (9)(K)(3)(h)(i) under Part A, Schedule VI and other applicable provisions of SEBI ICDR Regulations and the Industry Standards. The Audit Committee also noted that the Industry Standards were adhered to while collating the Selected Data and KPIs.

RESOLVED THAT, the approval of the Audit Committee is hereby accorded to disclosed the Key Performance Indicators (the “**KPIs**”) as set out in **Annexure A**, in the red herring prospectus (“**RHP**”) and prospectus and other documents or material issued or filed by the Company in relation to the Issue, including any amendments, addenda or corrigenda issued thereto (collectively, the “**Issue Documents**”) on the KPIs of the Company as identified by the members of the Audit Committee of the Company, duly initialed by the Chairman of the Audit Committee for identification purposes.

RESOLVED FURTHER THAT the Committee hereby confirms that the verified and audited details of all the KPIs disclosed to the investors at any point of time during the three years’ period prior to the date of filing of the RHP (as approved above), be included under “Basis for Issue Price” section of the RHP proposed to be filed with relevant authorities as well as well as certified by Dhirubhai Shah & Co. LLP, Chartered Accountants, pursuant to their certificate dated May 22, 2025. Further, the management of the

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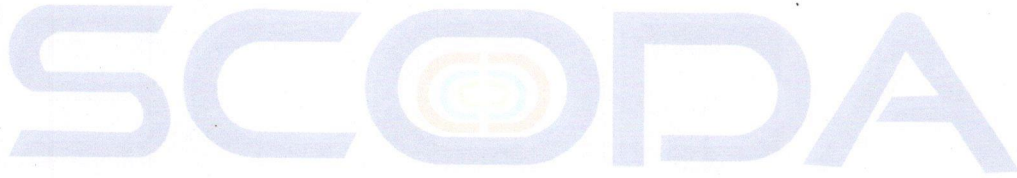
Company has been using these KPIs data to historically track the operations and performance of the Company;

RESOLVED FURTHER THAT Ms. Neha Maulik Soni, Chairman of the committee and Mr. Vipulkumar Vitthalbhai Patel, Member of the committee be and are hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient for the purpose of giving effect to this resolution.”

//CERTIFIED TO BE TRUE//
For SCODA TUBES LIMITED



Vipulkumar Vitthalbhai Patel
Member
DIN: 03056403



Annexure A

LIST OF KEY PERFORMANCE INDICATOR

Details of our KPIs as at for the nine months period ended December 31, 2024 and for the Fiscals ended March 31, 2024, March 31, 2023 and March 31, 2022

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:

- Revenue from Operations means the revenue from operations as appearing in the Financial Information.
- 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.
- 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.
- EBITDA Margin (%) is computed as EBITDA divided by revenue from operations.
- EBIT is calculated as profit / (loss) for the period / year plus total tax expense / (credit) plus finance costs excluding other Income.
- EBIT Margin (%) is computed as EBIT divided by revenue from operations.

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- vii. *Profit after Tax means profit / (loss) for the year as appearing in the Financial Information Statement.*
- viii. *Profit after Tax Margin refers to the percentage margin derived by dividing profit after tax by revenue from operations.*
- ix. *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.*
- x. *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*
- xi. *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.*
- xii. *EBITDA/Tonne is calculated as EBITDA divided by total tonnes sold.*
- xiii. *Realization/Tonne is calculated as revenue from operations divided by total tonnes sold.*
- xiv. *Utilization rate (%) is calculated as Production (tonnes) divided by Capacity (tonnes).*
- xv. *NA implies Not Applicable*

Explanation for the Key Performance Indicators

KPI	Explanation
Revenue from operations	Revenue from Operations is used by the management to track the revenue profile of the business and in turn helps assess the overall financial performance of the Company and size of the business.
Growth in revenue from operations (%)	Growth in Revenue from Operations provides information regarding the growth of the business for the respective period.
EBITDA	Earnings before interest, tax, depreciation and amortization and is calculated as the restated profit for the period or year plus tax expense, finance cost, depreciation and amortization expenses less other income and excluding exceptional items. EBITDA provides information regarding operational profitability and efficiency of our Company.
EBITDA Margin (%)	EBITDA Margin (%) is computed as EBITDA divided by revenue from operations. This metric helps in benchmarking the operating profitability against the historical performance of our Company.
EBIT	Earnings before interest and tax is calculated as the restated profit for the period or year plus tax expense and finance cost less other income and excluding exceptional items.
EBIT Margin (%)	EBIT Margin (%) helps in keeping track of the operational efficiency of our company after the depreciation and amortization expenses calculated as EBIT as a percentage of revenue from operations.
Profit/ (Loss) after tax	The amount that remains after a company has paid off all of its operating and non-operating expenses, other liabilities and taxes. It provides information regarding the profitability of our Company.
Profit/ (Loss) after tax margin (%)	Percentage of the amount that remains after a company has paid off all of its operating and non-operating expenses, other liabilities and taxes. It provides information regarding the profitability of our Company.
RoE (%)	Return on Equity is calculated on the basis of net profit after tax divided by shareholder's equity and is calculated by profit after tax divided by our net worth (share capital and other equity). It indicates our Company's ability to turn equity investments into profits.
RoCE (%)	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 This provides us information on efficiency of our capital deployment and utilization.
Fixed Asset Turnover	Fixed Asset turnover measures how efficiently fixed assets are being utilized. It is calculated as revenue from operations divided by fixed assets. Fixed asset shall mean aggregate of property, Plant and Equipment, CWIP and Intangible assets.

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KPI	Explanation
EBITDA/Tonne	EBITDA/tonne is a financial metric that measures a company's operating profitability on a per-tonne basis. It is calculated as EBITDA divided by total tonnes sold.
Realization/Tonne	Realization/tonne is a financial metric that measures the average revenue a company earns for every tonne of product sold. It is calculated as revenue from operations divided by total tonnes sold.
Seamless Products Installed Capacity (Tonnes)	Seamless Products Installed Capacity (Tonnes) refers to the maximum production capacity of seamless pipes and tubes in tonnes that the facility can manufacture within a year.
Welded Products Installed Capacity (Tonnes)	Welded Products Installed Capacity (Tonnes) refers to the maximum production capacity of welded pipes and tubes in tonnes that the facility can manufacture within a year.
Production Seamless Products (Tonnes)	Production Seamless Products (Tonnes) refers to the actual production of seamless tubes and pipes in tonnes
Production Welded Products (Tonnes)	Production Welded Products (Tonnes) refers to the actual production of welded tubes and pipes in tonnes
Utilization rate Seamless Products(%)	Utilization rate Seamless Products (%) refers to the percentage of actual production of seamless products in comparison to the installed capacity of the seamless product over a specific period.
Utilization rate Welded Products(%)	Utilization rate Welded Products (%) refers to the percentage of actual production of welded products in comparison to the installed capacity of the welded product over a specific period.



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