

To,

Fedex Securities Private Limited

Jay Chambers Dayaldas Road, Vile Parle East,
Mumbai – 400057, Maharashtra India

Dear Sir / Madam,

Re: PROPOSED INITIAL PUBLIC OFFER (IPO) OF VRUDDHI ENGINEERING WORKS LIMITED (“COMPANY”) ON SME PLATFORM OF BSE (“BSE SME”)

This is to certify that we have examined the books of **Vruddhi Engineering Works Limited** having its registered office at No 603, 6th Floor, Cello - The Plaza, V P Road, Vile Parle West-400056, Mumbai, Maharashtra, India and the Key Performance Indicators of the Company historically are as per below:

Key Performance Indicators of our Company.

(₹ in lakhs)

Particulars	As on September 30, 2023	As on March 31, 2023	As on March 31, 2022	As on March 31, 2021
Revenue from Operations ⁽¹⁾	935.33	1,307.69	220.65	0.44
Growth in Revenue from Operations ⁽²⁾	NA	492.65%	49,611.69%	NA
EBITDA ⁽³⁾	97.30	135.06	14.35	(0.88)
EBITDA Margin ⁽⁴⁾	10.40%	10.33%	6.50%	(198.26%)
Restated Profit After Tax for the Year	41.01	75.33	9.44	(0.88)
PAT Margin ⁽⁵⁾	4.38%	5.76%	4.28%	(197.20%)
Net Worth ⁽⁶⁾	253.13	212.12	9.56	0.12
Capital Employed	554.74	535.50	57.05	2.34
ROE% ⁽⁷⁾	16.20%	35.51%	98.76%	(701.86%)
ROCE% ⁽⁸⁾	15.53%	21.57%	22.26%	(37.53%)

Notes:

- 1) Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements.
- 2) Growth in Revenue from Operations (%) is calculated as Revenue from Operations of the relevant period minus Revenue from Operations of the preceding period, divided by Revenue from Operations of the preceding period.
- 3) EBITDA is calculated as Profit before tax + Depreciation + Finance Cost - Other Income
- 4) EBITDA Margin is calculated as EBITDA divided by Revenue from operations
- 5) PAT Margin is calculated as PAT for the period/year divided by revenue from operations.
- 6) Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account
- 7) Capital Employed is calculated as shareholder's equity plus total borrowings
- 8) Return on Equity is ratio of Profit after Tax and average Shareholder Equity
- 9) Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders' equity plus total borrowings (current & non-current).

Explanation of KPI Metrics:

KPI	Explanations
Revenue from Operations	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps to assess the overall financial performance of our Company and volume of our business
Growth in Revenue from Operations	Growth in Revenue from Operations provides information regarding the growth of our business for respective periods
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 our 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 our 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.
RoE (%)	RoE provides how efficiently our Company generates profits from shareholders' funds.
RoCE%	ROCE provides how efficiently our Company generates earnings from the capital employed in the business.

Our responsibility is to verify whether the information is in agreement with the relevant document and supporting maintained and produced by the Company. The certificate is in accordance with Guidance Note on Audit Reports and Certificates for Special Purpose issued by the Institute of Chartered Accountants of India.

This certificate is issued at the request of the Company for submission to Fedex Securities Private Limited and its Consortium and should not be used for any other purpose without our prior written consent. This certificate relates only to the Statements specified above and does not extend to any other matters of the Company, taken as a whole. Maheshwari & Co., is not liable or responsible to the Company, Fedex Securities Private Limited, or any other concern, except to the extent of fees for the assignment.

We have no responsibility to update this certificate for events and circumstances occurring after the date of this certificate.

Weighted average cost of acquisition:

a) The price per share of our Company based on the primary/ new issue of shares (equity / convertible securities). Except as mentioned below, there has been no issuance of Equity Shares excluding shares issued under ESOP/ESOS and issuance of bonus shares other than Equity Shares issued during the 18 months preceding the date of this Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of 30 days.

Primary Transactions:

Except as disclosed below, there have been no primary transactions in the last 18 months preceding the date of this Red Herring Prospectus:

Date of allotment/ transaction	No. of Equity Shares	Face value per Equity Shares	Issue/ transaction price per Equity Share (₹)	Nature of allotment / transaction	Nature of consideration	Total consideration (in ₹ lakhs)
Primary transaction						
7-Nov-22	53,334	10	75	Right Issue	Cash	40,00,050.00
13-Apr-23	51,890	10	168.11	Preferential Allotment	Other than Cash	87,23,227.90
Total	1,05,224					1,27,23,277.90
Weighted average cost of acquisition (primary transaction)						120.92

b) The price per share of our Company based on the secondary sale / acquisition of shares (equity shares). Except gift of Equity Shares made by our Promoter and members of the Promoter Group, there have been no secondary sale / acquisitions of Equity Shares, where the Promoter, members of the Promoter Group or shareholder(s) having the right to nominate director(s) in the board of directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this certificate, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.



c) Since there are transactions to report under (a) and (b) therefore, information based on last 5 primary or secondary transactions (secondary transactions where Promoter / Promoter Group entities or shareholder(s) having the right to nominate director(s) in the Board of our Company, are a party to the transaction), not older than 3 years prior to the date of this certificate irrespective of the size of transactions is not applicable.

For Maheshwari and Co.,
Chartered Accountants
Firm Registration No.: 0105834W



Vikas Asawa
Membership No.: 172133
(Partner)

Place: Mumbai
Date: 16th March, 2024
UDIN: 24172133BKAKRJ6394