

**M.S. DAHIYA & Co.**

**CHARTERED ACCOUNTANTSE-Mail: harshfiroda@gmail.com**

**211, Sector-B, Scheme No. 134, Indore – 452010**

**CERTIFICATE ON OBJECTS: WORKING CAPITAL REQUIREMENTS**

**TO**

**The Board of Directors,  
Shree Tirupati Balajee Agro Trading Company Limited  
Plot No. 192, Sector-1, Pithampur,  
Dhar (M.P.) - 454775**

**(the "Company")**

**AND**

**PNB Investment Services Limited  
PNB Pragati Towers, 2nd Floor,  
Plot No. C-9, G-Block, BKC,  
Bandra (E), Mumbai – 400 051**

**Unistone Capital Private Ltd.  
A/305, Dynasty Business Park,  
Andheri Kurla Road, Andheri East,  
Mumbai - 400059**

**(PNB Investment Services Limited and Unistone Capital Private Ltd. collectively referred to as the "Book Running Lead Managers" or the "BRLMs")**

**Re: Proposed initial public offering of equity shares of face value of Rs. 10 each (the "Equity Shares") Shree Tirupati Balajee Agro Trading Company Limited (the "Company") and Offer for Sale by the Selling Shareholder(s) (the "Offer").**

Dear Sirs,

We have verified the restated consolidated audited financial statements for fiscals March 31, 2024, March 31, 2023 and March 31, 2022 and other relevant records of the Company as submitted to us. Based on our examination, as we considered necessary and according to the information and explanations given to us we hereby certify that the working capital requirements of the Company for fiscals March 31, 2024, March 31, 2023 and March 31, 2022 on the basis of restated consolidated audited financial statements and the holding levels are set out at **Annexure A**.

As on May 31, 2024, Company (including subsidiaries) has total sanctioned limit of working capital facilities of ₹19,300.00 lakhs and has utilized ₹18,887.81 lakhs. There are no fund requirements towards capital expenditure and hence Regulation 7(1)(e) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 is not applicable.



In respect of the working capital requirements detailed hereinabove, the periods of holding levels are set forth in **Annexure B**.

The Company proposes to utilize ₹24.24 Crores (approx.) of the Net Proceeds in fiscals 2024 and 2025 (as informed by the management of the company), respectively, towards its working capital requirements for meeting their future business requirements.

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 is issued for the sole purpose of the Offer and this certificate or any extracts or annexures thereof, can be used, in full or part, for inclusion in the draft red herring prospectus, red herring prospectus, prospectus and any other material used in connection with the Offer, 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 Offer 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 Offer documents.

We have carried out our work on the basis of Restated Consolidated Audited Financial Statements and other documents, public domain and information made available to us by the Company, which has formed substantial basis for this certification. Any change in the information made available to us by the Company which forms substantial basis of our verification, subsequent to the issuance of this certificate has not been considered.

This certificate may be relied on by the Company, the Book Running Lead Manager and legal counsel appointed in relation to the Offer.

We undertake to update you in writing of any changes in the abovementioned position, until the date the Equity Shares issued pursuant to the Offer commence trading on the stock exchanges. In the absence of any communication from us till the Equity Shares commence trading on the stock exchanges, you may assume that there is no change in respect of the matters covered in this certificate.

Yours faithfully,

**For M/s M.S. Dahiya & Co.**

**Chartered Accountants**

FRN: 013855C

*Harsh Firoda*

**CA. Harsh Firoda**

**Partner**

M. No.: 409391

**UDIN :**

**Date :23.07.2024**

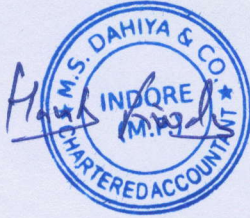
**Place : Indore**

**Encl: As above**



CC:

**Legal Counsel to the Offer**  
DhavalVussonji& Associates  
113-114 Free Press House,  
Free Press Journal Marg,  
Nariman Point-400 021,  
**Mumbai**

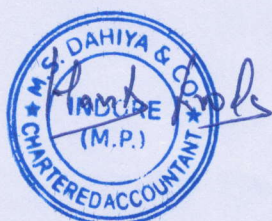


**ANNEXURE A**

**Working Capital Requirements Calculated on the Basis of Restated Consolidated  
Financial Statements**

(₹ in lakhs)

Particulars	31-Mar-24	31-Mar-23	31-Mar-22
	Audited	Audited	Audited
<b>Current Assets</b>			
Inventories	25,209.85	20,146.26	19,414.95
Trade Receivables	9,285.47	5,106.91	4,817.77
Short Term Loans and Advances	3,088.36	407.13	1,115.59
Other Current Assets	3,261.26	3,193.34	2,978.02
<b>Total Current Assets (Other than Cash and Cash Equivalents) (A)</b>	<b>40,844.94</b>	<b>28,853.64</b>	<b>28,326.33</b>
<b>Current Liabilities</b>			
Trade Payables	3,431.07	902.38	1,655.83
Other Current Liabilities	2,180.47	1,190.27	990.81
<b>Total Current Liabilities (B)</b>	<b>5,611.54</b>	<b>2,092.65</b>	<b>2,646.64</b>
<b>Working Capital Gap (A - B)</b>	<b>35,233.40</b>	<b>26,760.99</b>	<b>25,679.69</b>
Less: Existing Bank Borrowings (Including Current Maturities of Long Term Debt)	20,535.58	17,210.35	17,937.18
<b>Net Working Capital Requirement</b>	<b>14,697.82</b>	<b>9,550.64</b>	<b>7,742.51</b>
<b>Holding Period</b>			
Current Assets	No. of Days	No. of Days	No. of Days
Inventories	221	235	240
Trade Receivables	49	38	39
Current Liabilities			
Trade Payables	19	15	35



## ANNEXURE B

The working capital projections made by our Company are based on certain key assumptions, as set out below:

1. Inventory Holding in no. of days is calculated on the basis of:-

$$\frac{\text{Average Inventory} * 365}{\text{Cost of material consumed plus change in inventory}}$$

2. Trade Receivable Holding in no. of days is calculated as :-

$$\frac{\text{Average Trade Receivable} * 365}{\text{Revenue from operation}}$$

3. Trade payable Holding in no. of days is calculated as :-

$$\frac{\text{Average Trade Payable} * 365}{\text{Purchase}}$$

(All ratios calculated on the basis of 365 days in a year)

