



## CA CERTIFICATE ON KEY PERFORMANCE INDEX (KPI)

To,

**Ekadrisht Capital Private Limited**

1102, Summit Business Bay, Andheri Kurla Road,

Chakala, Andheri East, Mumbai 400 093,

Maharashtra, India.

(the "Book Running Lead Manager")

Dear Sir(s),

### **Sub: Proposed initial public offering ("Offer") of equity shares of face value of Rs. 10 each ("Equity Shares") by Indian Emulsifiers Limited (Company")**

The KPIs disclosed below have been used historically by the Company to understand and analyze the business performance, which in result, help the company in analyzing the growth of various verticals in comparison to the company's peers. The KPIs disclosed below have been approved by a resolution of the Audit Committee dated February 05, 2024 and the members of the Audit Committee have verified the details of all KPIs pertaining to the Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to the Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of the Draft Red Herring Prospectus.

### **Key Performance Indicators of the Company**

Key Financial Performance	(₹ in Lakhs)			
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Revenue from Operations <sup>(1)</sup>	4,867.36	4,117.97	1,768.31	-
EBITDA <sup>(2)</sup>	1119.22	786.19	79.49	(0.37)
EBITDA Margin (%) <sup>(3)</sup>	22.99%	19.09%	4.50%	-
PAT	675.01	389.44	4.31	(0.37)
PAT Margin (%) <sup>(4)</sup>	13.87%	9.46%	0.24%	-
Return on equity (%) <sup>(5)</sup>	25.61%	32.33%	0.53%	(58.65%)
Return on capital employed (%) <sup>(6)</sup>	38.03%	55.50%	7.19%	(58.65%)
Debt-Equity Ratio (times) <sup>(7)</sup>	0.51	0.97	0.94	-
Net fixed asset turnover ratio (times) <sup>(8)</sup>	3.46	3.24	1.81	-
Current Ratio (times) <sup>(9)</sup>	2.11	2.04	2.92	1.01
Net profit ratio (%) <sup>(10)</sup>	13.87%	9.46%	0.24%	-

#### Notes:

1. 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.
2. EBITDA provides information regarding the operational efficiency of the business.
3. EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business.
4. PAT Margin (%) is an indicator of the overall profitability and financial performance of the business.

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5. Return on equity (ROE) is a measure of financial performance.
6. Return on capital employed is a financial ratio that measures our company's profitability in terms of all of its capital.
7. Debt / Equity Ratio is used to measure the financial leverage of the Company and provides comparison benchmark against peers.

Net fixed asset turnover ratio is indicator of the efficiency with which our company is able to leverage its assets to generate revenue from operations. The current ratio is a liquidity ratio that measures our company's ability to pay short-term obligations or those due within one year. Net Profit Margin (also known as "Profit Margin" or "Net Profit Margin Ratio") is a financial ratio used to calculate the percentage of profit our company produces from its total revenue. Description on the historic use of the KPIs by our Company to analyses, track or monitor the operational and/or financial performance of our Company. In evaluating our business, we consider and use certain KPIs, as presented above, as a supplemental measure to review and assess our financial and operating performance. The presentation of these KPIs is not intended to be considered in isolation or as a substitute for the Financial Information. We use these KPIs to evaluate our performance. Some of these KPIs are not defined under applicable Accounting Standards and are not presented in accordance with applicable Accounting Standards. These KPIs have limitations as analytical tools. Further, these KPIs may differ from the similar information used by other companies and hence their comparability may be limited. Although these KPIs are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it provides an additional tool for investors to use in evaluating our ongoing results, when taken collectively with financial measures prepared in accordance with applicable Accounting Standards.

#### Explanations for the certain financial data based on Restated Financial Statements

Key Financial Performance	Explanations
Financial KPIs	
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
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 the business
Return on equity (%)	Return on equity (ROE) is a measure of financial performance
Return on capital employed (%)	Return on capital employed is a financial ratio that measures our company's profitability in terms of all of its capital
Debt-Equity Ratio (times)	Debt / Equity Ratio is used to measure the financial leverage of the Company and provides comparison benchmark against peers
Net fixed asset turnover ratio (times)	Net fixed asset turnover ratio is indicator of the efficiency with which our company is able to leverage its assets to generate revenue from operations
Current Ratio (times)	The current ratio is a liquidity ratio that measures our company's ability to pay short-term obligations or those due within one year
Net profit ratio (%)	Net Profit Margin (also known as "Profit Margin" or "Net Profit Margin Ratio") is a financial ratio used to calculate the percentage of profit our company produces from its total revenue

Sincerely,

**For M/s Dave & Dave**  
**Chartered Accountants**  
**FRN. 102163w**

LILASHANKAR  
 GHISULAL DAVE



**CA Lilashankar Dave**  
**Partner**  
**M. No.042889**  
**UDIN: 24042889BKEMYQ3329**

**Place: Mumbai**  
**Date: February 09, 2024**