



To,
FEDEX SECURITIES PRIVATE LIMITED

B 7, 3rd Floor, Jay Chambers,
Dayaldas Road, Vile Parle - (East),
Mumbai - 400 057,
Maharashtra, India

Dear Sirs,

PROPOSED SME INITIAL PUBLIC OFFER OF EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH OF SHARP CHUCKS AND MACHINES LIMITED (“COMPANY”)

This is to certify that we have examined the books of **Sharp Chucks and Machines Limited** having its registered office at **A-12, Industrial Development Colony, Jalandhar – 144001, Punjab, India** and the Key Performance Indicators of the Company historically are as per below:

(In Lakhs)

Key Financial Performance	For the Financial Year ended March 31, 2023	For the Financial Year ended March 31, 2022	For the Financial Year ended March 31, 2021
Revenue from operations	17,644.97	15,190.78	13,545.94
Growth in Revenue from Operations	16.16%	12.14%	20.08%
EBITDA	1,852.33	1,710.42	1,472.02
EBITDA Margin	10.50%	11.26%	10.87%
PAT	506.50	452.62	330.96
PAT Margin	2.87%	2.98%	2.44%
Net Worth	5,234.79	4,728.29	4,275.67
Capital Employed	14,268.99	14,997.64	10,581.04
ROE (%)	10.17%	10.05%	8.05%
ROCE (%)	11.00%	8.67%	10.51%

Notes:

- 1) Revenue from Operations means the Revenue from Operations as appearing in the Restated Consolidated 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 Net worth + Long Term Borrowings + Short Term Borrowings + Current maturities of long-term 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}.
- 10) Explanation for 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.
Capital Employed	Capital employed, also known as funds employed, is the total amount of capital used for the acquisition of profits by a firm or project.



JMR & ASSOCIATES LLP

CHARTERED ACCOUNTANTS

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. JMR & Associates LLP 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.

For JMR & Associates LLP

Chartered Accountants

FRN: 106912W / W100300

Nikesh

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Nikesh Moolchand

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Date: 2023.09.23

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CA Nikesh Jain

Partner

M. No. 114003

UDIN: 23114003BGSCNN1065

Place: Mumbai

Date: September 23,2023