



CERTIFICATE IN RELATION TO OBJECTS OF THE OFFER – REPAYMENT

Date – 26.09.2024

The Board of Directors

Deepak Builders and Engineers India Limited,

Ahluwalia Chambers, 1st Floor,

Plot No. 16 & 17, Local Shopping Centre,

Madangir, Near Pushpa Bhawan,

New Delhi, Delhi, India, 110062

Re: Proposed initial public Offer (“IPO”) of equity shares of face value Rs. 10 each (“Equity Shares”) by Deepak Builders & Engineers India Limited (“Company”) (the “Offer”) in accordance with the provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“SEBI ICDR Regulations”), and other applicable laws, as amended.

We, Parmod G Gupta & Associates, Chartered Accountants, Ludhiana, FRN – 018870N, the present statutory auditors of the Company, have been informed by the Company that it proposes to undertake the Offer in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“ICDR Regulations”) and the Companies Act, 2013, as amended (“Companies Act”). We have been requested by the Company to verify and certify the details / information related to the certain borrowings availed by the company. The company has proposed for the repayment of few of the borrowings out of the borrowing table as mentioned below herein.

Our engagement has been undertaken in accordance with the Standard on Related Services (SRS) 4400 (“SRS 4400”) “Engagements to Perform Agreed-upon Procedures regarding Financial Information”, issued by the Institute of Chartered Accountants of India. SRS 4400 is generally adopted to perform agreed upon procedures regarding financial information, however, this standard can also be used as a guide to perform agreed upon procedures regarding non-financial information.

We have reviewed the restated financial statements of the Company as on June 30, 2024 and for the Fiscals 2024, 2023 and 2022, which was audited in accordance with the Companies Act, 2013, as amended and the rules framed thereunder, the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India and restated in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the “Restated Financial Statements”).

In this regard, we have obtained and reviewed the various documents related to borrowings as mentioned in the table below of the company, as on August 31, 2024 and compared the amount as per





such schedule with the Restated Financial Statements as at June 30, 2024, of the Company, to confirm the accuracy and completeness of such amounts to the extent applicable. We have also reviewed the ledger accounts of the loans, loan documentations undertaken by the company, sanction letters, bank statements, repayment schedule, CHG-1 filed with ROC and other documents that we have deemed necessary in this regard.

Based on the above information and explanations provided by the management of the Company, we certify the detail as listed in **Annexure A**.

Based on our examination and as per information and explanation given to us, we confirm that the information in this certificate is true, fair, correct, accurate and there is no untrue statement or omission which would render the contents of this certificate misleading in its form or context.

We conducted our examination of the information given in this certificate (including the annexures thereto) in accordance with the 'Guidance Note on Reports or Certificates for Special Purposes' issued by the Institute of Chartered Accountants of India ("ICAI"), as revised from time to time, to obtain a reasonable assurance that such details are in agreement with the books of accounts and other relevant records provided to us, in all material respects; the aforesaid Guidance Note requires that we comply with the ethical requirements of the 'Code of Ethics' issued by the ICAI, as revised from time to time. Further, we have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, 'Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements', as revised from time to time.

This certificate is issued for the purpose of the Offer, and can be used, in full or part, for inclusion in the draft red herring prospectus, updated draft red herring prospectus, red herring prospectus, prospectus and any other material used in connection with the Offer (together, the "Offer Documents").

This certificate may be relied on by the BRLM, their affiliates and legal counsel in relation to the Offer and to assist the BRLM in conducting and documenting their investigation of the affairs of the Company in connection with the Offer. We hereby consent to this certificate letter being disclosed by the BRLM, if required (i) by reason of any law, regulation, order or request of a court or by any governmental or competent regulatory authority, or (ii) in seeking to establish a defence in connection with, or to avoid, any actual, potential or threatened legal, arbitral or regulatory proceeding or investigation.

We hereby indemnify and keep indemnified, saved, defended and harmless the BRLM and Legal Counsel to the proposed Offer of the Company and all persons claiming under them ("Indemnified Persons"), from and against all losses and/or damages arising as a result of the aforementioned representations made by us in order to disclose details of the same in the Abridged Prospectus for the Offer or arising as a result of any notices, proceedings, litigations, claims, penalties, demands and costs that may be made and/or raised on the Indemnified Persons by any third parties and/or with regard to any matter arising in connection thereto or otherwise by reason of the matter contemplated herein and/or sustained by the BRLM and/or Legal Counsel to the Offer as a result of any statements, representations, assurances, confirmations hereinunder given being untrue.





PARMOD G. GUPTA & ASSOCIATES
CHARTERED ACCOUNTANTS
(A Peer Reviewed Firm)

We undertake to update you 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.

All capitalized terms used but not defined herein shall have the meaning assigned to them in the Offer Documents.

Yours Sincerely,

For Parmod G Gupta & Associates,
Chartered Accountants
Firm Reg. No. – 018870N

Parmod Gupta
Parmod Gupta

Partner

Membership No. – 096109

UDIN – 24096109BKDSFP8614



Place: Ludhiana

CC:

Fedex Securities Private Limited

3rd Floor, B Wing, Jay Chambers,

Dayaldas Road, Vile Parle East,

Mumbai - 400057

(*Fedex Securities Private Limited is referred to as the “Book Running Lead Manager” or “BRLM”)

Vidhigya Associates

501, 5th Floor, Jeevan Sahakar Building

Sir P M Road, Homji Street

Fort, Mumbai - 400 001

(*Vidhigya Associates is referred to as the “Legal Counsel to the Offer”)



Annexure A

Sr. No.	Name of the lender	Nature of loan	Purpose	Date of original Sanction	Date of disbursement	As on August 31, 2024 (in ₹ million)		Rate of Interest/ Commission	Tenor and repayment schedule	Prepayment terms / Penalty	Whether loan is for capital expenditure requirements
						Amount sanctioned	Amount outstanding				
1.	Kotak Mahindra Bank	Business Loan	Working Capital	July 31, 2022	July 31, 2022	7.50	2.88	15.00%	August 1, 2025	Lock-in for 12 months and thereafter 5% floor rate (taxes as applicable) on the principal outstanding as on the date of prepayment	No
2.	Kotak Mahindra Bank	Business Loan	Working Capital	November 16, 2023	November 16, 2023	10.00	7.88	14.67%	November 10, 2026	No prepayment Charges	No
3.	Aditya Birla Finance Limited	Loan Against Property	Working Capital	March 31, 2023	March 31, 2023	175.30	165.31	11.00%	April 15, 2035	3% plus applicable taxes	No
4.	IDFC First Bank Limited	Business Loan	Working Capital	November 29, 2023	November 29, 2023	10.00	8.16	15.50%	December 3, 2026	5% of principal outstanding	No
5.	Kisetsu Saison Finance India Private Limited	Business Loan	Working Capital	November 10, 2023	November 10, 2023	5.00	3.30	16.50%	November 3, 2025	Tenor between 12 and 17 months 5% of the outstanding principal amount +GST Tenor between 18 and 24 months 4% of the outstanding principal amount +GST Tenor between 25 and 36	No





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						Amount sanctioned	Amount outstanding				
										months 3% of the outstanding principal amount +GST	
6.	Protium Finance Limited	Business Loan	Working Capital	November 16, 2023	November 23, 2023	5.00	3.87	17.00%	January 5, 2026	Not allowed in the first 12 months of the loan start date or 6% of the principal outstanding Post 12 months- 5% of principal outstanding	No
7.	Fedbank Financial Services Limited	Business Loan	Working Capital	November 4, 2023	November 15, 2023	3.01	2.32	16.00%	June 2, 2026	4% + applicable taxes of outstanding amount	No
8.	SFMG India Credit Company Limited (Fullert on India)	Business Loan	Working Capital	November 9, 2023	November 10, 2023	7.50	5.26	16.00%	August 5, 2025	Upto 17 EMI 7% of principal loan amount outstanding 18-23 EMI 5% of principal loan amount outstanding 24-35 EMI 3% of principal loan amount outstanding No prepayment charges after repayment of 36 EMI	No
9.	Tata	Business	Work	Nov	November	7.50	6.13	16.00%	Decem	2.25%	No





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						Amount sanctioned	Amount outstanding				
	Capital Limited	Business Loan	Working Capital	November 17, 2023	December 22, 2023				December 3, 2026	4% on the principal outstanding at the time of foreclosure. Foreclosure will not be levied if the new rate is lower than the existing rate.	
10.	Shri Ram Finance Limited	Business Loan	Working Capital	November 30, 2023	December 7, 2023	5.00	4.10	16.50%	December 31, 2027	2.25% on the principal outstanding at the time of foreclosure. Foreclosure will not be levied if the new rate is lower than the existing rate. No foreclosure will be allowed in first 9 months. 6.5% will be charged if foreclosed in first 9 months.	No
11.	Money wise Financial Services Private Limited (SMC Finance)	Business Loan	Working Capital	November 30, 2023	November 30, 2023	6.01	4.92	16.50%	December 5, 2026	4% of the loan amount outstanding as on date of pre-payment / pre-paid amount.	No
12.	HDFC Bank Limited	Business Loan	Working Capital	August 31, 2023	August 31, 2023	80.00	34.29	10.33%	May 31, 2025	4% of the total credit facility.	No





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						Amount sanctioned	Amount outstanding				
13.	HDFC Bank Limited	Business Loan	Working Capital	May 31, 2023	May 31, 2023	120.00	115.00	10.33%	June 13, 2025	4% of the total credit facility amount	No
14.	HDFC Bank Limited	Business Loan	Working Capital	December 26, 2022	December 26, 2022	120.00	108.85	10.33%	November 30, 2025	4% of the total credit facility amount	No
	Total					561.82	472.27				

**Includes interest amount, wherever applicable.*

