



To,
The Board Of Directors,
Neptune Petrochemicals Limited
Block-B, Office No. 606, Mondeal Heights
Nr. Panchratna Party Plot, S. G. Highway,
Ahmedabad, Gujarat, India, 38001

Dear Sir(s),

Sub: Proposed Initial Public Offer (IPO) of Neptune Petrochemicals Limited on SME Platform of National Stock Exchange

The KPIs disclosed below have been used historically by our Company to understand and analyze the business performance, which in result, help us in analyzing the growth of various verticals in comparison to our peers. The KPIs disclosed below have been approved by a resolution of our Audit Committee dated 24th February, 2025 and the members of the Audit Committee have verified the details of all KPIs pertaining to our Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our 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 this Draft Prospectus.

Key Performance Indicators of our Company based on Restated Financial Statement:

Below is the details of key performance indicators of the company for the Restated Financial Statement and the Examination Report on it, dated 24th February, 2025:

Key Financial Performance	As Per Restated Financial Statement				(In Lakhs)
	Up to 31 st December, 2024	2023-24	2022-23	2021-22	As Per Pro Forma Financial Statement 2021-22#
Revenue from Operations	61,432.51	66,773.77	70,782.29	8,116.33	55,679.44
Growth in Revenue from Operations (%)	NA	-5.66%	772.10%	-	NA
Gross Profit	4,495.33	5,580.77	4,851.79	258.05	3,938.33
Gross Profit Margin (%)	7.32%	8.36%	6.85%	3.18%	7.07%
EBITDA	2,073.11	2,027.12	1,296.87	(7.94)	237.49
EBITDA Margin	3.37%	3.04%	1.83%	-0.10%	0.43%
PAT	1,946.59	2,081.56	1,039.13	68.29	464.93



Piyush J. Shah & Co.
Chartered Accountants

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Branch Office : B-503, 9 Square, Nanamava Circle, Nr. Marvadi Broker, Rainagar Main Road, Rajkot-360003.
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Your Growth Partner.....

Key Financial Performance	As Per Restated Financial Statement				As Per Pro Forma Financial Statement
	Up to 31 st December, 2024	2023-24	2022-23	2021-22	2021-22#
PAT Margin	3.17%	3.12%	1.47%	0.84%	0.84%
RoE (%)	41.81%	96.85%	176.47%	197.11%	47.68%
RoCE (%)	55.97%	117.86%	170.40%	265.48%	49.21%
Net Fixed Asset Turnover (In Times)	164.93	336.86	2,034.56	7,805.48	112.73
Net Working Capital Days	25.25	15.17	7.66	3.02	2.88
Operating Cash Flows (₹ in Lakhs)	(1,142.56)	1,614.26	(688.56)	1,190.78	659.50
Operational KPIs					
Export Revenue (Amount in ₹)	583.20	943.13	404.85	-	91.41
Domestic Revenue (Amount in ₹)	60,849.31	65,847.66	70,600.90	8,127.58	55,588.03
Export % of Revenue	0.95%	1.41%	0.57%	-	0.16%
Domestic % of Revenue	99.05%	98.59%	99.43%	100.00%	99.84%

#Key Performance Indicators of our Company based on Pro forma Financial Statement.

Note: The Pro forma Merged Financial Information has been compiled by Management to show the combined financial information of Neptune Tradelink (erstwhile proprietorship firm), M/s. Neptune Tradelink (Partnership firm) and Neptune Petrochemicals Limited (incorporated on October 21, 2021) on the company's financial position as at March 31, 2022 and its financial performance for the year ended March 31, 2022 as if the company was incorporated and commenced its business at the beginning of the earliest reported year presented i.e., April 01, 2021.

Notes:

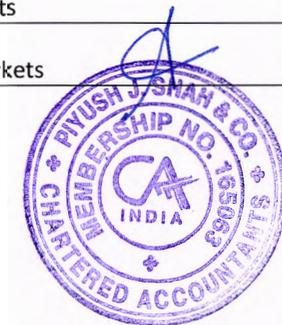
- 1) Revenue from Operations means the Revenue from Operations as appearing in the Restated Standalone Financial Statements.
- 2) Growth in Revenue from Operations (%) is calculated as a percentage of Revenue from Operations of the relevant period minus Revenue from Operations of the preceding period, divided by Revenue from Operations of the preceding period.
- 3) Gross Profit is calculated as Revenue from Operations less Cost of Materials consumed and Changes in inventories of Finished Goods and work-in-progress excluding of Manufacturing expenses.
- 4) Gross Profit Margin (%) is calculated as Gross Profit divided by Revenue from Operations.
- 5) EBITDA is calculated as profit for the period / year, plus tax expenses (consisting of current tax, deferred tax and current taxes relating to earlier years), interest expense and depreciation and amortization expenses reduced by other income.



- 6) EBITDA Margin (%) is calculated as EBITDA divided by Revenue from Operations.
- 7) Profit after Tax Means Profit for the period/year as appearing in the Restated Standalone Financial Statements.
- 8) PAT Margin (%) is calculated as Profit for the year/period as a percentage of Revenue from Operations.
- 9) RoE (Return on Equity) (%) is calculated as net profit after tax for the year / period divided by Average Shareholder Equity.
- 10) RoCE (Return on Capital Employed) (%) is calculated as earnings before interest and taxes divided by Average capital employed. Capital Employed includes Tangible Net worth (i.e. subtracting share capital and reserves & surplus by Intangible Assets), deferred tax liability, Long-Term Borrowing and Short-Term Borrowing.
- 11) Net Fixed Asset Turnover is calculated as Net Turnover divided by Average Written Down value of Fixed Assets which consists of property, plant and equipment, capital work-in-progress and Intangible Assets.
- 12) Net Working Capital Days is calculated as working capital (current assets minus current liabilities excluding short term borrowings) as at the end of the period / year divided by revenue from operations multiplied by number of days in a period / year.
- 13) Operating cash flows means net cash generated from operating activities as mentioned in the Restated Standalone Financial Statements.

Explanation for KPI metrics

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 our business.
Operational KPIs	
Export Revenue (Amount in ₹) and Export % of Revenue	This metric enables us to track the progress of our revenues in the export markets
Domestic Revenue (Amount in ₹) and Domestic % of Revenue	This metric enables us to track the progress of our revenues in the domestic markets



Comparison with Peer Group Company:

Key Financial Performance	Neptune Petrochemicals Limited				Agarwal Industrial Corporation Limited (Consolidated)				Nexus Petro Industries Limited (Standalone)			
	Up to 31 st December, 2024	2023-24	2022-23	2021-22	Up to 31 st December, 2024	2023-24	2022-23	2021-22	Up to 30 th September, 2024	2023-24	2022-23	2021-22
Revenue from Operations	61,432.51	66,773.77	70,782.29	8,116.33	1,57,548.72	2,12,529.93	2,01,501.43	1,59,824.36	8,711.09	23,778.48	14,280.56	4,847.02
Gross Profit	4,495.33	5,580.77	4,851.79	258.05	39,264.27	43,794.28	34,639.56	29,534.94	742.00	1,419.55	804.11	320.34
Gross Profit Margin (%)	7.32%	8.36%	6.85%	3.18%	24.92%	20.61%	17.19%	18.48%	8.52%	5.97%	5.63%	6.61%
EBITDA	2,073.11	2,027.12	1,296.87	(7.94)	14,862.54	17,147.74	13,495.82	10,456.76	320.42	612.22	356.66	81.53
EBITDA Margin	3.37%	3.04%	1.83%	(0.10%)	9.43%	8.07%	6.70%	6.54%	3.68%	2.57%	2.50%	1.68%
PAT	1,946.60	2,081.56	1,039.13	68.29	8,514.83	10,921.97	9,225.79	6,368.89	133.44	348.47	200.87	54.06
PAT Margin	3.17%	3.12%	1.47%	0.84%	5.40%	5.14%	4.58%	3.98%	1.53%	1.47%	1.41%	1.12%

This is to certify that the above mentioned information is true to the best of my knowledge and belief, according to the books and documents produced before me for verification.



The above certificate has been given on the specific request of the Company management for IPO of the company.

Sincerely,

Place: Ahmedabad
Date: 24th February, 2025



For Piyush J. Shah & Co.
F.R.N.: 121172W
Chartered Accountants

CA Arvind S. Vijayvargiya
Partner
M. No. 165063
UDIN: 25165063BMGXVS5163