SSKN & ASSOCIATES
CHARTERED ACCOUNTANTS

CERTIFICATE ON WORKING CAPITAL

To,

The Board of Directors
G V Electricals Ltd
(Formerly known as G. V. Electricals Private Limited)
Unit no 324, 3rd floor, Plot no 416,
Hammersmith Industrial Premises Co-op Society Ltd,
Narayan Pathare Marg, Off. Sitladevi Temple Road,
Mahim, Mumbai, Maharashtra, India, 400016

And

Seren Capital Private Limited
601 to 605, Raylon Arcade, Kondivita,
J.B. Nagar, Mumbai-400059

(**SEREN CAPITAL PRIVATE Limited** referred to as the "**Book Running Lead Manager**" or the "**BRLM**")

<u>REPORT ON EXAMINATION OF PROSPECTIVE FINANCIALS INFORMATION OF G V ELECTRICALS LTD.</u>

Dear Sirs/ Madam,

We have examined the projected working capital requirements of the **G V Electricals Ltd** ("Company") for the year F.Y. 2026-27 and F.Y. 2027-28 as given in **Annexure -1** of the prospective financial information in accordance with Standard on Assurance Engagement 3400, "The Examination of Prospective Financial Information", issued by the Institute of Chartered Accountants of India. The preparation and presentation of the forecast including the underlying assumptions, set out in **Annexure 2** to prospective financial information, is the responsibility of the management and has been approved by the Board of Directors of the Company. Our responsibility is to examine the evidence supporting the forecast. Our responsibility does not include verification of the forecasts. Therefore, we do not vouch for the accuracy of the same.

We have carried out our examination of the prospective financial information on a test basis.

Based on our examination of the evidence supporting the assumptions, nothing has come to our attention which causes us to believe that these assumptions do not provide a reasonable basis for the forecast. Further, in our opinion the forecast, read with annexures thereon, is properly prepared on the basis of the assumptions as set out in **Annexure 2** and on consistent basis with historical financial statements, using appropriate accounting principles.

Actual results are likely to be different from the forecast since anticipated events frequently do not occur as expected and the variation may be material.

This certificate is addressed to and provided to the Board of Directors of the Company solely for the purpose of further submission to the Securities and Exchange Board of India and BSE and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any

SSKN & ASSOCIATES New Delhi FRN.025256N Chartered Accountants liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

Yours faithfully,

For S S K N & ASSOCIATES
Chartered Accountants
FRN No.025256N

CA Suresh Chand
Partner
M. No: 541750
UDIN: **26541750LHVZGM7101**

Place: Delhi
Date: 15th July 2026

Annexure 1

INCOME STATEMENT

(Amounts in INR Lakhs)

Particulars	Restated			Projected	
	FY 24	FY25	FY26	FY27	FY28
A. REVENUE					
Revenue from Operations	11,179.56	13,123.56	15,641.29	20,333.68	26,433.78
Other Income	23.61	12.05	24.81	35.67	51.84
Total Revenue	**11,203.17**	**13,135.60**	**15,666.10**	**20,369.35**	**26,485.62**
B. EXPENSES					
Cost of Material Consumed	736.85	415.75	367.17	610.01	793.01
Change in Inventories of Stock in trade	-	(162.19)	(92.44)	(103.70)	(134.81)
Employee Benefit Expenses	8,223.81	9,268.80	10,652.69	13,582.90	17,657.77
Finance Costs	50.51	66.33	131.00	63.70	43.96
Depreciation and Amortization Expenses	40.44	75.10	168.75	182.33	193.88
Other Expenses	1,605.00	2,796.84	3,008.93	4,209.07	5,471.79
Total Expenses	**10,656.62**	**12,460.63**	**14,236.09**	**18,544.31**	**24,025.60**
Profit/(Loss) before Exceptional and Extraordinary Item and Tax	**546.55**	**674.98**	**1,430.01**	**1,825.04**	**2,460.02**
Exceptional Item / Prior Period Expenses	-	-	-	-	-
Profit/(Loss) before Extraordinary Item and Tax	**546.55**	**674.98**	**1,430.01**	**1,825.04**	**2,460.02**
Extraordinary Item	-	-	-	-	-
Profit Before Tax (A-B)	**546.55**	**674.98**	**1,430.01**	**1,825.04**	**2,460.02**
Less: Tax Expenses	(266.23)	(208.89)	(383.43)	(459.31)	(619.11)
Profit After Tax	**280.32**	**466.09**	**1,046.57**	**1,365.73**	**1,840.90**

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BALANCE SHEET

(Amounts in INR Lakhs)

Particulars	Restated			Projected	
	FY 24	FY25	FY26	FY27	FY28
I. EQUITY AND LIABILITIES					
(1) Shareholder's Funds					
(a) Share Capital	4.02	4.12	827.92	1,127.92	1,127.92
(b) Reserves and Surplus	1,701.05	2,315.87	2,538.64	6,983.72	8,824.63
(2) Non-Current Liabilities					
(a) Long-Term Borrowings	41.09	21.10	99.36	69.55	41.73
(b) Deferred Tax Liability(Net)			-	-	-
(d) Other long-term Liabilities	-	-	-	-	-
(c) Long term provision	184.69	366.60	606.64	652.14	707.57
(3) Current Liabilities					
(a) Short Term Borrowing	453.65	763.09	1,547.77	638.21	446.75
(b) Trade Payables	376.94	333.07	377.87	405.05	454.16
(c) Other Current Liabilities	1,389.47	1,213.78	1,593.95	1,626.69	1,797.50
(d) Short-Term Provisions	55.14	125.72	247.59	272.35	299.58
Total	**4,206.06**	**5,143.35**	**7,839.74**	**11,775.64**	**13,699.83**
II.ASSETS					
(1) Non-Current Assets					
(a) Property, Plant & Equipment's					
- Property Plant and Equipment	231.35	449.00	580.29	759.72	881.27
- Intangible Assets	-	-	-	-	-
- Capital Work in Progress	-	-	-	-	-
(b) Non-Current Investment		46.95	94.95	113.94	136.73
(c) Deferred Tax Assets (Net)	60.86	110.59	195.06	244.00	317.21
(d) Long-term Loans and Advances	-	-	-	-	-
(e) Other Non-Current Assets	328.41	465.86	420.89	2,568.20	2,696.61
(2) Current Assets					
(a) Inventories	46.81	252.58	473.45	528.68	687.28
(b) Trade receivables	2620.75	3,088.25	5,115.56	5,022.42	6,529.14
(c) Cash and Cash Equivalents	376.61	529.07	601.33	2,047.29	1,848.79
(d) Short-Term Loans And Advances	541.26	150.31	257.17	360.03	432.04
(e) Other Current Assets	-	50.73	101.04	131.35	170.76
Total	**4,206.06**	**5,143.35**	**7,839.74**	**11,775.64**	**13,699.83**

SSKN & ASSOCIATES New Delhi FRN.025256N Chartered Accountants

WORKING CAPITAL REQUIREMENT

(Amounts in INR Lakhs)

Particulars	March 31, 2024	March 31, 2025	March 31, 2026	March 31, 2027	March 31, 2028
Current Assets					
Inventories	46.81	252.58	473.45	528.68	687.28
Trade receivables	2,620.75	3,088.25	5,115.56	5,022.42	6,529.14
Short-Term Loans And Advances	541.26	150.31	257.17	360.03	432.04
Other Current Assets	-	50.73	101.04	131.35	170.76
Total Current Assets(A)	**3,208.83**	**3,541.87**	**5,947.22**	**6,042.48**	**7,819.22**
Current Liabilities					
Trade Payables	376.94	333.07	377.87	405.05	454.16
Other Current Liabilities	1,389.47	1,213.78	1,593.95	1,626.69	1,797.50
Short-Term Provisions	55.14	125.72	247.59	272.35	299.58
Total Current Liabilities(B)	**1,821.54**	**1,672.57**	**2,219.41**	**2,304.09**	**2,551.24**
Total Working Capital Requirement(A-B)	**1,387.29**	**1,869.30**	**3,727.81**	**3,738.39**	**5,267.98**
Funding Pattern:					
From Bank	453.65	763.09	1,547.77	638.21	446.75
Internal Accruals*	933.63	1,106.21	2,180.04	1,700.18	4,021.23
Net Proceeds from IPO				**1,400.00**	**800.00****

**Internal accruals generally comprise funds generated through the Company's regular business operations, including profits retained in the business after meeting operating expenses, taxes and routine working capital requirements. In the present case, the internal accruals proposed to be deployed towards the project will be funded primarily from liquidity generated from operations.*

<u>Note</u>**: Out of the Net Proceeds, our Company proposes to utilize ₹1,400.00 lakhs towards its working capital requirements for FY 2026–27 and ₹800.00 lakhs towards its working capital requirements for the period up to September 30, 2027. The aforesaid amount is proposed to be utilized by the second quarter ending September 2027.

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ANNEXURE – 2

While preparing the prospective Financial Information for period FY 2026-27, and FY 2027-28 the management of the company has considered following assumptions:

<u>Assumptions for Income Statement</u>

Particulars	FY 2026-27	FY 2027-28
Revenue Growth (% YOY)	30.00%	30.00%
Employee Benefit Expense as % of Revenue from Operations	66.80%	66.80%
Employee Benefit Expenses (% YOY)	27.51%	30.00%

<u>Assumptions for working capital requirements</u>

The following table sets forth the details of the holding period (with days rounded to the nearest whole number) considered for the financial years ended March 31, 2024, March 31, 2025, March 31, 2026, and projected figures for financial years ended March 31, 2027, March 31, 2028.

Particulars	March 31, 2024	March 31, 2025	March 31, 2026	March 31, 2027	March 31, 2028
Trade receivable days	86	86	119	90	90
Trade payable days	68	42	47	45	45
Inventory days	2	7	11	9	9

Management's Justification for Holding Levels (Reasons for considering the above-mentioned days):

Trade Receivables	The Company operates in Network Operation and Maintenance ("O&M") services, electrical infrastructure and network development works, and metering and meter management services, where billing is governed by contractual terms. Debtor days have remained in the range of 86 to 119 days during FY 2024 to FY 2026. Accordingly, debtor days have been considered at 90 days for the projected periods, based on the historical collection cycle and the expected continuation of similar contractual credit terms. The Company's customer base primarily comprises entities in the power distribution sector, largely private companies, and the credit terms are aligned with industry practices.
Trade Payables	Creditor days have declined from 68 days in FY 2024 to 47 days in FY 2026 reflecting improved payment discipline and changes in project execution cycles. Considering the nature of operations, existing contractual arrangements with vendors, and expected stabilization of payment cycles, creditor days have been projected at 45 days for the forecast period. The assumption is based on historical trends and represents a reasonable and sustainable level of payable days, in line with industry practices and the Company's working capital management policies.
Inventory	Inventory primarily consists of materials required for project execution. Inventory days have historically remained low, ranging from 2 to 11 days in FY 2024 to FY 2026. For the projected periods, inventory days have been considered at 9 days, reflecting holding levels in line with operational requirements
Loans and Advances:	Short-term loans and advances comprise advances to suppliers, advance to employee, Prepaid expenses and other recoverable amounts. These balances are linked to project execution and tender participation. The projected levels are based on historical movement and expected business activity
Other Current Liabilities:	Other current liabilities include statutory dues, advances from customers, accrued expenses and other payables. These are operational in nature and generally move in line with the level of activity. The projections are based on historical trends and expected transaction levels.