

Date: 26th July 2025

To,
The Board of Directors
Mangal Electrical Industries Limited
Office - C-61, C-61 (A&B), Road No. 1-C,
VKI Area, Jaipur 302013, Rajasthan, India

Systematix Corporate Services Limited
"The Capital", 'A' Wing, 6th Floor, No. 603-606,
Plot No. C-70, 'G' Block, Bandra-Kurla Complex,
Bandra (East), Mumbai 400051, Maharashtra

(Systematix Corporate Services Limited is appointed and referred to as the "**Book Running Lead Manager**" or "**BRLM**" in relation to the Issue)

Dear Sir/Madam,

Re: Certificate on Utilization of Working Capital Loans

Sub: Proposed initial public Offering of equity shares of face value of Rs. 10 (the "Equity Shares") by Mangal Electrical Industries Limited (the "Company" and such Offering, the "Issue").

We, Kuldeep Kumar Gupta & Co., Chartered Accountants, Firm Registration Number: 002703C (hereinafter referred as "**Independent Chartered Accountant**") of the Company, have issued this certificate in terms of our engagement letter dated August 16, 2024.

The accompanying Statement containing the details on utilization of working capital loan for the purpose availed by the Company for the issue has been prepared by the management of the Company, which has been initiated by us for identification purposes only.

Management's Responsibility for the Statement

The accompanying Statement, including the creation and maintenance of all accounting and other records supporting its contents, is solely the responsibility of the management of the Company. The Company's management is responsible for the designing, implementing and maintaining internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation, and making estimates that are reasonable in the circumstances.

The management is also responsible for ensuring that the Company complies with the requirement of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("**SEBI ICDR Regulations**") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI LODR Regulations**") and provides all relevant information to SEBI, relevant Stock Exchanges and other regulators as may be required under the applicable law in India.

The Management of the Company is responsible for the preparation of the Statement as per the requirements of the SEBI ICDR Regulations, based on books of account. The Management of the Company is also responsible for the preparation and maintenance of all the records supporting its contents. The responsibility includes collecting, collating and validating data and designing, implementing and monitoring of internal controls relevant to the preparation of the Statement that is free from material misstatement, whether due to fraud or error and establishing the procedures to be performed. The Management is also responsible for ensuring the utilization of working capital loan for the purpose availed and compliance with the requirements of the SEBI ICDR Regulations. The Statement has been prepared by the Management of the Company and stamped and initialed by us for identification purpose only.



Auditor's Responsibility

We have performed the procedures agreed with you, vide the engagement letter dated August 16, 2024 and enumerated below with respect to the accompanying statement titled "Statement of Utilization of Loans for the Purposes Availed" as at June 30, 2025 (the "**Statement**") as set forth in **Annexure A**. Our engagement was undertaken in accordance with the Indian Standard on Related Services (SRS) 4400, "**Engagements to Perform Agreed-upon Procedures regarding Financial Information**", issued by the Institute of Chartered Accountants of India.

We performed the following procedures on the Statement and included our findings:

- Obtained the loan sanction letters and Bank Statements for the loans related to Mangal Electrical Industries Limited listed in the statement from the Management and agreed with the details provided in the statement;
- Traced the outstanding balance of loans as at June 30, 2025 as set forth in the Statement with the amounts appearing in the unaudited books of account of the Company as at June 30, 2025 and found such amounts to be in agreement; and
- Re-computed the mathematical accuracy of the Statement and found it to be correct.
- Analyzed bank statements to trace the flow of funds.
- Reviewed invoices, receipts, and other supporting documentation to confirm that expenditures align with the stated purpose of the loans (e.g., raw material purchases, operational expenses, payroll).

On the basis of the above procedures performed by us, we confirm that the working capital loans have been used towards the purpose for which they were availed by the Company.

The procedures were performed solely to assist the Company in relation to the Statement prepared by the Company for meeting its requirements in relation to the proposed issue in accordance with SEBI ICDR Regulations. The sufficiency of these procedures is solely the responsibility of the Board of Directors of the Company. Consequently, we make no representation regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purpose.

Because the above procedures do not constitute either an audit or a review made in accordance with Indian Standards on Auditing or Indian Standards on Review Engagements, we do not express any assurance on the accompanying Statement.

Had we performed additional procedures or had we performed an audit or review of the financial statements in accordance with Indian Standards on Auditing or Indian Standards on Review Engagements, other matters might have come to our attention that would have been reported to you.

Our report is solely for the purpose set forth in the first paragraph of this report and for your information and is not to be used for any other purpose or to be distributed to any other parties or to be distributed to any other person without our prior written consent. Accordingly, we do not accept or assume any 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. This report relates only to the Statement and items specified above and does not extend to any financial statements of the Company, taken as a whole.

This certificate is issued for the purpose of the Issue, and can be used, in full or part, for inclusion in the response submitted to SEBI, red herring prospectus ("**RHP**"), prospectus ("**Prospectus**") and any other material used in connection with the Issue ("**Issue Documents**"). We hereby consent to the aforementioned details being included in the Issue Documents and consent to the submission of this certificate as may be necessary, to the Securities and Exchange Board of India, any regulatory / statutory authority, stock exchanges (including the BSE and NSE) where the Equity Shares are proposed to be listed, Registrar of Companies, Rajasthan at Jaipur or any other authority as may be required and/or for the records to be maintained by the BRLM in connection with the Issue



and in accordance with applicable law, and for the purpose of any defense the BRLM may wish to advance in any claim or proceeding in connection with the contents of the Issue Documents, as the case may be.

This certificate can be relied on by the Company, the BRLM and the legal counsel to the Issue. We hereby consent to this certificate 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 defense in connection with, or to avoid, any actual, potential or threatened legal, arbitral or regulatory proceeding or investigation.

We consent to inclusion of this certificate in "*Material Contracts and Documents for Inspection*" in relation to the Issue.

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

Yours faithfully,

M/s Kuldeep Kumar Gupta & Co.
(Chartered Accountants)
ICAI Firm Reg. No.: 002703C



Partner: Kuldeep Kumar Gupta
Membership No.: 071794
Place: Jaipur
UDIN: 25071794BMJFVC1828



CC:

Legal Counsel to the Issue

Chandhiok & Mahajan, Advocates and Solicitors
C-524 Defence Colony,
New Delhi 110024

KULDEEP KUMAR GUPTA & CO
(Chartered Accountants)



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ANNEXURE A

Statement of Utilization of Loans for the Purposes Availed

S. No.	Name of Lender	Nature of Loan	Purpose	Amount Sanctioned	Amount outstanding as per books of account as at June 30, 2025	Amount outstanding as per the Bank Statement as at June 30, 2025	Rate of Interest (%)	Last Date of EMI	Prepayment Conditions/Penalty	Amount proposed to be repaid / prepaid	(Amount in Lakhs)	Whether used for working capital (Yes/No)
1	HDFC Bank	Cash Credit Limit	Working Capital Requirements	2,150.00	1,167.81	1,167.81	9.25%	On Demand	4% of the Overall Facility Limit	1,167.81		Yes
2	SBI	Cash Credit Limit	Working Capital Requirements	2,200.00	2,206.31	2,206.31	9.50%	On Demand	2% of the outstanding amount being taken over.	2,206.31		Yes
3	SBI	Cash Credit Limit	Working Capital Requirements	330.00	330.00	330.00	10.50%	On Demand	2% of the outstanding amount being taken over.	330.00		Yes
4	Indian Overseas Bank	Supplier Finance Agreement (TReDS)	Working Capital Requirements (Payment to Creditors)	1,000.00	723.98	723.98	9.80%	On Demand	No such condition exists	723.98		Yes
5	State Bank of India	Supplier Finance Agreement (TReDS)	Working Capital Requirements (Payment to Creditors)	1,347.00	1,344.55	1,344.55	9.50%	On Demand	No such condition exists	1,344.55		Yes
6	Bank of Maharashtra	Supplier Finance Agreement (TReDS)	Working Capital Requirements (Payment to Creditors)	1,000.00	999.86	999.86	9.60%	On Demand	No such condition exists	999.86		Yes
7	Bank of Baroda	Supplier Finance Agreement (TReDS)	Working Capital Requirements (Payment to Creditors)	1,875.00	1,874.53	1,874.53	9.50%	On Demand	No such condition exists	1,874.53		Yes



KULDEEP KUMAR GUPTA & CO
(Chartered Accountants)



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8	Bank of India	Supplier Finance Agreement (TReDS)	Working Capital Requirements (Payment to Creditors)	500.00	476.80	476.80	9.80%	On Demand	No such condition exists	0.00	Yes
9	ICICI Bank	Supplier Finance Agreement (TReDS)	Working Capital Requirements (Payment to Creditors)	500.00	498.99	498.99	9.50%	On Demand	No such condition exists	0.00	Yes
10	Unity Small Finance Bank	Supplier Finance Agreement (TReDS)	Working Capital Requirements (Payment to Creditors)	485.00	484.76	484.76	10.00%	On Demand	No such condition exists	0.00	Yes
11	Bajaj Finance Limited	Supplier Finance Agreement (TReDS)	Working Capital Requirements (Payment to Creditors)	1,500.00	1498.68	1498.68	9.70%	On Demand	No such condition exists	0.00	Yes

