

CERTIFICATE FROM THE AUDITORS ON WORKING CAPITAL OBJECT

To,

The Board of Directors

SUNTECH INFRA SOLUTIONS LIMITED

(Formerly known as "SUNTECH INFRA SOLUTIONS PRIVATE LIMITED")

Unit No. 604-605-606, 6th Floor, NDM-2, Plot No. D-1,2,3,
Netaji Subhash Place, Pitampura, Anandvas Shakurpur, Delhi,
North West Delhi- 110034, Delhi

GYR Capital Advisors Private Limited

428, Gala Empire, Near JB Tower,
Drive in Road, Thaltej,
Ahemdabad-380 054,
Gujarat, India.

(GYR Capital Advisors Private Limited referred to as the "Book Running Lead Manager")

Dear Sir(s),

Sub: Proposed initial public offering of equity shares of ₹ 10 each (the "Equity Shares") of SUNTECH INFRA SOLUTIONS LIMITED (Formerly known as "SUNTECH INFRA SOLUTIONS PRIVATE LIMITED") (the "Company" and such offering, the "Issue")

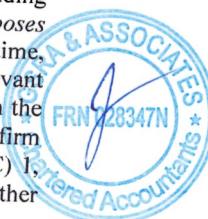
We, G S R A & Associates, have been informed that the Company proposes to file the Red Herring Prospectus and Prospectus (the "Offer Documents"), to be filed/registered by the Company in respect of the Issue with the SME Platform of National Stock Exchange of India Limited where the Equity Shares are proposed to be listed ("Stock Exchange") and the Registrar of Companies, NCT Delhi at Delhi ("RoC"), in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI ICDR Regulations"), any other applicable laws and any other material issue documents in relation to the Issue.

We have reviewed the restated financial statements of the Company as of and for the financial year/period ended December 31, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 and the business estimations for the financial year 2024 and other relevant records of the Company as submitted to us.

Based on our examination, as we considered necessary and according to the information and explanations given to us we hereby confirm that that working capital requirements of the Company for the financial year/period ended December 31, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, from the Restated Financial Statement, and source of funding are set out in the Annexure A.

We confirm the Company's expected working capital requirements for Fiscal 2026 and Fiscal 2027 based on estimates and projections provided by the Company and justifications for the same are as set out in the Annexure B and Annexure C. For Fiscal 2025, the company has presented its provisional working capital requirement. The Company proposes to utilize ₹ 718.50 lakhs and ₹ 502.50 lakhs of the total ₹ 1221.00 lakhs of Net Proceeds in financial year ended March 31, 2026 and March 31, 2027, respectively, towards its working capital requirements for meeting their future business requirements.

We hereby confirm that we have conducted our examination of the information given in this certificate (including the annexures thereto) in accordance with the 'Guidance Note on the Reports or Certificates for Special Purposes (Revised 2016)' 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 Notes requires that we comply with the ethical requirements of the 'Code of Ethics' issued by the ICAI, as revised from time to time. We also confirm that 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,' issued by the ICAI.

This certificate may be relied upon by the Lead Manager and legal counsel appointed in relation to the Issue. This certificate is for information and for inclusion in the red herring prospectus and the prospectus ("Offer Documents") to be issued by the Company in relation to the Issue. We hereby consent to aforementioned details being included in the Offer Documents and in any other material used in connection with the Issue. We also consent to the submission of this certificate as may be necessary, to any regulatory authority and / or for the records to be maintained by the Lead Manager in connection with the Issue and in accordance with applicable law.

We confirm that any changes to the above that we may be aware of shall immediately be intimated to the Lead Manager till the date the Equity Shares of the Company commence trading on the stock exchange. In the absence of any communication from us, you may assume that there is no change in respect of the matters covered in this certificate.

Terms capitalised and not defined herein shall have the same meaning as ascribed to them in the Red Herring Prospectus and Prospectus.

Yours sincerely,
For, G S R A & Associates
Chartered Accountants
FRN: 028347N



Ravi Sachdeva
Partner
M.No.: 522022

Place: New Delhi
Date: 16th June 2025
UDIN: 25522022BMIUQQ6061
Peer Review No. 016765

Enclosed: **Annexure A, B & C**

Annexure A

Basis of estimation of working capital requirement

Details of the Company's working capital as of and for the financial year/period ended December 31, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 derived from the Restated Financial Information, and source of funding are provided in the table below:

Particulars	Fiscal 2022 (Restated)	Fiscal 2023 (Restated)	Fiscal 2024 (Restated)	(in ₹ lakhs) For the period ended December 31,2024 (Restated)
Current Assets				
Inventories	-	-	-	2,495.48
Trade Receivables	2,783.23	3,176.07	4,008.08	3,629.09
Short term loan and advances	325.92	158.61	268.39	1,251.13
Other current assets	170.06	170.56	171.21	455.97
Total (A)	3,279.21	3,505.24	4,447.68	7,831.67
Current Liabilities				
Trade Payables	1,478.15	1,287.81	1,299.05	2,273.75
Other Current Liabilities	608.31	2,622.25	984.48	1,061.99
Short Term Provision	146.60	66.97	156.13	114.30
Total (B)	2,233.06	3,977.03	2,439.66	3,450.04
Total Working Capital (A)- (B)	1,046.15	(471.79)	2,008.02	4,381.63
Sources of Working Capital				
I) Borrowings for meeting working capital requirements	704.37	-	741.13	1,772.74
II) Networth / Internal Accruals	341.78	-	1,226.89	2,658.89
III) Proceeds from IPO	-	-	-	-



Annexure B

The provisional/ projected working capital requirements of the Company for Fiscal 2025, Fiscal 2026 and Fiscal 2027 are as set forth below:

Particulars	Fiscal 2025 (Provisional)	Fiscal 2026 (Projected)	(in ₹ lakhs) Fiscal 2027 (Projected)
Current Assets			
Inventories			
Trade Receivables	2,383.14	2,692.95	2,962.24
Short term loan and advances	4,672.60	5,607.12	6,336.05
Other current assets	752.85	684.43	773.40
Total (A)	158.46	524.37	576.80
Current Liabilities	7,967.05	9,508.86	10,648.49
Trade Payables			
Other Current Liabilities	2,240.97	1,636.82	1,833.23
Short Term Provision	712.77	1,245.35	1,432.16
Total (B)	257.40	283.14	325.61
Total Working Capital (A)-(B)	3,211.14	3,165.31	3,591.00
Sources of Working Capital	4,755.91	6,343.55	7,057.49
I) Borrowings for meeting working capital requirements	1,327.49	1,526.61	1,831.94
II) Networth / Internal Accruals	3,428.42	4,098.44	4,722.46
III) Proceeds from IPO	-	718.50	502.50



Annexure C

The table below sets forth the details of holding levels (in days) as of and for the period/ year ended December 31, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 on the basis of restated financial statements and the estimated holding levels (in days) for the Fiscal 2025, Fiscal 2026 and Fiscal 2027:

Particulars	Holding Level for year ended						
	March 31, 2022 (Restated)	March 31, 2023 (Restated)	March 31, 2024 (Restated)	Period ended December 31, 2024 (Restated)	March 31, 2025 (Provisional)	March 31, 2026 (Projected)	March 31, 2027 (Projected)
Trade Receivables	134	127	138	117	104	107	113
Trade Payables	102	92	86	69	81	78	68
Inventory Days	-	-	-	38	28	53	53

Key justifications

The table below sets forth the key justifications for holding levels:

S. No.	Particulars	Details
Current assets		
1.	Trade receivables	<p>The trade receivable days reduced from 134 days in FY 2021-22 to 127 days in FY 2022-23, mainly due to improved collections and smoother client coordination after the disruptions caused by the pandemic had settled. This reflects better operational efficiency and more consistent payment patterns from customers. However, in FY 2023-24, receivable days increased to 138, which was due to the onboarding of new clients and execution of larger, milestone-based projects. These types of projects often involve longer credit periods as payments are linked to specific stages and require more time for approvals and reconciliations.</p> <p>By the period ended December 2024, trade receivable days came down significantly to 117 days, owing to focused follow-up efforts, automation of invoicing processes, and clearance of several past dues. Also, the management have written off few outstanding debtors from whom amount would not realise and therefore Trade Receivable days have further reduced. Further, by FY 2024-25, receivable days dropped to 104 days, showing strong improvement in cash flows. This was driven by selecting clients with more streamlined payment cycles, better documentation practices, and timely reconciliations.</p> <p>In FY 2025-26, receivable days is estimated to increased up to 107 days, mainly due to a expansion and onboarding of few large clients with longer internal processes for releasing payments. Also, since the company has started services of EPC projects, the average value of contracts have increased leading to longer recovery cycles. In FY 2026-27, the receivable days is estimated to rise to 113 days, as the company plans to expanded into new regions and take on more complex projects. These projects typically require more time for billing, service validation, and client-side formalities, which is common in the industry for such types of contracts.</p>
2.	Inventories	<p>The company began supplying materials as part of its services starting FY 2024-25. Accordingly, there was no inventory holding reported in FY 2021-22, FY 2022-23, or FY 2023-24. Prior to FY 2024-25, the company's operations were limited to service-only contracts without major</p>



S. No.	Particulars	Details
		<p>material involvement, and therefore inventory holding period was not applicable.</p> <p>As of the period ended December 31, 2024, inventory days stood at 38 days. This balance comprised both raw materials procured and Work-in-Progress (WIP) for ongoing material-inclusive projects. The buildup reflects early-stage operational ramp-up as the company transitioned into executing contracts involving material supply responsibilities.</p> <p>In FY 2024-25, inventory days reduced to 28 days, driven by improved project planning and better coordination of procurement with execution schedules. Many of the ongoing projects as shown in period ended December'24 was billed before March'25 on milestone based approach. The company adopted more efficient procurement cycles and leaner inventory practices while ensuring project timelines were not impacted.</p> <p>However, in FY 2025-26, inventory days increased to 53 days, and are projected to remain at the same level in FY 2026-27. This rise is due to the onboarding of multiple large-scale, long-duration projects that require significant advance stocking of both materials and partially completed works (WIP). The company also plans to strategically hold buffer inventory to safeguard against supply disruptions and to maintain uninterrupted execution flow.</p>
Current liabilities		
3.	Trade payables	<p>The trade payables days decreased from 102 days in FY 2021-22 to 86 days in FY 2023-24, indicating a steady improvement in payment discipline and stronger alignment with supplier terms. This reflects the company's focus on strengthening supplier relationships and maintaining operational continuity by ensuring timely payments.</p> <p>As of the period ended December 2024, trade payables days reduced further to 69 days. This notable decline was supported by the company's strategy to capitalise on early payment discounts offered by vendors, which encouraged advance settlements. This is also reflected in the financials through a higher amount of vendor advances, as the company leveraged available liquidity to reduce overall procurement costs while also securing priority deliveries from key suppliers. Also, the company has written back few balances of trade payables to whom we are not obliged to pay and therefore, the holding days have reduced further.</p> <p>In FY 2024-25, trade payables days increased to 81 days, largely due to the addition of new vendors as a result of additional projects onboarded during the year and temporary renegotiation of credit terms during a period of business expansion. Despite this increase, the company maintained strong supplier confidence through consistent communication and payment planning.</p> <p>The marginal drop is estimated at 78 days in FY 2025-26 indicates a stabilization of vendor terms post-expansion, with the company maintaining a balanced approach between working capital efficiency and supplier credit flexibility. By FY 2026-27, trade payable days are projected to improve further to 68 days, in line with the company's continued focus on availing early payment benefits and improving procurement planning.</p>

