



# MILIND NYATI & COMPANY

## CHARTERED ACCOUNTANTS

To,  
**THE BOARD OF DIRECTORS,**  
**Aten Papers & Foam Limited**  
Block-A, 102/A, F.F, Tirmizi Heights,  
Opp Bombay Hou Col, Nr. Kirtikunj Society,  
Ahmedabad, Gujarat, India, 380028.

(SWASTIKA INVESTMART LIMITED REFERRED TO AS THE “BOOK RUNNING LEAD MANAGER”)

DEAR SIR,

**SUB: CERTIFICATE ON KPIS AND RATIO OF BASIS OF OFFER PRICE.**

**REF: PROPOSED INITIAL PUBLIC OFFERING OF UPTO 33,00,000 EQUITY SHARES OF ₹ 10 EACH (THE “EQUITY SHARES”) OF ATEN PAPERS & FOAM LIMITED (THE “COMPANY”).**

IN CONNECTION WITH CALCULATION OF THE OFFER PRICE OF THE EQUITY SHARES IN THE OFFER, WE HAVE VERIFIED THE INFORMATION MENTIONED IN *ANNEXURE-A* WITH RESPECT TO THE COMPANY, EXTRACTED FROM THE RESTATED FINANCIAL STATEMENTS OF THE COMPANY AS AT MARCH 31, 2022, 2023, 2024, AND 2025 AND OTHER RELEVANT RECORDS OF THE COMPANY.

THE COMPANIES TAKEN IN THE LISTED PEER GROUP COMPANIES ARE BASED ON THE SAME LINE OF BUSINESS. ALSO, THE LIST OF LISTED PEER GROUP COMPANIES ARE PROVIDED BY THE MANAGEMENT OF THE COMPANY.

WE HEREBY CONFIRM THAT WHILE PROVIDING THIS CERTIFICATE WE HAVE COMPLIED WITH THE CODE OF ETHICS ISSUED BY THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA.

THIS CERTIFICATE CAN BE RELIED UPON BY THE BOOK RUNNING LEAD MANAGER AND THE LEGAL COUNSEL APPOINTED IN RELATION TO THE OFFER. WE HEREBY CONSENT TO THE EXTRACTS OF THIS CERTIFICATE BEING USED IN THE RED HERRING PROSPECTUS / PROSPECTUS AND IN ANY OTHER MATERIAL USED IN CONNECTION WITH THE OFFER. WE ALSO CONSENT TO THE SUBMISSION OF THIS CERTIFICATE AS MAY BE NECESSARY, WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA, STOCK EXCHANGE(S) AND THE REGISTRAR OF COMPANIES OR ANY REGULATORY AUTHORITY AND / OR FOR THE RECORDS TO BE MAINTAINED BY THE BOOK RUNNING LEAD MANAGER IN CONNECTION WITH THE OFFER AND IN ACCORDANCE WITH APPLICABLE LAW.

WE UNDERTAKE TO INFORM YOU PROMPTLY, IN WRITING OF ANY CHANGES, TO THE INFORMATION CONTAINED IN THE ANNEXURES UNTIL THE EQUITY SHARES COMMENCE TRADING ON THE RELEVANT STOCK EXCHANGES, PURSUANT TO THE OFFER. IN THE ABSENCE OF ANY SUCH COMMUNICATION FROM US, THE ABOVE INFORMATION SHOULD BE CONSIDERED AS UPDATED INFORMATION UNTIL THE EQUITY SHARES COMMENCE TRADING ON THE STOCK EXCHANGES, PURSUANT TO THE OFFER.

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.



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TERMS CAPITALISED AND NOT DEFINED HEREIN SHALL HAVE THE SAME MEANING AS ASCRIBED TO THEM IN THE RED HERRING PROSPECTUS / PROSPECTUS.

Milind Nyati & CO  
Chartered Accountants  
FRN: 014455C



A handwritten signature in green ink that reads "Tushar".

CA Tushar Agrawal  
(PARTNER)  
Membership No. 455718  
UDIN: 25455718BMRKPD2177

Date: June 06, 2025  
Place: Ahmedabad

## ANNEXURE- A

### 1. Basic & Diluted Earnings Per Share (EPS):

$$\text{Basic earnings per share (₹)} = \frac{\text{Restated Profit After Tax attributable to Equity Shareholders}}{\text{Weighted Average Number of Equity Shares outstanding}}$$

$$\text{Diluted earnings per share (₹)} = \frac{\text{Restated Profit After Tax attributable to Equity Shareholders}}{\text{Weighted Average Number of Equity Shares outstanding after adjusting adjusted for the effects of all dilutive potential equity shares}}$$

Financial Year/Period	Basic and Diluted EPS (in ₹)	Weights
Financial Year ended March 31, 2022	1.09	1
Financial Year ended March 31, 2023	0.72	2
Financial Year ended March 31, 2024	3.97	3
Financial Year ended March 31, 2025	10.02	4
<b>Weighted Average</b>	<b>5.45</b>	

Notes:

- i. *Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. sum of (EPS x Weight) for each year /Total of weights.*
- ii. *Basic and diluted EPS are based on the Restated Financial Information.*
- iii. *The face value of each Equity Share is ₹10.*
- iv. *Number of shares are adjusted by Increase in Capital through issue of Bonus shares on May 11th, 2024 in the ratio of 6:1 i.e., 6 (Six) Equity Shares for every 1 (One) Equity Share held.*

### 2. Price to Earnings (P/E) ratio in relation to Issue Price of ₹ [●]:

$$\text{Price to Earnings Ratio(P/E)} = \frac{\text{Issue Price}}{\text{Restated Earnings Per Share}}$$

Particulars	EPS (in ₹)	P/E at the Issue Price
Based on EPS of Financial year ended March 31, 2025	10.02	[●]
Based on Weighted Average EPS	5.45	[●]

**Industry PE:**

NIL

### 3. Return on Net Worth:

$$\text{Return on Net Worth (\%)} = \frac{\text{Restated Profit After Tax attributable to Equity Shareholders}}{\text{Net Worth}} * 100$$



Financial Year/Period	Return on Net Worth (%)	Weights
Financial Year ended March 31, 2022	20.41%	1
Financial Year ended March 31, 2023	11.84%	2
Financial Year ended March 31, 2024	39.55%	3
Financial Year ended March 31, 2025	49.93%	4
<b>Weighted Average</b>	<b>36.24%</b>	

Notes:

- Weighted Average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. sum of (RoNW x Weight) for each year / Total of weights;
- The figures disclosed above are based on the Restated Financial Statements of the company.
- Net-worth, as restated at the end of the relevant financial year (Equity attributable to the owners of the company) reduced by revaluation reserve.

#### 4. Net Asset Value per Equity Share:

$$\text{Restated Net Asset Value per equity share (₹)} = \frac{\text{Restated Net Worth as at the end of the year}}{\text{Number of Equity Shares outstanding}}$$

Particular	Amount (in ₹)
As at March 31, 2022	5.34
As at March 31, 2023	6.07
As at March 31, 2024	10.05
As at March 31, 2025	20.06
NAV per Equity Share after the Issue	[●]
Issue Price per Equity Share	[●]

#### 5. Comparison of Accounting Ratios with Listed Peer Group Companies:

Following is the comparison with our peer companies listed in India:

Name of the company	Standalone / Consolidated	Face Value (₹)@	Current Market Price (₹)	EPS (₹) Diluted	P/E Ratio	RoNW (%)	NAV per Equity Share (₹)	Revenue from operations (₹ in Lakhs)
Aten Papers & Foam Limited	Standalone	10	[●]	10.02	[●]	49.93	20.06	13,869.22
<b>Peer Groups \$</b>								
There are no comparable listed peer of the company and therefore information related to peer is not provided.								

@ Current Market Price is considered same as issue price of Equity share for the issuer company.

Notes:

- RoNW is computed as net profit after tax divided by the closing net worth. Net worth has been computed as sum of share capital and reserves and surplus.
- NAV is computed as the closing net worth divided by the closing outstanding number of equity shares.
- The face value of Equity Shares of the company is ₹ 10/- per Equity Share and the Issue price is [●] times the face value of equity share.



**FINANCIAL KPIs OF THE COMPANY**

Particulars	For the Year ended on March 31			
	2025	2024	2023	2022
Revenue from Operations (₹ in Lakhs)	13,869.22	9,679.82	9,099.72	8,981.53
Growth in Revenue from Operations (%)	43.28	6.37	1.32	NA
EBITDA (₹ in Lakhs)	1065.38	515.26	187.58	190.07
EBITDA Margin (%)	7.68	5.32	2.06	2.12
Profit After Tax (₹ in Lakhs)	701.14	278.10	50.26	76.31
PAT Margin (%)	5.06	2.87	0.55	0.85
RoE (%)	66.53	49.31	12.59	22.75
RoCE (%)	43.84	23.23	8.70	8.77
Debt Equity Ratio	0.79	2.23	3.78	4.13
Net Fixed Asset Turnover (In Times)	195.18	111.70	89.68	107.11
Net Working Capital Days	33	83	78	74
Operating Cash Flows (₹ in Lakhs)	529.27	189.01	45.96	366.53

**Notes:**

- 1) Revenue from Operations means the Revenue from Operations as appearing in the Restated 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 work-in-progress.
- 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), finance costs 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 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 and revaluation reserve), 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 Financial Statements.

**OPERATIONAL KPIs OF THE COMPANY:**

NIL

**Explanation for KPI metrics**

KPI	Explanations
Revenue from Operations (₹ in Lakhs)	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of the company and size of our business.
Growth in Revenue from Operations	Growth in Revenue from Operations provides information regarding the growth of our business for the respective period.



<b>KPI</b>	<b>Explanations</b>
Gross Profit (₹ in Lakhs)	Gross Profit provides information regarding the contribution from sale of products/services by the Company.
Gross Profit Margin (%)	Gross Profit Margin is an indicator of the contribution earned from sale of products/services by the Company.
EBITDA (₹ in Lakhs)	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.
Profit After Tax (₹ in Lakhs)	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.
RoE (%)	RoE provides how efficiently the company generates profits from average shareholders' funds.
RoCE (%)	ROCE provides how efficiently the company generates earnings from the average capital employed in the business.
Net Fixed Asset Turnover (In Times)	Net Fixed Asset turnover ratio is indicator of the efficiency with which the company is able to leverage its assets to generate revenue from operations.
Net Working Capital Days	Net working capital days indicates the working capital requirements of the company in relation to revenue generated from operations.
Operating Cash Flows (₹ in Lakhs)	Operating cash flows provides how efficiently the company generates cash through its core business activities.



**COMPARISON OF FINANCIAL KPIs OF THE COMPANY AND OUR LISTED PEERS:**

We believe that there are no comparable listed peer of the company and therefore information related to peer is not provided.

**COMPARISON OF OPERATIONAL KPIs OF THE COMPANY AND OUR LISTED PEERS:**

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**WEIGHTED AVERAGE COST OF ACQUISITION:****a) The Price per share of the company based on the primary/ new issue of shares (equity / convertible securities).**

The details of issuance of Equity Shares or convertible securities, excluding shares issued under ESOP/ESOS and issuance of bonus shares, during the 18 months preceding the date of this Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue capital before such transaction(s)), in a single transaction or multiple transactions combined together over a span of 30 days is as follows:

**NIL**

**b) The price per share of the company based on the secondary sale / acquisition of shares (equity / convertible securities).**

The Details of secondary sale / acquisition of whether equity shares or convertible securities, where the promoter, members of the promoter group, selling shareholders, or shareholder(s) having the right to nominate director(s) in the board of directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days are disclosed below:

**NIL**

**c) Price per share based on the last five primary or secondary transactions;**

Since there are no transactions to report to under (a) and (b) therefore, information based on last 5 primary or secondary transactions (secondary transactions where Promoter / Promoter Group entities or ~~Selling Shareholder~~ or shareholder(s) having the right to nominate director(s) in the Board of the company, are a party to the transaction) not older than 3 years prior to the date of this Red Herring Prospectus irrespective of the size of transactions are as follows.

Sr. No	Date of transfer	Name of Transferor	Name of Transferee	Number of Shares	Transaction value per share	Amount
1.	May 15, 2024	Amrin Lakhani	Ismail Ibrahimhai Lakhani	100	11.00	1100
2.	May 15, 2024	Amrin Lakhani	Ibrahim Noormohammad Memon	100	11.00	1100
3.	May 15, 2024	Amrin Lakhani	Mustakahmed Vajyuddin Saiyed	100	11.00	1100
4.	May 15, 2024	Amrin Lakhani	Sunera Zuned Lakhani	100	11.00	1100
5.	May 15, 2024	Amrin Lakhani	Lakhani Surena Ismail	100	11.00	1100
<b>Total</b>				<b>500</b>	<b>11</b>	<b>5500</b>
<b>WEIGHTED AVERAGE COST OF ACQUISITION</b>						<b>11.00</b>

**d. Weighted average cost of acquisition, floor price and cap price:**

Types of transactions	Weighted average cost of acquisition (₹ per Equity Share)	Issue Price
Weighted average cost of acquisition for last 18 months for primary / new issue of shares (equity / convertible securities), excluding shares issued under an employee stock option plan/employee stock option scheme and issuance of bonus shares, during the 18 months preceding the date of filing of this Red Herring Prospectus, where such issuance is equal to or more than five per cent of the fully diluted paid-up share capital of the company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options), in a single	Nil	NA



Types of transactions	Weighted average cost of acquisition (₹ per Equity Share)	Issue Price
transaction or multiple transactions combined together over a span of rolling 30 days. **		
Weighted average cost of acquisition for last 18 months for secondary sale / acquisition of shares equity / convertible securities), where promoters / promoter group entities or Selling Shareholder or shareholder(s) having the right to nominate director(s) in our Board are a party to the transaction (excluding gifts), during the 18 months preceding the date of filing of this Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of the company (calculated based on the pre-issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.	Nil	NA
Since there were no secondary transactions of equity shares of the company during the 18 months preceding the date of filing of this Red Herring Prospectus, which are equal to or more than 5% of the fully diluted paid-up share capital of the company, the information has been disclosed for price per share of the company based on the last five secondary transactions where promoters /promoter group entities or Selling Shareholder or shareholder(s) having the right to nominate director(s) on our Board, are a party to the transaction, not older than three years prior to the date of filing of this Red Herring Prospectus irrespective of the size of the transaction.	11.00	[•]

