ANIL PARIEK & GARG
Chartered Accountants

33, Anand Bazaar,
Swaroop Nagar,
Kanpur, 208 002
Mob No.: 9839911907,
8853170720
E-Mail: apg2002@gmail.com

CERTIFICATE ON FINANCIAL INDEBTEDNESS

Date: 15th July 2026

The Board of Directors
Lohia Corp Limited
D-3/A, Panki Industrial Estate
Ratan Lal Nagar
Kanpur 208 022
Uttar Pradesh, India

Equirus Capital Limited (formerly known as Equirus Capital Private Limited ("Equirus")
Unit No. 2601B, 26th Floor, A Wing
Marathon Futurex, Mafatlal Mills Compound
N M Joshi Marg, Lower Parel
Mumbai 400 013
Maharashtra, India

Motilal Oswal Investment Advisors Limited
("Motilal Oswal")
Motilal Oswal Tower
Rahimtullah Sayani Road
Opposite Parel ST Depot, Prabhadevi
Mumbai 400 025
Maharashtra, India

(Equirus, Motilal Oswal, collectively, the "**Lead Managers**", and individually, a "**Lead Manager**")

Dear Ladies and Gentlemen,

Re: Proposed initial public offering of equity shares of face value ₹1 each (the "Equity Shares") of Lohia Corp Limited (the "Company", and such initial public offering, the "Offer")

We, Anil Pariek and Garg, Chartered Accountants (Firm Registration No. 001676C), an independent firm of chartered accountants, have been appointed by the Company in terms of the engagement letter dated July 1,2025, as the independent chartered accountants in relation to the Offer.

We have been informed that the Company has filed the draft red herring prospectus (the "**DRHP**") of the Company dated August 12, 2025 with the Securities and Exchange Board of India (the "**SEBI**") and the stock exchange(s) where the Equity Shares are proposed to be listed (together, the "**Stock Exchanges**"), and proposes to file the red herring prospectus (the "**RHP**") and the prospectus (the "**Prospectus**") with the Registrar of Companies, Uttar Pradesh-I at Kanpur (the "**RoC**") and thereafter file with the SEBI and the Stock Exchanges and in any other materials or documents in relation to the Offer (collectively, the "**Offer Documents**", and each individually, an "**Offer Document**").

Based on our review of,

(i) the restated consolidated financial statements of the Company, its subsidiaries and other consolidated entities (together, the "**Group**") as at for the financial years ended March 31, 2026 and March 31, 2025 prepared in accordance with Indian Accounting Standards ("**Ind AS**") read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, Section 26 of Part I of Chapter II of the Companies Act, 2013 (together with the rules notified thereunder, each as amended, the "**Companies Act**"), and with the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (the "**ICAI**" and such financial statements, the "**Restated 2026 and 2025 Consolidated Financial Information**"), and the examination report thereon;

(ii) the restated standalone financial statements of the Company, as at and for the financial years ended March 31, 2024 (i.e., the period beginning from date of incorporation of the Company (June 5, 2023) until March 31, 2024), prepared in accordance with Ind AS read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, Section 26 of Part I of Chapter II of the Companies Act, and with the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI (such financial statements, the "**Restated 2024 Standalone Financial**

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Information"), and the examination report thereon;

(iii) the special purpose combined and carved-out financial statements, as at and for the fiscal years March 31, 2024, of the textile machinery business undertaking of *Lohia Trade Services Limited) (erstwhile Lohia Corp Limited*) (the "**Erstwhile Company**") which was subsequently renamed as LTS Holdings Private Limited, which constituted its core business (the "**Demerged Business**") and related investments by the Erstwhile Company in its five subsidiaries (along with the Demerged Business, the "**Transferred Group**") which were vested into the Company with effect from April 1, 2024 pursuant to a scheme of arrangement entered into by the Company with the Erstwhile Company, and their respective shareholders (the "**Scheme**"), prepared by the management of the Company as at and for the fiscal years March 31, 2024, prepared in accordance with Ind AS and the Guidance Note on Combined and Carve-out Financial Statements (2017) issued by ICAI (the "**Carve-out FS Guidance Note**"), together with material accounting policy information and other explanatory information thereto (together, the "**Special Purpose Combined and Carved-Out Financial Information**"), and the audit report thereon;

(iv) loan agreements and sanction letters approved by the banks/financial institutions, deeds of hypothecation, memoranda of deposit, other letters and correspondence between the lenders and the Company and its subsidiaries, confirmations on outstanding loan amount from the Group (collectively, the "**Loan Documents**");

(v) bank statements and bank balance confirmations on outstanding loan amount from lenders;

(vi) minutes of the meetings of the Board of Directors of the Company (the "**Board**"), minutes of annual general meetings and extra-ordinary general meetings of the Company, minutes of the meetings of various committees of the Board;

(vii) returns of charge filed by the Company with the relevant registrar of companies and other relevant records.

On the basis of such verification and according to information and explanation given to us, we confirm the following:

(a) The consolidated financial indebtedness including summary of the borrowings sanctioned to the Company and its subsidiaries and outstanding, as at 31st May 2026 is stated in **Annexure A**. Except as included in **Annexure A** there are no other loans or facilities availed by the Company and its subsidiaries.

(b) The principal terms of the borrowings and assets charged as security by the Company and its subsidiaries are stated in **Annexure B**.

(c) Except as stated in **Annexure C**, the Company or its subsidiaries has not provided any guarantees for the repayment of any loans availed by other entities.

(d) As on the date of this certificate, none of the banks or institutions from whom the Company or its subsidiaries have availed debt facilities, have accelerated payment of the facility in full or in part on account of default in the repayment in any instalment or interest due or for violation of any other terms of any of the outstanding loans/ debt facilities granted to the Company or its subsidiaries;

(e) The Company has not defaulted, at any point of time, in repayment of any loan/ facility or interest thereon till the date of this certificate including any of the loans outstanding on its balance sheet as on March 31st, 2026;

(f) The Company has not delayed in repayment of interest due for the loans outstanding on its balance sheet as on March 31st, 2026 including any delay in payment

(g) We confirm that there are no unsecured loans which have been recalled by lenders at any time.

We conducted our examination for this certificate in accordance with the "Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)" (the "**Guidance Note**") issued by the ICAI. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI. We hereby

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confirm that while providing this certificate we have complied with the Code of Ethics and 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.

We confirm that the information in this certificate is true, correct, complete and accurate and there is no untrue statement or omission which would render the contents of this certificate misleading in its form or context.

We confirm that we will immediately inform any changes in writing in the above information to the Company and the Lead Managers until the commencement of trading of Equity Shares pursuant to the Offer. In the absence of any such communication from us, the information provided in this certificate should be considered as updated information until the Equity Shares commence trading on the Stock Exchanges pursuant to the Offer.

This certificate is for the information relating to, and inclusion (in part or full) in, the Offer Documents, and may be relied upon by the Company, the Lead Managers and their respective affiliates and the legal advisors to each of the Company and the Lead Managers. We hereby consent to the submission of this certificate as may be necessary to the SEBI, the RoC, the Stock Exchanges and any other statutory or regulatory authority and/or for the records to be maintained by the Lead Managers and in accordance with applicable law. We also consent to this certificate being disclosed by the Lead Managers, 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 defence in connection with, or to avoid, any actual, potential or threatened legal, arbitral or regulatory proceeding or investigation.

We also consent to the inclusion of this certificate as a part of "*Material Contracts and Documents for Inspection*" in connection with the Offer, which will be available to public for inspection, including on the website of the Company, from date of the filing of the RHP until the Bid/ Offer Closing Date.

All capitalized terms used but not defined herein shall have the same meaning as is ascribed to them in the Offer Documents.

Yours faithfully,

For and on behalf of
Anil Pariek and Garg, Chartered Accountants
Firm Registration Number: 001676C

ANIL PARIEK & GARG ★ KANPUR ★ Chartered Accountants

Name: Hemant Kumar Pariek
Designation: Partner
Membership Number: 070250
Date: [•] 15·07·2026
Place: Kanpur
UDIN 26070250YAWHFX4946

cc:

Legal Counsel to the Lead Managers as to Indian Law

S&R Associates
One World Center, 1403 Tower 2 B
841 Senapati Bapat Marg
Lower Parel, Mumbai 400 013
Maharashtra, India

Legal Counsel to the Lead Managers as to U.S. Law

Hogan Lovells (Middle East) LLP
Al Fattan Currency House, Tower 2
19th Floor, Dubai International Financial Centre
Dubai, United Arab Emirates

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Legal Counsel to the Company as to Indian Law

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Annexure A

Category of borrowing	Sanctioned Amount	Outstanding amount as at 31st May, 2026
	(₹ million)	
Company		
Secured		
Term Loan	3,000.00	884.46
Working Capital Facilities		
Fund based working capital loan (*including term loan, cash credit, over draft facility*)	1,450.00	Nil
Non-Fund based working capital loan (*includes letter of credit*)	500.00	36.09
Unsecured		
Nil	Nil	Nil
Subsidiaries		
Secured		
Term Loan	Nil	Nil
Working Capital Facilities		
Fund based working capital loan (*including, cash credit, over draft facility*)	471.25	466.54
Non-Fund based working capital loan (*includes letter of credit*)	Nil	Nil
Unsecured		
Unsecured Borrowings	Nil	Nil
Total	**5,421.25**	**1,391.09**

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Annexure B

1. ***Tenor:*** The tenor of the borrowings availed for term loan ranges from 60 to 84 months and for short-term working capital facilities ranges from 1 month to 12 months.

2. ***Interest:*** The interest payable on the borrowings availed in the form of term loan ranges from 1.35% p.a. to 6.5% p.a. while for short-term working capital facilities it ranges from 5.28% p.a.to 8.60% p.a.

3. ***Security:*** In terms of their borrowings where security needs to be created, the Company and its subsidiaries are typically required to create charge on certain of its movable and immovable assets, including land, receivables and current assets, both present and future. There may be additional requirements for creation of security under the various borrowing arrangements entered into by the Company and its Subsidiaries.

4. ***Repayment:*** The cash credit and working capital facilities are typically repayable on demand or within 12 months of date of sanction. The repayment period for the term loan facilities availed by the Company is typically in quarterly instalments.

5. ***Pre-payment:*** The Company and Subsidiaries have the option to pre-pay the lenders, in part or in full, subject in some cases to a notice of pre-payment to the lender. Such prepayment in certain cases is subject to the payment of a pre-payment premium/fee of 0.50%-2.00% on the amount pre-paid.

6. ***Penalty:*** The facilities issued and availed by the Company and its Subsidiary contain provisions prescribing penalties, over and above the prescribed interest rate, *inter alia* for delayed payment or default in the repayment obligations of the Company, which typically range from 2% to 4% of the amounts involved with respect to term loans. The penalty interest for cash credit/ working arrangement facilities typically ranges from 0.03% to 5.00% and up to 8.00%.

7. ***Restrictive covenants:*** In terms of the facility agreements, loan agreements, sanction letters, hypothecation deeds and other agreements, the Company and its Subsidiaries are required to comply with various financial covenants, restrictive covenants and conditions restricting certain corporate actions, and are required to take prior written consent from the lender and/or intimate the respective lender before carrying out such actions, including, but not limited to the following:

   (a) effecting any change in Company's capital structure, equity, management, operating structure, ownership or control;
   (b) reduction in the shareholding level of Lohia group below 76%;
   (c) alteration to constitutional documents;
   (d) implementing any scheme of expansion/ diversification/ modernisation other than incurring routine capital expenditure;
   (e) diversifying into non-core areas viz business other than the current business;
   (f) undertaking further capital expenditure, except for maintenance and being funded by our Company's own resources;
   (g) formulation of any scheme of amalgamation or reconstruction/ reconstitution;
   (h) opening new current or other accounts, with banks outside the lending arrangement;
   (i) further investments by our Company in any other company or entity; and
   (j) undertaking guarantee obligations or extend letter of comfort, on behalf of any other company/person/trust/any third party;
   (k) investing in, extending any advance loans, to any group companies / associates / subsidiaries / any other third party;
   (l) selling, assigning, mortgaging or otherwise disposing off any fixed assets which are provided as security to the lenders.

8. ***Events of default:*** The financing arrangements entered into by the Company and its Subsidiaries contain standard events of default including, among others:

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(a) non-payment of principal or interest due to any person or lender as and when they fall due or when demanded;
(b) breach of or default in the performance of or compliance of any of the terms, covenants, obligations or undertakings stipulated in the relevant documents;
(c) any information provided by the Company, or any of its representations and warranties being found to be or becoming incorrect or untrue;
(d) incorrect or misleading representation, warranty or statement under the facility documents;
(e) failure to create and perfect security;
(f) the occurrence of any event or circumstance which prejudicially or adversely affects or is likely to prejudicially or adversely affect the capacity of the Company to repay the facilities availed;
(g) occurrence of a material adverse change;
(h) any substantial change in the constitution or management of the Company without previous written consent of the lender or upon the management of the Company ceasing to enjoy the confidence of the lender; and
(i) if the company fails to inform the lender of the occurrence of any event of default or any event which after the notice or lapse of time, or both, would become an event of default.

9. ***Consequences on occurrence of event of default:*** In terms of the borrowing arrangements of the Company and its Subsidiaries, the following, among others, are the consequences of occurrence of events of default, whereby the lenders may:

(a) accelerate repayment of facilities or declare all sums outstanding as immediately due and payable;
(b) enforce their security interest over the hypothecated assets;
(c) suspend or cancel any undisbursed amount of the facility;
(d) appoint their nominee directors on our Board;
(e) convert outstanding debt amounts into equity; and
(f) formulate the mechanism for resolution of the stressed asset.

The details provided above are indicative and there may be additional terms, conditions, and requirements under the various outstanding borrowing arrangements of our Company and subsidiaries.

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Annexure C

Company has given Corporate guarantee to HSBC, USA of USD 5 Million to secure working capital facilities to Leesona Corp, USA which is a 100% subsidiary of Lohia Corp Limited.

Details of corporate guarantee given by the Company on behalf of loans availed by other entities:

Name of the Other Entity	Guarantee Given by	Relationship with the Company	Nature of loan availed	Details of borrowings (₹ in million)	Amount of Corporate Guarantee given (₹ in million)
Leesona Corp	Lohia Corp Limited	Subsidiary	Overdraft facility	471.25	466.54

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Annexure D

There are no bridge loans are availed by the Company.