भारतीय प्रतिभूति और विनिमय बोर्ड
Securities and Exchange Board of India

सहायक महाप्रबंधक / **ASSISTANT GENERAL MANAGER**
निगम वित्त विभाग / **CORPORATION FINANCE DEPARTMENT**
रजिस्ट्रीकरण, मंजूरी, पत्र-व्यवहार / **REGISTRATION, APPROVALS & CORRESPONDENCES**
निर्गम एवं सूचीबद्धता प्रभाग - 2 / **DIVISION OF ISSUES AND LISTING – 2**
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दूरभाष सं. / Ph No: 022-26449707

SEBI/CFD/RAC/DIL-2/P/OW/30604/2025
December 08, 2025

Equirus Capital Private Limited,
12thFloor, C Wing, Marathon Futurex,
N M Joshi Marg, Lower Parel, Mumbai- 400 013.

Kind Attention: Ms. Kavita Tanwani

महोदया / महोदय,

Madam / Sir,

विषय / **Sub: Proposed IPO of Lohia Corp Limited (LCL/ the Company / Issuer)**

1. उपरोक्त से संबंधि□ प्रारूप प्रस्ताव दस्तावेज (ड्राफ्ट ऑफर डॉक्यूमेंट), भार□ीय प्र□िभू□ि और विनिमय बोर्ड (सेबी) द्वारा मांगे गए स्पष्टीकरणों और उसके संबंध में दिए गए उत्तरों के संदर्भ में, यह सूचि□ किया जा□ा है कि इनकी जाँच करने पर यह पाया गया है कि इनमें कमियाँ हैं / भार□ीय प्र□िभू□ि और विनिमय बोर्ड [पूँजी का निर्गमन (इश्यू) और प्रकटीकरण □पेक्षाएँ] विनियम, 2018 [सेबी (इश्यू ऑफ कैपिटल एंड डिस्क्लोज़र रिक्वायरमेंट्स) रेग्यूलेशन्स, 2018] के प्रावधानों और दिए गए □नुदेशों का पालन नहीं किया गया है, और आपके लिए यह जरूरी है कि आप स्टॉक एक्सचेंज और / या कंपनी रजिस्ट्रार के पास प्रस्ताव दस्तावेज दाखिल करने से पहले उन कमियों को दूर करें और संबंधि□ प्रावधानों □था दिए गए □नुदेशों का पालन करें । उपरोक्त के संबंध में की गई टिप्पणियों का और जिन श□ों आदि का पालन किया जाना है, उनका जिक्र संलग्नक 'I' और संलग्नक 'II' में किया गया है । कृपया यह भी नोट करें कि संलग्नक में जो कमियाँ ब□ाई गई हैं / कुछ और प्रकटीकरण (डिस्क्लोज़र) करने की बा□ कही गई है, यह सब आपको केवल उदाहरण के □ौर पर ही ब□ाया गया है । यह सुनिश्चि□ करने की जिम्मेदारी आपकी है कि सभी और सही प्रकटीकरण किए जाएं ।

   With reference to the draft offer document in respect of captioned issue, clarifications sought by SEBI and the replies submitted therein, it is stated that on scrutiny of the same, deficiencies / instances of non-compliance of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (hereinafter referred to as SEBI (ICDR) Regulations, 2018) and instructions have been observed, which are required to be rectified / complied with by you before filing the offer document with the Stock Exchange and/ or ROC. Observations on the captioned issue and other conditions to be complied with are indicated in Annexure 'I' and 'II'. It may be noted that the deficiencies / requirement of additional disclosures listed in the Annexure are merely illustrative and not exhaustive. It is your responsibility to ensure full and true disclosures.

2. बुक रनिंग लीड मैनेजर होने के ना□े, आप यह सुनिश्चि□ करेंगे कि स्टॉक एक्सचेंज / कंपनी रजिस्ट्रार के पास प्रस्ताव दस्तावेज दाखिल करने से पहले संलग्नक में दी हुई टिप्पणियों / श□ों आदि के □नुसार प्रस्ताव दस्तावेज में बदलाव कर लिए जाएं । कंपनी रजिस्ट्रार / स्टॉक एक्सचेंज के पास □ं□िम प्रस्ताव दस्तावेज दाखिल करने से पहले आपको हमें एक पत्र भेजकर इस बा□ की पुष्टि करनी होगी कि □पेक्षानुसार बदलाव कर लिए गए हैं और साथ

ही यह भी ब□ाना होगा कि प्रत्येक टिप्पणी / शर्□ आदि के □नुसार बदलाव कैसे किए गए हैं । इसके अलावा और कोई भी बदलाव सेबी से लिखित सहमति लिए बिना नहीं किए जाएंगे ।

As Book Running Lead Manager (LM), you shall ensure that all changes are effected based on the observations/ conditions contained in the Annexure before you file the offer document with the stock Exchange/ ROC. A letter confirming these changes and explaining, in seriatim, the manner in which each observation / condition has been dealt with along with your comments should be submitted to us, before filing the final offer document with ROC / Stock Exchange. **NO FURTHER CHANGES SHOULD BE EFFECTED WITHOUT SPECIFIC WRITTEN CONSENT OF SEBI.**

3. यह स्पष्ट किया जा□ है कि भार□ीय प्र□िभू□ि और विनिमय बोर्ड (सेबी) के पास प्रस्ताव दस्तावेज (ऑफर डॉक्यूमेंट) दाखिल करने का □र्थ किसी भी □रह से यह न लगाया जाए कि सेबी द्वारा इसे मंजूरी प्रदान कर दी गई है । सेबी न □ो इस बा□ की कोई जिम्मेदारी ले□ा है कि जिस स्कीम या परियोजना (प्रोजेक्ट) के लिए निर्गम (इश्यू) लाए जाने का प्रस्ताव है उसकी वित्तीय स्थि□ि □च्छी है और न ही इस बा□ की जिम्मेदारी ले□ा है कि प्रस्ताव दस्तावेज में दी गई जानकारी या व्यक्त की गई राय सही है । □ग्रणी प्रबंधकों (लीड मैनेजर्स) ने यह प्रमाणि□ किया है कि प्रस्ताव दस्तावेज में जो प्रकटीकरण (डिस्क्लोज़र) किए गए हैं वे मोटे □ौर पर पर्याप्त हैं और जो प्रकटीकरणों (डिस्क्लोज़र) □था निवेशक संरक्षण के संबंध में उस समय लागू सेबी के विनियमों के प्रावधानों के □नुसार किए गए हैं । □ग्रणी प्रबंधक यह भी सुनिश्चि□ करेंगे कि ऐसा भार□ीय प्र□िभू□ि और विनिमय बोर्ड [पूँजी का निर्गमन (इश्यू) और प्रकटीकरण □पेक्षाएँ] विनियम, 2018 [सेबी (इश्यू ऑफ कैपिटल एंड डिस्क्लोज़र रिक्वायरमेंट्स) रेग्यूलेशन्स, 2018] के □नुसार भी किया जाए । ऐसा करना इसलिए जरूरी है, □ाकि निवेशक प्रस्तावि□ निर्गम (इश्यू) में निवेश करने के संबंध में सोच-समझकर निर्णय ले सकें ।

It is to be distinctly understood that submission of offer document to SEBI should not in any way be deemed or construed that the same has been cleared or approved by SEBI. SEBI does not take any responsibility either for the financial soundness of any scheme or the project for which the issue is proposed to be made or for the correctness of the statements made or opinions expressed in the offer document. The LMs have certified that the disclosures made in the offer document are generally adequate and are in conformity with SEBI regulations for disclosures and investor protection in force for the time being. The LMs are advised to ensure the same with respect to SEBI (ICDR) Regulations, 2018. This requirement is to facilitate investors to take an informed decision for making investment in the proposed issue.

4. यह भी पूरी □रह से स्पष्ट किया जा□ है कि यद्यपि इस बा□ की जिम्मेदारी मुख्य रूप से निर्गमकर्□ा (इश्यु□र) कंपनी की हो□ी है कि प्रस्ताव दस्तावेज में समस्त जरूरी जानकारी प्रकट की जाए और जो सही और पर्याप्त हो, फिर भी □ग्रणी प्रबंधकों (लीड मैनेजर्स) से □पेक्षि□ है कि वे यह सुनिश्चि□ करने के लिए पूरी □त्पर□ा (ड्यू डिलिजेंस) बर□ें कि कंपनी □पनी जिम्मेदारियाँ सही ढंग से निभाए, और इसी उद्देश्य से □ग्रणी प्रबंधकों ने भार□ीय प्र□िभू□ि और विनिमय बोर्ड (इश्यू ऑफ कैपिटल एंड डिस्क्लोज़र रिक्वायरमेंट्स) रेग्यूलेशन्स, 2018 के □नुसार सेबी के पास पूरी □त्पर□ा बर□े जाने के संबंध में □ारीख August 12, 2025 का प्रमाणपत्र (ड्यू डिलिजेंस सर्टिफिकेट) प्रस्तु□ किया है ।

It should also be clearly understood that while the Issuer Company is primarily responsible for the correctness, adequacy and disclosure of all relevant information in the offer document, the LMs are expected to exercise Due Diligence to ensure that the Company discharges its responsibility adequately in this behalf and towards this purpose, the LMs have furnished to SEBI a Due Diligence Certificate dated August 12, 2025, in accordance with SEBI ICDR Regulations, 2018.

5. हालाँकि, कंपनी प्रस्ताव दस्तावेज दाखिल कर देने से ही कंपनी □धिनियम, 2013 की धारा 34 के □ह□ दी गई किसी भी बाध्य□ा से मुक्त नहीं हो जा□ी या वह कानूनी प्रावधानों के □नुसार ली जाने वाली मंजूरी या ऐसी कोई □न्य मंजूरी लेने से मुक्त नहीं हो जा□ी, जो प्रस्तावि□ निर्गम के संबंध में लेनी जरूरी हो । हालाँकि, सेबी प्रस्ताव दस्तावेज में कोई □नियमि□□ा या कमी पाए जाने पर कभी भी □ग्रणी प्रबंधकों के खिलाफ कार्रवाई कर सक□ा है ।

   The filing of offer document does not, however, absolve the company from any liabilities under Section 34 of the Companies Act, 2013 or from the requirement of obtaining such statutory or other clearances as may be required for the purpose of the proposed issue. SEBI further reserves the right to take up, at any point of time, with the LMs any irregularities or lapses in offer document.

6. किसी भी प्रचार सामग्री या विज्ञापन में ऐसा कुछ भी उल्लेख नहीं किया जाएगा, जो प्रारूप प्रस्ताव दस्तावेज (ड्राफ्ट ऑफर डाक्यूमेंट) में दी गई जानकारी से भिन्न हो । इस संबंध में आपका ध्यान विशेष रूप से कंपनी अधिनियम, **2013** की धारा **36** के प्रावधानों की ओर आकर्षित किया जाता है ।

   Any publicity materials / advertisements should not contain matters extraneous to the information contained in the draft offer document. **Attention is specifically drawn to the provisions of Section 36 of the Companies Act, 2013.**

7. □ग्रणी प्रबंधक यह सुनिश्चि□ करें कि भार□ीय प्र□िभू□ि और विनिमय बोर्ड [पूँजी का निर्गमन (इश्यू) और प्रकटीकरण □पेक्षाएँ] विनियम, 2018 के विनियम 25(1) और □नुसूची- III के □नुसार उपरोक्त निर्गम (इश्यू) के संबंध में फाइलिंग फीस की गणना किस प्रकार की गई है उसका एक विस्तृ□ विवरण, यथास्थि□ि, कंपनी रजिस्ट्रार के यहाँ प्रॉस्पेक्टस दाखिल किए जाने के सा□ दिनों के भी□र / स्टॉक एक्सचेंज के पास प्रस्ताव-पत्र (लेटर ऑफ ऑफर) दाखिल किए जाने के सा□ दिनों के भी□र, सेबी के पास प्रस्तु□ कर दिया जाए और साथ ही □ब □क □दा की गई फाइलिंग फीस का ब्यौरा भी दिया जाए ।

   The LMs are advised to ensure that a detailed calculation of filing fees in relation to the captioned issue in terms of regulation 25(1) and Schedule III of the SEBI (ICDR) Regulations, 2018 is submitted to SEBI within seven days of filing the Prospectus with ROC/ within seven days of filing the Letter of Offer with the stock exchange, as the case may be, along with details of filing fees paid till date.

8. आपने जो फीस □दा की है, यदि वह वास्तव में □दा की जाने वाली फीस से कम हो, □ो ऐसे में □ग्रणी प्रबंधक यह सुनिश्चि□ करेंगे और इस बा□ की पुष्टि करेंगे कि सेबी को शेष फीस □दा किए जाने के संबंध में इन विनियमों की □नुसूची-III के प्रावधानों का पालन किया गया है ।

   If filing fees paid by you is less than the actual fees required to be paid, the LMs are advised to ensure and confirm compliance with the provisions of Schedule III of the said Regulations in regard to payment of the balance fees to SEBI.

9. प्रस्तावि□ निर्गम (इश्यू) इस □भिम□ पत्र के जारी होने की □ारीख से 12 महीनों के भी□र पैसा लगाने (□भिदान करने / सब्स्क्रिप्शन) के लिए खोला जा सक□ा है ।

   The proposed issue can open for subscription within a period of 12 months from the date of issuance of this observation letter.

10. आपसे □नुरोध है कि इस पत्र की प्राप्ति के 15 दिनों के भी□र □पना उत्तर प्रस्तु□ करें।
You are requested to submit your response within 15 days of the receipt of this letter.

Place: Mumbai

Ajinkya Kamble

Annexure I

OBSERVATIONS

1. Please refer to our email dated September 26, 2025, November 04, 2025 and November 27, 2025 and the response from LM dated October 03, 2025, November 12, 2025, November 24, 2025, November 25, 2025, December 03, 2025 and all other correspondences exchanged. LM is advised to ensure compliance with the same.
2. LM vide letter dated November 12, 2025 has *inter-alia* stated, at various points, that the information / rationale is being shared only for information purposes and will not be disclosed in the UDRHP, RHP and Prospectus. In this regard, LM is advised to disclose the information provided vide its letter dated November 12, 2025 (including information provided in Annexure A (details relating to the equity and preference share capital build-up of the Demerged Company) of the aforesaid letter) and all other correspondences exchanged in UDRHP, RHP and Prospectus to promote enhanced disclosure to the investors to take informed decision.
3. LM is also advised to disclose the details of transactions entered into by the promoters with Mr. Jitendra Kumar Lohia, Mr. Gopal Chandra Lohia, Mr. Anurag Lohia and Mr. Anuja Lohia, pursuant to the Memorandum of Family Settlement dated September 21, 2022, in UDRHP, RHP and Prospectus of the instant IPO to promote enhanced disclosure to the investors to take informed decision.
4. LM to provide and disclose the following w.r.t. the Garima Lohia Beneficiary Trust and Tanya Lohia Beneficiary Trust.
   i) The Garima Lohia Beneficiary Trust and Tanya Lohia Beneficiary Trust to provide an undertaking separately and disclose in offer document(s) that the respective Trust & the concerned trust deed(s) are in compliance with the conditions outlined in Chapter 8 of SEBI Master Circular dated February 16, 2023 and will always remain in compliance with the aforesaid conditions.
   ii) The following details of the Garima Lohia Beneficiary Trust and Tanya Lohia Beneficiary Trust:

Particulars	Name	Relationship with late Jamuna Devi Lohia
Settlor		
Trustees		
Beneficiaries		

5. Draft offer document and the offer document, shall not contain any information where no responsibility is taken by the BRLMs or the Issuer Company/ Expert. The Issuer Company / BRLMs shall ensure that the "Industry Overview" section represents a fair and true view of the comparable industry scenario and the same is neither exaggerated nor any underlying assumptions have been omitted for investors to make an informed decision.
6. Sequencing of the chapters in the offer document shall be strictly in terms of the Schedule VI of SEBI (ICDR) Regulations, 2018.

7. The industry report disclaimers (if any) shall be removed from all places of the offer document.
8. LM is advised to include the industry report in the list of material documents for inspection and also provide a link in the offer document for online access of industry report.
9. The LM is advised to ensure that offer document is made in lucid and economical language with limited usage of abbreviations. Abbreviations, if any, shall be used only with prior and appropriate disclosure of the corresponding term. Jargons or nomenclatures, if any, shall be properly explained at each and every mention of the same.
10. LM is advised to ensure all quantitative information be provided in tabular form and free from discrepancies/errors in all sections for the ease of reading. LM may provide with certainty all the relevant information sought by SEBI till the issue of this observation letter, in the offer document/UDRHP/RHP.
11. LM is advised to ensure that financial disclosures for the stub period and comparative periods shall be made on account of audited, restated and consolidated financials only.
12. LM is advised to ensure that the primary business of the company shall be disclosed in lucid and economical language. The disclosure shall specify the industry, sector, activity, products etc. with clarity.
13. LM is advised that reference to name of any place mentioned in the offer document may be followed by name of City / State, as the case may be.
14. Though, these observations refer to a specific chapter or para, LM is advised to ensure, in principal, disclosures shall be consistent across the offer document.
15. LM is advised to ensure that the disclosure of risk factors are based on materiality and provide adequate and cross-reference, to the exact page no., wherein detailed information is disclosed.
16. LM is advised to disclose the date of Board Approvals obtained for disclosed initiatives, such as expansion, expenditures etc. Non-disclosures shall be qualified with reasons.
17. LM is advised that KPIs and financial data wherever disclosed shall be in absolute terms and in % terms, and shall pertain to the disclosed financial period.
18. LM is advised to make uniform presentation of data in terms of the placement of time-periods. LM should ensure that the time-periods are either placed in ascending or descending order, uniformly across the offer document.
19. For each cross-referencing of the industry report, LM is advised to mention the exact para and page of the report.
20. LM is advised to incorporate all the certificates certified by the Chartered Accountants under section- Material *contracts and documents for inspection.*
21. LM to ensure the eligibility of the employees applying under the employee reservation portion of the issue.
22. Key Regulations and Policies – The section shall disclose that on and from the issuance of observations by the board, securities law and regulations shall also apply. The

section shall disclose the list of such regulations, such as SEBI SDI Regulations, SEBI NCS Regulations etc.

23. LM is advised to disclose the name of the signing partner of the legal counsel to the issuer along with disclosing corresponding email-id and contact person.

24. LM is advised to identify the monitoring agency in the offer document at the time of UDRHP itself.

25. **Definitions and abbreviations**

    a. On page no. 8, while describing the transferred group, it has been stated that the Demerged Undertaking and five erstwhile subsidiaries of LTSL, namely, SIPL, Leesona Corp., Lohia Global Solutions S.A., LDB and Lohia FZE, that were transferred to our Company on a going concern basis with effect from April 1, 2024, through the Scheme of Arrangement. However, on page 45, Lohia Global Solutions S.A. has been liquidated w.e.f Dec 2023. The LM is advised to reconcile the statement made in the DRHP and provide with correct disclosure.

26. **Forward looking statements:**

    a. Forward looking statements may not contain risk factors. The ten points, if any, mentioned under important factors may be removed. A cross reference (with respective page no.s) may be made to Risk Factors or top ten risk factors provided under Summary of the Offer Document.

27. **Summary of the offer document**

    a. On Page 25, the LM is advised to include about the incorporation as Kanpur Packaging Machines Limited and does not represent the same legal entity that filed the Draft Red Herring Prospectus dated September 29, 2022 under the name 'Lohia Corp Limited'. Further details may also be mentioned regarding transfer of Core Undertaking, name change, etc.

    b. On Page 28, the LM is advised to provide detailed disclosure of the borrowings, financial liabilities, guarantees, and contingent liabilities that remain with Lohia Trade Services Limited (LTSL) post-demerger. The DRHP presently discloses only the borrowings transferred to the Resulting Company (Rs.2,803.72 million). However, the total borrowings of erstwhile Lohia Corp Limited as per FY22 Restated Consolidated Financial Information were Rs.2,485.80 million, excluding subsidiary borrowings.

    c. From page 30, it is observed that the Company has undertaken transactions with various related parties. While the DRHP provides the quantum of related party transactions, it does not clearly disclose what percentage of the Company's total revenue is derived from related parties. The LM is advised to disclose revenue derived from related parties for each disclosed fiscal period as a percentage of total revenue from operations.

    d. LM is advised to limit the "Primary business" and the "Industry" write-ups to not more than 100 words each in the Offer Document Summary Section.

    e. LM is advised to provide the "Objects of the issue" in a clear tabular format in the Offer Document Summary Section.

f. LM is advised to provide details of any financing arrangements (if any) whereby promoters/promoter group/directors or their relatives financed the purchase of the issuer's securities within six months preceding the DRHP filing, in the Offer Document Summary Section.

g. LM is advised to provide the weighted average price at which securities were acquired by each promoter and each selling shareholder in the past one year, in the Offer Document Summary Section.

h. LM is advised to provide the size of any pre-IPO placement and names of all allottees (or state that there was no such placement), in the Offer Document Summary Section.

i. LM is advised to provide details of any equity issuances in the last one year for consideration other than cash (or state that there were none), in the Offer Document Summary Section.

j. LM is advised to provide details of any split or consolidation of equity shares in the last one year (or state that there was none), in the Offer Document Summary Section.

k. LM is advised to provide details of any exemptions from compliance with securities laws granted by SEBI (or state that no exemptions were granted), in the Offer Document Summary Section.

l. The LM is advised to disclose reasons for the sharp increase in Profit after Tax (PAT) from ₹ 297.58 million in FY 2024 to ₹ 1,178.41 million in FY 2025 (+296 %). The LM is further advised to ensure cross-referencing elsewhere in the DRHP.

m. The LM is advised to disclose reasons for the significant decline in Total Income from ₹ 18,538.24 million in FY 2023 to ₹ 11,736.03 million in FY 2024 (−36.7 %). The LM is further advised to ensure cross-referencing elsewhere in the DRHP.

28. **Risk Factors (RF):**

a. LMs to ensure that any description of risk or description of the possibility of occurrence of an event/ situation shall necessary follow with a statement of detailed disclosure on past occurrences. If not, a categorical statement of disclosure on non-occurrence of such events shall be disclosed.

b. Risk Factors - (i) every risk factor shall be provided with a cross-reference to the detailed description of the facts / reasons in the DRHP, wherever applicable. (ii) In all risk factors, wherever either only percentages or the absolute values are mentioned, LM shall ensure to disclose both the absolute values and percentages adequately.

c. The DRHP states on page 45 that Lohia Global Solutions, Panama S.A. was liquidated with effect from December 2023. However, as per page no. 30, the company reported related party transaction worth Rs. 11.76 million based on the restated consolidated RPT for FY 2025. The LM is advised to explain how transactions could occur after the reported liquidation. LM is also advised to check for similar inconsistencies do not exist in respect of any other subsidiary or related party.

d. On page 59, Risk factor 29 provides the credit rating as on March 31, 2025. The LM is advised to update the same to reflect the most recent and in case of any upgrade/downgrade, the same may suitably highlighted.

e. On page 66, the risk factor 45 explains the risk related to limited experience in new line of business. However, the heading of risk factor is not properly capturing the same. The LM is advised to suitably draft the same.

f. On page 67, the LM is advised to disclose the risk factor 46 as top 5 risk factor.

29. **Summary of financial information**

a. Inconsistency in disclosure of Total assets: In the Summary of Special Purpose Combined and Carve-out Balance Sheet (page 89), "Total assets" of the Transferred Group are disclosed as Rs.4,622.35 million and Rs.5,359.85 million for FY 2024 and FY 2023, respectively. These amounts actually correspond to total current assets, not total assets. The detailed Special Purpose Combined and Carve-out Balance Sheet shows total assets of Rs.8,734.88 million and Rs.9,918.97 million for FY 2024 and FY 2023, with "Total equity & liabilities" of the same amounts. The LM is advised to correct the same on Page 89.

30. **General Information:**

a. For both legal counsels, LM is advised to add name of the signing partner(s) for the law firms, contact person, email ID and website.

b. LM is advised to specify name of monitoring agency under relevant sections of Offer Document.

c. LM is advised to include details of Escrow Collection Banks, Refund Banks, and Public Offer Account Bank in the General Information Section.

d. LM is advised to include details of Sponsor Banks in the General Information Section.

e. LM is advised to include names and details of Syndicate Members once finalized.

31. **Capital Structure:**

a. From page 102, the DRHP does not clearly disclose the post-demerger status of the original subscriber shareholders of Kanpur Packaging Machines Limited (KPML), namely: Anupam Agarwal (2,000 shares), Alok Saxena (2,000), Kamal Kumar Kejriwal (2,000), Nem Chand Sharma (2,000), Hema Singh (1,000), Deepali Singh (500), and Abhay Pratap Singh (500). The LM is advised to state whether these original allottees continue as shareholders and how these initial subscribers fit into the current shareholding structure.

b. LM is advised to provide details of ESOP amendments and confirm whether any subsequent modifications were approved by the shareholders after June 21, 2025.

32. **Basis for offer price:**

a. KPIs – LM is advised to ensure that only audited KPIs are included for disclosure. LM to confirm that KPIs have been audited. If not, the same shall be removed.

b. LM is advised to provide confirmation that accounting ratios have been adjusted for potential conversions and options outstanding, in line with SEBI ICDR Schedule VI.

33. **Industry Overview:**

    a. LM is advised to ensure that RFs as disclosed in the industry reports are included under the chapter on Risk Factors, including threats and challenges as identified in the report.

34. **Our business**

    a. On page 186, the DRHP does not disclose the historical percentage contribution of the Core Business Undertaking to the total revenues of the erstwhile Lohia Corp Limited (now LTSL), despite this information being material to understanding the economic continuity of the business being offered for listing. Accordingly, the LM is advised to disclose the Core Business's historical contribution to the erstwhile company's revenue.

    b. On page 194, Revenue bifurcation has been provided location wise. The LM is advised to provide revenue bifurcation product wise also.

35. **Special purposed combined and carve-out financial statements of the transferred group:**

    a. On page 337, in the subsidiary information, the Company has disclosed the jurisdiction of incorporation of 'Lohia Global Solutions S.A.' as Italy. The LM is advised to correct the same.

36. **Outstanding Litigation and Material Developments**

    a. LM is advised to disclose the dates of the outstanding litigations.

    b. LM is advised to disclose the data points such as place and authority where such litigations are pending for each of the disclosed litigations.

    c. LM shall disclose as separate RF, the implications if any on the contingency of an adverse outcome, if any, of disclosed litigations.

    d. LM shall disclose the aggregate number of litigations with aggregated claim value irrespective of materiality.

37. **Group Companies**

    a. LM is advised to mention whether the companies mentioned in this section are listed or unlisted. Whether these companies are non-for-profit organization may also be mentioned. Further, country of incorporation may also be mentioned in case of foreign companies.

    b. Details of our top 5 Group Companies: LM is advised to provide a website link and QR code, for respective companies, to access the financial information of the company.

38. **History and Certain Corporate Matters:**

    a. LM to ensure that special rights as disclosed in the DRHP shall terminate at the time of listing. LM is advised to include a categorical statement that it has gone through AoA of the issuer company and confirm to SEBI that no special rights to the promoters/shareholders in the AoA, at the time of filing of offer document.

    b. Under chapter, *History and certain corporate matters,* LM is advised to disclose all the material conditions of any disclosed agreement. LM is advised to avoid using phrases such as *certain conditions and applicable laws* unless accompanied with a negating disclosure on material covenants.

c. LM is advised that inter-se agreements/ arrangements between the shareholders are disclosed under section "History and Certain Corporate Matters".

d. LM is advised that a categorical statement from the Issuer Company/ Promoters / Shareholders, may be provided that there are no other inter-se agreements/ arrangements and clauses / covenants which are material and which needs to be disclosed and that there are no other clauses / covenants which are adverse / prejudicial to the interest of the minority / public shareholders. Also that there are no other agreements, deed of assignments, acquisition agreements, SHA, *inter-se* agreements, agreements of like nature other than disclosed in the DRHP.

e. Further, the LMs shall also confirm to SEBI that they have gone through the *inter-se* agreements/ arrangements, if any, as disclosed in the DRHP and they also do not see any clauses / covenants which are material and need to be disclosed, which have not been disclosed and that there are no other clauses / covenants which are adverse / pre-judicial to the interest of the minority / public shareholders.

f. It may be confirmed/disclosed if the issuer company has any existing policy as on date to address the conflict of interest involved in having subsidiaries/associates with common pursuits.

g. The Scheme of Arrangement provides for the transfer of only five subsidiaries—Sundarlam Industries Pvt Ltd, Leesona Corp (USA), Lohia Global Solutions FZE (UAE), LDB Importacao e Exportacao Ltda (Brazil), and Lohia Global Solutions S.A. (Panama)—to the Resulting Company as part of the Core Business Undertaking. However, the 2022 DRHP of the erstwhile Lohia Corp Limited identifies several other subsidiaries and step-down subsidiaries that were engaged in machinery manufacturing, components, service, and global distribution activities, such as Lohia Filament Machines Ltd, Galuner S.A. (Uruguay), Estelar S.A. (Paraguay), Lohia Hong Kong Ltd, and Lohia Sales & Services Ltd. These entities were not transferred under the Scheme, and the DRHP does not provide any explanation or rationale for their exclusion. The LM is advised to bring the rationale for the same on Page 224 and in the MDA section.

h. On page 221, it has been stated that Clause 3(a) of the MoA was amended by substituting the following sub clauses 1 to 8 and deleting sub clause 9. However, the deleted clause has not been mentioned. The LM is advised to include the same to provide clarity.

39. **Our Management:**

a. LM is advised to ensure that details of the Directors in the section titled "Management" clearly depicts if any director is a nominee. If so, LM shall also disclose the details on the shareholders nominating them. Similarly, such details to be disclosed for the KMPs as well. LM to also confirm that apart from that disclosed in the offer document, there are no other nominee directors, KMPs or other persons etc. appointed on behalf any of the shareholders or any other person.

b. LM shall disclose whether the structure of the Board is compliant with applicable corporate governance norms on the date of listing. If no, suitable RF to be provided.

c. Our Board: LM is advised to mention whether a company, in which a board member holds directorship, is listed or unlisted. Whether these companies are non-for-profit organization may also be mentioned. Further, country of incorporation may also be mentioned in case of foreign companies.

d. LM is advised to provide details of the number of KMPs and Senior Management Personnel for each of the last three financial years.

e. LM is advised to provide a break-up of workforce composition and attrition rate separately for KMPs, senior management, and other employee categories.

40. **Description of equity shares and terms of the AOA**

a. On page no. 484, point 5 indicates that the dividend distribution is subject to any existing rights of shareholders that are entitled to special dividends. The LM is advised to redraft the same.

41. **Other regulatory and statutory disclosures**

a. LM is advised to provide a QR Code for accessing the track record of past issues handled by BRLMs.

42. LM is advised to ensure that the processing fees for applications made by Retail Individual Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

43. With respect to all the complaints received by LM / Company / forwarded by SEBI, LM is advised to ensure that there is adequate redressal of the complaint and relevant disclosures of the same are made in the Red Hearing Prospectus and other Offer related material along with the disclosures of the financial impact of the same, if any.

44. LM is advised to ensure that the disclosure of details of all the criminal matters initiated by or against the company, group, directors, promoters, subsidiaries which are at FIR stage and limited cognizance has been taken by court, is incorporated in the UDRHP / RHP along with appropriate risk factors in this regard.

45. LM is advised to ensure following disclosures in the Issue advertisement for announcement of Price Band and all further advertisements as a box item below the price band:

"Risks to Investors:

i. The [to be disclosed] Merchant Bankers associated with the issue have handled [to be disclosed] public issues in the past three years out of which [to be disclosed] issues closed below the issue price on listing date."

ii. Any <u>adverse data</u> in the basis for issue price should be disclosed. <u>For example</u>:

- *"The Price/Earnings ratio based on diluted EPS for [latest full financial year] for the issuer at the upper end of the Price band is as high as [to be disclosed] as compared to the average industry peer group PE ratio of [to be disclosed]."*

  [if average industry peer group PE ratio is not available, then P/E of Nifty Fifty may be disclosed]

- *"Average cost of acquisition of equity shares for the selling shareholders in IPO is [to be disclosed] and offer price at upper end of the price band is [to be disclosed]."*
- *"Weighted Average Return on Net Worth for [last three full financial years] is [to be disclosed]%."*

The data on above disclosures shall be updated and disclosed prominently (in the same font size as the price band) in advertisements of Price Band and all further advertisements, website of the company and the stock exchange. Further, any adverse ratio / data in basis for issue price should be disclosed.

46. LM shall submit the draft advertisement for announcement of Price Band with SEBI before its publication in the newspapers for our comments, if any.

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Annexure II

General Observations

1. LM is advised to ensure that prior to filing of RHP with Registrar of Companies, the Issuer Company has received crucial clearances / licenses / permissions / approvals from the required competent authority which are necessary for commencement of the activity for which the issue proceeds are proposed to be utilized.
2. LM is advised to ensure that the 'Observation Letter' issued by SEBI is included among the material contracts and documents for inspection.
3. LM is advised to ensure that prior to proceeding with the issue, "No Objection Certificates" are obtained from all the lenders with whom the company has entered into an agreement and the terms of such agreement require an approval to be taken.
4. LM is advised to ensure that adequate disclosures are made to disclose any material development which may have a material effect on the Issuer Company between the date of registering final prospectus or the RHP or the letter of offer, with the Registrar of Companies or designated stock exchange, as the case may be, and the date of allotment of specified securities, while ensuring compliance with Regulation 42 and Schedule IX of SEBI (ICDR) Regulations, 2018.
5. LM is advised to ensure that exact cross-referencing of page numbers is provided in the offer document instead of general cross-referencing.
6. In terms of SEBI Circulars No. SEBI/CIR/ISD/03/2011, No. SEBI/CIR/ISD/05/2011 and SEBI/CIR/ISD/01/2012 dated June 17, 2011, September 30, 2011 and March 30, 2012 respectively, LM is advised to ensure that 100% promoter holding is in demat form prior to listing.
7. LM is advised to ensure that SCORES authentication is taken by the issuer company prior to listing.
8. In pursuance of Regulation 25 Sub-Regulation 9(a) of SEBI (ICDR) Regulations, 2018, LM is advised to certify while submitting the in-seriatim reply that all amendments, suggestions and observations advised by SEBI have been complied with and duly incorporated in the offer document, while also indicating the page number for the same.
9. **ASBA:**

   i) LM is advised to ensure that sufficient number of Physical ASBA forms are printed and dispatched directly to all designated branches of SCSBs which are located in places of mandatory collection centers as specified in Schedule XII of SEBI (ICDR) Regulations, 2018, Syndicate Members and Registered Brokers of Stock Exchanges, the Registrars to an Issue and Share Transfer Agents (RTAs) and Depository Participants (DPs) registered with SEBI, at least two days before the opening of the issue. This shall be in addition to ASBA forms which shall be sent to controlling branch of SCSBs for sending to designated branches other than those located in mandatory collection center.

   ii) LM is advised to ensure that the ASBA mode of payment is highlighted in bold in all the advertisement / communication informing about the issue. Further, LM is also advised to ensure that the following is suitably incorporated in all advertisements / communications regarding the issue issued by the issuer:

a. The following may appear just below the price information of the issue as shown below:

"PRICE BAND: RS. xx TO RS. xx PER EQUITY SHARE OF FACE VALUE OF RS. xx EACH

THE FLOOR PRICE IS xx TIMES OF THE FACE VALUE AND THE CAP PRICE IS xx TIMES OF THE FACE VALUE

BID CAN BE MADE FOR A MINIMUM OF xx EQUITY SHARES AND IN MULTIPLES OF xx EQUITY SHARES THEREAFTER.

ASBA

(APPLICATION SUPPORTED BY BLOCKED AMOUNT)

Simple, Safe, Smart way of Application !!!

Mandatory in public issue .No cheque will be accepted

UNIFIED PAYMENTS INTERFACE

now available in ASBA for retail individual investors.

ASBA is a better way of applying to issues by simply blocking the fund in the bank account.

For further details check section on ASBA below."

b. The following paragraph on ASBA may be inserted in the advertisement/Communications:

"ASBA has to be availed by all the investors except anchor investors. UPI may be availed by Retail Individual Investors.

For details on the ASBA and UPI process, please refer to the details given in ASBA form and abridged prospectus and also please refer to the section "Issue Procedure - Issue Procedure of ASBA Bidders" beginning on page xxx of the Red Herring Prospectus. The process is also available on the website of AIBI and Exchanges in the General Information Document."

*ASBA bid-cum application forms can be downloaded from the websites of Bombay Stock Exchange and National Stock Exchange and can be obtained from the list of banks that is displayed on the website of SEBI at **www.sebi.gov.in.**** List of banks supporting UPI is also available on the website of SEBI at **www.sebi.gov.in****.*

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