



**Certificate on loans, advances and working capital facilities from the banks and any other financial indebtedness as at the agreed cut-off date**

Date: 17.08.2024

To,

**The Board of Directors**

**Ecos (India) Mobility & Hospitality Limited**

45, First Floor, Corner Market,  
Malviya Nagar, South Delhi- 110017  
Delhi, India

**Equirus Capital Private Limited**

12th Floor, C Wing,  
Marathon Futurex  
N M Joshi Marg, Lower Parel  
Mumbai - 400 013  
Maharashtra, India (“Equirus”)

**IIFL Securities Limited**

24th Floor, One Lodha Place  
Senapati Bapat Marg Lower Parel (W)  
Mumbai 400 013  
Maharashtra, India (“IIFL”)

(Equirus and IIFL together with any other book running lead manager that may be appointed in connection with the Offer will be collectively referred to as the “**Book Running Lead Managers**” or “**BRLMs**”)

**Sub: Proposed initial public offering of equity shares of face value of ₹ 2 each (the “Equity Shares”) of Ecos (India) Mobility & Hospitality Limited (the “Company” and such offer, the “Offer”)**

Dear Sir/Madam,

We, MRKS and Associates, Chartered Accountants, have been informed that the Company proposes to file (i) Red Herring Prospectus proposed to be filed with SEBI, the Stock Exchanges and the Registrar of Companies, National Capital Territory of Delhi and Haryana at New Delhi (“**Registrar of Companies**” and such Red Herring Prospectus, the “**RHP**”); (ii) Prospectus proposed to be filed with SEBI, the Stock Exchanges and the Registrar of Companies (the “**Prospectus**”); and (iii) any other documents or materials to be issued in relation to the Offer (collectively with the RHP and Prospectus, the “**Offer Documents**”).

We have been requested by the Company to verify and confirm the loans, advances and any working capital facilities extended by the Company or taken by the Company and to provide a certificate in respect of consolidated financial indebtedness of the Company. In this regard, we have reviewed the Restated Consolidated Financial Statements of the Company as at March 31, 2024 and March 31, 2023 and March 31, 2022, (the “**Restated Consolidated Financial Statements**”).

We, have reviewed the minutes of the meetings of the Board of Directors of the Company, minutes of annual general meetings and extra-ordinary general meetings of the Company, minutes of the meetings of various committees of the Board of Directors, notices, books of accounts, relevant statutory registers, transfer pricing reports, Restated Consolidated Financial Statements of the Company as at and for the financial years ended 2024, 2023, 2022 return of charge filed by the Company with Registrar of Companies, National Capital Territory of Delhi and Haryana at New Delhi (“**RoC**”), relevant forms and documents filed with the relevant RoC and the Reserve Bank of India, and other documents and accounts presented to us, bank statements, loan documentation, relevant records, other letters and correspondence between the lenders and the Company, ledger entries and registers of the Company and its subsidiaries; loan and bank ledger extracts from Company’s and its subsidiaries’ financial reporting systems, relevant statutory registers and the books of accounts as prepared and

provided by the management of the Company and subsidiaries, trial balance as on June 30 ,2024 and have made enquiries with the officials of the Company and other relevant documents presented to us.

Based on our examination, as per information and explanation given to us, we hereby are of the opinion that the following details in connection with the loans and advances made by the Company till June 30,2024are true, complete and correct.

On the basis of the examination carried out by us and the information, explanations and representations provided to us by the management of the Company, we hereby certify that the particulars of statement of consolidated financial indebtedness of the loan facilities (including unsecured loans taken by the Company from the promoters, directors, KMPs and SMPs) as mentioned in the **Annexure I** as on June 30,2024 . Further, we confirm that the loan facilities as mentioned in Annexure I are being utilised for the purpose for which they were raised.

The principal terms of the loans and assets charged as security by the Company and its subsidiaries are stated in **Annexure II**.

Except as stated in **Annexure III**, the Company has not provided any guarantees for the repayment of any loans availed by other entities.

We confirm that neither the promoter or director of the Company is interested in any loans or advances availed by the Company.

We are of the opinion that there are no unsecured loans which have been recalled by lenders at any time:

We also confirm that:-

- a) As on the date of this certificate, none of the banks or institutions from whom the Company have availed of 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;
- b) 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 ; and
- c) The Company has not delayed in repayment of interest due for the loans outstanding as on the date of this certificate including any delay in payment of installment.

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

This certificate may be relied upon by the Company, the Book Running Lead Managers, their affiliates and legal counsel in relation to the Offer and to assist the BRLMs in conducting and documenting their investigation of the affairs of the Company in connection with the Offer. We hereby consent to this certificate being disclosed by the BRLMs, 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 hereby consent to extracts of, or reference to, this certificate being used in the draft red herring prospectus, red herring prospectus and prospectus or any other documents in connection with the Offer (collectively, the **“Offer Documents”**). We also consent to the submission of this certificate as may be necessary, to any judicial/regulatory authority and/or for the records to be maintained by the Book Running Lead Managers in connection with the Offer and in accordance with applicable law.

We confirm that on receipt of any communication from Company of any changes in the information, we will immediately communicate any changes in writing in the above information to the Book Running Lead Managers until the date when the Equity Shares allotted and transferred in the Offer commence trading on the relevant stock exchanges. In the absence of any such communication from us, Book Running Lead Managers and the legal advisors, each to the Company and the Book Running Lead Managers, can assume that there is no change to the above information.

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

Yours faithfully

**For MRKS and Associates**

*Chartered Accountants*

Firm Registration Number: 023711N

**Saurabh Kuchhal**

*Partner*

Membership no.: 512362

Date: 17.08.2024

Place: Gurugram

UDIN: 24512362BKFCXK4724

**CC:**

**Trilegal**

One World Centre

10th Floor, Tower 2A & 2B,

Senapati Bapat Marg,

Lower Parel,

Mumbai - 400 013

**Annexure-I**

<b>Category of borrowings</b>	<b>Sanctioned amount (Amount in Rs. Millions)</b>	<b>Outstanding amount as on 30.062024 (Amount in Rs. Millions)</b>
Vehicle loans	321.20	142.51
Overdraft against FD	50.00	0.00
<b>Total</b>	<b>371.20</b>	<b>142.51</b>

## Annexure-II

### Principal terms of the facilities sanctioned to our Company:

1. **Interest:** The interest rate for a majority of the Commercial Vehicle Loans is typically the varies from 7.61% to 9.00% per annum.
2. **Tenor:** The tenor of the facilities typically varies from 35 months to 37 months.
3. **Security:** The facilities sanctioned are typically secured by way of hypothecation on vehicles for which the specific loans were availed. The nature of securities described herein is indicative and there may be additional requirements for creation of security under the various borrowing arrangements entered into by our Company.
4. **Pre-payment:** Certain facilities allow for pre-payment of the outstanding amount by serving prior notice to the lender. Pre-payment may be subject to pre-payment penalties as may be prescribed.
5. **Penal Interest:** The terms of certain facilities availed by our Company prescribe penalties for default in the repayment obligations of the Company, delay in creation of the stipulated security or in case of events of default. The penal interest can be up to 24% per annum.
6. **Re-payment:** Company may repay all amounts of the facilities on the due dates for payment. Certain of our loans are repayable on demand.
  - a) **Events of Default:** Borrowing arrangements entered into by our Company contain standard events of default, including, *inter alia*: material adverse change in the ownership/ control or management of our Company without prior approval of the lender;
  - b) failure to pay outstanding principal and interest amounts on due dates;
  - c) winding up, insolvency/ bankruptcy or dissolution;
  - d) commencement of or existence of any legal proceedings/ investigations that may have a material adverse change/ effect;
  - e) failure to procure or maintain insurance on assets;
  - f) cessation or change in business; and

This is an indicative list and there may be additional terms that may amount to an event of default under the borrowing arrangements entered into by our Company.

7. **Consequences of occurrence of events of default:** In terms of borrowing arrangements, the following, *inter alia*, are the consequences of occurrence of events of default, whereby the lenders may:
  - a) convert the outstanding amount into fully paid-up Equity Shares of our Company, in their sole and absolute discretion;

This is an indicative list and there may be additional terms that may require the consent of the relevant lender, the breach of which may amount to an event of default under various borrowing arrangements entered into by our Company, and the same may lead to consequences other than those stated above.

8. **Restrictive Covenants:** The facilities sanctioned to our Company contain certain restrictive covenants, which require prior written consent of the lender or prior intimation to be made to the lender, including:
  - a) adverse changes in capital structure;
  - b) undertaking any new project, scheme of expansion or diversification or capital expenditure;
  - c) change in our constitution, structure, constitutional documents, members, composition of our Board, management control and legal and/or beneficial ownership;
  - d) change in the shareholding pattern;
  - e) change the practice with regard to remuneration of our Directors; and
  - f) approaching the capital market for mobilizing additional resources;

**Annexure-III**

<b>Beneficiary</b>	<b>Purpose</b>	<b>Issuing Bank</b>	<b>Amount in Rs. Million</b>
Asst./Deputy Commisioner of Customs, ICD, Tuglakabad,	Custom Matter	Indian Bank	0.54
Vedanta Ltd.	Performance BG	Kotak Bank	0.63
IOCL Mumbai	Performance BG	Kotak Bank	0.30
BPCL Noida	Performance BG	Kotak Bank	0.10
Vedanta Ltd	Performance BG	Kotak Bank	0.98
<b>Total</b>			<b>2.56</b>