

35. CERTIFICATE ON UTILIZATION OF LOANS FOR THE PURPOSE IT WAS AVAILED BY TOLIN RUBBERS PRIVATE LIMITED

To,

The Board of Directors**Tolins Tyres Limited**

1/ 47, M.C. Road,

Kalady P.O., Ernakulam– 683 574,

Kerala, India.

Saffron Capital Advisors Private Limited

605, 6th Floor, Center Point,

Andheri Kurla Road, J.B. Nagar,

Andheri (East), Mumbai – 400 059,

Maharashtra, India.

(Saffron Capital Advisors Private Limited referred to as the “Book Running Lead Manager”)

Dear Sir(s),

Sub: Proposed initial public offering of equity shares of face value of ₹ 5/- each (the “Equity Shares”) of Tolins Tyres Limited (the “Company” and such offering, the “Offer”)

We, **Krishnan Retna & Associates, Chartered Accountants**, the Statutory Auditor of the Company understand that in connection with the Offer and in compliance with the requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“**SEBI ICDR Regulations**”), the Company required to obtain a certificate from us, with regard to the utilization of loans that are to be repaid/prepaid in full from the proceeds of the Offer for the purpose for which such loans have been availed by one of our wholly owned Indian Subsidiary *i.e., Tolin Rubbers Private Limited*.

Accordingly, we have received a request from the Company to provide certain confirmations in relation to the loans, advances and working capital facilities availed from the lenders by our subsidiary (*i.e., Tolin Rubbers Private Limited*) as on **August 23, 2024** including with respect to their utilization of such loans (“**Loans**”) by our Subsidiary Company. We understand from the representation that the Company intends to invest some portion of the proceeds from the fresh issue component of the Offer in our Subsidiary in order to repay the loans availed by our subsidiary company. As on **August 23, 2024** the loans aggregate to a sanctioned amount of **₹ 165.00 million** and total outstanding borrowings was **₹ 151.54 million**.

We have (a) reviewed the the audited financial statements of the subsidiary as at the end of and for Fiscals 2024, 2023 and 2022 (“**Review Period**” and such financial statements, “**Audited Financial Statements**”); (b) represented us of the relevant records, ledger entries and registers of the Company; (c) represented us of the documents pertaining to the Loans, including, *inter alia*, sanction letters issued by the banks/ financial institutions, loan agreements, deeds of hypothecation, memoranda of deposit, other letters and correspondence between the lenders and the Subsidiary Company; and (d) represented us of the documents pertaining to balance confirmations received from relevant lenders of the Subsidiary Company, for the purpose of issuing this certificate.

We are represented of the details of each of the Loans and informed of its trackability with the books of account and records maintained by the Subsidiary Company and other relevant supporting information to examine whether these are in conformity with the purpose as per the sanction letters of each of the Loans.

Accordingly based on representation, we hereby confirm that details and information with respect to the Loans as provided in **Annexure A** is true, fair, correct, accurate, not misleading and without omission of any matter that is likely to mislead and adequate to enable investors to make a well-informed decision. Further, we confirm based on representation that as on date of this certificate, the Loans availed by the Subsidiary Company, have been utilized for the purpose as mentioned in the respective sanction letters / loan agreements issued by the relevant lenders.

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

We hereby 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 Institute of Chartered Accountants of India.

This certificate is issued for the purpose of the Offer, and can be used, in full or part, for inclusion in the Red Herring Prospectus (such Red Herring Prospectus or the “RHP”) and the Prospectus (the “Prospectus”) and any other document in relation to the Offer (such documents or materials collectively with the RHP and Prospectus, the “Offer Documents”) which may be filed by the Company with Securities and Exchange Board of India (“SEBI”), BSE Limited and National Stock Exchange of India Limited (collectively, the “Stock Exchanges”), Registrar of Companies, Ernakulam (the “RoC”) and / or any other regulatory or statutory authority.

We hereby consent to our name and the aforementioned details being included in the Offer Documents and/or consent to the submission of this certificate as may be necessary, to any regulatory / statutory authority, stock exchanges, any other authority as may be required and/or for the records to be maintained by the BRLM in connection with the Offer and in accordance with applicable law.

This certificate may be relied on by the BRLM, their affiliates and legal counsel in relation to the Offer and to assist the BRLM 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 BRLM, 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 undertake to update you of any changes in the abovementioned position until the date the Equity Shares issued pursuant to the Offer commence trading on the stock exchanges. In the absence of any communication from us till the Equity Shares commence trading on the stock exchanges, you may assume that there is no change in respect of the matters covered in this certificate.

All capitalized terms used but not defined herein shall have the meaning assigned to them in the Offer Documents.

Yours Sincerely,

For Krishnan Retna & Associates

Chartered Accountants

Firm's Registration No: 001536S


Nikhil R Kumar
Partner

Membership No. 231162

Place: Ernakulam

Date: August 28, 2024

UDIN: 24231162BKESXT6190



Encl: Annexure A

M/s. Crawford Bayley & Co.

State Bank Building, 4th Floor

NGN Vaidya Marg,

Fort, Mumbai – 400 023,

Maharashtra, India.

ANNEXURE A

| (Amount ₹ in million) | | | | | | | | | | |
|-----------------------|-------------------------|----------------------------------|-----------------|-------------------|------------------------------------------|----------------------------------------------------|-----------------------------------------------------|-------------------|-----------------------------|-----------------------------------------------------------------------------|
| Name of the Lender | Date of sanction letter | Nature of borrowings | Purpose | Amount sanctioned | Amount outstanding as on August 23, 2024 | Amount proposed to be repaid from the Net Proceeds | Repayment Date | Interest Rate (%) | Pre-payment penalty/ clause | Whether the loan has been utilized for the purpose for which it was availed |
| South India n Bank | October 31, 2023 | Cash Credit Open Loan (CCOL) | Working capital | 125.00 | 112.48 | 112.48 | Running account | 12.05 % | 3%+GST | Yes |
| | | Demand Bill Discounting (Non-LC) | | 30.00 | 29.89 | 29.89 | Bill Discounting tenor based not older than 90 days | 10.25 % | | Yes |
| | | Secured GECL ext. | | 10.00 | 9.17 | 9.17 | Monthly | 9.25% | 4%+GST | Yes |
| | | | | 165.00 | 151.54 | 151.54 | | | | |