

S K Patodia & Associates LLP

CHARTERED ACCOUNTANTS

CERTIFICATE ON FINANCIAL INDEBTEDNESS

Date: October 23, 2025

To,

**The Board of Directors
Orkla India Limited**
No. 1, 2nd & 3rd Floor
100 Feet Inner Ring Road, Ejipura
Ashwini Layout, Vivek Nagar
Bangalore 560047
Karnataka, India

**Citigroup Global Markets India Private Limited
("Citi")**
First International Financial Centre (FIFC)
14th Floor, C-54 & 55, G-Block
Bandra Kurla Complex, Bandra East
Mumbai 400 051
Maharashtra, India

ICICI Securities Limited ("I-Sec")
ICICI Venture House
Appasaheb Marathe Marg
Prabhadevi
Mumbai 400 025
Maharashtra, India

J. P. Morgan India Private Limited ("J.P. Morgan")
J.P. Morgan Tower
Off CST Road, Kalina, Santacruz East
Mumbai 400 098
Maharashtra, India

**Kotak Mahindra Capital Company Limited
("Kotak")**
1st Floor, 27 BKC
Plot No. 27, 'G' Block
Bandra Kurla Complex
Bandra (E)
Mumbai 400 051
Maharashtra, India

(I-Sec, Citi, J.P. Morgan and Kotak, collectively, the **"Lead Managers"** and individually, a **"Lead Manager"**)

Dear Sir/Ma'am,

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

We, S K Patodia & Associates LLP, Independent Chartered Accountants, have been informed that the Company has filed the Draft Red Herring Prospectus dated June 10, 2025 with respect to the Offer (the "DRHP") with the Securities and Exchange Board of India (the "SEBI"), and the stock exchanges where the Equity Shares are proposed to be listed (together, the "Stock Exchanges") in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "SEBI ICDR Regulations") and proposes to file the Red Herring Prospectus (the "RHP") and the Prospectus (together with the DRHP, RHP and any other documents or materials to be issued in relation to the Offer, the "Offer Documents") with the Registrar of Companies, Karnataka at Bengaluru (the "RoC") and subsequently with the SEBI and the Stock Exchanges.

Based on our review of,

- (i) the audited consolidated financial statements of the Company as at and for the three-months period ended June 30, 2025 and June 30, 2024 and the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023, prepared in accordance with Indian Accounting Standards ("Ind AS") read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, Section 133 of the Companies Act, 2013 (together with the rules notified thereunder, each as amended, the **"Companies Act"**), and restated in accordance 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 Consolidated Financial Statements"**), and the examination report thereon;

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(LLP Identification No : ACE - 4113)

(S K Patodia & Associates (a partnership firm) converted into S K Patodia & Associates LLP with effect from December 15, 2023)

- (ii) 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 group companies (collectively, the “**Loan Documents**”);
- (iii) bank statements and bank balance confirmations on outstanding loan amount from lenders;
- (iv) 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;
- (v) 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 June 30, 2025 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 or indemnities for the repayment of any loans availed by other entities.
- (d) The Company and its subsidiaries have obtained the necessary consents required under the terms of the Loan Documents for undertaking the activities in relation to the Offer.
- (e) 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.

We have conducted our examination in accordance with the “Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)” (the “**Guidance Note**”) in accordance with the generally accepted auditing standards in India and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India. These standards require that we plan and perform the examination to obtain reasonable assurance about the “Reporting Criteria”. We hereby confirm that while providing this certificate we have also 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, issued by the ICAI.

We confirm that the information in this certificate is true, fair, correct and accurate and there is no untrue statement or omission which would render the contents of this certificate misleading in its form or context, and adequate to enable investors to make a well-informed decision.

Further, we consent to the inclusion of this certificate as a part of the “*Material Contracts and Documents for Inspection*” in connection with the Offer, which will be available to the public for inspection in terms of the Offer Documents.

We undertake to immediately communicate, in writing, any changes to the above information/confirmations, as and when: (i) made available to us; or (ii) we become aware of any such changes, to the Book Running Lead Managers and the Company until the Equity Shares allotted/transferred in the Offer commence trading on the Stock Exchanges. In the absence of any such communication from us, the Company, the Book Running Lead Managers and the legal advisors appointed with respect to Offer can assume that there is no change to the information/confirmations forming part of this certificate and accordingly, such information should be considered to be true and accurate.

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 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.

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

S K Patodia & Associates LLP,

Chartered Accountants

Firm Registration Number: 112723W / W100962

Name: **Dhiraj Lalpuria**

Designation: Partner

Membership Number: 146268

UDIN: 25146268BMYL4439

Date: October 23, 2025

Place: Mumbai

cc:

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

S&R Associates

Max House, Tower C

4th Floor, Okhla Industrial Estate Phase III

New Delhi 110 020, India

Allen Overy Shearman Sterling (Asia) Pte Ltd

50 Collyer Quay

09-01 OUE Bayfront

Singapore 049 321

Legal Counsel to the Company as to Indian Law

Shardul Amarchand Mangaldas & Co

Express Towers, 24th Floor

Nariman Point

Mumbai 400 021

Maharashtra, India

Annexure A

(a) Lender wise borrowings

Category of borrowing and name of lender	Facility	Facility Sanctioned Amount	Amount Availed		Total Sanctioned Amount^	Principal Amount Outstanding as at June 30, 2025
			Fund Based	Non Fund Based		
	(₹ million)					
Orkla India Ltd - Company						
Secured						
N/A	-	-	-	-	-	-
Unsecured						
Citi Bank	Loan/EPFC	54.3	-	-	118.0	-
	Letter Of Credit	41.2	-	-		
	Bank Guarantee	22.5	-	18.9		
HDFC Bank	Loan/EPFC	200.0	-	-	200.0	-
	Bank Guarantee	50.0	-	-		
ICICI Bank	Loan/EPFC	200.0	-	-	200.0	-
	Letter Of Credit	110.0	-	-		
	Bank Guarantee	110.0	-	77.6		
Kotak Bank	Loan/EPFC	240.0	-	-	240.0	-
	Letter Of Credit	100.0	-	-		
	Bank Guarantee	50.0	-	-		
Federal Bank	Loan/EPFC	150.0	-	-	200.0	-
	Letter Of Credit	150.0	-	-		
	Bank Guarantee	30.0	-	0.5		
Orkla IMEA – Subsidiary						
Secured						
N/A	-	-	-	-	-	-
Unsecured						
Citi Bank	Loan/EPFC	46.7	23.3	-	46.7	23.3
Total		1,554.7	23.3	97.0	1,004.7	23.3

Note: The Company has not availed or utilized any fund based limits sanctioned by the Banks.

[^]The maximum sanction limit that may be utilized by the company interchangeably towards sanctioned facilities. Utilization under one category will proportionally reduce the available limit under the other, based on the company's operational requirements.

(b) Category wise borrowings

The details of the aggregate indebtedness as on June 30, 2025 is provided below: (in ₹ million)

Category of borrowing	Sanctioned amount	Principal amount outstanding/Amount Utilised as on June 30, 2025
<i>Fund Based</i>		
Secured loan	Nil	Nil
Unsecured loan	891.0	23.3
Total Fund Based (A)	891.0	23.3
<i>Non Fund Based</i>		
Letter of Credit	401.2	Nil
Bank Guarantees	262.5	97.0
Total Non-Fund Based (B)	663.7	97.0
Total (C) = (A)+(B)	1,554.7	120.3
Restricted to*	1,004.7	-

Note: The Company has not availed or utilized any fund based limits sanctioned by the Banks.

*The total sanctioned limit of ₹1,554.7 million may be utilized by the company interchangeably towards fund-based and non-fund-based facilities, subject to the overall ceiling of ₹1,004.7 million. Utilization under one category will proportionally reduce the available limit under the other, based on the company's operational requirements.

Annexure B

Principal terms of the borrowings sanctioned to the Company:

1. **Tenor:** The tenor of the borrowings availed ranges from 7 days to 60 months
2. **Interest:** The interest payable on the borrowings availed ranges from 9.0% to 9.3% or as mutually agreed between the parties.
3. **Security:** Unsecured
4. **Pre-payment:** Facilities availed by the Company and Subsidiary, typically have pre-payment provisions which allow for pre-payment of the [outstanding loan amount], by serving a prior written notice to the relevant lender or on receiving prior approval from the relevant lender, and in certain case, subject to such pre-payment penalties as may be decided mutually at the time of such prepayment, or as set out in the facility agreements.
5. **Repayment:** Other than some of the working capital loans and other credit facilities, which are repayable on demand, the Company and its Subsidiary is required to repay company's borrowings on the maturity date or on such dates and/ or in such instalments as stipulated in the relevant loan documents
6. **Events of default:** In terms of the borrowing arrangements entered into by the Company and its Subsidiary, the occurrence of any of the following, inter alia, constitutes an event of default:
 - (a) non-payment or default in payment of principal and/or interest due on the loan obligations;
 - (b) entering into an arrangement or composition with its creditors or commission of an act of bankruptcy or filing of an application in relation to insolvency or bankruptcy or filing of an application for winding up by any person or if any such order is made;
 - (c) occurrence or existence of such events or circumstances, which in the opinion of the lender, could have a material adverse effect;
 - (d) change in the purpose of utilization of credit facility other than sanctioned; and
 - (e) Cessation of business operations temporarily or permanently.

Consequences of events of default:

In terms of the borrowing arrangements of the Company and the Subsidiary, the following, inter alia, are the consequences of occurrence of events of default, including:

- (a) termination/ cancellation of the sanctioned facilities;
 - (b) levy of an additional interest rate;
 - (c) termination of the lender's obligations; and
 - (d) amendment or modification of its constitutional documents.
7. **Restrictive covenants:** Borrowing arrangements entered into by the Company and its Subsidiary typically contain various restrictive conditions and covenants mandating either the prior written consent and/or an intimation to company's lenders in respect of certain corporate actions. An indicative list of such covenants is set forth below:
- (a) change in the capital structure of the Company;
 - (b) change in the shareholding, structure, members, ownership and control of the Company;
 - (c) amendments to the memorandum of association and articles of association of the Company;
 - (d) opening of a new bank account;
 - (e) breach of any representation, warranties, declaration, covenants or conditions under the loan documents; and

- (f) changes in the constitution, management, auditors or composition of the board of directors and the key managerial personnel of the Company.

Annexure C

Nil