



MEMBER : NSE, BSE, MSEI, CSE, MCX, NCDEX

DEPOSITORY PARTICIPANT : NSDL

CIN No L67120WB1995PLC067195

REPORT OF THE AUDIT COMMITTEE

To,
**The Board of Directors,
Lohia Securities Ltd,
4, Biplabi Trailokya Maharaj Sarani (Brabourne Road)
5th Floor,
Kolkata - 700001**

Subject: Audit Committee Report Recommending the Draft Scheme of Amalgamation.

Pursuant to Para (A)(2)(c) of Part I of the SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023, the Audit Committee of Lohia Securities Ltd has reviewed the draft scheme of Amalgamation, involving Trade City Barter Private Limited, Daadi Stock Broking Private Limited, Shiv Lalit Consultancy Private Limited ("**Transferor Company**") with Lohia Securities Limited ("**Transferee Company**"), and submits its report as follows:

1. Need for the Scheme

- Enable Transferee Company to use the resources of Transferor Company No. 1 to 3 in development of business.
- Increase in net worth of the Transferee Company, which will facilitate effective and better mobilization of financial resources.
- Reduction of overheads and other expenses facilitate administrative convenience and ensure optimum utilization of available services and resources;
- The proposed amalgamation and vesting of TCBPL, DSBPL, & SLCPL into LSL with effect from the Appointed Date, is in the interest of the shareholders, creditors, stakeholders, and employees, as it would enable a focused business approach for the maximization of benefits to all stakeholders and for the purposes of synergies

of business.

Institutional Dealing Office : 1602-B, Lady Ratan Tower, 72, Dainik Shivner Marg, Gandhinagar, Worli, Mumbai - 400018

Phone : +91 22 2261 0552/0562, 2492 4449/4462, 2490 1308, Fax : +91 22 2490 1310

LOHIA SECURITIES LTD.

Regd. Office :

4, Biplabi Trailokya Maharaj Sarani,
Brabourne Road, 5th Floor,
Kolkata - 700 001

+91 33 4002 6600 / 6700
Fax : +91 33 4002 6800



www.lohiasecurities.com



info@lohiasecurities.com

Complaint : grievance@lohiasecurities.com

Director



LOHIA SECURITIES LTD.

MEMBER : NSE, BSE, MSEI, CSE, MCX, NCDEX

DEPOSITORY PARTICIPANT : NSDL

CIN No L67120WB1995PLC067195

2. Rationale of the Scheme

This Scheme envisages the amalgamation of **Trade City Barter Private Limited (TCBPL)**, **Daadi Stock Broking Private Limited (DSBPL)**, & **Shiv Lalit Consultancy Private Limited (SLCPL)** into **Lohia Securities Ltd (LSL)**, resulting in the consolidation of the business in one entity and strengthening the position of the merged entity, by enabling it to harness and optimize the synergies of the companies. Accordingly, it would be in the best interests of TCBPL, DSBPL, SLCPL & LSL and their respective shareholders. The proposed amalgamation of TCBPL, DSBPL, & SLCPL into LSL is in line with the global trends to achieve size, scale, integration, and greater financial strength and flexibility and in the interests of maximizing shareholder value. The merged entity is likely to achieve higher long-term financial returns than could be achieved by the companies individually. TCBPL, DSBPL, & SLCPL believe that the financial, managerial and technical resources, personnel capabilities, skills, expertise and technologies TCBPL, DSBPL, & SLCPL pooled in the merged entity, will lead to increased competitive strength, cost reduction and efficiencies, productivity gains, and logistic advantages, thereby significantly contributing to future growth. Therefore, the management of TCBPL, DSBPL, & SLCPL believe that the Scheme of Amalgamation would benefit the respective companies and other stakeholders.

3. Synergies of Business of the Entities Involved in the Scheme

The entities involved have complementary lines of business and strengths which, when combined, are expected to result in:

Improved operational efficiency and productivity.

Enhanced market presence and competitive positioning.

Cross-leveraging of resources including human capital, technology, infrastructure, and customer base.

Cost reduction and improved profitability through economies of scale.

4. Impact of the Scheme on Shareholders

The proposed Scheme is expected to have the following impact on the shareholders:

Shareholders of Transferor Companies will receive equity shares in the Transferee Company in accordance with the share exchange ratio provided in the valuation report.

Institutional Dealing Office : 1602-B, Lady Ratan Tower, 72, Dainik Shivner Marg, Gandhinagar, Worli, Mumbai - 400018

Phone : +91 22 2261 0552/0562, 2492 4449/4462, 2490 1308, Fax : +91 22 2490 1310

LOHIA SECURITIES LTD.

Regd. Office :

4, Biplabi Trailokya Maharaj Sarani,
Brabourne Road, 5th Floor,
Kolkata - 700 001



+91 33 4002 6600 / 6700
Fax : +91 33 4002 6800



www.lohiasecurities.com



info@lohiasecurities.com

Complaint : grievance@lohiasecurities.com

Director



LOHIA SECURITIES LTD.

MEMBER : NSE, BSE, MSEI, CSE, MCX, NCDEX

DEPOSITORY PARTICIPANT : NSDL

CIN No L67120WB1995PLC067195

The Scheme is not prejudicial to the interest of shareholders and is expected to enhance shareholder value in the long term.

The shareholding of the public shareholders will remain unaffected in terms of rights and entitlements.

The valuation report by Mr. Anil Gupta dated 27th September, 2025 supports the fairness of the share exchange ratio and the overall consideration of the Scheme.

5. Cost Benefit Analysis of the Scheme

The Audit Committee has reviewed the cost implications and potential benefits of the Scheme and notes the following:

Cost: The costs related to implementation, such as legal, regulatory, stamp duty, and other incidental expenses, are expected to be one-time and not significant in the overall context.

Benefits: The long-term benefits arising out of operational efficiency, improved resource utilization, better governance, and increased shareholder value outweigh the costs of implementation.

The Scheme is, therefore, financially prudent and in the best interests of all stakeholders.

Recommendation

Based on the review of the draft Scheme, the Valuation Report, and other relevant documents placed before the Committee, and after considering all factors including those mentioned above, the Audit Committee recommends the draft Scheme of Amalgamation for approval by the Board of Directors and subsequent filing with regulatory authorities.

For and on behalf of Lohia Securities Ltd

LOHIA SECURITIES LTD.

Director

Chairman of the Audit Committee

Name: Prakash Chand Baid

DIN: 00462276

Date: 03.10.2025

Institutional Dealing Office: 1602-B, Lady Ratan Tower, 72, Dainik Shivner Marg, Gandhinagar, Worli, Mumbai - 400018

Place: Kolkata Phone : +91 22 2261 0552/0562, 2492 4449/4462, 2490 1308, Fax : +91 22 2490 1310

Regd. Office :

4, Biplabi Trailokya Maharaj Sarani,
Brabourne Road, 5th Floor,
Kolkata - 700 001



+91 33 4002 6600 / 6700
Fax : +91 33 4002 6800



www.lohiasecurities.com



info@lohiasecurities.com

Complaint : grievance@lohiasecurities.com