

To,
The Lead Manager
Wealth Mine Networks Limited
 215 B, Manek Centre, P N Marg,
 Jamnagar, India, 361001

And

The Board of Directors
Liotech Industries Limited
 Survey No. 269 P 2, New Sr. No. 464,
 Plot No 21, Kotdasangani, Shapar,
 Rajkot-360024, Gujarat, India.

(Wealth Mine Networks Limited, referred to as the "**Lead Manager /LM**")

Sub: Proposed Public Issue of equity shares of face value Rs. 10 each of Liotech Industries Limited (the "Company") ("Issue")

Dear Sirs,

We have been requested by the management of the Company having its registered office at **Liotech Industries Limited** Survey No. 269 P 2, New Sr. No. 464, Plot No 21, Kotdasangani, Shapar, Rajkot-360024, Gujarat, India. to verify and certify the working capital requirement estimated by the management of the Company.

Based on the information and explanations provided to us and on our review of the relevant Company projections, we certify that the estimated working capital requirements are properly calculated. Further, the calculated working capital requirement summary is enclosed as Annexure A to this certificate.

Key assumptions for Working Capital

The working capital projections made by the Company are based on certain key assumptions, as set out below:

Sr. No.	Particulars	Assumptions
Current Assets		
1	<i>Inventories:</i>	<p>The Company's inventory levels have progressively increased over FY 2023 to FY 2025 in line with business growth, increasing from ₹85.62 lakhs in FY 2023 to ₹715.22 lakhs in FY 2025. Despite the increase in value, inventory turnover has been efficiently managed, with holding periods ranging:</p> <ul style="list-style-type: none"> Raw Materials: 9 days to 10 days

Head Office:

217/218, Manek Center, P.N. Marg, Jamnagar – 361008.

Branch Office:

B-15/16, 5th Floor, B Wing, Shree Siddhivinayak Plaza, Veera Desai Industrial Estate,
 Next to T Series Business Park, Andheri West, Mumbai – 400 053.

Cell: +91 98242 31214 **Ph.:** 0288 2661942 **Email:** dgmsco.jam@gmail.com

Sr. No.	Particulars	Assumptions
		<ul style="list-style-type: none"> Work-in-Progress: 11 to 24 days Finished Goods: 15 to 30 days <p>For FY 2026, inventory is considered at ₹1,068.79 lakhs based on the provisional financials for the year ended March 31, 2026. For FY 2026-27, inventory is projected at ₹1,640.63 lakhs, mainly due to expected growth in operations, increase in product range, and higher production capacity. The Company has kept inventory holding assumptions in line with past/business requirements, i.e. Raw Materials – 9 days, WIP – 20 days, and Finished Goods – 27 days. Accordingly, the projected inventory is considered reasonable to support the expected business growth and smooth production.</p>
2	Trade receivables	<p>The Company's receivable levels rose sharply from ₹62.66 lakhs in FY 2023 to ₹590.71 lakhs in FY 2025, reflecting increasing sales volumes and an expanding client base. Corresponding holding days fluctuated between 27 to 64 days, stabilizing at 44 days in FY 2025.</p> <p>For FY 2026, inventory is considered at ₹808.07 lakhs based on the provisional financials for the year ended March 31, 2026. For FY 2027, receivables are projected at ₹1,292.91 lakhs with a holding period of 45 days, which is slightly higher than the previous year. This is justified by that to align with trends and support the expansion of operations, the Company projects maintaining trade receivables at around 45 days in the coming years. The Company's strategy to extend credit terms to customers is expected to foster stronger relationships and drive sales growth.</p>
3	Other current assets including Short term loans and advances	<p>This includes advance payments to suppliers, statutory receivables (e.g., GST), cash and bank balances, and balances with government authorities and other operational assets. The total value increased from ₹22.33 lakhs in FY 2023 to ₹9.74 lakhs in FY 2025, with holding periods reducing from 10 to under 1 day due to improved control.</p> <p>The Company expects to maintain these holding levels at around 3 days in the future.</p>
Current Liabilities		
4	Trade payables	<p>Payables have risen from ₹16.24 lakhs in FY 2023 to ₹365.14 lakhs in FY 2025, with holding periods moving from 8 to 60 days. This reflects better supplier negotiation, improved vendor terms, and increased purchasing power.</p> <p>For FY 2026, inventory is considered at ₹611.23 lakhs based on the provisional financials for the year ended March 31, 2026. For FY 2027, trade</p>

Head Office:

217/218, Manek Center, P.N. Marg, Jamnagar – 361008.

Branch Office:B-15/16, 5th Floor, B Wing, Shree Siddhivinayak Plaza, Veera Desai Industrial Estate,
Next to T Series Business Park, Andheri West, Mumbai – 400 053.**Cell:** +91 98242 31214 **Ph.:** 0288 2661942 **Email:** dgmsco.jam@gmail.com

Sr. No.	Particulars	Assumptions
		<p>payables are projected at ₹906.85 lakhs, with a holding period of 39 days, considering:</p> <ul style="list-style-type: none"> • A balance between timely supplier payments and maintaining liquidity • Compliance with the MSME Act, ensuring timely settlement for small suppliers • These shifts are aligned with revenue growth and the company's operational scaling to address market demand and mitigate supply chain disruptions
5	Other current liabilities & Short term provisions	<p>These items include outstanding expenses, statutory dues, and provisions for employee benefits.</p> <p>Other current liabilities include provisions, statutory dues, and expenses payable. Holding days for these liabilities were minimal, ranging from 0 to 23 days in the historical data. The Company does not expect any major changes in the holding period for these items going forward.</p>

We hereby consent to the extracts of this certificate being used in the Updated Draft Red Herring Prospectus to be filed with the Securities and Exchange Board of India (SEBI), the BSE Limited (BSE) (Stock Exchanges), and the Red Herring Prospectus/Prospectus to be filed with the Registrar of Companies, Gujarat at Ahmedabad (ROC) and submitted to the SEBI and the Stock Exchanges in connection with the Offer, and submission of this certificate as may be necessary, to any regulatory authority statutory, judicial or governmental authorities, and in any other material used in connection with the Offer and for disclosure on the website of the Company in connection with the Offer and/or for the records to be maintained by the Book Running Lead Manager in connection with the Offer and in accordance with applicable law. We also consent to this certificate to be uploaded on the website, repository and, or, the database of the Stock Exchanges.

We hereby confirm that while providing this certificate we have complied with the Code of Ethics issued by the ICAI. 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.

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

We undertake to update you, in writing, of any change in the above-mentioned disclosures which we are aware of until the Equity Shares allotted, pursuant to the Offer, are listed and commence trading on the Stock Exchanges. In the absence of any such communication from us, the above information should be considered as updated information until the Equity Shares commence trading on the Stock Exchanges, pursuant to the Offer.

Head Office:

217/218, Manek Center, P.N. Marg, Jamnagar – 361008.

Branch Office:

B-15/16, 5th Floor, B Wing, Shree Siddhivinayak Plaza, Veera Desai Industrial Estate,
 Next to T Series Business Park, Andheri West, Mumbai – 400 053.

Cell: +91 98242 31214 **Ph.:** 0288 2661942 **Email:** dgmsco.jam@gmail.com

This certificate may be relied on by the Book Running Lead Manager, its affiliates and the legal counsel to the Company and the BRLM in relation to the Offer and to assist the Book Running Lead Manager in the context of due diligence procedures that the Book Running Lead Manager has to conduct and the documents in relation of their investigation of the affairs of the Company in connection with the Offer.

All capitalized terms not defined herein bear the meaning ascribed to them in the Offer Documents.

Yours Sincerely,

For D G M S & Co.,
Chartered Accountants
FRN: 112187W

Jyoti
Jashvantray
Kataria

Digitally signed by
Jyoti Jashvantray
Kataria
Date: 2026.05.02
17:23:30 +05'30'

CA Jyoti J. Kataria
Partner
Membership No: 116861
Place: Jamnagar
Date: 02/05/2026
UDIN: 26116861TKLEXM3806

Head Office:

217/218, Manek Center, P.N. Marg, Jamnagar – 361008.

Branch Office:

B-15/16, 5th Floor, B Wing, Shree Siddhivinayak Plaza, Veera Desai Industiral Estate,
Next to T Series Business Park, Andheri West, Mumbai – 400 053.

Cell: +91 98242 31214 **Ph.:** 0288 2661942 **Email:** dgmsco.jam@gmail.com

ANNEXURE – A

ESTIMATION OF WORKING CAPITAL REQUIREMENTS

Sr. No.	Particulars	For the year ended 31 Mar, 2023 (Actual)	Days	For the year ended 31 Mar, 2024 (Actual)	Days	For the year ended 31 Mar, 2025 (Actual)	Days
I.	Current Assets						
1.	Inventories						
(i)	Raw Materials	21.64	9	65.42	9	100.13	9
(ii)	Work in Progress	25.69	11	152.65	20	264.63	24
(iii)	Finished Goods	34.27	15	205.65	27	336.24	30
(iv)	Stock In Trade	4.02	2	12.43	2	14.22	1
2.	Trade Receivables	62.66	27	486.29	64	590.71	53
3.	Cash and Cash Equivalents	1.57	1	24.91	3	1.48	0
3.	Short Term Loans and Advances	22.33	10	57.57	8	9.74	1
	Total Current Assets (A)	172.18		1,004.92		1,317.16	
II.	Current Liabilities						
	Trade Payables	16.24	8	327.53	54	365.14	60
	Other Current Liabilities	0.52	0	1.60	0	0.57	0
	Short-term provisions	10.80	6	95.57	16	141.30	23
	Total Current Liabilities (B)	27.56		424.70		507.01	
	Net Working Capital (A-B)	144.62		580.22		810.15	
III.	Sources of Funds						
	Short-term & Long term Borrowings from Banks	-		109.52		90.25	
	Loan from Directors, Relatives & Others	-		-		132.15	
	Internal Accruals/Existing Net Worth	144.62		470.70		587.75	
	Proceeds from IPO	-		-		-	
	Total	144.62		580.22		810.15	

Head Office:

217/218, Manek Center, P.N. Marg, Jamnagar – 361008.

Branch Office:B-15/16, 5th Floor, B Wing, Shree Siddhivinayak Plaza, Veera Desai Industrial Estate,
Next to T Series Business Park, Andheri West, Mumbai – 400 053.**Cell:** +91 98242 31214 **Ph.:** 0288 2661942 **Email:** dgmsco.jam@gmail.com

Sr. No.	Particulars	For the period ended 31 December, 2025 (Actual)	Days	For the year ended 31 Mar, 2026 (Provisional)	Days
I.	Current Assets				
1.	Inventories				
(i)	Raw Materials	189.09	10	171.01	9
(ii)	Work in Progress	425.45	23	384.76	20
(iii)	Finished Goods	567.26	30	513.02	27
(iv)	Stock In Trade	-	-	-	-
2.	Trade Receivables	825.52	44	808.07	42
3.	Cash and Cash Equivalents	7.08	0	4.45	0
4.	Short Term Loans and Advances	66.75	4	30.18	2
	Total Current Assets (A)	2,081.15		1,911.49	
II.	Current Liabilities				
	Trade Payables	634.29	42	611.23	39
	Other Current Liabilities	5.04	0	5.49	0
	Short-term provisions	329.67	22	220.38	14
	Total Current Liabilities (B)	969.00		837.10	
	Net Working Capital (A-B)	1,112.15		1,074.39	
III.	Sources of Funds				
	Short-term & Long-term Borrowings from Banks	326.20		286.39	
	Loan from Directors, Relatives & Others	-		142.05	
	Internal Accruals/Existing Net Worth	785.95		645.95	
	Total	1,112.14		1,074.39	

Head Office:

217/218, Manek Center, P.N. Marg, Jamnagar – 361008.

Branch Office:B-15/16, 5th Floor, B Wing, Shree Siddhivinayak Plaza, Veera Desai Industrial Estate,
Next to T Series Business Park, Andheri West, Mumbai – 400 053.**Cell:** +91 98242 31214 **Ph.:** 0288 2661942 **Email:** dgmsco.jam@gmail.com

Sr. No.	Particulars	For the year ended 31 Mar, 2027 (Projected)	Days
I.	Current Assets		
1.	Inventories		
(i)	Raw Materials	272.96	9
(ii)	Work in Progress	587.14	20
(iii)	Finished Goods	780.53	27
(iv)	Stock In Trade	-	-
2.	Trade Receivables	1,292.91	45
3.	Cash and Cash Equivalents	42.66	1
4.	Short Term Loans and Advances	100.09	3
	Total Current Assets (A)	3,076.29	
II.	Current Liabilities		
	Trade Payables	906.85	39
	Other Current Liabilities	10.97	0
	Short-term provisions	270.48	12
	Total Current Liabilities (B)	1,188.29	
	Net Working Capital (A-B)	1,888.00	
III.	Sources of Funds		
	Short-term & Long-term Borrowings from Banks	-	
	Loan from Directors, Relatives & Others	142.05	
	Internal Accruals/Existing Net Worth	1,045.95	
	Proceeds from IPO	700.00	
	Total	1,888.00	

Head Office:

217/218, Manek Center, P.N. Marg, Jamnagar – 361008.

Branch Office:B-15/16, 5th Floor, B Wing, Shree Siddhivinayak Plaza, Veera Desai Industrial Estate,
Next to T Series Business Park, Andheri West, Mumbai – 400 053.**Cell:** +91 98242 31214 **Ph.:** 0288 2661942 **Email:** dgmsco.jam@gmail.com