

# Manubhai & Shah LLP

Chartered Accountants

PRIVATE & CONFIDENTIAL

To,  
The Board of Directors,  
Saurashtra Cement Limited  
Near Railway Station  
Ranavav 360 560  
Gujarat.

## Independent Auditors Certificate on the proposed accounting treatment specified in the Draft Scheme of Amalgamation between Gujarat Sidhee Cement Limited and Saurashtra Cement Limited.

Dear Sir,

We, the statutory auditors of Saurashtra Cement Limited, (hereinafter referred to as "the Company"), have examined the proposed accounting treatment specified in clause 9 of the Draft Scheme of Amalgamation ("Draft Scheme") between Gujarat Sidhee Cement Limited ("transferor company") and Saurashtra Cement Limited ("transferee company") in terms of the provisions of sections 230 and 232 of the Companies Act, 2013 with reference to its compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Regulations) and circulars issued there under and applicable Indian Accounting Standards notified under the Companies Act, 2013 and Other Generally Accepted Accounting Principles.

### Management's Responsibility

The responsibility for the preparation of the Draft Scheme and its compliance with the relevant laws and regulations, including the applicable Indian Accounting Standards as aforesaid, is that of the Board of Directors of the Companies involved. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the scheme and applying and appropriate basis of preparations; and making estimates that are reasonable in the circumstances.

### Auditor's Responsibility

Our responsibility is only to examine and report whether the accounting treatment in respect of the transferee company as referred in Clause 9 of the Draft Scheme complies with the applicable Indian Accounting Standards and Other Generally Accepted Accounting Principles. Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company.

We carried out our examination in accordance with the Guidance Note on Reports and Certificates for Special Purposes (Revised 2016), issued by the Institute of Chartered Accountants of India. This Guidance Note requires that we comply with the ethical requirements of the code of ethics issued by ICAI.

**CERTIFIED TRUE COPY**  
For Saurashtra Cement Limited

*Sonali Sanas*  
**Sonali Sanas**  
President (CS, Legal & Strategy)

Manubhai & Shah LLP, a Limited Liability Partnership with LLP identity No.AAG-0878  
Regd. Office : G-4, Capstone, Opp. Chirag Motors, Sheth Mangaldas Road, Ellisbridge, Ahmedabad - 380 006.  
Gujarat, India. Phone : +91-79-2647 0000

Email : info@msglobal.co.in

Website : www.msglobal.co.in

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We have 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.

#### Opinion

Based on our examination and according to the information and explanations given to us, we confirm that the accounting treatment contained in clause 9 of aforesaid Draft Scheme in respect of transferee company is in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued there under and applicable Indian Accounting Standards notified by the Central Government under the Companies Act, 2013 and Generally Accepted Accounting Principles, as applicable.

For ease of references, Clause 9 of the scheme duly authenticated on behalf of the company, is reproduced in Annexure 1 to this Certificate and is initialed by us only for the purpose of identification.

#### Restriction on Use

This Certificate is issued at the request of the company pursuant to the requirements of Regulations for onward submission to the BSE Limited. This Certificate should not be used for any other purpose without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

Place: Ahmedabad

Date: February 05, 2022



For, Manubhai & Shah LLP

Chartered Accountants

ICAI Firm Registration No. 106041W /W100136

*Kuntel*

(K C Patel)

Partner

Membership No. 30083

UDIN: 22030083AAODAJ7091

**CERTIFIED TRUE COPY**

For Saurashtra Cement Limited

*Sonali Sanas*  
Sonali Sanas  
President (CS, Legal & Strategy)

**Annexure 1 to Certificate on Accounting Treatment**

**Extract of Clause 9 from Draft Scheme of Amalgamation between Gujarat Sidhee Cement Limited  
and Saurashtra Cement Limited**

**9. ACCOUNTING TREATMENT**

9.1 The amalgamation shall be accounted for in the books of account of the Transferee Company pursuant to the pooling of interest method prescribed for business combinations of entities under common control in Appendix C of Indian Accounting Standard (Ind AS) 103 notified under the Companies (Indian Accounting Standards) Rules, 2015, to the extent applicable.

9.2 Accordingly on and from the Appointed Date and subject to the provisions hereof and such other corrections and adjustments as may, in the opinion of the Board of Directors of the Transferee Company, be required and except to the extent required otherwise by law, all assets and liabilities of the Transferor Company transferred to the Transferee Company under the Scheme shall be recorded in the books of account of the Transferee Company at the book values as recorded in the Transferor Company's books of account.

9.3 All reserves of the Transferor Company shall be incorporated in the books of account of the Transferee Company in the same form in which they appear in the books of the Transferor Company.

9.4 To the extent there are inter-company loans, advances and any other balances whatsoever between the Transferor Company and Transferee Company, the same shall stand cancelled without any further act or deed, upon the Scheme becoming operative. The corresponding assets and liabilities in the books of account shall be reduced accordingly.

9.5 The difference between the amount recorded as share capital issued by the Transferee Company and the amount of Share Capital of the Transferor Company shall be adjusted in capital reserves in the books of the Transferee Company.

9.6 The identity of the reserves shall be preserved and shall appear in the financial statements of the Transferee Company in the same form in which they appeared in the financial statements of the Transferor Company.

9.7 In case of any difference in accounting policy between the Transferor Company and the Transferee Company, the impact of the same till the Appointed Date will be quantified and adjusted in the Capital Reserves of the Transferee Company to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.

9.8 The Board of Directors may adopt any other accounting treatment for the Amalgamation which is in accordance with accounting standards notified under the 2013 Act read with Companies (Indian Accounting Standards) Rules, 2015.

9.9 Since the Transferor company shall stand dissolved without being wound up upon the scheme becoming effective and all such assets and liabilities of the Transferor Company shall be transferred to the Transferee Company in terms of the Scheme, no accounting treatment is prescribed under this scheme with regard to the Transferor Company.



**SIGNED FOR IDENTIFICATION BY**

*[Handwritten Signature]*

**MANUBHAI & SHAH LLP  
CHARTERED ACCOUNTANTS**

**CERTIFIED TRUE COPY**  
For Saurashtra Cement Limited

*[Handwritten Signature]*  
**Sonali Sanas**  
President (CS, Legal & Strategy)