

**S S KOTHARI MEHTA
& COMPANY**
CHARTERED ACCOUNTANTS

Statutory Auditor's Certificate

To,
The Board of Directors,
Greenlam Industries Limited
203, 2nd Floor, West Wing,
Aerocity, World Mark -1, IGI Airport
New Delhi

Subject: Certificate to examine and report on compliance of accounting treatment as mentioned in Clause 10 of the Draft Scheme of Arrangement between HG Industries Limited and Greenlam Industries Limited and their respective shareholders and all concerned under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (hereinafter referred to as "Scheme") with applicable Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, and the Companies (Accounting Standard) Amendment Rules, 2015

1. We, S S Kothari Mehta & Company, Chartered Accountants, the statutory auditors of Greenlam Industries Limited (hereinafter referred to as "the Company"), having its registered office at 203, 2nd Floor, West Wing, Worldmark 1, Aerocity, IGI Airport, Hospitality District, New Delhi, have examined the proposed accounting treatment specified in Clause 10 of Draft Scheme of Arrangement between HG Industries Limited and Greenlam Industries Limited and their respective shareholders and all concerned under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules 2016 ("Scheme") with reference to its compliance with the applicable Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read with rules made thereunder and Other Generally Accepted Accounting Principles.

Management Responsibility

2. The responsibility for the preparation of the 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 in the Scheme.

Auditor Responsibility

3. Our responsibility is to examine and report whether the accounting treatment given in Clause 10 of Scheme complies with the applicable Indian Accounting Standards and Other Generally Accepted Accounting Principles and Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued thereunder. 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.
4. We carried out our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India.



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5. Our examination did not extend to any aspects of a legal or propriety nature covered in the Scheme.

Opinion

6. Based on our examination and according to the information and explanations given to us, we confirm that the proposed accounting treatment contained in Clause 10 of the Scheme is in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued thereunder and all the applicable Accounting Standards notified by the Central Government under Section 133 of the Companies Act, 2013 read with rules made thereunder and the Companies (Indian Accounting Standard) Amendment Rules, 2015, as amended.
7. For ease of references, Clause 10 of the Scheme, duly authenticated on behalf of the Company, is reproduced in Annexure A to this Certificate and is stamped & initialled by us only for the purposes of identification.

Restriction on Use

8. This Certificate is issued at the request of the Company pursuant to the requirements of circulars issued under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for onward submission to the SEBI, the BSE & the NSE, jurisdictional National Company Law Tribunal and other regulatory authorities and should not be used, referred to or distributed for any other purpose or to any other party 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 party to whom it is shown or into whose hands it may come without our prior consent in writing.

For S S Kothari Mehta & Company
Chartered Accountants
Firm Registration No: 000768

Naveen

Naveen Aggarwal
Partner

Membership Number: 094380
UDIN: 22094380AMBWMR8701
Date: June 29, 2022
Place: New Delhi



Annexure A

For the purposes of Statutory Auditor certificate, the proposed accounting treatment as mentioned in clause 10 to the Scheme of Arrangement shall be as follows:

Notwithstanding anything to the contrary contained herein, upon this Scheme becoming effective, the Transferee Company shall give effect to the accounting treatment in relation to the amalgamation in its books of account in accordance with Ind AS 103 – 'Business Combinations' read with Appendix C to Ind AS 103 – 'Business Combinations'. The Transferor Company shall stand dissolved without being wound up upon the Scheme becoming effective.

- 10.1 The Transferee company shall record the assets and liabilities including reserves of the Transferor Company vested in it pursuant to scheme, at their respective carrying values as appearing in the books of transferor company
- 10.2 No adjustments shall be made to reflect fair values or recognize any new assets or liabilities. The only adjustments made, will be made so as to harmonize the accounting policies.
- 10.3 The balance of the retained earnings appearing in the financial statements of the Transferor Company shall be aggregated with the corresponding balance appearing in the financial statements of the Transferee Company. Alternatively, it may be transferred to the general reserve, if any.
- 10.4 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.
- 10.5 Pursuant to the amalgamation of the Transferor Company with the Transferee Company, inter-company balances between Transferee Company and the Transferor Company, if any, appearing in the books of the Transferee Company shall stand cancelled. Further, the value of investments held by Transferee Company in the Transferor Company shall stand cancelled.
- 10.6 The difference between net assets (assets minus liabilities) of transferor company and share capital issued as consideration after factoring adjustment in clauses 10.1 to 10.5 as mentioned above shall be transferred to capital reserve .

For Greenlam Industries Limited

Asok Kumar Sharma
(Chief Financial Officer)

Date: June 29, 2022

Place: New Delhi

