

P G BHAGWAT LLP

Chartered Accountants
LLPIN: AAT - 9949

HEAD OFFICE

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To,
The Board of Directors
ISMT Limited
Panama House (Earlier Known as Lunkad Towers)
Viman Nagar, Pune
Maharashtra – 411 014

1. We, P G BHAGWAT LLP, Chartered Accountants (Firm Registration No. 101118W/W100682) are the Statutory Auditors of ISMT Limited (hereinafter referred to as "the Company" or "Transferor Company"). We have examined the proposed accounting treatment specified in clause 8 of Part-C of the Scheme of Arrangement ("Draft Scheme") entered in to by the Company, Kirloskar Ferrous Industries Limited (KFIL) and their respective shareholders, as approved by The Board of Directors in their meeting held on November 05, 2022 in terms of the provisions of Sections 230 to 232 read with Section 66 and Section 52 of the Companies Act 2013 ("the Act"), with reference to its compliance with the applicable accounting standards notified under Section 133 of the Act, read with the rules framed thereunder and other generally accepted accounting principles.
2. This certificate is issued in accordance with the terms of our engagement letter.

Management's responsibility

3. The preparation of the Draft Scheme, including the proposed accounting treatment therein as specified in clause 8 of Part-C and its compliance with the relevant laws and regulations, including the applicable accounting standards and the rules framed thereunder and other generally accepted accounting principles, is the responsibility 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 Draft Scheme and applying an appropriate basis of preparation and making estimates that are reasonable in the circumstances.

Auditor's responsibility

4. Our responsibility is only to examine and report whether the accounting treatment referred to in clause 8 of Part-C of the Draft Scheme complies with the applicable accounting standards notified under Section 133 of the Act and rules framed there under and other generally accepted accounting principles.
5. 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 as the statutory auditors of the Company.



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6. We conducted our examination in accordance with the 'Guidance Note on Reports or Certificates for Special Purposes' (Revised 2016) issued by the Institute of Chartered Accountants of India. The guidance note require that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants Of India.
7. 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.
8. Our examination did not extend to any other parts or aspects of a legal or proprietary nature in the aforesaid draft scheme.

Conclusion

9. Based on our examination of the Draft Scheme and according to the information and explanation given to us, and as mentioned in the clause 8 of Part-C of the Draft scheme, upon the same becoming effective, the Transferor Company shall stand dissolved without being wound up and no specific accounting treatment in the books of the Transferor Company has been prescribed in the Draft Scheme. Accordingly, no specific comment on the compliance with applicable Accounting Standards and other generally accepted accounting principles is required.

Restriction on use

10. This certificate is issued at the request of the management of the Company in accordance with the provisions of Sections 230 to 232 read with Section 66 and Section 52 and other applicable provisions of the Act and rules framed thereunder for the sole purpose of its submission along with the Draft Scheme by the Company to the National Company Law Tribunal, Mumbai Bench which is authorized to sanction the Draft Scheme and 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 in whose hands it may come without our prior consent in writing.

For P G BHAGWAT LLP

Chartered Accountants

Firm's Registration Number: 101118W/W100682



Nachiket Deo
Partner

Membership No. 117695

UDIN: 22117695BCHVLC2626

Place: Pune

Date: November 05, 2022

