

# B S R & Co. LLP

Chartered Accountants

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The Board of Directors  
JMC Projects (India) Limited  
6th Floor, Kalpataru Synergy  
Opp. Grand Hyatt  
Santacruz (East)  
MUMBAI 400 055

19 February 2022

## **Independent Auditors' Certificate on the proposed accounting treatment contained in the Scheme of Amalgamation of JMC Projects (India) Limited ("the Company" or "Transferor Company") with Kalpataru Power Transmission Limited ("Transferee Company") and their respective shareholders**

1. The certificate is issued in accordance with the terms of our agreement dated 14 July 2021 and addendum dated 19 February 2022 with JMC Projects (India) Limited in accordance with Section 230 to Section 232 of the Companies Act, 2013 ("the Act").
2. We, B S R & Co. LLP, Chartered Accountants (Firm Registration Number – 101248W/W-100022), the statutory auditor of JMC Projects (India) Limited, have examined the proposed accounting treatment specified in Clause 9 of Part II of the Scheme of Amalgamation ("Scheme") of the Company with Kalpataru Power Transmission Limited and their respective shareholders in the terms of the provisions of Sections 230 to 232 of the Act and rules made thereunder, with reference to its compliance with applicable Indian Accounting Standards notified under Section 133 of the Act and Other Generally Accepted Accounting Principles.

### **Managements' Responsibility**

3. The responsibility for the preparation of the Scheme and its compliance with the relevant laws and regulations, including the applicable Accounting Standards as aforesaid, is that of the Board of Directors of the companies involved. The Company's management is responsible for the designing, implementing, and maintaining internal control relevant to the preparation and presentation of the Scheme, and applying an appropriate basis of preparation; and making estimates that are reasonable in circumstances.

### **Auditor's Responsibility**

4. Our responsibility is to examine and report whether the proposed accounting treatment specified in Clause 9 of Part II of the Scheme complies with the applicable Accounting Standards and Other Generally Accepted Accounting Principles.

**Independent Auditors' Certificate on the proposed accounting treatment contained in the Scheme of Amalgamation of JMC Projects (India) Limited ("the Company" or "Transferor Company") with Kalpataru Power Transmission Limited ("Transferee Company") and their respective shareholders (Continued)**

**Auditor's Responsibility (Continued)**

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 of the statutory auditors of any financial statements of the Company.
6. We carried out our examination in accordance with the Guidance Note on Audit Reports or Certificates for Special Purposes (Revised 2016), issued by the Institute of Chartered Accountants of India. The Guidance note requires 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 Controls (SQC) 1, Quality Control for Firms that Perform Audits and review of Historical Financial Information, and other Assurance and Related Service Engagements.

**Opinion**

8. Based on our examination as above and according to the information and explanations given to us, we confirm that the accounting treatment proposed in Clause 9 of Part II of the Scheme and as reproduced in Annexure 1 to this Certificate, signed for identification purposes, is in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued there under and the applicable Indian Accounting Standards notified by the Central Government under the Act and other Generally Accepted Accounting Principles in India.

**Restriction on Use**

9. 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 Hon'ble National Company Law Tribunal, Stock Exchanges, Ministry of Corporate Affairs, Registrar of Companies, Regional Director, Securities and Exchange Board of India and any other regulatory authorities/purposes as may be required to give effect to the Scheme and uploading the same on Company's website pursuant to the requirement of the Act. This Certificate should not be used, quoted or referred for any other purpose without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care or 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.

For **B S R & Co. LLP**

*Chartered Accountants*

Firm's Registration No: 101248W/W-100022

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RADHEYSHYA  
M KASAT

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**Vikas R Kasat**

*Partner*

Membership No: 105317

Mumbai

19 February 2022

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**Annexure**  
(to our letter dated 19 February 2022)

**9. ACCOUNTING TREATMENT**

*Upon the Scheme being effective and with effect from the Appointed Date, the Transferee Company shall account for the amalgamation of the Transferor Company into and within its books of accounts as per the "Pooling of Interest Method" in compliance with the Appendix C of Indian Accounting Standard 103 on Business Combinations and other Indian Accounting Standards, as applicable, and notified under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other accounting principles generally accepted in India in the following manner:*

- 9.1.1 *As on the Appointed Date, the Transferee Company shall record all the assets, liabilities and reserves (if and to the extent applicable) of the Transferor Company, vested in it pursuant to this Scheme, at the carrying values in the same manner as if the Transferee Company had prepared its consolidated financial statements with Transferor Company as its subsidiary;*
- 9.1.2 *Pursuant to the amalgamation of the Transferor Company with the Transferee Company, inter-company deposits/ loans and advances/ any other balances between the Transferee Company and the Transferor Company, if any, appearing in the books of the Transferee Company shall stand cancelled;*
- 9.1.3 *The value of all investments held by the Transferee Company in the Transferor Company shall stand cancelled pursuant to amalgamation and there shall be no further rights or obligations in that behalf;*
- 9.1.4 *In case of any differences in accounting policies between the Transferor Company and the Transferee Company, the accounting policies followed by the Transferee Company shall prevail to ensure that the financial statements reflect the financial position based on consistent accounting policies; and*
- 9.1.5 *Comparative financial information in the financial statements of the Transferee Company shall be restated for the accounting impact of merger, as stated above, from the later of the beginning of the comparative period in the financial statements or when the control was acquired.*

**For JMC Projects (India) Limited**

**CIN: L45200GJ1986PLC008717**

**AZAD  
SHAW**

**Azad Shaw**

*Chief Financial Officer*

*19 February 2022*

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