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Independent Auditor's Certificate in relation to proposed accounting treatment in the books of UltraTech Cement Limited as specified in the Proposed Composite Scheme of Arrangement between Kesoram Industries Limited and UltraTech Cement Limited and their respective shareholders and creditors pursuant to provisions of Sections 230 to 232 of the Companies Act, 2013

1. This certificate is issued in accordance with the terms of our engagement letter dated 29 November 2023.
2. We, have been requested by the Board of Directors of UltraTech Cement Limited (the "Company" or "Resultant Company") to issue a certificate in relation to the proposed accounting treatment specified in Clause 10.2 of Part II of the Proposed Composite Scheme of Arrangement between the Company and Kesoram Industries Limited ("Demerged Company") and their respective shareholders and creditors ("Proposed Scheme"), and the extract of which is reproduced under Annexure A to this certificate, in terms of the provisions of Sections 230 to 232 of the Companies Act, 2013 ("the Act") and rules made thereunder with reference to its compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued thereunder ("SEBI regulations") and applicable Indian Accounting Standards ("Ind AS") specified under Section 133 of the Act and other generally accepted accounting principles in India.
3. The Proposed Scheme is approved by the Board of Directors of the Company and Demerged Company on 30 November 2023 and is subject to approval of the respective Shareholders, the National Company Law Tribunal ("NCLT") and Statutory and Regulatory Authorities, as applicable. The appointed date for the purpose of this Proposed Scheme is 1 April 2024.

Management's responsibility

4. The preparation of the Proposed Scheme and its compliance with the relevant provision of the Act, SEBI regulations, laws and regulations, including the applicable Ind AS read with the Rules made, issued thereunder and the Generally Accepted Accounting Principles in India is the responsibility of the Board of Directors of the Companies involved, including the preparation and maintenance of all accounting and other relevant supporting records and documents.
5. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Proposed Scheme and applying an appropriate basis of preparation, and making estimates that are reasonable in the circumstances.
6. The Company's management is also responsible for ensuring that the Company complies with the requirements of Companies Act, 2013 and SEBI regulations, and providing all relevant information with respect to the Proposed Scheme to the NCLT.


Auditor's responsibility

7. Pursuant to the requirements of provisions of Section 232 of the Act and SEBI regulations, our responsibility is only to provide a reasonable assurance on whether the proposed accounting treatment as specified in Clause 10.2 of Part II of the Proposed Scheme, the extract of which is reproduced as



CERTIFIED TRUE COPY,

For UltraTech Cement Limited


Sanjeeb Kumar Chatterjee
Company Secretary



Annexure A to this Certificate is in conformity with SEBI regulations and Ind AS specified under section 133 of the Act read with the rules issued thereunder and other generally accepted accounting principles in India.

8. We conducted our examination of the proposed accounting treatment referred to Clause 10.2 of Part II of the Proposed Scheme and the extract of which is reproduced under Annexure A to this certificate in accordance with the Guidance Note on Reports or Certificates for Special Purposes (“the Guidance Note”) issued by the Institute of Chartered Accountants of India (“ICAI”). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
9. We have performed the following procedures:
 - a) Review of the proposed accounting treatment as contained in the Annexure A to this certificate to ensure it is in accordance with applicable Ind AS specified under section 133 of the Act read with the rules issued thereunder and other generally accepted accounting principles in India as required as per the proviso to Section 230(7) and Section 232(3) of the Act; and
 - b) Making suitable inquiries and obtained relevant representations from the management of the Company.
10. 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

11. As per Section 232(6) of the Act, the Proposed Scheme has to provide for the appointed date from which the Proposed Scheme shall be deemed to be effective. The Company has accordingly proposed the appointed date as 1 April 2024. The appointed date may be different from the acquisition date as per Ind AS 103. If approved by the NCLT, the appointed date shall be deemed to be the ‘acquisition date’ for the purpose of accounting for the demerger of the Demerged Undertaking (as defined in the Scheme) of the Demerged Company into the Company.

Based on our examination and according to the information and explanations provided to us and appropriate representations given to us, the proposed accounting treatment specified in Clause 10.2 of Part II of the Proposed Scheme and the extract of which is reproduced in Annexure A to this Certificate, initialed and stamped by us for the purpose of identification only, is in conformity with SEBI regulations and applicable Ind AS prescribed under Section 133 of the Act and other generally accepted accounting principles in India.

Restriction on use

12. This certificate is issued at the request of the Board of Directors of the Company solely for the purpose of onward submission to the NCLT, BSE Limited and National Stock Exchange of India Limited and any other regulatory authority in relation to the Proposed Scheme pursuant to the requirements of SEBI regulations and sections 230 to 232 of the Act read with relevant rules issued thereunder.



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Our certificate should not be used by any other person or for any other purpose. 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.

For B S R & Co. LLP

Chartered Accountants

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



Vikas R. Kasat

Partner

Membership No: 105317

ICAI UDIN: 2310531786VTQV9012

Mumbai

30 November 2023

For KKC & Associates LLP

(formerly Khimji Kunverji & Co LLP)

Chartered Accountants

Firm's Registration No.: 105146W/W100621



Hasmukh B Dedhia

Partner

Membership No: 033494

ICAI UDIN: 23033494B9WTBV2210

Mumbai

30 November 2023



Annexure A: Relevant Extract of the Composite Scheme of Arrangement between Kesoram Industries Limited and UltraTech Cement Limited and their respective shareholders and creditors pursuant to provisions of Sections 230 to 232 of the Companies Act, 2013

10.2 Accounting treatment in the books of the Resulting Company:

Recording the transfer of assets and liabilities on demerger:

Pursuant to the Scheme coming into effect, with effect from the Appointed Date, the Resulting Company shall account for the transfer of the Demerged Undertaking into the Resulting Company in accordance with acquisition method prescribed under Indian Accounting Standards (Ind AS) 103, Business Combinations, notified under Section 133 of the Companies Act, 2013, as notified under the Companies (Indian Accounting Standard) Rules, 2015 and generally accepted accounting principles, as may be amended from time to time, in its books of accounts, such that:

- 10.2.1 The Resulting Company records the assets and liabilities of the Demerged Undertaking, transferred to and vested in it pursuant to this Scheme (including assets and liabilities not specifically recognized by the Demerged company in its financial statements), at their respective fair values. Further, acquisition related costs will also be accounted in accordance with the requirements of Ind AS 103 'Business Combinations'
- 10.2.2 The Resulting Company shall credit its share capital account with the face value of New Shares issued in accordance with Clause 9.1. The difference between the fair value of New Shares issued and the face value of New Shares issued by the Resulting Company will be credited to securities premium account of the Resulting Company.
- 10.2.3 The surplus / deficit between the value of Net Assets ("Net Assets" means excess of value of assets over the value of liabilities as per Clause 10.2.1) pertaining to the Demerged Undertaking and the amount of the fair value of New Shares issued under Clause 9.1 above shall be credited to capital reserve / debited to goodwill as the case may be.

For and on behalf of UltraTech Cement Limited

Atul Daga

Atul Daga
Whole-time Director and Chief Financial Officer
30 November 2023

