

# HARIBHAKTI & CO. LLP

Chartered Accountants

To,  
The Board of Directors  
Mukand Limited  
Bajaj Bhawan,  
226, Nariman Point,  
Mumbai - 400 021.

## Independent Auditor's Certificate on the accounting treatment contained in the proposed Scheme of Arrangement and Amalgamation

1. We, Haribhakti & Co. LLP, Chartered Accountants, the Statutory Auditors of Mukand Limited ('the Company'), having its registered office at the above mentioned address have been requested by the Company, to certify the proposed accounting treatment contained in the Draft Scheme of Arrangement and Amalgamation amongst the Company and Mukand Vijayanagar Steel Limited and Mukand Alloy Steels Private Limited and their respective Shareholders and Creditors pursuant to Sections 230 to 232 read with Section 52 and other applicable provisions of the Companies Act, 2013, ("the Draft Scheme") is in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued there under and in accordance with Para I(A)5(a) of SEBI circular CIR/CFD/CMD/16/2015 dated November 30, 2015 and further as required under proviso to Section 232 (3) of the Companies Act, 2013 with reference to its compliance with the applicable Accounting Standards notified under the Companies Act, 2013 and Other Generally Accepted Accounting Principles, for the purpose of onward submission to BSE Limited and National Stock Exchange of India Limited (the "Stock Exchanges") and submission to National Company Law Tribunal. Accordingly, this certificate is issued in accordance with the terms of our engagement letter dated January 09, 2017.
2. We have examined the proposed accounting treatment specified in clause 14 and Clause 15 of Part III of the Draft Scheme with respect to the slump sale of Transferred Undertaking of the Company and clause 32.1 to clause 32.12 of Part IV of the Draft Scheme with respect to amalgamation of Mukand Vijayanagar Steel Limited with Mukand Alloy Steels Private Limited in terms of the provisions of section 232 of the Companies Act, 2013 with reference to its compliance with the applicable Accounting Standards notified under the Companies Act, 2013 and Other Generally Accepted Accounting Principles.



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For MUKAND LIMITED

  
K. J. MALLYA  
Company Secretary

# HARIBHAKTI & CO. LLP

Chartered Accountants

## Management's Responsibility

3. The responsibility for the preparation of the Draft 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. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the proposed 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 Draft Scheme complies with the applicable 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.
5. We conducted our examination of the Draft Scheme in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI (Revised 2016). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI. We have not performed an audit, the objective of which would be the expression of an opinion on the financial statements, specified elements, accounts or items thereof, for the purpose of this Certificate.
6. 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 issued by ICAI.

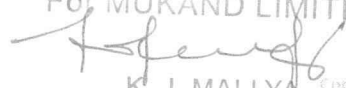
## Opinion

7. Based on our examination, as above, and the information and explanations given to us, we are of the opinion that the accounting treatment contained in clause 14 and Clause 15 of Part III of the Draft Scheme and clause 32.1 to clause 32.12 of Part IV of the Draft Scheme is in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued there under and the applicable Accounting Standards notified under the Companies Act, 2013 read with rules made thereunder and Other Generally Accepted Accounting Principles, as applicable.



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For MUKAND LIMITED



K. J. MALLYA  
Company Secretary

Continuation Sheet

# HARIBHAKTI & CO. LLP

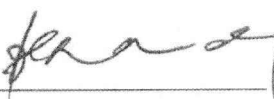
Chartered Accountants

For ease of references a copy of the Scheme, duly authenticated on behalf of the Company is attached herewith as Annexure I to this certificate and initialled by us only for the purposes of identification.

## Restriction on Use

8. The certificate is issued solely pursuant to the requirements of circulars issued under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for onward submission to the stock exchanges. This certificate is also issued pursuant to requirements of proviso to Section 232 (3) of the Companies Act, 2013 for onward filing with the jurisdictional bench of the National Company Law Tribunal. This certificate should not be used by any other person or for any other purpose. Haribhakti & Co. LLP shall not be liable to the Company, stock exchanges and the National Company Law Tribunal or to any other concerned for any claims, liabilities or expenses relating to this assignment, except to the extent of fees relating to this assignment.

For Haribhakti & Co. LLP  
Chartered Accountants  
ICAI Firm Registration No.103523W/W100048



Sumant Sakhardande  
Partner  
Membership No. 038428



Place : Mumbai  
Date : January 12, 2017

Encl: Scheme of Arrangement and Amalgamation

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For MUKAND LIMITED

  
K. J. MALLYA  
Company Secretary