

The Board of Directors,
Dalmia Bharat Sugar & Industries Limited
11th Floor, Hansalaya Building,
15, Barakhamba Road,
New Delhi- 110001

Independent Auditors' Certificate on the accounting treatment specified in the Scheme of Arrangement (hereinafter referred to as "Scheme").

1. This Certificate is issued on the request of the management of Dalmia Bharat Sugar and Industries Limited ('the Company') for onward submission to the National Company Law Tribunal ("NCLT"), BSE Limited ("BSE"), National Stock Exchange of India Limited ("NSE"), Securities and Exchange Board of India Limited ("SEBI") and any other appropriate authority in relation to the Scheme between Dalmia Bharat Sugar and Industries Limited ("DBSIL") and Dalmia Bharat Refractories Limited ("DBRL") and their respective Shareholders proposed by the Company in accordance with the requirements of Section 230 to 232 of the Companies Act, 2013 ('the Act') and the rules made thereunder.
2. We, the statutory auditors of the Company, have examined the proposed accounting treatment specified in clause 15 of the Scheme has reproduced in Annexure 1 of this certificate, with reference to its compliance with the applicable Accounting Standards notified under Section 133 of the Act read with Companies (Indian Accounting Standard) Rules, 2015 and Other Generally Accepted Accounting Principles in India.

Management Responsibility

3. The responsibility for the preparation of the Scheme and its compliance with the relevant laws and regulations, including the applicable Accounting Standards read with rules made thereunder and Other Generally Accepted Accounting Principles as aforesaid is that of the Board of Directors of the Company. The management is also responsible for adherence of Accounting Treatment referred to in clause 15 of the Scheme which is in accordance with Indian Accounting Standard ('Ind AS') as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standard) Rules, 2015. 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.
4. The management is also responsible for adherence to the aforesaid section and other relevant laws and regulations and for providing all relevant information to the NCLT.



Auditors Responsibility

5. Our responsibility is only to examine and report whether the accounting treatment referred to in Clause 15 of the Scheme as reproduced in Annexure 1 to the certificate, comply 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 Certificate, will extend any duty of care that we may have in our capacity of statutory auditors of the financial Statements of the Company
6. We conducted our examination in accordance with guidance Note on Reports and Certificates for Special Purposes and Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI'). Those standards require that we comply with ethical requirements of the Code of Ethics issued by ICAI.
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 Service Engagements.
8. Our Examination did not extend to any parts and aspects of a legal or proprietary nature in the aforesaid Scheme.
9. We have no responsibility to update this certificate for events and circumstances occurring after date of this certificate.

Opinion

10. Based on our examination and according to the information and explanations given to us along with the representations made to us by the management of the Company, we are of the opinion that the accounting treatment proposed in Clause 15 of the Scheme as reproduced in Annexure 1 of this certificate, is in compliance with the applicable Accounting Standards notified by the Central Government under the Act and other Generally Accepted Accounting Principles.

Restriction of Use

11. This Certificate is intended solely for the information and use of the company to onward submission to the NCLT, BSE, NSE, SEBI, and any other appropriate authority in relation to the Scheme and is not to be used, referred to or distributed for any other purpose without our prior and written consent. We do not accept or assume any liability or duty of care for any other purpose or to any other person or to any other party to whom this report is shown or into whose hands it may come without our prior



consent in writing.

12. Nothing in this report, nor anything said or done in the course of or in connection with the services that are subject of this report, will extend any duty of care we may have in our capacity as auditors of the Company.

For NSBP & Co.

Chartered Accountants

Firm Registration Number: 001075N



Subodh Kumar Modi

Partner

Membership Number: 093684

UDIN: 24093684BKECWL2812



Place: New Delhi

Date: February 02, 2024

Enclosed: Extract of Accounting Treatment specified in Clause 15 of the Scheme (Annexure- 1)

Extract of Accounting Treatment specified in Clause 15 of the Scheme between Dalmia Bharat Sugar and Industries Limited (“DBSIL”) and Dalmia Bharat Refractories Limited (“DBRL”)

15 ACCOUNTING TREATMENT

15.1 The Demerged Company and the Resulting Company shall account for the Scheme in their respective books/financial statements in accordance with applicable Indian Accounting Standards (Ind-AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, and generally accepted accounting principles in India as amended from time to time including as provided herein below:

15.2 Accounting treatment in the books of the Demerged Company:

15.2.1 Upon coming into effect of this Scheme and with effect from the Appointed Date, the Demerged Company shall derecognize the carrying value of assets and liabilities pertaining to the Demerged Undertakings, transferred to and vested in the Resulting Company from the carrying value of assets and liabilities as appearing in its books.

15.2.2 Loans and advances, receivables, payables and other dues outstanding between the Demerged Company and the Resulting Company relating to the Demerged Undertakings will stand cancelled and there shall be no further obligation /outstanding in that behalf.

15.2.3 The excess/deficit if any, of the net assets transferred to the Resulting Company pursuant to Clause 15.2.1 and effect to elimination of balances as mentioned in Clause 15.2.2, shall be adjusted with the Retained Earnings of the Demerged Company.

For and on behalf of Dalmia Bharat Sugar and Industries Limited



Aashhima V Khanna
Company Secretary

Date: 02.02.2024

Place: New Delhi

Dalmia Bharat Sugar and Industries Limited

11th & 12th Floor, Hansalaya Building, 15 Barakhamba Road, New Delhi – 110001, Delhi, India

T + 91 11 23465100 W www.dalmiasugar.com CIN: L15100TN1951PLC000640

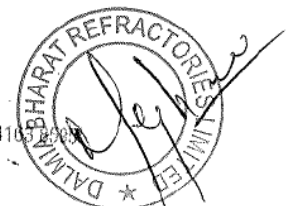
Registered Office: Dalmiapuram, District Tiruchirapalli – 621651, Tamil Nadu, India

A Dalmia Bharat Group company, www.dalmiabharat.com

Independent Auditor's Certificate to confirm that the proposed accounting treatment in the Draft Scheme of arrangement is in conformity with accounting standards prescribed under Section 133 of the Companies Act, 2013 pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued thereunder

To,
The Board of Directors,
Dalmia Bharat Refractories Limited,
Dalmiapuram, District Tiruchirappalli,
Tamil Nadu - 621651,
India.

1. This Certificate is issued in accordance with the terms of our engagement with **Dalmia Bharat Refractories Limited** ('the Company' or 'the Resulting Company'), having its registered office at Dalmiapuram, District Tiruchirappalli, Tamil Nadu - 621651
2. We, the statutory auditors of **Dalmia Bharat Refractories Limited** (hereinafter referred to as "the Company" or "the Resulting Company"), and have been requested by the management of the Company to examine that proposed accounting treatment in respect of Resulting Company specified in 15.1 and 15.3 of the Draft Scheme of Arrangement between Dalmia Bharat Sugar and Industries Limited ("DBSIL" or "Demerged Company") and Dalmia Bharat Refractories Limited ("DBRL" or "Resulting Company") and their respective shareholders ('Scheme') in terms of the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Companies Act, 2013, is in conformity with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued thereunder and the applicable India Accounting Standards prescribed under section 133 of the Companies Act, 2013 ("the Act"), read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, and other Generally Accepted Accounting Principles in India.
3. The accounting treatment proposed by the Company is specified in 15.1 and 15.3 of the Scheme. For ease of reference, the said clause of the Scheme, duly authenticated on behalf of the Company, are reproduced in the Annexure 1 to this certificate ('the Statement') and initialled by us only for the purposes of identification.



Management's Responsibility

4. The responsibility for preparation of the Scheme and its compliance with relevant laws and regulations, including the applicable Indian Accounting Standards read with the rules made thereunder and other Generally Accepted Accounting principles in India, 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 Scheme and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
5. The management of the Company is also responsible for ensuring that the Company complies with the requirements of the Act, and for providing all relevant information to the regulatory authority in connection with the Scheme.

Auditor's Responsibility

6. Our responsibility is only to examine and report whether the accounting treatment proposed by the Company as specified in 15.1 and 15.3 of the Scheme as reproduced in the Statement is in conformity with the Indian Accounting Standards specified in Section 133 of the Companies Act, 2013 and in line with the Generally Accepted Accounting Principles in India. 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.
7. A reasonable assurance engagement includes performing procedure to obtain sufficient appropriate evidence on the reporting criteria, as mentioned above. We have performed the following procedures in relation to the Scheme:
 - (i) Obtained and Read the proposed Scheme and the proposed accounting treatment in respect of Resulting Company specified in 15.1 and 15.3 therein, as provided by the Company.
 - (ii) Obtained copy of resolution passed by the Board of Directors of the Company dated 02/02/2024 approving the Scheme.
 - (iii) Examined whether the proposed accounting treatment in respect of Resulting Company as per 15.1 and 15.3 of the Scheme is in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued thereunder and the applicable Indian Accounting Standards notified by the Central Government under the Companies Act, 2013 and in line with the Generally Accepted Accounting Principles in India.
8. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) (the "Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI) and Standards on Auditing



specified under Section 143(10) of the Companies Act, 2013 in so far as applicable for the purpose of this Certificate. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

9. 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. Further, our examination did not extend to any other parts and aspects of a legal and proprietary nature in the aforesaid Scheme.

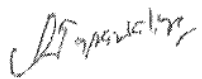
Opinion

10. Based on our examination and according to the information and explanations provided to us by the Management of the Company, we are of the opinion that the accounting treatment proposed by the Company as specified in 15.1 and 15.3 of the Scheme and reproduced in the Statement, is in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued there under and all the applicable Indian Accounting Standards notified by the Central Government under the Companies Act 2013 and other Generally Accepted Accounting Principles in India.

Restriction on Use

11. The Certificate is provided to the Board of Directors of the Company in connection with the Scheme and for the purpose of onward submission to the National Company Law Tribunal, Stock Exchanges and other regulatory authorities in connection with the Scheme and should not be used by any other person/ authority 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 Chaturvedi and Shah LLP
Chartered Accountants
Firm Registration No. 101720W / W100355


Vijay Napawaliya
Partner
Membership No. 109859
UDIN: 24109859BKFCGV3750
Place: Mumbai
Date: 02nd February, 2024





Dalmia


Bharat Refractories

Annexure I

15. ACCOUNTING TREATMENT

- 15.1 The Demerged Company and the Resulting Company shall account for the Scheme in their respective books/financial statements in accordance with applicable Indian Accounting Standards (Ind-AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, and generally accepted accounting principles in India as amended from time to time including as provided herein below:
- 15.2
- 15.3 Accounting treatment in the books of the Resulting Company:
- 15.3.1 The Resulting Company shall record the assets and liabilities pertaining to the Demerged Undertakings, transferred to and vested in it at their respective fair market value as on the Appointed Date.
- 15.3.2 Loans and advances, receivables, payables and other dues outstanding between the Demerged Company and the Resulting Company relating to the Demerged Undertakings will stand cancelled and there shall be no further obligation / outstanding in that behalf.
- 15.3.3 The Resulting Company shall credit to its share capital in its books of accounts the aggregate face value of New Equity Shares issued by it to the shareholders of the Demerged Company pursuant to Clause 11 of this Scheme. Resulting Company shall credit to its Securities Premium Account, the aggregate premium on New Equity Shares issued by it pursuant to Clause 11 of this Scheme. Securities Premium so created will be treated at par with any other Securities Premium existing in the books of the Transferee Company prior to this Scheme
- 15.3.4 In case of any difference in accounting policy between the Demerged Company and the Resulting Company, the accounting policies followed by the Resulting Company shall prevail.
- 15.3.5 The excess/deficit if any, of the net assets transferred to the Resulting Company pursuant to Clause 15.3.1 after giving effect to Clause 15.3.2 and Clause 15.3.3 and 15.3.4, shall be adjusted in Goodwill/Capital Reserve of the Resulting Company.

For Dalmia Bharat Refractories Limited


C N Maheshwari
Whole Time Director & CEO
DIN: 00125680



Date: 02.02.2024
Place: New Delhi

Dalmia Bharat Refractories Limited
c.succil@dalmiarf.com & www.dalmiaorf.com, CIN : L26100TN2006PLC061254
Regd Office : Dalmiapuram, Dist. Tiruchirappalli, Tamil Nadu, India Corporate Office : 4, Seelodia House, Connaught Place, New Delhi-110021
A Dalmia Bharat Group company

