



HRA & CO.,
Chartered Accountants

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**STATUTORY AUDITOR'S CERTIFICATE ON PROPOSED ACCOUNTING TREATMENT IN
THE BOOKS OF THE RESULTING COMPANY**

To,
The Board of Directors
Embassy Prism Ventures Limited
1st Floor, Embassy Point
150, Infantry Road
Bengaluru – 560 001
Karnataka

Sub: Statutory Auditor's Certificate on the Accounting Treatment specified in the proposed Scheme of Arrangement amongst Mac Charles (India) Limited and Embassy Prism Ventures Limited and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013

We, HRA & Co, the statutory auditors of Embassy Prism Ventures Limited ("the Resulting Company" or "the Company"), have examined the proposed accounting treatment specified in paragraph 23 of the draft Scheme of Arrangement (hereinafter referred to as "the Scheme") amongst Mac Charles (India) Limited ("Demerged Company") and Embassy Prism Ventures Limited ("Resulting Company") and their respective shareholders in terms of section 230 to 232 and other applicable provisions of the Companies Act, 2013, with reference to its compliance with the applicable Indian Accounting Standards as specified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standard) Rules, 2015 and other Generally Accepted Accounting Principles in India.

1. Management's Responsibility for the Statement

1.1 The responsibility for preparation of the Scheme and its compliance with the relevant laws and regulations, including the applicable Indian Accounting Standard specified under Section 133 of the Companies Act, 2013 read with rules issued thereunder and other Generally Accepted Accounting Principles in India, as aforesaid, is that of the Management of the Company involved. The responsibility for the preparation of the Scheme includes the



preparation and maintenance of all accounting and other relevant supporting records and documents.

- 1.2 The responsibility includes design, implementation and maintenance of internal control relevant to the preparation and presentation of the Scheme and applying an appropriate basis for preparation; and making estimates that are reasonable in circumstances.

2. Auditors' Responsibility

2.1 Our responsibility is only to examine and report whether the proposed accounting treatment referred in paragraph 23 (Accounting Treatment in the books of the Resulting Company) of the Scheme referred above comply with the applicable Indian Accounting Standards and other 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 in the capacity of statutory auditors of any financial statements of the Company.

2.2 We carried out our examination 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. 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. Further, our examination did not extend to any other parts and aspects of a legal or a proprietary nature in the aforesaid Scheme.

2.3 We have complied with the relevant applicable requirements of the Standard of Quality Control (SQC) 1, Quality Control for firms that Perform Audit and Reviews of Historical Financial Information, and other Assurance and Related Services Engagements.

3. Opinion

3.1 Based on our examination and according to the information and explanation given to us, we confirm that the proposed accounting treatment contained in paragraph 23 (Accounting Treatment in the books of the Resulting Company) of the aforesaid Scheme is in compliance with the Indian Accounting Standard (Ind AS) 103 – Business Combination and other applicable Indian Accounting Standards notified by the Central Government under the



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Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and other Generally Accepted Accounting Principles in India.

3.2 For the ease of reference, paragraph 23 (ie, Accounting Treatment in the books of the Resulting Company) of the aforesaid Scheme, duly authenticated on behalf of the Company, is reproduced as an Annexure 1 to this report and is stamped and initialed by us for the purpose of identification.

4. Restriction on Use

This Certificate is issued solely at the request of the Board of Directors of the Company, to whom it is addressed, pursuant to the requirements of the Rules, and for submission to the Hon'ble National Company Law Tribunal, Bengaluru, and should not be used for any other purpose. We do not accept or assume any liability or duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

For HRA & Co

Chartered Accountants

Firm Registration No: 010005S



Ravindranath N

Partner

Membership Number: 209961



UDIN: 24209961BKALWN7629

Place: Bengaluru

Date: 13th September 2024

Annexure 1

23. ACCOUNTING TREATMENT IN THE BOOKS OF THE RESULTING COMPANY:

On the effectiveness of the Scheme and with effect from the Appointed Date:

- (i) the Resulting Company shall record the assets and liabilities of the Demerged Undertaking vested in it pursuant to this Scheme, as per applicable Accounting Standards and with appropriate classification, consistent with the nature of the operations of the Resulting Company;
- (ii) Loans and advances, receivables, payables and other dues outstanding between the Demerged Company and the Resulting Company relating to the Demerged Undertaking will stand cancelled and there shall be no further obligation/ outstanding in that behalf.
- (iii) the Resulting Company shall issue RPS to the shareholders of the Demerged Company as per Clause 20.1 of this Scheme. These RPS shall be issued and recorded at face value and accordingly, the aggregate face value of the shares to be issued shall be credited to the Resulting Company's share capital account;
- (iv) the difference between the net assets of the Demerged Undertaking taken over by the Resulting Company and the RPS issued as per Clause (iii) above, pursuant to the Demerger shall be recorded in the books of the Resulting Company as per applicable Accounting Standards; and
- (v) in case of any differences in accounting policies between the Demerged Company and the Resulting Company, the accounting policies followed by Resulting Company shall prevail and impact of the same till the Appointed Date will be quantified and the same shall be appropriately adjusted and reported in accordance with applicable accounting rules and principles so as to ensure that the financial statements of the Resulting Company reflect the financial position on the basis of consistent accounting policies.

Smita R. Nalavkar



A handwritten signature in blue ink, appearing to be "Smita R. Nalavkar".