



## R D SATRA & ASSOCIATES

CHARTERED ACCOUNTANTS

UDIN: 20137056AAAACV7122

Date: 23.11.2020

### TO WHOMSOEVER IT MAY CONCERN

The Board of Directors of **Grasim Industries Limited** ("Company"), at its meeting held on 12<sup>th</sup> November 2020 approved the transfer of the Company's Fertiliser Business, on a slump sale basis, to Indorama India Private Limited ("IIPL"). The slump sale is proposed to be effected through a scheme of arrangement between the Company and IIPL and their respective shareholders and creditors under Sections 230-232 of the Companies Act, 2013 and other applicable legal provisions.

Based on the unaudited Financial Statements for the period ended 30<sup>th</sup> September 2020, (limited reviewed by auditors) and information and documents produced before us and explanation furnished to us by the Company, this is to certify that the Net Worth of the Company as on 30<sup>th</sup> September, 2020 and Net Worth of Company post slump sale of Fertiliser business would be as under:

#### Net Worth Certificate of Grasim Industry Limited as on 30<sup>th</sup> Sept. 2020 (Pre scheme)

(Rs in Crore)	
<b>Share Capital - (A)</b>	131.60
<b>Add: Reserve &amp; Surplus</b>	
<u>Free Reserve as per section 2(43) of Companies Act, 2013</u>	
General Reserve	11,584.41
Surplus as per statement of Profit and Loss	4,641.83
<b>Total Free Reserves - (B)</b>	<b>16,226.24</b>
<b>Net Worth as per section 2(43) of Companies Act, 2013 (A) + (B)</b>	<b>16,357.84</b>

#### Net Worth Certificate of Grasim Industry Limited as on 30<sup>th</sup> Sept. 2020 (Post scheme)

(Rs Crores)	
<b>Share Capital - (A)</b>	131.60
<b>Add: Reserve &amp; Surplus</b>	
<u>Free Reserve as per section 2(43) of Companies Act, 2013</u>	
General Reserve	11,584.41
Surplus as per statement of Profit and Loss	4,864.30
<b>Total Free Reserves - (B)</b>	<b>16,448.71</b>
<b>Net Worth as per section 2(43) of Companies Act, 2013 (A) + (B)</b>	<b>16,580.31</b>



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CERTIFIED TRUE COPY Email: [rdsa@rdsatra.com](mailto:rdsa@rdsatra.com); Mobile: +91-9833113116  
FOR GRASIM INDUSTRIES LIMITED

*Hutokshi Wadia*  
HUTOKSHI WADIA  
COMPANY SECRETARY





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**Note:**

1. Post scheme of Arrangement Net worth as above has been arrived at on the basis of balances in the books as on 30th September, 2020 and will undergo change on the effective date of implementation of the scheme.
2. Free Reserves are calculated as per section 2(43) of Companies Act, 2013, which are available for distribution as dividend. Other reserves like security premium, Capital reserve and Other Comprehensive Income has not been considered for the purpose of above calculation.
3. This certificate issued for the purpose of submission by the Company to the National stock exchange and the Bombay stock exchange and is not to be used, referred to or distributed for any other purpose without our prior written consent.

**For R D SATRA & ASSOCIATES**

**Chartered Accountants**

**Firm Registration No. 139447W**



**CA. Dhaval Satra**

**Partner**

**Membership No. 137056**

**Place: Mumbai**



To,  
The Board of Directors,  
Indorama India Private Limited  
Ecocentre, EM-4, 12th Floor,  
Unit No. ECSL – 1201, Sector V,  
Salt Lake, Kolkata – 700091.

**Sub: independent auditors' certificate on the statement of computation of net worth as on 30<sup>th</sup> September 2020.**

1. We, Singhi & Co., Chartered Accountants, are the statutory auditors of **Indorama India Private Limited** (Formerly known as IRC Agrochemicals Private Limited) (hereinafter referred to as 'I IPL', or 'the Company' or 'the transferee company'). In terms of company's letter dated 28<sup>th</sup> December 2020 and the draft scheme of arrangement ("the proposed scheme") between Grasim Industries Limited ("transferor Company") and the company, we have been requested to certify the computation of the net worth of the Company as per audited special purpose condensed interim financial statements as at 30<sup>th</sup> September, 2020 and the net worth of the Company post scheme of arrangement (hereinafter referred as 'the statement'). The above statement annexed herewith has been prepared by the management and signed by us for identification purposes only.

**Management's Responsibility**

2. The preparation of the Statement is the responsibility of the Management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation and making estimates that are reasonable in the circumstances.
3. The Management is also responsible for ensuring that the Company complies with the requirements of the SEBI and the Companies Act 2013, in relation to the proposed scheme and for providing all the information to the SEBI and the stock exchanges.

**Auditor's Responsibility**

4. Pursuant to the requirements as stated in Para 1 above, it is our responsibility to provide a reasonable assurance as to whether the net worth of the Company pre and post scheme of arrangement as set out in the Statement have been extracted from the audited special purpose condensed interim financial statements of the Company as at 30<sup>th</sup> September, 2020 and the computation of net worth is arithmetically correct.
5. We conducted our examination of the aforesaid computation of the net worth in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016), issued by the Institute of Chartered Accountants of India (ICAI), in so far as applicable for the purpose of this certificate. This Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
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.
7. A reasonable assurance engagement includes performing procedures to obtain sufficient appropriate audit evidence on the reporting criteria mentioned in paragraph 4 above. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated with the reporting criteria. We have performed the following procedures in respect of the accompanying statement:-

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FOR GRASIM INDUSTRIES LIMITED

*Hutokshi Wadia*  
HUTOKSHI WADIA  
COMPANY SECRETARY



*[Signature]*

- a. Traced and agreed the amounts in the attached Statement to the audited special purpose condensed interim financial statements of the Company as at 30<sup>th</sup> September, 2020.
  - b. Verified the arithmetical accuracy of the statement.
  - c. Obtained the draft Scheme of Arrangement (the proposed Scheme) between Grasim Industries Limited ("transferor Company") and the Company as certified by the management of the company.
  - d. Obtained necessary representation from the management.
8. The pre and post scheme of arrangement, net worth of the company has been arrived on the basis of balances appearing as on September 30, 2020 in the audited special purpose condensed interim financial statements of the company, and will undergo changes on the effective date of implementation of the proposed scheme on account of profit/loss during the intervening period (i.e. from October 1, 2020 to the effective date of the scheme) and also by the impact of the accounting of the proposed scheme as per IND AS 103- "Business Combination" and other applicable Indian Accounting Standards including determination of fair values of assets and liabilities as on the effective date of the scheme.
9. The pre and post scheme of arrangement, net worth of the company shall also undergo change by the impact of proposed scheme arrangement between the company and Indorama Industries Limited (IIL) wherein the spandex business of IIL shall be transferred to the Company with effect from appointed date i.e. 1st October, 2019 subject to obtaining of necessary approvals.

#### Conclusion

10. Based on the procedures performed by us as stated in paragraph 7 above, the management representation obtained, the probable impact on the net worth of the company as envisaged in para 8 & 9 above and according to the information and explanation received, we are of the opinion that that net worth computation pre and post Scheme of arrangement, as set out in the annexed Statement is in agreement with the audited special purpose condensed interim financial statements as at and for the period ended 30th September, 2020 and that the computation of net worth in the Statement is mathematically correct.

#### Restriction on Distribution and Use

11. This Certificate is issued at the request of Company pursuant to the requirements of circulars issued under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for onward submission to the National Stock Exchange of India Limited and BSE Limited. This Certificate should not be used for any other purpose without our prior written consent.
12. 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.



For Singhi & Co.  
Chartered Accountants  
Firm's Registration No. 302049E

(Gopal Jain)  
Partner

Membership No. 059147  
UDIN :20059147AAAAEF8192

Place: Kolkata  
Date: 28<sup>th</sup> December, 2020



"Statement to the Certificate dated 28<sup>th</sup> December, 2020."

Amount (Rs.in lakhs)

Particulars	Pre Scheme		Post-Scheme	
Share Capital (paid up) - (i)		29,995.14		29,995.14
<b>Add:</b>				
Reserve & Surplus				
- Retained Earnings	27,591.64		27,591.64	
<b>Total Free Reserves - (ii)</b>		27,591.64		27,591.64
<b>Net Worth - (i) + (ii)</b>		<b>57,586.78</b>		<b>57,586.78</b>

**Notes:-**

1. The Net worth has been calculated based on the audited special purpose condensed interim financial statements as per the section 2(57) of the Companies Act, 2013. Capital Reserve amounting to Rs.21,837.56 as on 30<sup>th</sup> September, 2020 and other comprehensive reserve has not been considered while arriving at the Net-Worth of the company.
2. The pre and post scheme of arrangement net worth of the company shall undergo changes on the effective date of implementation of the proposed scheme on account of profit/loss of the company during the intervening period (from October 1, 2020 to the effective date) and also by the impact of the accounting of the Proposed scheme between Grasim Industries Limited and the Company as per IND AS 103 'Business Combination' and other applicable accounting standards, including determination of fair values of assets and liabilities as on the effective date of the scheme.
3. The pre and post scheme of arrangement net worth of the company shall also undergo change by the impact of proposed scheme arrangement between the company and Indorama Industries Limited (IIL) wherein the spandex business of IIL shall be transferred to the Company with effect from appointed date i.e. 1st October, 2019 subject to obtaining of necessary approvals.

For Indorama India Private Limited



Manish Kumar Agarwal  
Chief Financial Officer



Place: Kolkata

Date: 28<sup>th</sup> December, 2020