

To
The Board of Directors,
Kothari Petrochemicals Limited
Chennai

Subject: Independent Auditors' Certificate in respect of the proposed accounting treatment as mentioned in the Scheme of Amalgamation between Kothari Sugars and Chemicals Limited (Transferor Company) and Kothari Petrochemicals Limited (Transferee Company) and their respective shareholders and creditors under Sections 230 to 232 of the Companies Act, 2013 ("the Scheme")

1. We, M/s. P. Chandrasekar LLP, Chartered Accountants (Firm Registration No. FRN000580S/S200066), the statutory auditors of Kothari Petrochemicals Limited ("KPL" or "the Transferee Company"), having its registered office at Kothari Building, No. 115, Nungambakkam High Road, Chennai – 600034, Tamil Nadu, issue this certificate in accordance with the terms of our engagement with the Transferee Company.
2. We have examined the proposed accounting treatment specified in Clause 16 of the Proposed Scheme of Amalgamation between Kothari Sugars and Chemicals Limited ("Transferor Company") and Kothari Petrochemicals Limited ("Transferee Company") and their respective shareholders and creditors under Sections 230 to 232 of the Companies Act, 2013 ("the Scheme"), and the relevant provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued thereunder (hereinafter referred to as the "Proposed Scheme") with reference to its compliance with the applicable Indian Accounting Standards notified under Section 133 of the Act, read with the rules made there under and other generally accepted accounting principles.

For ease of reference, the said Clause 16 of the Proposed Scheme, duly authenticated on behalf of the Transferee Company, is reproduced in the Annexure to this certificate ("the Statement") and initialled by us only for identification.

Management Responsibility

3. The responsibility for the preparation of the Scheme and its compliance with the relevant laws and regulations, including the applicable Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 read with relevant rules thereunder and other Generally Accepted Accounting Principles in India ("GAAP"), rests with the Board of Directors of the Companies involved in the Scheme. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the Scheme; the selection and application of an appropriate basis of preparation; and making estimates and judgements that are reasonable in the circumstances.

Auditors' Responsibility

4. Our responsibility is to examine and report whether the accounting treatment proposed in the Scheme, as specified in Clause 16 and reproduced in the Statement, is in conformity with the applicable Indian Accounting Standards notified under 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 the subject of this certificate, will extend any duty of care that we may have in our capacity as statutory auditors of the financial statements of the Company.

5. 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 the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, to the extent 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.
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 the ICAI. Our examination did not extend to any other parts or aspects of a legal or proprietary nature in the aforesaid Scheme.

Opinion

7. The Proposed Scheme has been approved by the Board of Directors of the Company in its meeting held on May 19, 2026. The appointed date for the purpose of this Proposed Scheme is April 01, 2026, or such other date as may be approved by the Tribunal.
8. Based on our examination and according to the information and explanations provided to us, in our opinion, the proposed accounting treatment contained in Clause 16 of Part C of the Proposed Scheme is in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, notified under Section 133 of the Companies Act and other generally accepted accounting principles, as applicable.

Restrictions on Use

9. This certificate is addressed to and provided to the Board of Directors of Kothari Petrochemicals Limited (Transferee Company) solely in connection with the Scheme and for the purpose of onward submission to the National Company Law Tribunal, Chennai, the Securities and Exchange Board of India, the National Stock Exchange of India Limited, and such other regulatory authorities as may be required under Applicable Laws. This certificate should not be used for any other purpose or by any other person or authority. Accordingly, we do not accept or assume any liability or 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 written consent.

for **P Chandrasekar LLP**

Chartered Accountants

Firm Registration No.: FRN 000580S/S200066



Raghavendhar Sekhar

Partner

Membership No.: 244016

UDIN: 26244016IGPAEF1114



Place: Chennai

Date : May 19, 2026

ANNEXURE**Extract of Clause 16 - Accounting Treatment in the Books of Transferee Company**

(As appearing in the Scheme of Amalgamation between Kothari Sugars and Chemicals Limited and Kothari Petrochemicals Limited approved by the Board of Directors on May 19, 2026)

16. ACCOUNTING TREATMENT IN THE BOOKS OF TRANSFEE COMPANY

- 16.1 *On this Scheme taking effect, the Transferee Company shall account for amalgamation of Transferor Company with the Transferee Company in its books of account as under:*
- 16.2 *Notwithstanding anything contained in any other clause in the Scheme, amalgamation of the Transferor Company with the Transferee Company shall be accounted for in accordance with pooling of interest method for common control business combinations mentioned in Appendix C of Indian Accounting Standard (Ind AS) 103 - Business Combinations or any other relevant or related requirement under the Act, as may be applicable.*
- 16.3 *The assets and liabilities of the Transferor Company transferred and vested in Transferee Company under this Scheme shall be recorded in the books of the Transferee Company at the value and in the same form as recorded in the books of Transferor Company. In case of any differences in accounting policy between the Transferee Company and the Transferor Company, accounting policies followed by the Transferee Company shall prevail and impact of the same shall be quantified and appropriately adjusted in accordance with the accounting policies followed by the Transferee Company to ensure the financial statements reflect the financial position on the basis of consistent accounting policy.*
- 16.4 *The identity of the reserves of Transferor Company (including securities premium and retained earnings), shall be preserved and they shall appear in the financial statements of Transferee Company in the same form, in which they appeared in the financial statements of the Transferor Company.*
- 16.5 *The Transferee Company shall credit its share capital account with the aggregate face value of the equity shares issued to the shareholders of the Transferor Company as of the Record Date pursuant to this Scheme.*
- 16.6 *The inter-corporate investments/deposits/loans and advances between the Transferee Company and the Transferor Company will stand cancelled and there shall be no further obligation in that behalf.*
- 16.7 *The difference, if any, between the amount recorded as share capital issued by the Transferee Company and the amount of share capital of the Transferor Company shall be transferred to capital reserve. The amount of paid-up capital in the Transferee Company to the extent it is not represented by issued and paid-up shares but pertains to forfeited shares shall be re-casted as capital reserve.*



Cont.....2/-

..(2)..

16.8 *The financial information in the financial statements in respect of prior periods will be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.*

16.9 *The Transferor Company shall stand dissolved without being wound up upon the Scheme becoming effective and all the assets and liabilities of the Transferor Company shall be transferred to the Transferee Company in terms of the Scheme. Accordingly, there is no accounting treatment in the books of account of the Transferor Company is prescribed in this Scheme.*

for **P Chandrasekar LLP**

Chartered Accountants

Firm Registration No.: FRN 000580S/S200066



Raghavendhar Sekhar

Partner

Membership No.: 244016

Place: Chennai

Date : 19.05.2026



for **Kothari Petrochemicals Limited**



K. Priya
Company Secretary

