


To,
The Board of Directors
Jay Shree Tea & Industries Limited
Industry House
10, Camac Street
Kolkata 700 017

**Auditor's certificate on the proposed Accounting Treatment
specified in the Scheme of Arrangement**

1. We, Singhi & Co , Chartered Accountants, the Statutory Auditors of Jay Shree Tea & Industries Limited ("the Company") have examined the proposed accounting treatment specified in clause 10 of Part II of the Draft Scheme of Arrangement between Jay Shree Tea & Industries Limited and Bidhannagar Tea Co. Private Limited ("Draft Scheme") in terms of the provisions of Sections 230 to 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.
2. 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 company. Our responsibility is only to examine and report whether the proposed Accounting Treatment referred to in paragraph 10 of Part II of 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. We carried out our examination in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India.
3. Based on our examination and according to the information and explanations given to us, we confirm that the accounting treatment contained in Clause 10 of Part II of the Draft Scheme as set out in Annexure "A" hereto is in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued thereunder and the applicable Accounting Standards notified by the Central Government specified under section 133 of the Companies Act, 2013.
4. This Certificate is issued at the request of Jay Shree Tea & Industries Limited pursuant to the requirements of circulars issued under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for onward submission to the Stock Exchange(s) where the Company is listed and any other regulatory authorities for the purpose of Scheme of Arrangement. This Certificate should not be used for any other purpose without our prior written consent.

FOR Singhi & Co.
Chartered Accountants
Firm Registration No.302049E




(G L Choudhary)
Partner
Membership No .052112
UDIN: 23052112BGXCHG9028

Place: Kolkata
Date: January 12, 2023

Annexure "A"

ACCOUNTING TREATMENT IN THE BOOKS OF THE DEMERGED COMPANY AND THE RESULTING COMPANY

1.1 Accounting treatment in the books of the Demerged Company

Upon the effectiveness of this Scheme, in accordance with the applicable accounting standards under the Act and generally accepted accounting principles in India:

- 1.1.1 The value of all assets and liabilities pertaining to the Demerged Undertaking which cease to be assets and liabilities of the Demerged Company shall be reduced by the Demerged Company at their carrying values; and
- 1.1.2 The difference i.e. the excess or shortfall, as the case may be, of the value of transferred assets over the transferred liabilities pertaining to the Demerged Undertaking and demerged from the Demerged Company pursuant to the Scheme, shall, after adjusting the same with the amount of shares to be issued by the Resulting Company, shall be adjusted with the reserves of the Demerged Company.

1.2 Accounting treatment in the books of the Resulting Company

Upon the effectiveness of this Scheme and with effect from the Appointed Date:

- 1.2.1 the Resulting Company shall comply with accounting standard IND AS 103 – Business Combination and account for the identifiable assets and liabilities pertaining to the Demerged Undertaking using the acquisition method at acquisition date fair value.
- 1.2.2 the Resulting Company shall issue shares to the Demerged Company as per Clause 8.1 of this Scheme. These shares 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.
- 1.2.3 The difference i.e. the excess or shortfall, as the case may be, of the value of the assets and the liabilities pertaining to the Demerged Undertaking and received from the Demerged Company pursuant to the Scheme after taking into account the face value of the shares issued by the Resulting Company shall be transferred to its capital reserve or goodwill, as the case may be.

