

Walker Chandiook & Co LLP

To
The Board of Directors
Raymond Limited
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Independent auditor's certificate on non-applicability of paragraph I(A)(9)(a) and I(A)(9)(b) of Annexure I of Circular No. CFD/DIL3/CIR/2017/21 dated 10 March 2017 issued by the Securities and Exchange Board of India ('SEBI')

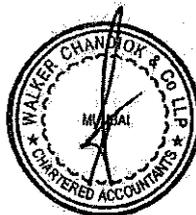
1. This certificate is issued in accordance with the terms of our engagement letter dated 22 July 2019 with Raymond Limited ('the Company').
2. The Management of the Company has prepared the accompanying undertaking approved by the Board of Directors ('the Board') of the Company at its meeting held on 7 November 2019 and suitably amended till date as authorised by the Board ('the Undertaking') pursuant to paragraph I(A)(9)(c) of Annexure I of Circular No. CFD/DIL3/CIR/2017/21 dated 10 March 2017 issued by the SEBI (the 'SEBI Circular') stating the reasons for non-applicability of requirements prescribed under paragraph I(A)(9)(a) and I(A)(9)(b) of Annexure I of the SEBI Circular in connection with the composite scheme of arrangement between the Company and Raymond Lifestyle Limited ('the Resulting Company', i.e. the Proposed New Company) incorporated as an unlisted public company under the Companies Act, 2013 (the 'Act'), Raymond Apparel Limited ('the Transferor Company 1' or 'RAL') and Scissors Engineering Products Limited ('the Transferor Company 2' or 'SEPL') and their respective shareholders ('the Scheme') in terms of the provisions of Sections 230 to 232 of the Act and other relevant provisions and rules made thereunder. We have initialled the Undertaking for identification purposes only.

Management's Responsibility for the Undertaking

3. The preparation of the Undertaking is the responsibility of the management of the Company including preparation and maintenance of all accounting and other relevant supporting records and documents in relation to the Scheme. This responsibility includes design, implementation and maintenance of internal controls relevant to the preparation and presentation of the Undertaking and applying appropriate basis of preparation, and making estimates that are reasonable in the circumstances.
4. The management is also responsible for ensuring that the Company complies with all the requirements of SEBI Circular and the Act in relation to the Scheme and for providing all relevant information to the SEBI, the BSE Limited ('the BSE') and the National Stock Exchange of India Limited ('the NSE').

Auditor's Responsibility

5. Pursuant to the requirements of the SEBI Circular, it is our responsibility to express a reasonable assurance, in the form of an opinion, based on our examination of the Scheme as to whether the requirements of paragraph I(A)(9)(a) and I(A)(9)(b) of Annexure I of the SEBI Circular are applicable to the Scheme.



Walker Chandiook & Co LLP

Raymond Limited

Independent auditor's certificate on non-applicability of paragraph I(A)(9)(a) and I(A)(9)(b) of Annexure I of Circular No. CFD/DIL3/CIR/2017/21 dated 10 March 2017 issued by the Securities and Exchange Board of India ('SEBI')

6. We conducted our examination of the Undertaking 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 (the 'ICAI'). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the 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 Services Engagements, issued by ICAI.

Opinion

8. Based on our examination of the Scheme and according to the information and explanations provided to us, along with the representations provided to us by the management, in our opinion, the requirements of paragraph I(A)(9)(a) and I(A)(9)(b) of Annexure I of the SEBI Circular are not applicable to the Scheme for the reasons stated in the Undertaking.

Restriction on Distribution or Use

9. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the requirements of the provisions of the SEBI Circular. Our obligations in respect of this certificate are entirely separate from, and our responsibility and liability is in no way changed by, any other role we may have as statutory auditors of the Company or otherwise. Nothing 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 we may have in our capacity as statutory auditors of the Company.
10. The certificate is addressed to and provided to the Board of Directors of the Company solely for the purpose of enabling them to comply with the requirements of the SEBI Circular which require them to submit the certificate by the statutory auditors along with the accompanying Undertaking, duly approved by the Board of Directors of the Company, for onward submission to the SEBI, the BSE and the NSE and should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing.

For Walker Chandiook & Co LLP
Chartered Accountants
Firm Registration No.: 001076N/N500013


Adi P. Sethna
Partner
Membership No. 108840

UDIN No:19108840AAAAGB6226

Place: Mumbai
Date: 06 December 2019

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Undertaking in relation to non-applicability of paragraph I(A)(9)(a) and I(A)(9)(b) of Annexure I of Circular No. CFD/DIL3/CIR/2017/21 dated 10 March 2017 issued by the Securities and Exchange Board of India ('SEBI Circular') to the Composite Scheme of Arrangement between Raymond Limited, Raymond Lifestyle Limited, Raymond Apparel Limited and Scissors Engineering Products Limited and their respective shareholders ('the Scheme')

This is in connection with the Composite Scheme of Arrangement between Raymond Limited, a public listed company incorporated under Companies Act, 1913 ('the Demerged Company' or 'the Transferee Company' or 'RL'), Raymond Lifestyle Limited, an unlisted public company incorporated under Companies Act, 2013 ('the Act') as a wholly-owned subsidiary of the Demerged Company ('the Resulting Company', i.e. the Proposed New Company), Raymond Apparel Limited, an unlisted public company incorporated under the Companies Act, 1956 and a wholly owned subsidiary of the Transferee Company ('the Transferor Company 1' or 'RAL') and Scissors Engineering Products Limited, an unlisted public company incorporated under Companies Act, 1956 and a wholly owned subsidiary of the Transferee Company ('the Transferor Company 2' or 'SEPL') and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Act and pursuant to paragraph I(A)(9)(a) of the SEBI Circular and subsequent modifications thereof, wherein it is mandated for listed companies to ensure that the scheme submitted with the Hon'ble National Company Law Tribunal ('Tribunal'), for sanction, provides for voting by public shareholders through e-voting, after disclosure of all material facts in the explanatory statement sent to the shareholders in relation to such resolution.

The Demerged Company hereby undertakes that the requirements stated at paragraph I(A)(9)(a) and I(A)(9)(b) of the SEBI Circular is not applicable to the Scheme for the following reasons:

1) Para I(A)(9)(b)(i)

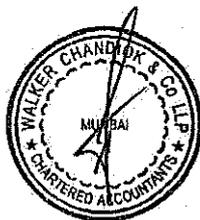
Where additional shares have been allotted to Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary(s) of Promoter / Promoter Group of the listed entity

The Scheme does not envisage any allotment of additional shares to promoter/promoter group, related parties of promoter/promoter group, associates of promoter/promoter group, subsidiary(s) of promoter/promoter group of the Demerged Company.

Fact pattern upon the Scheme coming into effect:

i. Issue of shares by the Resulting Company to the existing members of the Demerged Company.

Resulting Company shall issue and allot equity shares on a proportionate basis to each member of the Demerged Company or to their respective heirs, executors, administrators or other legal representatives or the successors-in-title, as the case may be, whose names appear in the Register of Members as on the Record Date as per the share entitlement ratio enshrined in Clause 24 of the Scheme i.e. 1 fully paid up equity share of Rs. 10 each of the Resulting Company for every 1 fully paid up equity share of Rs. 10 each of the Demerged Company and 1 fully paid up equity share of Rs. 10 each of the Resulting Company for every 1 fully paid up 0.01% compulsorily convertible preference share of Rs. 10 each of the Demerged Company. Such shares of the Demerged Company would also include the equity shares of Rs. 10 each and 0.01% compulsorily convertible preference shares of Rs. 10 each, proposed to be issued on a preferential basis, as approved by the board of directors of the Demerged Company at their meeting held on 7 November 2019, and by the members of the Demerged Company at their meeting held on 2 December 2019 ('the proposed preferential issue').



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ii. Cancellation of the equity shares held by the Demerged Company in the Resulting Company

Upon the Scheme becoming effective and upon the allotment of equity shares by the Resulting Company in accordance with provisions of Clause 24 of the Scheme, the existing paid up equity share capital of the Resulting Company held by the Demerged Company as on Effective Date shall stand cancelled without any further act or deed immediately and without any consideration and accordingly, the paid up share capital of the Resulting Company shall stand reduced to the extent of face value of such equity shares cancelled.

This will ensure that the shareholding pattern of the Resulting Company is identical and a mirror image of the shareholding of the Demerged Company as at the Record Date mentioned in (i) above.

Accordingly, it is evident from the above that all Members of the Demerged Company would get equity shares in the Resulting Company in proportion to their entitlement as per the share entitlement ratio enshrined in the Scheme and there would not be any allotment of additional shares as per this scheme to promoter/promoter group, related parties of promoter/promoter group, associates of promoter/promoter group, subsidiary(s) of promoter/promoter group of the Demerged Company.

iii. Amalgamation of Transferor Company 1 and Transferor Company 2 with Transferee Company

Upon the Scheme becoming effective, with effect from the Appointed Date, the entire business and undertaking of the Transferor Company 1 and Transferor Company 2, shall, under the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, and pursuant to the orders of the Tribunal or other appropriate authority, if any, sanctioning the Scheme, without any further act, deed, matter or thing, stand transferred to and vested in and/or deemed to be transferred to and vested in the Transferee Company so as to become the properties and liabilities of the Transferee Company in accordance with the provisions of Section 2(1B) of the Income Tax Act, 1961. No shares would be issued by the Transferee Company upon amalgamation of Transferor Company 1 and Transferor Company 2 into itself, on account of the Transferor Company 1 and Transferor Company 2 being wholly owned subsidiaries of the Transferee Company.

2) Para (1)(A)(9)(b)(ii)

Where the Scheme of Arrangement involves the listed entity and any other entity involving Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(s) of Promoter / Promoter Group.

The Scheme envisages amalgamation of the Transferor Company 1 and Transferor Company 2 into the Transferee Company, demerger of the Lifestyle Business Undertaking (as defined in the Scheme) of the Demerged Company into Resulting Company and cancellation of the equity shares held by the Demerged Company in Resulting Company (as mentioned above). Thus, the Scheme does not involve any other entity involving promoter/promoter group, related parties of promoter/promoter group, associates of promoter/promoter group, subsidiary(s) of promoter/promoter group of the Demerged Company.

Fact pattern upon the Scheme coming into effect:

- i. Resulting Company is incorporated as a wholly owned subsidiary of Demerged Company and therefore, Resulting Company is not part of the promoter/promoter group, related parties of promoter/promoter group, associates of promoter/promoter group, subsidiary(s) of promoter/promoter group of the Demerged Company as the relationship is only through the Demerged Company, by virtue of it being a wholly owned subsidiary.
- ii. As mentioned in paragraph 1 above, upon the Scheme becoming effective, with effect from the Appointed Date, the entire business and undertaking of Transferor Company 1 and Transferor Company 2, shall, under the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, and pursuant to the orders of the Tribunal or other



appropriate authority, if any, sanctioning the Scheme, without any further act, deed, matter or thing, stand transferred to and vested in and/or deemed to be transferred to and vested in the Transferee Company so as to become the properties and liabilities of the Transferee Company in accordance with the provisions of Section 2(1B) of the Income Tax Act, 1961 and since Transferor Company 1 and Transferor Company 2 are wholly owned subsidiaries of the Transferee Company, the Scheme does not involve any other entity involving promoter/promoter group, related parties of promoter/promoter group, associates of promoter/promoter group, subsidiary(s) of promoter/promoter group of the Demerged Company as the relationship is only through the Demerged Company, by virtue of these being wholly owned subsidiaries.

3) Para (I)(A)(9)(b)(iii)

Where the parent listed entity has acquired, either directly or indirectly, the equity shares of the subsidiary from any of the shareholders of the subsidiary who may be Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary(s) of Promoter / Promoter Group of the parent listed entity, and if that subsidiary is being merged with the parent listed entity under the Scheme.

- i. Demerged Company has not acquired, either directly or indirectly, the equity shares of Resulting Company from any shareholders of Resulting Company, who may be promoter / promoter group, related parties of promoter / promoter group, associates of promoter / promoter group, subsidiary(s) of promoter / promoter group of the Demerged Company as Resulting Company is incorporated as a wholly owned subsidiary of the Demerged Company.
- ii. Transferee Company has not acquired, either directly or indirectly, any equity shares of Transferor Company 1 from any shareholders of Transferor Company 1, who may be promoter/promoter group, related parties of promoter/promoter group, associates of promoter/promoter group, subsidiary(s) of promoter/promoter group of Transferee Company, as the Transferor Company 1 is a wholly owned subsidiary of the Transferee Company.
- iii. Transferee Company has not acquired, either directly or indirectly, any equity shares of Transferor Company 2 from any shareholders of Transferor Company 2, who may be promoter/promoter group, related parties of promoter/promoter group, associates of promoter/promoter group, subsidiary(s) of promoter/promoter group of Transferee Company, as the Transferor Company 2 is a wholly owned subsidiary of the Transferee Company.

4) Para (I)(A)(9)(b)(iv)

Where the scheme involving merger of an unlisted entity results in reduction in the voting share of pre-scheme public shareholders of listed entity in the transferee / resulting company by more than 5% of the total capital of the merged entity

- i. As mentioned in paragraph 1(iii) above, upon the Scheme becoming effective, with effect from the Appointed Date, the entire business and undertaking of the Transferor Company 1 and Transferor Company 2, shall, under the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, and pursuant to the orders of the Tribunal or other appropriate authority, if any, sanctioning the Scheme, without any further act, deed, matter or thing, stand transferred to and vested in and/or deemed to be transferred to and vested in the Transferee Company so as to become the properties and liabilities of the Transferee Company in accordance with the provisions of Section 2(1B) of the Income Tax Act, 1961. Since the Transferor Company 1 and Transferor Company 2 are wholly owned subsidiaries of the Transferee Company, the amalgamation will not result in reduction in the voting share of pre-scheme public shareholders of Transferee Company in the Transferee Company by more than 5% of the total capital of the merged entity.

5) Para (I)(A)(9)(b)(v)

Where the scheme involves transfer of whole or substantially the whole of the undertaking of the listed entity and the consideration for such transfer is not in the form of listed equity shares

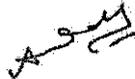
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The Scheme envisages demerger of the Lifestyle Business Undertaking (as defined in the Scheme) of the Demerged Company into Resulting Company which constitutes substantially the whole of the undertaking of the Demerged Company as per SEBI Circular.

- i. Resulting Company shall issue and allot equity shares on a proportionate basis to each member of the Demerged Company or to their respective heirs, executors, administrators or other legal representatives or the successors-in-title, as the case may be, whose names appear in the Register of Members as on the Record Date as per the share entitlement ratio enshrined in Clause 24 of the Scheme i.e. 1 fully paid up equity share of Rs. 10 each of the Resulting Company for every 1 fully paid up equity share of Rs.10 each of the Demerged Company held by its member and 1 fully paid up equity share of Rs.10 each of Resulting Company for every 1 fully paid up 0.01% compulsorily convertible preference share of Rs. 10 each of Demerged Company [including the proposed preferential Issue referred to in paragraph 1(i)]. Resulting Company shall apply for listing of all its equity shares on BSE Limited and National Stock Exchange of India Limited ('stock exchanges') in terms of and in compliance of SEBI Circular and other relevant provisions under applicable laws. The equity shares allotted by Resulting Company in terms of Clause 24 of the Scheme, shall remain frozen in the depository system till listing/ trading permission is given by the stock exchanges. Further, there shall be no change in the shareholding pattern of Resulting Company between the Record Date and the listing of its equity shares which may affect the status of approval of the stock exchanges. Accordingly, the Scheme involves transfer of substantially the whole of the undertaking of the Demerged Company and the consideration for such transfer is not considered to be in the form of unlisted equity shares.

For and on behalf of the Board of Directors



Alpesh Dalal
Authorised Signatory

Place: Mumbai
Date: December 06, 2019

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