PKF SRIDHAR & SANTHANAM LLP

Chartered Accountants

To,
The Board of Directors,
Mangalore Chemicals & Fertilizers Limited

Introduction

We, the Statutory auditors of Mangalore Chemicals & Fertilizers Limited (herein after referred as "the company"), have examined Section C and D of the draft Scheme of Arrangement of Mangalore Chemicals & Fertilizers Limited ('Transferor Company") with Paradeep Phospates Limited ("Transferee Company) and their respective shareholders and creditors ("the Scheme") under provisions of SEBI Circular, Section 230 to 232 and other applicable provisions of the Companies Act 2013 ("the Act" and Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ("the Rules") with reference to its compliance with the applicable Indian Accounting Standards notified under section 133 of the Act and Other Generally Accepted Accounting Principles.

Management's Responsibility

The responsibility for the preparation of the Draft Scheme and its compliance with the relevant laws and Regulations, including the applicable Indian Accounting Standards as aforesaid, is that of the Board of Directors of the Companies involved. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of draft scheme and applying an appropriate basis of preparation and making estimates that are reasonable in the circumstances.

The management is also responsible for ensuring that the Company complies with the requirements of the Act and the rules, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the SEBI circular, and the applicable accounting standards, in relation to the Draft Scheme, and for providing all relevant information to the relevant National company Law Tribunal, the SEBI, and the BSE Limited, and the National Stock Exchange of India Limited (hereinafter referred to as 'the stock exchanges')

Auditor's Responsibility

Our responsibility is only to examine and report whether the Draft Scheme complies with the applicable Indian 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 conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India to the extent applicable. 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.

We hereby confirm that while providing this certificate we have complied with 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 Institute of Chartered Accountants of India.

PKF SRIDHAR & SANTHANAM LLP
Firm Regn. No.: 003990S/S200018
BANGALORE

Conclusion

Based on our examination and according to the information and explanations given to us, along with the representations provided to us by the management, the Company shall be amalgamated with Paradeep Phospates Limited with effect from the appointed date and shall stand dissolved without the process of winding up in terms of Section C and D of the Scheme. Accordingly, we understand that no accounting treatment shall be required in the books of accounts of the Company pursuant to the Scheme becoming effective.

Restriction to Use

Our obligation in respect of this review report are entirely separate from, and our responsibility and liability is in no way changed by any other role we may have (or may have had) as auditor of the company or otherwise. Nothing in this review report, nor anything said or done in the course of or in connection with the service that are the subject of this report, will extend any duty of care we may have in our capacity as auditor of the company.

This Certificate is issued at the request of the Mangalore Chemicals & Fertilizers Limited pursuant to the requirements of circulars issued under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for onward submission to the stock exchanges. This Certificate should not be used for any other purpose without our prior written consent.

For PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm Registration No. 003990S/S200018

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BANGALORE

Seethalakshmi M
Partner
Membership No. 208545
UDIN: 24208545BKAELN9074

Place: Bangalore
Date: 7th Feb 2024