

Khimji Kunverji & Co(Registered)
Chartered AccountantsTo,
UltraTech Cement Limited
Mumbai.

Certificate No.: 0514/2018/PaUd

CERTIFICATE

1. We, Khimji Kunverji & Co., are one of the joint statutory auditors of UltraTech Cement Ltd. ("the Company"). We have examined computation of pre-merger Net-worth as on March 31, 2018 and the provisional post-merger net-worth.
2. The accompanying computation of pre-merger Net-worth as per audited standalone financial statements as on March 31, 2018 and provisional post-merger net-worth of the Company (hereinafter referred to as "the statement") based on the draft scheme of arrangement between the Company, Century Textiles and Industries Limited ("demerged company") and their respective shareholders (hereinafter referred to as "the draft scheme") has been prepared by the Company and initiated by us for identification purpose only.
3. We have performed verification procedures, 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"). We have complied with the relevant applicable requirements of the Standard Quality Control (SQC 1), Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information and Other Assurance and Related Service Engagements.
4. For the purpose of this certificate, we have traced the numbers considered for computation of pre-merger Net-worth from audited standalone financial statements of the Company for the year ended March 31, 2018. For verifying the changes to the net worth pursuant to the draft scheme, we have carried out the following procedure:
 - a) Confirmed the number of equity shares to be issued to the shareholders of the demerged company from the Board Resolution approving the draft scheme.
 - b) Traced the amounts for the provisional post-merger net-worth in the attached statement to the audited standalone financial statements for the year ended March 31, 2018 and the details of discharge of consideration contained in the Press Release of the Company dated May 20, 2018.
 - c) Tested the arithmetical accuracy of the Statement
5. The provisional post-merger net-worth of the Company has been arrived on the basis of balances appearing on March 31, 2018 in the audited standalone financial statements of the Company and details contained in the Press Release dated May 20, 2018 w.r.t. the changes in the net-worth and will undergo changes on the effective date of implementation of the Scheme on account of profit/loss during the intervening period (From April 01, 2018 to the effective date) and the accounting of the Scheme as per Ind AS 103 – Business Combination, including determination of fair values of assets and liabilities of the demerged undertaking as on the acquisition date and issue of equity shares by the Company to the shareholders of the Transferor Company in the approved share entitlement ratio.

Certified True Copy
For UltraTech Cement LimitedS. K. Chattopadhyay
Company SecretarySunshine Tower, Level 19, Senapati Bapat Marg, Elphinstone Road, Mumbai 400 013, India
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Suite 52, Bombay Mutual Building, Sir Phirozshah Mehta Road, Fort, Mumbai 400 001, India



Khimji Kunverji & Co

(Registered)

Chartered Accountants



6. Based on procedures performed by us as stated above and as per the information and explanation provided to us by the management of the Company, amounts contained in the attached computation of pre-merger net-worth and provisional post-merger net-worth, is as per the audited standalone financial statements as on March 31, 2018 and the details contained in the Press Release dated May 20, 2018.
7. This certificate is 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 Khimji Kunverji & Co.

Chartered Accountants

ICAI FRN-105146W

Karanesh R. Jagetta
Partner (F-139585)

Place: Ahmedabad

Date: May 23, 2018



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Rs Crs

Computation of pre-merger net-worth as on March 31, 2018 and the provisional net-worth post-merger				
Particulars	Pre-Merger		Post-Merger	
Share Capital (paid-up) - (I)		274.61		288.58
Add:				
Reserves & Surplus				
Free Reserves as per Section 2(43) of the Companies Act, 2013				
- General Reserve	20,030.41		20,030.41	
- Securities Premium Account	69.67		69.67	
- Surplus as per Statement of Profit and Loss	5,042.79		5,042.79	
Total Free Reserves - (A)		25,142.87		25,142.87
Others				
- Debenture Redemption Reserve	324.17		324.17	
- Capital Reserve	170.72		5,777.84	
- Share Options Outstanding Account	17.29		17.29	
- Cashflow Hedge Reserve	(6.64)		(6.64)	
Others - (B)		505.54		6,112.66
Total Reserves & Surplus (A+B) - (II)		25,648.41		31,255.53
Net Worth - (I+II)		25,923.02		31,544.11



UltraTech
The Engineer's Choice

UltraTech Cement Limited

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SRBC & CO LLP

Chartered Accountants

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Independent Auditor's Report on the Statement of Computation of Net worth as at March 31, 2018

The Board of Directors
Century Textiles and Industries Limited
Century Bhavan,
Dr. Annie Besant Road, Worli,
Mumbai - 400 030.

1. This Report is issued in accordance with the terms of our service scope letter dated May 22, 2018 and master engagement agreement dated September 1, 2017 with Century Textiles and Industries Limited (hereinafter the "CTIL" or the "Company").
2. The accompanying Statement of Net Worth as at March 31, 2018 of the Company (hereinafter referred together as the "Statement"), which we have initialled for identification purposes only, is prepared by the management to comply with the requirements of stock exchanges for filing along with the draft scheme of arrangement (the "Scheme" or "Scheme of Arrangement") between CTIL and Ultratech Cement Limited.

Management's Responsibility for the Statement

3. 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 the design, implementation and maintenance of internal controls 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.
4. The management is also responsible for ensuring that the Company complies with the requirements of SEBI and Companies Act 2013, in relation to the Proposed Scheme and for providing all the information to the Securities Exchange Board of India (SEBI) and the Stock Exchanges.

Auditor's Responsibility

5. Pursuant to the requirements of the Scheme, it is our responsibility to provide a limited assurance as to whether the amounts in the Statement that form part of the Net Worth computation as at March 31, 2018 have been accurately extracted from the respective audited financial statements for the year ended March 31, 2018 and the computation of net worth is arithmetically correct
6. The audited financial statements referred to in paragraph 5 above, have been audited by us, on which we issued an unmodified audit opinion vide our report dated May 2, 2018. Our audit of these financial statements were conducted in accordance with the Standards on Auditing, as specified under Section 143(10) of the Companies Act, 2013 and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.
7. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the Institute of Chartered Accountants of India. 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.
8. 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.



**Certified True Copy
For UltraTech Cement Limited**

S. K. Chatterjee

Secretary

Century Textiles and Industries Limited
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9. A limited assurance engagement involves performing procedures to obtain sufficient appropriate evidence on the Reporting criteria mention in paragraph 5 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 relation to the Statement:
- Agreed the amounts in the attached Statement, to the audited financial statements of the Company as at and for the year ended March 31, 2018 and other underlying records forming part of audited financial statements of the Company, as referred in paragraph 6 above.
 - Verified the arithmetical and clerical accuracy of the Statement.
 - Obtained the Draft Scheme of Arrangement (the "Scheme"), between the Company and Ultratech Cement Limited in terms of the provisions of sections 230 to 232 and all other applicable provisions of the Companies Act, 2013 and implementation agreement entered between the Company and Ultratech Cement Limited ('Implementation Agreement') and observed that the net asset/liability to be transferred under the Scheme is calculated in accordance with the Scheme and Implementation Agreement.
 - Obtained necessary representations from management.

Conclusion

10. Based on our examination, as above, nothing has come to our attention that causes us to believe that, the amounts that form part of the net worth computation as at March 31, 2018 have not been accurately extracted from the audited financial statements for the years ended March 31, 2018 other underlying records forming part of audited financial statements of the Company and that the computation of net worth in the Statement is not mathematically accurate.

Emphasis of matter

11. We draw attention to Note# to the calculation of Net worth in the annexure to the certificate. Net worth adjusted for the effect of demerger calculated in the Statement is provisional and calculated based on net carrying value of demerged division of the Company as at 31 March 2018. On the date of demerger, carrying value of demerged division and Net worth adjusted for the effect of demerger may undergo change. Our conclusion is not qualified in respect of this matter.

Restriction on Use

12. The certificate is addressed to and provided to the Board of Directors of the Company solely to comply with the requirements of Stock exchanges for filing along with the Scheme, and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any 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 consent in writing.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003



per Abhishek Agarwal
Partner
Membership Number: 112773

Place of Signature: Mumbai
Date: May 23, 2018



CENTURY Textiles and Industries Limited

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CIN-L17120MH1897PLC000163

OUR REF.: Annexure to the Certificate dated 23 May 2018 issued by S R B C & CO LLP regarding computation of pre and post demerger net worth of Century Textiles and Industries Limited ('the Company') as of March 31, 2018

Statement of Net Worth as on 31.03.2018

Particulars	(Rs. in crores)
Share capital subscribed and paid up	111.69
Securities Premium Account	643.22
Capital Redemption Reserve	100.00
Debenture Redemption Reserve	120.84
General Reserve	1,273.54
Surplus in the statement of profit and loss	369.74
Less: Fair valuation adjustment (net of deferred tax)@	(248.40)
Net Worth as at 31 March 2018 as per audited financial statements	2,370.63
Adjustment for the effect of demerger based on the Scheme of demerger and Implementation Agreement (Refer below calculation)	127.67
Net Worth as at 31 March 2018 adjusted for the effect of demerger#	2,498.31

Net worth adjusted for the effect of demerger is provisional and calculated based on net carrying value of demerged division as at 31 March 2018. On the date of demerger, carrying value of demerged division may undergo change.

@ On transition to Ind AS, Company had recognized fair value gain on a land and corresponding deferred tax in reserve and surplus. Accordingly for calculation of net worth as per Companies Act, the impact of the same as at 31 March 2018 has been eliminated.

Adjustment for the effect of demerger based on the Scheme of demerger and Implementation Agreement

	(Rs. in crores)
Carrying value of assets of demerged division as at 31 March 2018	4,054.10
Carrying value of liabilities of demerged division as at 31 March 2018 (including additional loan to be transferred as per Implementation Agreement)	(4,181.77)
Net asset/(liability) to be transferred	(127.67)

We confirm that the net worth of Company as at 31 March 2018 adjusted for the effect of demerger is calculated based on the Scheme of demerger and Implementation Agreement and is as per Section 2(57) of Companies Act, 2013. This calculation is based on the audited financial statements of the Company, as of and for the year ended 31 March 2018.

SIGNED FOR IDENTIFICATION
BY

S R B C & CO LLP
MUMBAI

For Century Textiles and Industries Limited




Nilay Rathi
Sr. Vice President (Commercial)

