

Varma & Varma

Chartered Accountants

**INDEPENDENT AUDITORS' CERTIFICATE ON THE PROPOSED ACCOUNTING
TREATMENT SPECIFIED IN THE DRAFT SCHEME OF AMALGAMATION**

To
The Board of Directors,
Rane Engine Valve Limited
'Maithri', 132, Cathedral Road
Chennai - 600 086

1. This certificate is issued in accordance with the terms of our Engagement Letter with Rane Engine Valve Limited.
2. We, Varma & Varma Chartered Accountants, the Statutory Auditors of Rane Engine Valve Limited (hereinafter the "Company" or "Transferor Company"), have examined the proposed accounting treatment specified in Clause 13 'Accounting Treatment' of Part III of the draft scheme of amalgamation as approved by the Board of Directors of the Company in their meeting dated February 9, 2024 for amalgamation between Rane Engine Valve Limited ("Transferor Company"), Rane Brake Lining Limited (Transferor Company 2) and Rane Madras Limited (Transferee Company) and their respective shareholders ("Draft Scheme") in terms of provisions of Section 230 to 232 of the Companies Act, 2013, with reference to its compliance with the applicable Accounting Standards notified under Section 133 of the Companies Act, 2013, read with rules made thereunder other generally accepted accounting principles.

Management's Responsibility

3. The responsibility for the preparation of the Draft Scheme along with the accounting treatment 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 companies involved in the scheme. This responsibility includes the design, implementation and maintenance of the internal control relevant to the preparation and presentation of the Draft Scheme and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

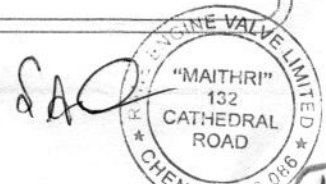
Auditor's Responsibility

4. Our responsibility is to examine and report whether the proposed accounting treatment specified clause 13 in the Draft Scheme complies with the applicable Accounting standards and Other Generally Accepted Accounting Principles.
5. 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.
6. 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. This Guidance note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
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.

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Conclusion

8. Based on our examination and according to the information and explanations given to us, upon the scheme coming into effect all assets and liabilities of the transferor company shall be transferred to the transferee company and the transferor company shall stand dissolved without being wound up. Accordingly, no accounting treatment has been prescribed under the scheme in the books of the transferor company. The extract of the relevant clause of the scheme is reproduced in Annexure 1 to this certificate.

Restriction on Use

9. This Certificate is issued at the request of the Company and addressed to the Board of Directors of the Company, solely for the purpose to comply with the requirements of the SEBI Listing Regulations, 2015 for onward submission to the National Stock Exchange and BSE Ltd and National Company Law Tribunal (the "NCLT").

This Certificate should not be used for any other purpose without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

Place : Bangalore
Date : February 9, 2024



For **VARMA & VARMA**
Chartered Accountants
Firm Registration No 004532S

GEORGY MATHEW

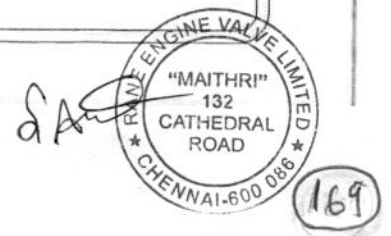
Partner

ICAI Membership No. 209645

UDIN: 24209645BKATJU6712

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CIN : L74999TN1972PLC006127
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Annexure 1

Relevant Extract of Clause 13 of Part III of the draft scheme of amalgamation between Rane Engine Valve Limited, Rane Brake Lining Limited and Rane Madras Limited and their respective shareholders in terms of provisions of Section 230 to 232 of the Companies Act, 2013

13. ACCOUNTING TREATMENT

Amalgamation of Transferor Companies with the Transferee Company:

- i. Transferor Companies will cease to exist pursuant to the Scheme coming into effect and consequently no accounting will be required in the books of Transferor Companies. Accordingly, no accounting treatment in the books of the Transferor Companies is stated in this Scheme.

For Rane Engine Valve Limited

Name : V K Vijayaraghavan

Designation : Chief Financial Officer

