

**Addendum to Independent auditor's certificate dated 12th July, 2022 on the proposed accounting treatment included in the Draft Scheme of Arrangement pursuant to Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016**

To  
The Board of Directors,  
**Rossell India Limited**  
Jindal Towers, Block - "B", 4th floor,  
21/1A/3, Darga Road,  
Kolkata - 700017  
West Bengal

1. We issue this Certificate as Addendum to our original Certificate dated 12<sup>th</sup> July, 2022 issued by us as the statutory auditors of the Company, as we understand that subsequent to the approval of the Scheme by the Board of Directors, the following changes took place in the Capital structure of the Company as on 16<sup>th</sup> December, 2022:
  - a. the Company has converted 10,00,000 0.01% Compulsorily Convertible Preference Shares of Rs. 10 each (CCPS) fully paid up into 10,00,000 Equity Shares of Rs. 2 each fully paid up, as per agreed terms and condition and the same are being held by the Transferor Company (Allottee).
  - b. Further based on the directions of the Stock exchanges, the Transferor Company sold 32,000 Equity Shares out of their Existing holding.

As a result of events in 'a' and 'b' above, the present holding of the Transferor Company in the Share Capital of the Transferee Company is 2,47,31,795 Equity Shares of Rs. 2 each.

Thus, the consideration provided in Clause 6 of the Original Draft Scheme of Amalgamation between BMG Enterprises Limited ("the Transferor Company") and Rossell India Limited ("the Transferee Company") and their respective shareholders under the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("the Scheme") have been suitably revised to give effect to 'a' and 'b' above to the extent that on conversion of these CCPS, the consideration to be issued as preference shares shall now be issued as Equity Shares and there shall be no additional consideration. The proposed accounting treatment has accordingly been revised as per Clause 8 of the Scheme.

2. We report that we have examined the proposed accounting treatment specified in Revised Clause 8 of the Scheme with reference to its compliance with the accounting standards prescribed under Section 133 of the Act, read with relevant rules issued thereunder (the 'applicable accounting standards') and other generally accepted accounting principles in India. A certified true copy of the proposed accounting treatment specified in Revised Clause 8 of the Scheme, as attached herewith in Annexure I and stamped and initialed by us for identification.
3. Based on our examination as above and according to the information and explanations given to us, along with the representations provided by the Management, we confirm



# KHANDELWAL RAY & CO.

CHARTERED ACCOUNTANTS

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BELGACHIA,

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that the accounting treatment contained in Revised Clause 8 of the Scheme, is in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued there under and all the applicable Accounting Standards notified by the Central Government under the Companies Act, 2013 and other generally accepted accounting principles in India.

4. This certificate, to be read in conjunction with our Original Certificate dated 12<sup>th</sup> July, 2022, is issued at the request of the Company's Management for onward submission along with the Revised Draft Scheme to the SEBI, the Stock Exchanges and the Hon'ble National Company Law Tribunal, Kolkata Bench. Accordingly, this certificate may not be suitable for any other purpose, 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 or 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 Khandelwal Ray & Co.**

Chartered Accountants

(Registration No. 302035E)



**Pinaki Sarkar**

Partner

**Membership No. 051449**

UDIN: 23051449BGRVTJ9493



Place: Kolkata

Date: 25<sup>th</sup> February, 2023

## ANNEXURE I

Relevant Extract of the draft Scheme of Amalgamation between BMG Enterprises Limited ("the Transferor Company") and Rossell India Limited ("the Transferee Company") and their respective shareholders (hereinafter referred to as the 'Scheme')


### 8 ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEEE COMPANY

*Upon the Scheme becoming effective, the Transferee Company shall account for the amalgamation in its books as under –*

- 8.1 With effect from the Appointed Date, all the assets and liabilities (including contingent liabilities) appearing in the books of accounts of the Transferor Company shall stand transferred to and vested in the Transferee Company pursuant to the Scheme and shall be recorded by the Transferee Company at their respective book values.
- 8.2 The equity shares of the Transferee Company held by the Transferor Company shall stand cancelled in accordance with Clause 7.1 of the Scheme and as a result equivalent equity of the Transferee Company and the book value of investments held by the Transferor Company in the Transferee Company recorded as per Clause 8.1 above shall stand cancelled.
- 8.3 The face value of New Equity Shares issued by the Transferee Company to the shareholders of the Transferor Company pursuant to Clause 6.1 above shall be credited to the Equity Share Capital Account respectively of the Transferee Company.
- 8.4 The difference, if any, of the value of assets over the value of liabilities and reserves transferred to the Transferee Company as stated above and the face value of New Equity Shares issued by the Transferee Company, after providing for adjustments as stated above shall be adjusted in the Capital Reserve of the Transferee Company.
- 8.5 The Transferee Company shall account for the amalgamation in its books as per the accounting principles generally accepted in India, including the Indian Accounting Standards (IndAS) prescribed under Section 133 of the Act and the accounting treatment prescribed above, to the extent consistent with IndAS.

**Certified True Copy**

For Rossell India Limited

  
Director (Finance) and Company Secretary ,

