

Annexure 14

**K. S. AIYAR & CO**  
CHARTERED ACCOUNTANTS

# F-7 Laxmi Mills  
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**Auditor's Certificate**

To,  
The Board of Directors,  
The Dharamsi Morarji Chemical Company Limited  
Prospect Chambers  
317/21, D N Road, Fort,  
Mumbai 400001

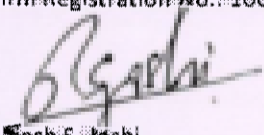
We, the statutory auditors of The Dharamsi Morarji Chemical Company Limited, (hereinafter referred to as "the Company"), have examined the proposed accounting treatment specified in clause 9 (as attached herewith) of the Draft Scheme of Arrangement between Borax Morarji Limited and Dharamsi Morarji Chemical Company Limited and their respective shareholders and creditors in terms of the provisions of section(s) 230-232 read with section 52 of the Companies Act, 2013 with reference to its compliance with the applicable Accounting Standards notified under the Companies Act, 2013 and Other Generally Accepted Accounting Principles.

The responsibility for the preparation of the Draft Scheme 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. Our responsibility is only to examine and report whether the Draft Scheme complies with the applicable 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 carried out our examination in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India. Based on our examination and according to the information and explanations given to us, we confirm that the accounting treatment contained in the aforesaid 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.

This Certificate is issued at the request of the Dharamsi Morarji Chemical Company Limited pursuant to the requirements of circulars issued under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for onward submission to the BSE Limited. This Certificate should not be used for any other purpose without our prior written consent.

For K.S. Aiyar & Co;  
Chartered Accountants  
Firm Registration No.: 100186W

  
Rajesh S. Joshi  
Partner  
Membership Number: 038526  
Place: Mumbai  
Date: 1<sup>st</sup> March, 2017

Offices also at  
Chennai, Kolkata  
Bangalore, Coimbatore, Hyderabad

## 9. ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFeree COMPANY ON AMALGAMATION

With effect from the Effective Date, the Transferee Company shall follow the accounting treatment for the amalgamation in accordance with provisions of applicable Accounting Standards such that:

Upon the coming into effect of this Scheme, the Transferee Company shall on the Appointed Date record the assets and liabilities of the Transferor Company at their fair values as determined by the Board of Directors of the Transferee Company. As considered appropriate for the purpose of reflecting the fair value of assets and liabilities of the Transferor Company taken over by the Transferee Company, suitable effect may be given including, but not restricted to, application of relevant accounting policies and methods followed by the Transferee Company.

- 9.1. The Transferee Company shall credit to its equity share capital account, the face value of equity shares issued as per Clause 7.1 of this Scheme.
- 9.2. The inter-company balances, if any, appearing in the books of accounts of the Transferee Company and the Transferor Company, will stand cancelled.
- 9.3. The difference being the excess of the fair value of assets and liabilities of the Transferor Company transferred to the Transferee Company, over the fair value of equity shares allotted as per Clause 7.1 and after considering the adjustment mentioned in Clause 9.2 above, would be recorded as Capital Reserve. Shortfall, if any, shall be recorded as Goodwill.

