

**Independent Auditor's Certificate**

To,  
The Board of Directors,  
Shiva Cement Limited  
Jindal Mansion, 5A, Dr. G. Deshmukh Marg,  
Mumbai – 400 026

**Re: Certificate on the proposed accounting treatment included in Clause 6 of Part II of the draft Scheme of Arrangement between Shiva Cement Limited and JSW Cement Limited**

1. This report is issued in accordance with the terms of our engagement with Shiva Cement Limited dated October 10, 2026.
2. We, Shah Gupta & Co., Chartered Accountants, the Statutory Auditors of Shiva Cement Limited ("SCL" or the "Company" or "Transferor Company"), have received a request from the Company to examine the proposed accounting treatment prescribed in Clause 6 of Part II of the draft Scheme of Arrangement between Shiva Cement Limited and JSW Cement Limited ("JCL" or "the Transferee Company") and their respective shareholders with respect to reduction of capital, as approved by the Board of Directors of the Company in their meeting held on September 29, 2026 ("the Draft Scheme"). The relevant extract of Clause 6 of Part II of the Draft Scheme, duly authenticated on behalf of the Company, is reproduced in **Annexure 1** to this Certificate and has been initialled by us solely for the purpose of identification.
3. This report is required by the Company in accordance with the provisions of Sections 230 to 232 read with Section 52, Section 66, and other applicable provisions of the Companies Act, 2013 ("the Act"), to confirm whether the accounting treatment prescribed in Clause 6 of Part II of the Draft Scheme complies with the applicable Accounting Standards notified under Section 133 of the Act read with the rules made thereunder, and applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI LODR Regulations"), read with relevant circulars issued thereunder. This report has been prepared at the request of the Company for onward submission to the Securities and Exchange Board of India ("SEBI"), the National Company Law Tribunal, Mumbai Bench ("NCLT"), the Registrar of Companies, Mumbai ("ROC"), BSE Limited ("BSE"), National Stock Exchange of India Limited ("NSE"), the Regional Director (Western Region), Ministry of Corporate Affairs, and the Official Liquidator in connection with the Draft Scheme.

**Management's Responsibility**

4. The responsibility for the preparation of the Draft Scheme, including the preparation and maintenance of all accounting and other relevant supporting records and documents, and its compliance with the relevant laws and regulations, necessary sections of the Act, applicable Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("the applicable Accounting Standards"), other generally accepted accounting principles in India, applicable MCA Circulars, and SEBI Regulations and circulars issued thereunder, is that of the Board of Directors of the Company. This responsibility includes the design, implementation, and maintenance of internal control relevant to the preparation and presentation of the Draft Scheme, applying an appropriate basis of preparation, and making estimates that are reasonable in the circumstances. The Draft Scheme has been approved by the Board of Directors of the Company at its meeting held on September 29, 2026.
5. The Management of the Company is also responsible for providing all relevant information, explanations, and necessary representations to the NCLT, SEBI, the Stock Exchanges, and any other regulatory or statutory authorities in connection with the Draft Scheme.

**Auditor's Responsibility**

6. Our responsibility, pursuant to the requirements of Sections 230 to 232 read with Section 52 and Section 66 of the Act, the rules framed thereunder, and Part I(A)(5) of the SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023, is limited to examining whether the proposed accounting treatment referred to in Clause 6 of Part II of the Draft Scheme complies with the applicable Accounting Standards, other generally accepted accounting principles in India (Indian GAAP), and the relevant SEBI LODR Regulations. Nothing contained in this certificate, nor anything said or done in the course of, or in connection with the services that are the subject of this certificate, will extend any duty of care that we may have in our capacity as the statutory auditors of any financial statements of the Company.
7. Our examination is strictly restricted to the proposed accounting treatment prescribed in Clause 6 of Part II of the Draft Scheme. Accordingly, our examination does not extend to the accounting treatment relating to the amalgamation of the Transferor Company into the Transferee Company prescribed in Clause 9 of Part III of the Draft Scheme or Clause 21 of Part IV of the Draft Scheme, which are covered separately in the certificate issued by the statutory auditors of the Transferee Company.

8. The standalone financial statements of the Company for the year ended 31 March, 2026 has been audited by us and we have issued an unmodified audit opinion vide our audit report dated May 04, 2026.
9. We conducted our examination 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.
10. 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. Further our examination did not extend to any other parts and aspects of a legal or proprietary nature in the aforesaid scheme.
11. For the purpose of this certificate, we have performed the following procedures:
  - a. Obtained a certified true copy of the Draft Scheme approved by the Board of Directors and read the proposed accounting treatment specified in Clause 6 of Part II thereof.
  - b. Read and verified the statutory requirements of Sections 230 to 232 read with Section 52 and Section 66 of the Act, and Part I(A)(5) of SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023.
  - c. Examined the proposed Accounting Treatment in the books of the Company prescribed in the Scheme and assessed whether the same is in compliance with the applicable accounting standards and SEBI Regulations and circulars issued thereunder.

#### Opinion

12. Based on the procedures performed by us as described in paragraph 11 above, and according to the information, explanations, and management representations provided to us, with respect to the proposed accounting treatment contained in Clause 6 of Part II of the Draft Scheme relating to the reduction of capital under Section 66 read with Section 52 of the Act:
  - a. There is neither any explicit guidance nor any prohibition/restriction specified under the Accounting Standards (Ind AS) notified under Section 133 of the Act for setting off the opening accumulated debit balance in Retained Earnings against the Securities Premium Account in the course of a capital reduction.
  - b. Accordingly, upon the Draft Scheme being sanctioned by the National Company Law Tribunal (NCLT) and on the capital reduction contained therein becoming effective in terms of Section 66 read with Section 52 of the Act, the proposed accounting treatment will be in compliance with the Companies (Indian Accounting Standards) Rules, 2015 (as amended) notified under Section 133 of the Act, the SEBI LODR Regulations read with circulars issued thereunder, and other generally accepted accounting principles in India, as applicable.
13. The specified accounting treatment in Clause 6 of Part II of the Draft Scheme relating to the reduction of capital, duly authenticated on behalf of the Company, is reproduced in Annexure 1 to this certificate and has been initialled by us solely for identification purposes.

#### Restriction on Use

14. This certificate is addressed to and issued solely for the Board of Directors of the Company pursuant to the requirements of circulars issued under the SEBI LODR Regulations and the provisos to Section 230(7) and Section 66(1) of the Act, for onward submission to the regulatory authorities mentioned in paragraph 3 above, and must not be used by any other person or for any other purpose, or distributed or referred to in any other document without our prior written consent.
15. Our examination relates exclusively to the matters specified in this certificate and does not extend to the financial condition or performance of the Company as a whole. We make no representations regarding legal compliance with company law or any other legal/tax enactments. Accordingly, we do not accept or assume any liability or duty of care to any third party into whose hands this certificate may come. We have no obligation to update this certificate for events or circumstances occurring after the date hereof.

For Shah Gupta & Co.

Chartered Accountants

Firm Registration No.: 109574W



Heneel K Patel

Partner

M. No. 114103

UDIN: 26114103JKVYUS3036

Place: Mumbai

Date: October 12, 2026





## Annexure I

RELEVANT EXTRACT OF ACCOUNTING TREATMENT INCLUDED IN CLAUSE 6 OF PART II OF THE DRAFT SCHEME OF ARRANGEMENT BETWEEN SHIVA CEMENT LIMITED ("THE TRANSFEROR COMPANY") WITH JSW CEMENT LIMITED ("THE TRANSFEREE COMPANY") AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS UNDER SECTIONS 230 TO 232 READ WITH SECTION 52 AND SECTION 66 READ WITH OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 AND RULES FRAMED THEREUNDER

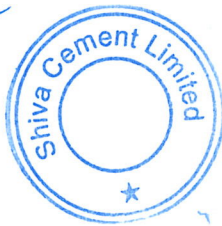
### 6 Accounting Treatment for adjustment of accumulated debit balance in the Retained Earnings with the Securities Premium Account of the Transferor Company

6.1. On Part II of this Scheme becoming effective and with effect from Appointed Date, the Transferor Company shall prior to giving effect of clause 9 of Part III and clause 21 of Part IV of the Scheme, account for reduction of SPA in accordance with Section 66 read with Section 52 of the Act and applicable rules and regulations made thereunder:

- a) The opening debit balance in Retained Earnings in the books of Transferor Company as on the Appointed Date shall be adjusted against the corresponding opening credit balance in the SPA of the Transferor Company as on the Appointed Date, to the extent of balance available in the said SPA; and
- b) Post giving effect to the adjustment set out in clause 5.1, the residual opening balance, if any, of the Retained Earnings of the Transferor Company as on the Appointed Date shall, upon the Part III of the Scheme becoming effective, be merged with and form part of the Retained Earnings of the Transferee Company as per applicable accounting standards mentioned in clause 9 of Part III of this Scheme

For and on behalf of  
Shiva Cement Limited

  
Girish Menon  
Chief Financial Officer



Place: Mumbai  
Date: October 12, 2026

SHIVA CEMENT LIMITED

CIN L26942MH1985PLC470630

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