

# Price Waterhouse Chartered Accountants LLP

For the kind attention of the Board of Directors

RHI India Private Limited  
C-604, Neelkanth Business Park,  
Opp. Railway Station, Vidhyavihar (West),  
Mumbai, Maharashtra-400086, India

## Auditors' Certificate on Statement of Pre Scheme Net Worth as at March 31, 2018

1. This certificate is issued in accordance with the terms of our agreement dated August 24, 2018 and in supersession of our certificate dated August 24, 2018, pursuant to the observations' letter, dated September 6, 2018, received by Orient Refractories Limited from National Stock Exchange India Limited.
2. The accompanying Statement of Pre Scheme Net Worth of RHI India Private Limited (the "Transferor Company 1 or the "Company") as at March 31, 2018 (hereinafter referred to as the "Statement") contains the details as required pursuant to compliance with the checklists, issued by BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) and as available on their websites, regarding the documents required to be submitted by Orient Refractories Limited (the "Transferee Company") for approval of the Scheme of Amalgamation, among the Company, the Transferee Company and RHI Clasil Private Limited (the Transferor Company 2) and their respective Shareholders and Creditors under sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("the Scheme") and as approved by the Board of Directors of respective companies in their meetings held on July 31, 2018 with appointed date being January 1, 2019, under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015. The Statement has been initialled by us for identification purposes only.

## Management's Responsibility for the Statement

3. The preparation of the Statement is the responsibility of the Management of the Company including the creation and maintenance of all accounting and other records supporting its contents. This responsibility includes the design, implementation and maintenance of internal control 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 the checklists, issued by BSE Limited (BSE) and National Stock Exchange of India Limited (NSE), regarding the documents required to be submitted by the Company for approval of the Scheme under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 (hereinafter collectively referred to as the "Guidelines") and provides all relevant information to BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

## Auditors' Responsibility

5. Pursuant to the Guidelines, it is our responsibility to certify whether:

### Pre-Scheme Networth of the Company

- (a) the amount in the Statement as at March 31, 2018, that forms part of the Net-worth computation have been accurately extracted from the audited financial statements of the Company for the year ended March 31, 2018 duly approved by the Board of Directors in their meeting held on July 31, 2018 and other records maintained by the Company;
- (b) the calculation of net-worth in the Statement is computed in accordance with the method determined by the management, as specified in the Statement.

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Price Waterhouse Chartered Accountants LLP (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP Identity no: LLPIN AAC 5091) with effect from July 25, 2014. Prior its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/4500016 (ICAI registration number before conversion was 012754N)

6. We conducted our examination of the Statement in accordance with the 'Guidance Note on Reports or Certificates for Special Purposes' 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.
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.

#### **Conclusion**

8. Based on our examination, as above, we certify that:

##### **Pre Scheme Net Worth of the Company**

- (c) the amount in the Statement as at March 31, 2018, that forms part of the Net Worth computation have been accurately extracted from the audited financial statements of the Company for the year ended March 31, 2018 duly approved by the Board of Directors in its meeting held on July 31, 2018 and other records maintained by the Company;
- (d) the calculation of Net Worth in the Statement is computed in accordance with the method determined by the management, as specified in the Statement.

#### **Other Matter**

9. The financial statements of the Company for the year ended March 31, 2018, were audited by another firm of chartered accountants under the Companies Act, 2013 who, vide their report dated July 31, 2018, expressed an unmodified opinion on those financial statements. For the purpose of our work, we have been provided audited financial statements of the Company by the management. Our opinion is not qualified in respect of this matter.

#### **Restriction on Use**

10. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Guidelines. Our obligations in respect of this certificate are entirely separate from, and our responsibility and liability is in no way changed by any other role we may have (or may have had) as auditors of the Company or otherwise. Nothing 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 we may have in our capacity as auditors of the Company.



11. The certificate is addressed to and provided to the Board of Directors of the Company solely to enable it to comply with the Guidelines and to submit the accompanying Statement to BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) through the Transferee Company, 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 Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: 012754N/N500016  
Chartered Accountants

  
Abhishek Rana

Membership Number: 077779

Place: Mumbai  
Date: September 7, 2018

**RHI MAGNESITA**

RHI India Private Limited

To,  
**The National Stock Exchange of India Limited and BSE Limited,**  
**Mumbai,**  
**Statement of Pre Scheme Net Worth as at March 31, 2018**

In accordance with the Scheme of Amalgamation among Orient Refractories Limited (the "Transferee Company"), RHI India Private Limited (the "Company or the "Transferor Company 1"), RHI Clasil Private Limited ("Transferor Company 2") (hereinafter referred to as the "Respective Companies") and their respective Shareholders and Creditors under sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("the Scheme"); as approved by the Board of Directors of Respective Companies in their meetings held on July 31, 2018, the Transferor Company 1 and Transferor Company 2 are proposed to be merged with the Transferee Company.

According to checklist, issued by BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) and as available on their websites, regarding the documents required to be submitted by the Transferee Company for approval of the Scheme under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the management of the Transferee Company are required to submit the Statement of Pre & Post Scheme Notional Net Worth, along with auditors' certification thereon. The appropriate date is considered as March 31, 2018, based on the Company's discussions with Transferee Company which has discussed this with BSE Limited (BSE) and National Stock Exchange of India Limited (NSE), which is basis for calculating the Pre and Post merger Notional Net Worth of the Company.

We have computed the Net Worth, as below, as at March 31, 2018 (the year-end for which latest audited financial statements of the Company).

Amount (in Rs.)

Statement of Net Worth		Pre Scheme of Amalgamation As on March 31, 2018
Share Capital of the Company (342,844 equity shares of face value of Rs 10 fully paid up)	(A)	3,428,440
Securities Premium of the Company	(B)	649,397,376
Free Reserves of the Company 1 - Surplus in the Statement of Profit and Loss	(C)	850,057,030
<b>Net Worth of the Company</b>	<b>(D) = (A)+(B) + (C)</b>	<b>1,502,882,846</b>





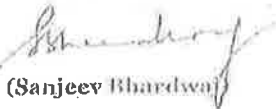
## RHI MAGNESITA

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CIN: U74120MH2012PTC192129

### Notes –

- Net-worth is defined as aggregate of equity share capital, share premium and other equity/ Free reserves & surplus (including but not limited to General Reserves, Surplus in the Statement of Profit and Loss), as reduced by miscellaneous expenditure, if any.
- In the post merger scenario, assuming if merger is effective as at March 31, 2018, the Company would cease to exist and therefore, the computation of notional networth is not relevant.
- The numbers, as above, are retrieved from the audited financial statements of the Company for the year ended March 31, 2018.

For RHI India Private Limited

  
(Sanjeev Bhardwaj)

Director

