BHAVANI & CO.
CHARTERED ACCOUNTANTS
Tel : 040-2970 2640

I

STATUTORY AUDITOR'S CERTIFICATE ON ACCOUNTING TREATMENT REQUIRED AS PER SECTIONS 230 to 232 OF THE COMPANIES ACT, 2013 AND PARA A(2)(g) and A(5) OF PART I OF THE SEBI MASTER CIRCULAR NO. SEBI/HO/CFD/POD-2/P/CIR/2023-93 DATED JUNE 20, 2023

To,
The Board of Directors
Krebs Biochemicals & Industries Limited
Kothapalli Village, Kasimkota Mandal, Anakapalli,
Visakhapatnam, Andhra Pradesh-531031

1. We, M/s. Bhavani & Co., Chartered Accountants, (Firm Registration No: 012139S) are the Statutory Auditors of Krebs Biochemicals & Industries. We have been requested by the management to examine the accounting treatment specified in Clause 3.4 of the proposed Scheme of Amalgamation between Krebs Biochemicals & Industries Limited ("Krebs" or "Transferor Company" or "Amalgamating Company") and Ipca Laboratories Limited ("Ipca" or 'Transferee Company" or "Amalgamated Company") and their respective shareholders and creditors ("Proposed Scheme") in terms of the provisions of Sections 230-232 and other applicable provisions 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.

Management's Responsibility

2. The responsibility for the preparation of the Proposed Scheme, and its compliance with the relevant laws and regulations, including the applicable Accounting Standards and other generally accepted accounting principles in India, is that of the Board of Directors of the Companies involved. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation of the Proposed Scheme and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances. The proposed Scheme has been approved by the Board of Directors on June 26, 2026.

3. The management of the Transferor Company is also responsible for ensuring that the Company complies with the requirements of the Companies Act, 2013 and SEBI Regulations and providing all relevant information to the National Company Law Tribunal (NCLT).

Auditor's Responsibility

4. Our responsibility is to examine and report whether the accounting treatment as specified in Clause 3.4 of the Proposed 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.

5. We conducted our examination in accordance with the 'Guidance Note on Reports or Certificates for Special Purposes' (the "Guidance Note") issued by the Institute of Chartered Accountants of India

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(ICAI). 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.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SOC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements issued by ICAI. Further, our examination did not extend to any other parts and aspects of a legal or proprietary nature in the aforesaid proposed Scheme.

Opinion

7. Based on our examination and according to the information and explanation given to us, in our opinion, the accounting treatment in the books of the Transferee and Transferor Company as specified in Clause 3.4 of the Proposed Scheme, attached herewith and stamped by us for identification only (Annexure [a]), is in compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued thereunder and all the applicable accounting standards notified by the Central Government under Section 133 of the Companies Act, 2013 read with the rules made thereunder and other generally accepted accounting principles in India.

Restriction on Use

8. This certificate is issued at the request of the Company's management for onward submission to National Company Law Tribunal and other regulatory authorities associated for approval of the Scheme. 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. 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 report is shown or into whose hands it may come without our prior consent in writing.

For Bhavani & Co
Chartered Accountants
ICAI Firm Regn No. 012139S

BHAVANI & CO. HYDERABAD FRN: 012139S

CA S. Kavitha Padmini
Partner
Membership No. 229966
ICAI UDIN: 26229966YEPIWP4542

Date : June 26, 2026
Place : Mumbai

Plot No.48, Flat No.201, 2nd Floor, MICASA, Phase - I, Kavuri Hills, Hyderabad - 500 033.
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Annexure [a]

Relevant extract on Accounting Treatment as per Clause 3.4 of Part III of the Draft Scheme of Amalgamation between Ipca Laboratories Limited ("Transferee / Amalgamated Company") and Krebs Biochemicals & Industries Limited ("Transferor / Amalgamating Company") and their respective shareholders

Accounting Treatment

Accounting Treatment in the books of the Amalgamating Company

Upon the coming into effect of this Scheme, the Amalgamating Company shall stand dissolved without being wound up and all the assets and liabilities as well as reserves shall be transferred to the Amalgamated Company, on a going concern basis. Hence there is no accounting treatment prescribed under this Scheme in the books of the Amalgamating Company.

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