

Independent Auditor's Report on non-applicability of paragraph (A)(10)(a) and (A)(10)(b) of Part I of SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021

The Board of Directors
Max Ventures and Industries Limited
L-12, Max Towers, C-001/A/1,
Sector- 16B Noida
Uttar Pradesh – 201301

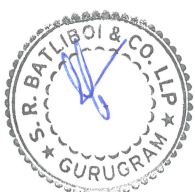
1. This Report is issued in accordance with the terms of our master engagement agreement 07 January 2021, read with various amendments thereto and service scope letter dated 22 March 2022 with Max Ventures and Industries Limited (hereinafter the "Company" or "Transferor Company").
2. We, the statutory auditors of the Transferor Company, have examined the management undertaking approved by the Board of Directors of the Transferor Company in its meeting held on April 18, 2022 (hereinafter referred to as the "Undertaking"), stating the reasons for non-applicability of requirements under Paragraph (A)(10)(a) and (A)(10)(b) of Part I to the Securities and Exchange Board of India ("SEBI") Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021, as amended (the "SEBI Circular") in connection with the draft Composite Scheme of Amalgamation and Arrangement, as approved by the Board of Directors of the Transferor Company in its meeting held on April 18, 2022, for amalgamation of Max Ventures and Industries Limited ("Transferor Company") into Max Estates Limited ("the Transferee Company") in terms of provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, and other rules and regulations framed thereunder ("Scheme").

Management's Responsibility

3. The Management of the Transferor Company is responsible for the preparation of the Undertaking and the Scheme and its compliance with Paragraph (A)(10)(a) and (A)(10)(b) of Part I to the SEBI Circular and other regulations issued by the SEBI from time to time. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Undertaking and applying an appropriate basis of preparation and making estimates that are reasonable in the circumstances.

Auditor's Responsibility

4. Pursuant to the requirements of Paragraph (A)(10)(c) of Part I to the SEBI Circular, our responsibility is to express a limited assurance in the form of a conclusion based on our examination and according to the information and explanations given to us to whether the conditions stipulated under Paragraph (A)(10)(b) read with Paragraph (A)(10)(a) of Part I to the SEBI Circular are applicable to the Scheme or not.
5. A limited assurance engagement includes performing procedures to obtain sufficient appropriate evidence on the reporting criteria, mentioned in paragraph 4 above. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated with the reporting criteria. Accordingly, we have performed the following procedures in relation to the Undertaking initiated by us for identification purposes only:
 - i. Obtained and read the certified copies of the resolution passed by the Board of Directors approving the Scheme and the Undertaking which states the reasons for non-applicability of requirements under Paragraph (A)(10)(a) and (A)(10)(b) of Part I to the SEBI Circular.
 - ii. Obtained from the management of the Transferor Company, a certified list of entities involving Promoter/ Promoter Group, Related Parties of Promoter/ Promoter Group, Associates of Promoters Promoter Group, Subsidiary / (ies) of Promoter / Promoter Group of the Transferee Company (collectively) referred to as the "Promoter Entities") and noted that no additional shares are proposed to be issued or allotted to such Promoter Entities, as part of the Scheme other than



- iii. the shares to be issued by the Transferee Company to all the Members of the Transferor Company as per the share entitlement ratio enshrined in Clause 18 of the Scheme, in discharge of the consideration for transfer of Transferor Company to the Transferee Company. We have relied upon the Company's determination of Promoter Entities and have not independently verified the same.
- iv. Verified that the Scheme relates to the merger of the Transferor Company to its wholly owned subsidiary i.e. Max Estates Limited. The Scheme does not involve the Company and any other entity involving Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(ies) of Promoter / Promoter Group of the Company;
- v. Verified that the Scheme does not provide for the acquisition, either directly or indirectly, by the parent company, of the equity shares of the subsidiary, from any of the shareholders of the subsidiary who may be Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(ies) of Promoter / Promoter Group of the parent listed entity i.e. the Transferor Company. Further, the Scheme is not for the purpose of merger of subsidiary with the parent listed entity;
- vi. Verified that the Scheme does not envisage merger of an unlisted entity which results in reduction in the voting share of pre-scheme public shareholders of listed entity in the transferee / resulting company by more than 5% of the total capital of the merged entity;
- vii. Verified that the Scheme envisages merger of the Transferor Company and transfer and vesting thereof into the Transferee Company and the consideration is in the form of listed equity shares; and
- viii. Performed necessary inquiries with the management and obtained relevant representations.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

6. Our scope of work did not involve us performing any audit tests in the context of our examination. We have not performed an audit, the objective of which would be to express an opinion on the specified elements, accounts or items thereof, for the purpose of this report. Accordingly, we do not express such opinion. Further, our scope of work did not include verification of compliance with other requirements of the other circulars and notifications issued by regulatory authorities from time to time and any other laws and regulations applicable to the Transferee Company or the Transferor Company.
7. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised) issued by the Institute of Chartered Accountants of India (ICAI). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
8. 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

9. Based on the procedures performed by us, as stated in paragraph 5 above, and according to the information and explanations given to us and relevant records maintained by the Company, nothing has come to our attention that causes us to believe that the information furnished in the Undertaking regarding the non-applicability of requirements under Paragraph (A)(10)(a) and (A)(10)(b) of Part I to the SEBI Circular is misstated.



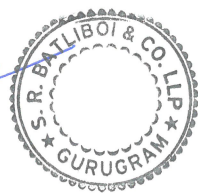
Restriction on Use

10. This report has been issued at the request of the Company and addressed to the Board of Directors of the Company, solely for the purpose of complying with the requirements of Paragraph (A)(10)(c) of Part I to the SEBI Circular and for onward submission to the SEBI, the National Stock Exchange of India Limited, the BSE Limited and National Company Law Tribunal ("NCLT"), as may be applicable and is not to be used or referred to for any other purpose or distributed to anyone other than submission to the SEBI, the National Stock Exchange of India Limited, the BSE Limited and the NCLT. 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 this report is shown or into whose hands it may come. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per **Pravin Tulsyan**

Partner

Membership Number: 108044

UDIN: 22108044AHHION8560

Place of Signature: Gurugram

Date: 18 April 2022