



Auditor's Certificate

To

The Board of Directors

K M SUGAR MILLS LIMITED

76, Eldeco Greens, Gomtinagar,

Lucknow, Uttar Pradesh – 226010

We, the statutory auditors of K M Sugar Mills Limited (hereinafter referred to as "the Company"), have examined the proposed accounting treatment specified in clause 2 of Part-III of the Draft Scheme of Arrangement for Demerger of Distillery Division ("Demerged Undertaking") (*as defined in the Scheme*) of K M Sugar Mills Limited ("Demerged Company") into K M Spirits and Allied Industries Limited ("Resulting Company") ("Scheme"/ "Scheme of Arrangement") in terms of the provisions of sections 230 -232 of the Companies Act, 2013 with reference to its compliance with the applicable Accounting Standards notified under the Companies Act, 1956/ 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 as 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 thereunder and all the applicable Accounting Standards notified by the Central Government under the Companies Act, 1956/ Companies Act, 2013.

This Certificate is issued at the request of the Company pursuant to the requirements of circulars issued under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Companies Act, 2013 for onward submission to BSE Limited, National Stock Exchange of India Limited, Securities and Exchange Board of India, Hon'ble National Company Law Tribunal and/or any other regulatory authorities in connection with the Draft



Scheme. This Certificate should not be used for any other purpose without our prior written consent.

For Mehrotra & Mehrotra

Chartered Accountants

Firm Registration No.: 000226C


CA Sanjay K. Rai

Partner

Membership No.: 507946

UDIN: 25507946BMTCRD6281



Place: Lucknow

Date: August 07, 2025