

Date: August 29, 2023

To

**The Board of Directors,
Inox India Limited**
(Formerly Inox India Private Limited)
9th Floor, K P Platina,
Racecourse
Vadodara 390 007
Gujarat, India

ICICI Securities Limited
ICICI Venture House
Appasaheb Marathe Marg
Prabhadevi, Mumbai 400 025
Maharashtra, India

Axis Capital Limited
Axis House
1st Floor, Wadia International
Centre
Pandurang Budhkar Marg,
Worli
Mumbai 400 025
Maharashtra, India

(ICICI Securities Limited and Axis Capital Limited are appointed in relation to the Offer and are collectively referred to as the "Book Running Lead Managers" or "BRLMs" in relation to the Offer)

Dear Sirs,

Re: Certificate on arm's length nature of business transactions between Inox India Limited and Gujarat Fluorochemicals Limited from May 16, 2023, to August 29, 2023

We, K C Mehta & Co LLP, Chartered Accountants, Statutory Auditors of the Company, have been informed by the company that it has filed an application dated May 16, 2023 ("Exemption Application") with the Securities and Exchange Board of India (the "SEBI") seeking an exemption from disclosing, inter alia, Gujarat Fluorochemicals Limited and INOX Leasing & Finance Limited as group companies in terms of Regulation 2(1)(t) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "ICDR Regulations"). Further, we have also been informed that SEBI has, by way of its letter dated August 14, 2023, acceded to the request of the Company in the Exemption Application, subject to certain conditions. In this regard, we have received a request from the Management of the Company to issue a certificate confirming that, in the period between May 16, 2023, and August 29, 2023, there have been no transactions between the Company and Gujarat Fluorochemicals Limited ("GFL") other than regular business transactions and that such transactions have been conducted on an arm's length basis. This certificate is proposed to be included in the Draft Red Herring Prospectus ("DRHP") intended to be filed by the Company with the SEBI and Stock Exchanges where the Equity Shares are proposed to be listed and the Red Herring Prospectus ("RHP") and the Prospectus ("Prospectus") intended to be filed with the Registrar of Companies, Gujarat at Ahmedabad (the "RoC") and thereafter filed with the SEBI and the Stock Exchanges, and other Offer related documents.

Management's Responsibility

The Management of the Company is responsible for preparation and maintenance of the books of account, the accounting records, identification of transactions entered into with GFL, nature of such transactions, material terms of such transactions, manner of determining the pricing and other commercial terms for such transactions and other relevant supporting records and documents. The management is responsible for compliance of the ICDR Regulations and the Companies Act requirements relating to maintenance of books of account including compliance of the accounting standards in the preparation and presentation of financial statements.



Converted into Limited Liability Partnership (LLPIN: ABB-3171) w. e. f. June 7, 2022 from K C Mehta & Co. (Firm Reg. No.: GUJVA102890)

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Practitioner's Responsibility

Our responsibility is to certify that there have been no transactions between the Company and GFL for the period from May 16, 2023, to August 29, 2023, other than regular business transactions and whether such transactions are conducted on an arm's length basis.

We have examined:

1. The ledger of GFL in the books of account of the Company.
2. List of transactions entered into with GFL during the period under consideration.
3. Transactions entered into by the Company with GFL along with the nature of such transactions, pricing methodology and basis for determination of on arm's length price of the transactions as maintained by the Company,
4. Other information or documents as were relevant for our conclusions on above aspects.

The procedures we have performed does not constitute an audit or review made in accordance with any generally accepted auditing standards. Furthermore, they will not necessarily reveal matters of significance with respect to any material misstatement of the information related to the transactions entered into by the Company with GFL.

We hereby confirm that while providing this certificate, we have complied with the Code of Ethics and 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, issued by the Institute of Chartered Accountants of India.

This certificate may be relied upon by the BRLMs, their affiliates and the legal counsels appointed in relation to the Offer. We hereby consent to extracts of, or reference to, this certificate being used in the draft red herring prospectus, updated draft red herring prospectus, red herring prospectus and the prospectus and other offering materials, as required ("**Offer Documents**"), in connection with the Offer. We hereby consent to the submission of this certificate as may be necessary to the Securities and Exchange Board of India, the Registrar of Companies, Gujarat at Ahmedabad ("**RoC**"), the Stock Exchanges and any other regulatory authority and/or for the records to be maintained by the Book Running Lead Managers and in accordance with applicable law. We also consent to the inclusion of this certificate as a part of "*Material Contracts and Documents for Inspection*" in connection with this Offer, which will be available for public for inspection from date of the filing of the RHP until the Bid/ Offer Closing Date.

We undertake to update the Company and the BRLMs of any change in the below-mentioned position that the Company may inform us in writing or us becoming aware of any such changes, until the Equity Shares issued pursuant to the Offer commence trading on the stock exchanges. In the absence of any such communication from us, the below information should be considered as updated information until the Equity Shares commence trading on the stock Exchanges, pursuant to the Offer.



Conclusion

On the basis of the information and explanation provided and abovementioned examination of documents, we certify that other than the transactions of sale of disposable cylinders as reported by the Company with GFL during the period May 16, 2023, to August 29, 2023, which have been entered into in the ordinary course of business, there are no other transactions between the Company and GFL in the aforesaid time period. Further, we confirm that all such business transactions, as mentioned above, are conducted on an arm's length basis.

Basis of Our Opinion

The Companies Act, 2013 defines the arm's length transactions, however it does not provide the guideline on how to determine or establish arm's length price for related party transaction. Further, the Guidance Note on Related Party Transactions, issued by the Institute of Company Secretaries of India refers the provisions of Income Tax Act, 1961 for guideline on how to determine or establish arm's length price for related party transaction. Therefore, in absence of such provision under the said laws and guidance note, we have considered arm's length principle envisaged under the provisions of the Income Tax Act, 1961.

Accordingly, applying the arm's Length principle envisaged under the provisions of the Income Tax Act, 1961 we verified the calculation and basis of arm's Length price of the concerned transaction with GFL during the period May 16, 2023, to August 29, 2023, as maintained by the Company.

Restrictions on Use

This certificate has been issued at the request of the Board of Directors of the Company solely for the purpose of complying with the condition of SEBI in relation to Exemption Application and should not be used by any other person or for any other purpose. This certificate is issued solely for the limited purpose to comply with the conditions of SEBI. Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in jurisdictions outside India (including in the United States of America), and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices. We accept no responsibility and deny any liability to any person who seeks to rely on this certificate and who may seek to make a claim in connection with any offering of securities on the basis that they had acted in reliance on such information under the protections afforded by United States of America law and regulation or any other laws other than laws of India.

Yours faithfully,

For K C Mehta & Co LLP

Chartered Accountants

Firm's Registration No.: 106237W/W100829


Neela R. Shah

Partner

Membership No.: 045027

UDIN: 23045027BGTEOU8623

Place: Vadodara

Date: August 29, 2023



Cc:

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Indian Law**

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