R B Verma & Associates
Chartered Accountants

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Auditor's Certificate

Annexure - J

The Board of Directors
Modern Insulators Limited
A-4, Vijay Path,
Tilak Nagar,
Jaipur- 302004

We, M/s R B Verma & Associates, Chartered Accountants (Firm Registration No. 012650C), the statutory auditors of **Modern Insulators Limited**, (hereinafter referred to as "the Company"), having its registered office at A-4, Vijay Path, Tilak Nagar, Jaipur - 302004, have examined the proposed accounting treatment relating to the resulting company specified in Clause 14 of the "Scheme of Arrangement between Modern Insulators Limited (Demerged Company) and Modern Polytex Limited (Resulting Company) and their respective shareholders and creditors u/s 391 to 394 and other applicable provisions of the Companies Act, 1956" (Section 230 to 232 and the applicable provisions of the Companies Act, 2013, having been notified) for demerger of Yarn Division of the Company.

The Management of the Company is responsible for the maintenance of proper books of account and such other relevant records as prescribed by applicable laws, which includes collecting, collating and validating data and designing, implementing and monitoring of internal controls relevant for the preparation of the Scheme and ensuring compliance with the relevant rules and regulations including the applicable Accounting Standards / Indian Accounting Standards specified by the Central Government under section 133 of the Companies Act, 2013.

Our responsibility, for the purpose of this certificate, is limited to examine and report whether the proposed accounting treatment specified in the Scheme relating to the resulting company is in compliance with the Accounting Standards specified by the Central Government under section 133 of the Companies Act, 2013. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India.

Based on our examination of the Scheme and according to the information and explanations given to us by the management of the company, in our opinion the accounting treatment specified in clause 14 of the Scheme relating to the resulting company dealing with accounting treatment is in compliance with the Accounting Standards.

This certificate is addressed to and issued at the request of the Board of Directors of the Company pursuant to the requirements of circular issued under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 solely for onward submission to Bombay Stock Exchange. This certificate should not be used for any other purpose without our prior written consent.

For R B Verma & Associates
Chartered Accountants
FRN - 012650C

(Rajesh Verma)
Partner
M.No.404029

R B VERMA & ASSOCIATES JAIPUR Chartered Accountants

Place: Jaipur
Date: 23rd January, 2018