

B S R & Associates LLP

Chartered Accountants

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Private and confidential

The Board of Directors
VST Industries Limited
1-7-1063/1065
P.O.Box No. 1804, Azamabad
Hyderabad - 500020

23 July 2021

Independent Auditors' Certificate on compliance of VST Employee Stock Option Plan 2020 ("VST-ESOP 2020" or "the Scheme"), pursuant to requirement of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (the "Regulations")

1. This Certificate is issued in accordance with the terms of our engagement letter dated 22 April 2021.
2. The VST Employee Stock Option Plan 2020 ("VST-ESOP 2020" or "the Scheme"), has been formulated and approved by the Board of Directors of VST Industries Limited (the "**Company**") in their meeting held on 21 December 2020 and approved by the shareholders by postal ballot on 05 February 2021. We have been requested by the management to certify if the aforesaid Scheme has been implemented in accordance with the Securities and Exchange Board of India (Share Based Employee Benefit) Regulations, 2014 read with circular CIR/CFD/POLICY CELL/2/2015 dated June 16, 2015, as amended from time to time (together referred to as "SEBI SBEB Regulations").
3. As per the SBEB Regulations, the Board of Directors of every company that has passed a resolution for Share Based Employee Benefit Scheme is required to place before the shareholders at each annual general meeting, a certificate from the statutory auditors of the company that the Scheme have been implemented in accordance with the SBEB Regulations and in accordance with the terms of the resolution passed by the company in the general meeting and through e-voting.

Management's Responsibility

4. The Board of Directors and the Nomination and Remuneration Committee is responsible for formulation and implementation of the Scheme in compliance with the SEBI SBEB Regulations and the special resolutions passed by postal ballot on 05 February 2021 ("Shareholder resolutions").
5. The management is responsible for preparation and maintenance of all accounting and other relevant supporting records and documents relating to Scheme including the design, implementation and maintenance of internal controls on the implementation of the aforesaid Schemes in compliance with the SEBI SBEB Regulations.

Auditors' Responsibility

6. Our responsibility to obtain reasonable assurance and form an opinion, as to whether the Scheme is in compliance with the SEBI SBEB Regulations and the Shareholder resolutions.



Principal Office:

Independent Auditor's Certificate on compliance of VST Employee Stock Option Plan 2020 ("VST-ESOP 2020" or "the Scheme"), pursuant to requirement of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (the "Regulations") (continued)

Auditors' Responsibility (continued)

7. In connection with the above, we have performed the following procedures:
 - a. Read the VST Employee Stock Option Plan 2020 provided to us by the Company;
 - b. Read the resolutions dated 21 December 2020 passed at the meeting of the Board of Directors;
 - c. Read the shareholders resolutions dated 05 February 2021 approved by the shareholders through postal ballot on 05 February 2021 and;
 - d. Obtained required explanations and representations from management.
8. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) ('the Guidance Note') issued by the Institute of Chartered Accountants of India (the 'ICAI'). The Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued by the ICAI.
9. 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.

Opinion

10. On the basis of the examination carried out by us and the information, explanations and representations provided to us by the management of the Company, in our opinion, the Scheme is implemented in accordance with the SEBI SBEB Regulations and in accordance with the resolution of the Company approved by the shareholders through postal ballot on 05 February 2021.

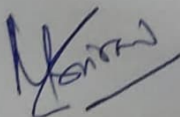
Restriction on use

11. This Certificate is addressed to and provided to the Board of Directors of the Company solely for the purpose of being placed before the shareholders of the Company at the 90th Annual General Meeting to be held on 27 July 2021 and is not intended to be, and should not be used, for any other purpose, and should not be used by any other person or for any other purpose. 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 certificate is shown or into whose hands it may come without our prior consent in writing.

for **B S R & Associates LLP**

Chartered Accountants

Firm Registration Number: 116231W/ W-100024



Sriram Mahalingam

Partner

Membership No: 049642

UDIN: 21049642AAAACM7481

Place: Hyderabad

Date: 23 July 2021