

INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED FINANCIAL INFORMATION

The Board of Directors
EPACK Durable Limited (Formerly known as EPACK Durable Private Limited and EPACK Durables Solutions Private Limited)

Dear Sirs,

1. We have examined, as appropriate (refer paragraph 5 and 7 below), the attached Restated Financial Information of EPACK Durable Limited (Formerly known as EPACK Durable Private Limited and EPACK Durables Solutions Private Limited) (the "Company" or the "Issuer") and its subsidiary (the Company and its subsidiary collectively referred to as the "Group") and its associate, comprising the Restated Consolidated Statement of Assets and Liabilities as at September 30, 2023, March 31, 2023 and 2022 and Restated Statement of Assets and Liabilities as at March 31, 2021, the Restated Consolidated Statements of Profit and Loss (including other comprehensive income), the Restated Consolidated Statements of Changes in Equity, the Restated Consolidated Statements of Cash Flows for the six months ended September 30, 2023 and for the years ended March 31, 2023 and 2022 and the Restated Statement of Profit and Loss (including other comprehensive income), the Restated Statement of Changes in Equity, the Restated Statement of Cash Flows for the year ended March 31, 2021, the Summary Statement of Significant Accounting Policies, and other explanatory information (collectively, the "Restated Financial Information"), as approved by the Board of Directors of the Company at their meeting held on November 9, 2023 for the purpose of inclusion in the Red Herring Prospectus and Prospectus (collectively, the "Offer Documents") prepared by the Company in connection with its proposed initial public offer of equity shares ("IPO") prepared in terms of the requirements of:
 - a) Section 26 of Part I of Chapter III of the Companies Act, 2013, as amended (the "Act");
 - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and
 - c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended (the "Guidance Note").
2. The Company's Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the Offer Documents to be filed with Securities and Exchange Board of India (SEBI), Registrar of Companies (Uttar Pradesh at Kanpur), BSE Limited and National Stock Exchange of India Limited (collectively, with BSE Limited, the "Stock Exchanges") in connection with the proposed IPO. The Restated Financial Information have been prepared by the Management of the Company on the basis of preparation stated in note 2 to the Restated Financial Information. The respective Board of Directors of the companies included in the Group and of its associate are responsible for designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the respective restated financial information. The respective Board of Directors are also responsible for identifying and ensuring that the Group and its associate complies with the Act, ICDR Regulations and the Guidance Note.
3. We have examined such Restated Financial Information taking into consideration:
 - a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated July 04, 2023 and addendum to the engagement letter dated October 05, 2023 in connection with the proposed IPO of equity shares of the Issuer;



- b) The Guidance Note. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
 - c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and
 - d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.
4. These Restated Financial Information have been compiled by the management from:
- a) audited special purpose consolidated interim Ind AS financial statements of the Group and its associate as at and for the six months ended September 30, 2023 prepared in accordance with the recognition and measurement principles of Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting" as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on November 9, 2023;
 - b) audited consolidated Ind AS financial statements of the Group and its associate as at and for the years ended March 31, 2023 and 2022 prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on July 13, 2023 and November 4, 2022 respectively.
 - c) audited special purpose Ind AS financial statements of the Company as at and for the year ended March 31, 2021, prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on August 07, 2023. These special purpose Ind AS financial statements for the year ended March 31, 2021 have been prepared by making Ind AS adjustments to the audited Indian GAAP financial statements of the Company as at and for the year ended March 31, 2021 ("Indian GAAP Financial Statements"), prepared in accordance with the accounting standards notified under the section 133 of the Act ("Indian GAAP") which was approved by the Board of directors at their meeting held on September 6, 2021.
5. For the purpose of our examination, we have relied on:
- a) Auditor's report issued by us dated November 9, 2023 on special purpose consolidated interim Ind AS financial statements of the Group and its associate as at and for the six months ended September 30, 2023 as referred in Paragraph 4(a) above;
 - b) Auditor's reports issued by us dated July 13, 2023 and November 4, 2022 on the consolidated financial statements of the Group as at and for the years ended March 31, 2023 and 2022 respectively as referred in Paragraph 4(b) above which included following emphasis of matter (refer note 42 to the Restated Financial Information).
 - I. As at and for the year ended March 31, 2023
 - i. We draw attention to Note 42 of the consolidated financial statements, which describes the matter and effects of restatement of comparative financial information included in the Parent's standalone financial statements.

Our opinion is not modified in respect of this matter.



- c) Auditor's report issued by Previous Auditors dated September 6, 2021 on Indian GAAP Financial Statements as at and for the year ended March 31, 2021 and auditor's report dated August 07, 2023 on the special purpose Ind AS financial statements of the Company as at and for the year ended March 31, 2021 as referred in Paragraph 4(c) above which included following emphasis of matters (refer note 56(c) to the Restated Financial Information):
- i. Note No. 44 of the special purpose Ind AS financial statements regarding non filing of claims of Special additional duty (SAD) amount to INR 3.89 millions as documents i.e. bills of entries and other documents required for filing is being traced/collected. The Company is expected to file the same upon completion of required documents and has been of opined by legal experts that the claim of the same can be filed as per certain court orders even the time limit for filing is barred. The above amount is shown under Balance with statutory authorities in financials under other current assets.
 - ii. Note No. 45 of the special purpose Ind AS financial statements regarding claim for Budgetary support under Scheme for Budgetary support introduced by Department of Industrial Promotion and Policy of Government of India of INR 8.80 millions. Due to technical reason the Company couldn't file the claim and approach to the GST Department for allowing the Company to file the claim. The request is under consideration with the Department, which is shown as Balances with statutory authorities in financials under other current assets.

Our opinion is not modified in respect of above matters.

The audits for the financial year ended March 31, 2021 were conducted by the Company's previous auditors (the "Previous Auditors"), and accordingly reliance has been placed on the restated statement of assets and liabilities and the restated statement of profit and loss (including other comprehensive income), restated statement of changes in equity and restated statement of cash flows, the summary statement of significant accounting policies, and other explanatory information and (collectively, the "2021 Restated Financial Information") examined by them for the said year. The examination report included for the said year is based solely on the report submitted by the Previous Auditors. They have also confirmed that the 2021 Restated Financial Information:

- a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial year ended March 31, 2021 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the six months ended September 30, 2023;
 - b) do not require any adjustment for modification as there is no modification in the underlying audit report. There are items relating to emphasis of matter (refer paragraph 5c above), which do not require any adjustment to the Restated Financial Information, as represented by the Management; and
 - c) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
6. The audit report on the consolidated financial statements issued by us were modified and included following matter giving rise to modification in the report on the consolidated financial statements as at and for the year ended March 31, 2022:
- i. Basis for Qualified Opinion

As described in Note 13(b) and 13c(IV) to the Consolidated Financial Statements, the Group has accounted the Non-cumulative compulsorily convertible preference shares ("CCPS") including premium aggregating to INR 1,600 millions as at March 31, 2022 as an equity instrument (for the reasons mentioned in the said note) which is not in accordance with Ind AS 32 "Financial Instruments: Presentation" that requires them to be presented as a financial



liability in its entirety and should be accounted at fair value in accordance with Ind AS 109 "Financial Instruments" and Ind AS 113 "Fair Value Measurement" given that it contains a buy-back right available to the holders and the fixed to fixed criterion is not met. The Group applied Ind AS during the current financial year and is required to apply Ind AS 32, Ind AS 109 and Ind AS 113 from the date of transition to Ind AS i.e., April 01, 2020, which requires the CCPS (issued during the year) that contains a buy-back right with the holders to be accounted as above. As a result, the classification and measurement of the liability through profit and loss, the gain/loss from such adjustments, consequential impact on earnings per share and income tax as at and for year ended March 31, 2022 are not in accordance with Ind AS 32, Ind AS 109 and Ind AS 113. The Group has not quantified the impact of such non-compliance of Ind AS 32 and Ind AS 109 and has not included the relevant fair value disclosures required under Ind AS 107 "Financial Instruments: Disclosures" for these CCPS not recognized as financial liabilities as at March 31, 2022. In absence of such quantification and appropriate evidence, we are unable to comment on the consequential impact thereof on the Consolidated Financial Statements.

7. As indicated in our audit report referred above:

- a) we did not audit financial statements of an associate whose share of loss included in the consolidated financial statements, for the relevant period/year is tabulated below, which have been audited by other auditors, and whose report have been furnished to us by the Company's management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this component, is based solely on the report of the other auditors:

(INR millions)

Particulars	For the six months ended September 30, 2023	For the year ended March 31, 2023
Share of loss in associate	5.68	8.12

Our opinion on the consolidated financial statements is not modified in respect of this matter.

8. Based on our examination and according to the information and explanations given to us and also as per the reliance placed on the examination report submitted by the Previous Auditors for the respective years, we report that the Restated Financial Information:
- a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended March 31, 2023, 2022 and 2021 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the six months ended September 30, 2023;
- b) have been made after giving effect to the matter giving rise to modification mentioned in paragraph 6 above. There are items relating to emphasis of matter (refer paragraph 5b and 5c above), which do not require any adjustment to the Restated Financial Information; and
- c) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
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.
10. The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited special purpose consolidated interim Ind AS financial statements/audited consolidated financial statements/audited Indian GAAP financial statements mentioned in paragraph 4 above.



11. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
12. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
13. Our report is intended solely for use of the Board of Directors for inclusion in the Offer Documents to be filed with SEBI, Registrar of Companies (Uttar Pradesh at Kanpur) and the Stock Exchanges, in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. 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 report is shown or into whose hands it may come without our prior consent in writing.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 015125N)

Akash Kumar Agarwal

Akash Kumar Agarwal
Partner

(Membership No. 063092)
UDIN: 23063092BGYRBV5593

Place: Greater Noida
Date: November 09, 2023

