

**Independent Auditor's Examination report on Restated Consolidated Financial Information**

To The Board of Directors of

**IRM Energy Limited**

4<sup>th</sup> Floor, Block 8, Magnet Corporate Park,

Near Sola Bridge, S.G. Highway

Ahmedabad 380 054

Gujarat, India

Dear Sirs,

1. We have examined the attached Restated Consolidated Financial Information of IRM Energy Limited (the "Company"), its subsidiaries and its joint controlled entities (the Company and its joint controlled entities collectively, referred to as the "Group") which comprises of the Restated Consolidated Statement of Assets and Liabilities as June 30, 2023, June 30, 2022, March 31, 2023, March 31, 2022 and March 31, 2021, the Restated Consolidated Statement of Profit and Loss (including other comprehensive income), Restated Consolidated Statement of changes in equity and the Restated Consolidated Statement of Cash Flows for the three month period ended June 30, 2023, June 30, 2022, March 31, 2023, 2022 and 2021, and the Summary Statement of Significant Accounting Policies and other explanatory information (collectively, the "Restated Consolidated Financial Information"), as approved by the Board of Directors of the Company ("the Board") at their meeting held on 19<sup>th</sup> September, 2023 for the purpose of inclusion in the Red Herring Prospectus ("RHP") and the Prospectus ("Prospectus"), (RHP and Prospectus, collectively the "Offer Documents") prepared by the Company in connection with its proposed Initial Public Offer of equity shares of face value of Rs. 10 each of the Company ("IPO") prepared in terms of the requirements of:



- a) The 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 (the "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 from time to time (the "Guidance Note").
2. The Company's Board of Directors is responsible for the preparation of the Restated Consolidated Financial Information for the purpose of inclusion in the Offer Documents to be filed with Securities and Exchange Board of India, BSE Limited and National Stock Exchange of India Limited and Registrar of Companies, Gujarat at Ahmedabad in connection with the proposed IPO. The Restated Consolidated Financial Information have been prepared by the management of the Company on the basis of preparation stated in Note 2 to the Restated Consolidated Financial Information. The responsibility of the respective board of directors of the companies included in the Group includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Information. The respective board of directors are also responsible for identifying and ensuring that the Group complies with the Act, ICDR Regulations and the Guidance Note.
3. We have examined these Restated Consolidated 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 29<sup>th</sup> March, 2022 in connection with the proposed IPO of the Company;
  - b) The Guidance Note which also requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India;
  - c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Consolidated 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 proposed IPO.
4. These Restated Consolidated Financial Information have been compiled by the Management from:
- Audited consolidated Ind AS financial statements of the Group as at and for the 3 months period ended June 30, 2023 and June 30, 2022 and fiscal years ended March 31, 2023, March 31, 2022 and March 31, 2021, prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time and other accounting principles generally accepted in India, which have been approved by the Board at their meetings held on 19<sup>th</sup> September, 2023, 19<sup>th</sup> September, 2023, 31<sup>st</sup> May, 2023, 19<sup>th</sup> May 2022 and 22<sup>nd</sup> June, 2021 respectively.
5. For the purpose of our examination, we have relied on audit reports issued by us dated 19<sup>th</sup> September, 2023, 19<sup>th</sup> September, 2023, 31<sup>st</sup> May, 2023, 19<sup>th</sup> May 2022 and 22<sup>nd</sup> June, 2021 on the consolidated Ind AS financial statements of the Group as at and for the 3 months period ended June 30, 2023 and June 30, 2022 and fiscal years ended 31<sup>st</sup> March 2023, 2022 and 2021, respectively, as referred in Paragraph 4 above.
6. As indicated in our audit reports referred in point 5 above, we did not audit the Ind AS financial statements of one joint control entity whose share of total assets, total revenues and net cash inflows / (outflows) included in the Restated Consolidated Financial Information, for the relevant year / period is tabulated below, which have been audited by other auditors, and whose reports have been furnished to us by the Company's management and our report on the Restated Consolidated Financial Information 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.



(Rs. in INR Million)

Year/ Period ended	Total Asset	Total Revenue	Net Cash Inflow/ (outflow)
3 months period ending June 30, 2023	748.67	135.51	(46.68)
3 months period ending June 30, 2022	863.97	204.63	(146.68)
31 <sup>st</sup> March 2023	783.96	1055.72	(109.82)
31 <sup>st</sup> March 2022	747.09	623.36	114.07
31 <sup>st</sup> March 2021	116.95	0.01	54.21

Sr. No	Name of Joint Controlled Entity	Name of Auditor	Audited Period
1	Farm Gas Private Limited	Manubhai & Shah LLP	30 <sup>th</sup> June 2023 30 <sup>th</sup> June 2022 31 <sup>st</sup> March 2023 31 <sup>st</sup> March 2022 31 <sup>st</sup> March 2021

Our report on the Restated Consolidated Financial Information is not modified in respect of these matters.

7. In respect of the joint venture entity mentioned in Paragraph 6 above, the other auditor as listed above has examined the restated summary statements of the entity included in these Restated Consolidated Financial Information for the respective years and has confirmed that these restated summary statements of this entity:
- 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, 2022 and 2021 and three month period ended June 30, 2022 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the three month period June, 2023;
  - does not contain any qualifications requiring adjustments; and



- c. have been prepared in accordance with the Companies Act 2013, ICDR Regulations and the Guidance Note.
8. Based on our examination and according to the information and explanations given to us, and also as per the reliance placed on the reports submitted by other auditors on their audit of financial statements of joint venture entity as mentioned in paragraph 6 above, we report that the Restated Consolidated 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, March 31, 2022 and March 31, 2021 and three months ended June 30, 2022 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the three month ended June 30, 2023;
  - b) do not contain any qualifications requiring adjustments; and
  - c) have been prepared in accordance with the Companies Act 2013, ICDR Regulations and the Guidance Note.
9. The Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited consolidated financial statements mentioned in paragraph 4 above.
10. 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.
11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.



# MUKESH M. SHAH & CO.

CHARTERED ACCOUNTANTS

12. Our report is intended solely for use of the Board of Directors for inclusion in the Offer Documents to be filed with Securities and Exchange Board of India, BSE Limited and National Stock Exchange of India Limited and Registrar of Companies, Gujarat at Ahmedabad 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 and on behalf of

**Mukesh M. Shah & Co.**

**Chartered Accountants**

Firm Registration Number: 106625W



**Harsh P. Kejriwal**

Partner

Membership No.: 128670

Date: 19/09/2023

Place: Ahmedabad

UDIN: 23128670BGWGSB5330