

**Independent Auditor's Examination Report on the Restated Consolidated Statement of Assets and Liabilities as at March 31, 2025, March 31, 2024 and 31 March 2023 and Restated Consolidated Statement of Profit and Loss (including other comprehensive loss), Restated Consolidated Statement of Changes in Equity and Restated Consolidated Statement of Cash Flows along with the Statement of Material Accounting Policies and other explanatory information for the years ended March 31, 2025, March 31, 2024 and 31 March 2023 of Jain Resource Recycling Limited (Formerly known as Jain Resource Recycling Private Limited) (collectively, the "Restated Consolidated Financial Information")**

The Board of Directors

**Jain Resource Recycling Limited**

(Formerly known as Jain Resource Recycling Private Limited)

The Lattice, Old No 7/1, New No 20,

Waddles Road,

Kilpauk

Chennai 600 010.

Dear Sir/ Madam,

1. We, M S K C & Associates LLP (Formerly known as M S K C & Associates), Chartered Accountants ("we" or "our" or "us" or "M S K C") have examined the Restated Consolidated Financial Information of **Jain Resource Recycling Limited (Formerly known as Jain Resource Recycling Private Limited)** (the "Company" or "Holding Company" or the "Issuer") and its subsidiaries (Holding Company and its subsidiaries together referred to as the "Group") and its associate, annexed to this report as prepared by the Company for the purpose of inclusion in the Red Herring Prospectus ("RHP") and Prospectus prepared by the Company, proposed to be filed with the Securities and Exchange Board of India ("SEBI"), BSE Limited and National Stock Exchange of India Limited (collectively, the "Stock Exchanges") and Registrar of Companies, Tamil Nadu situated in Chennai ("ROC"), in connection with its proposed Initial Public Offer ("IPO") of equity shares of face value of Rs. 2 each (the "Offer"). The Restated Consolidated Financial Information, which have been approved by the Board of Directors of the Company (the "Board of Directors") at their meeting held on September 06, 2025, and have been prepared by the Company in accordance with the requirements of:
  - a) the Sub-section (1) of 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 "SEBI ICDR Regulations");
  - 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"); and
  - d) Email dated October 28, 2021, from Securities and Exchange Board of India ("SEBI") to Association of Investment Bankers of India ("SEBI Communication").

#### **Management's responsibility for the Restated Consolidated Financial Information**

2. The Company's Management is responsible for the preparation of Restated Consolidated Financial Information for the purpose of inclusion in the RHP and Prospectus to be filed with SEBI, Stock Exchanges and ROC in connection with the Offer. The Restated Consolidated Financial Information has been prepared by the management of the Company in accordance with the basis of preparation stated in Note 1.II.A of the Restated Consolidated 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 Restated Consolidated Financial Information. The respective Board of Directors of the Companies included in the Group and its associate are also responsible for identifying and ensuring that the Group and its associate comply with the Act, the SEBI ICDR Regulations, the Guidance Note and SEBI Communication, as may be applicable.



## Auditor's Responsibilities

3. We have examined the Restated Consolidated Financial Information taking into consideration:
- The terms of reference and terms of our engagement agreed with you vide our engagement letter dated September 10, 2024, in connection with the
  - The Guidance Note read with SEBI Communication as applicable. The Guidance Note also requires that we comply with the ethical requirements as stated in the Code of Ethics issued by the ICAI;
  - the concepts of test check and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Consolidated Financial Information; and
  - the requirements of Section 26 of the Act and the SEBI ICDR Regulations.

Our work was performed solely to assist you in meeting your responsibilities in relation to compliance with the Act, the SEBI ICDR Regulations, the Guidance Note read with SEBI Communication in connection with the Offer.

## Restated Consolidated Financial Information

4. The Restated Consolidated Financial Information have been compiled by the management from:
- The audited consolidated Ind AS financial statements of the Group and its associate as at and for the year ended March 31, 2025, prepared in accordance with the Indian Accounting Standards, as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended ("Ind AS"), and other accounting principles generally accepted in India, ("Consolidated Ind AS Financial Statements") which have been approved by the Board of Directors at their meeting held on August 24, 2025 and is subject to approval by the members of the Company in the ensuing Annual General Meeting.
  - The audited special purpose consolidated financial statements of the Group as at and for the year ended March 31, 2024 prepared by the Company in accordance with the Basis of Preparation, as set out in Note 1.II.A to the Restated Consolidated Financial information, and which have been approved by the Board of Directors at their meeting held on March 21, 2025.
  - The audited special purpose consolidated financial statements of the Group as at and for the year ended March 31, 2023 prepared by the Company in accordance with the Basis of Preparation, as set out in Note 1.II.A to the Restated Consolidated Financial information, and which have been approved by the Board of Directors at their meeting held on March 21, 2025.

The audited special purpose consolidated financial statements as at and for the years ended March 31, 2024 and March 31, 2023 referred to in Para 4(b) and 4(c) above respectively, have been prepared after making suitable adjustments to the accounting heads from their Indian GAAP values following accounting policies and accounting policy choices (both mandatory exemptions and optional exemptions availed as per Ind AS 101) consistent with that used at the date of transition to Ind AS (April 01, 2023) and as per the presentation, accounting policies and grouping/classifications including Revised Schedule III disclosures followed as at for the year ended March 31, 2025, in accordance with Ind AS, pursuant to the SEBI Communication.

5. For the purpose of our examination, we have relied on:
- Auditor's report issued by us dated August 24, 2025, on the Consolidated Ind AS Financial Statements of the Group and its associate as at and for the year ended March 31, 2025, as referred in Para 4(a) above.
  - Auditor's reports issued by CNGSN & Associates LLP ("Predecessor Auditor") dated March 21, 2025, on the special purpose consolidated financial statements of the Group as at and for the year ended March 31, 2024, as referred in Para 4(b) above.
  - Auditor's reports issued by CNGSN & Associates LLP ("Independent Peer Reviewed Chartered Accountant Firm") dated March 21, 2025, on the special purpose consolidated financial statements of the Group as at and for the year ended March 31, 2023, as referred in Para 4(c) above.



- (d) Examination report dated September 06, 2025 on the Restated Consolidated Statement of Assets and Liabilities as at March 31, 2024 and March 31, 2023, the Restated Consolidated statement of Profit and Loss (including Other Comprehensive Loss), the Restated Consolidated Statement of Cash Flows and Restated Consolidated statement of Changes in Equity for each of the years ended March 31, 2024 and March 31, 2023, and the statement of material accounting policies and other explanatory notes; ("Restated Prior Period Financial Information") issued by the Independent Peer Reviewed Chartered Accountant Firm. Our examination report insofar as it relates to the said years is based solely on the report submitted by the Independent Peer Reviewed Chartered Accountant Firm.

They have also confirmed that the Restated Prior Period Financial Information:

- i. have been prepared after incorporating adjustments for the changes in accounting policies, any material errors and regroupings / reclassifications retrospectively in the financial years as at and for the years ended March 31, 2024 and March 31, 2023 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the year ended March 31, 2025 as more fully described in Note 1.II.A to the Restated Consolidated Financial Information.
  - ii. have been prepared in accordance with the Act, the SEBI ICDR Regulations, the Guidance Note and SEBI Communication.
6. A. Our audit report on the Consolidated Ind AS Financial Statements of the Group and its associate for the year ended March 31, 2025, included Other Matter Paragraphs and modifications in Report on Other Legal and Regulatory Requirements as follows:
- (i) **Other Matters**
- a. We did not audit the financial statements of one subsidiary, whose financial statements reflect total assets of Rs. 691.79 million as at March 31, 2025, total revenues of Rs. 7,043.52 million and net cash inflows amounting to Rs. 25.81 million for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the 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 subsidiary is based solely on the reports of the other auditor.
  - b. The consolidated financial statements also include the Group's share of net loss (including other comprehensive income) of Rs. 2.41 million for the year ended March 31, 2025, as considered in the consolidated financial statements, in respect of one associate, whose financial statements have not been audited by us. These financial statements are unaudited and have been furnished to us duly certified by the 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 associate, is based solely on such unaudited financial statements certified by the management. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.
  - c. The financial statements of subsidiary located outside India which have been audited by the other auditor under generally accepted auditing standards applicable in its country and the associate located outside India whose financial statements were unaudited and certified by the management, were prepared in accordance with accounting principles generally accepted in their respective countries. The Holding Company's management has converted the financial statements of such subsidiary and associate located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiary located outside India is based on the report of other auditors, and in so far as it relates to the balances and affairs of such associate located outside India is based on the financial statements certified by the management, and the conversion adjustments prepared by the management of the Holding Company and audited by us.





- d. The comparative financial information of the Group for the year ended March 31, 2024 and the transition date opening balance sheet as at April 01, 2023 included in these consolidated financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2021, specified under Section 133 and other relevant provisions of the Act audited by the predecessor auditors for the respective financial years whose report for the year ended March 31, 2024 and March 31, 2023 dated June 24, 2024 and June 30, 2023 expressed an unmodified audit opinion on those consolidated financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.
- e. As fully described in Note 41 of the Consolidated Ind AS financial statements, the Holding Company has prepared these Ind AS financial statements to give effect to the Scheme of arrangement of merger of Jain Recycling Private Limited (JRPL) into the Holding Company from April 1, 2023, being a common control entity. We did not audit total assets of Rs 5,803.71 million and 5,087.87 million as at March 31, 2024 and April 01, 2023 respectively and total revenues of Rs.14,118.32 million for the year ended March 31, 2024, included in the accompanying Consolidated Ind AS financial statements (as part of previous year ended March 31, 2024) in respect of JRPL whose financial statements and other information was audited by other auditors for the respective financial years and whose reports has been furnished to us. Our opinion, in so far as it relates to the JRPL is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements is not modified in respect of the above matters.

**(ii) Report on Other Legal and Regulatory Requirements**

1(b). In our opinion, proper books of account as required by law have been kept by the Group so far as it appears from our examination of those books except that the Company has not maintained daily back-up of books of accounts and other books and papers maintained in electronic mode in a server physically located in India and matters stated in paragraph 1(h) (vi) below on reporting under Rule 11(g).

1(f). The reservation relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph (b) above on reporting under Section 143(3)(b) and paragraph 1(h) (vi) below on reporting under Rule 11(g).

1(h)(vi). Based on our examination, which included test checks, the Holding Company and Subsidiary Company incorporated in India has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility at application level and the same has operated throughout the year for all relevant transactions recorded in the software at application level. Further, there is no feature of recording audit trail (edit log) facility at database level. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail of prior year has been preserved by the Holding Company and Subsidiary Company incorporated in India as per the statutory requirements for record retention to the extent it was enabled and recorded in prior year.

B. The audit report issued by the Independent Peer Reviewed Chartered Accountant Firm on the Special Purpose Consolidated Financial Statements of the Company for the years ended March 31, 2024 and March 31, 2023, included Emphasis of Matter and Other Matter Paragraphs as follows:

**Emphasis of Matter - Basis of Accounting and Restriction on Use**

For the year ended March 31, 2024:

We draw attention to Note No 1.II to the Special Purpose Consolidated Financial Statements, which describes the basis of accounting of the Special Purpose Consolidated Financial Statements. These statements have been prepared solely for the purpose of the preparation of the Restated Financial Information to be included in the proposed Draft Red Herring Prospectus ("DRHP"), Red Herring Prospectus ("RHP") in connection with the proposed Initial Public Offering ("IPO") of equity shares of the Company, as required by:

- a. The terms of reference and terms of our engagement agreed upon with board of directors of the company in accordance with our engagement letter dated December 2, 2024, in connection with the proposed IPO of equity shares of the Issuer;



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- b. Section 26 of Part I of Chapter III of the Companies Act, 2013.
- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations").
- d. The Securities and Exchange Board of India ("SEBI") letter dated October 28, 2021, addressed to the Association of Investment Bankers of India;
- e. Other Relevant SEBI communications.
- f. The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by ICAI.

As a result, these Special Purpose Consolidated Financial Statements may not be suitable for any other purpose. ✓  
Our opinion is not modified in respect of this matter.

For the year ended March 31, 2023:

We draw attention to Note No 1.II to the Special Purpose Consolidated Financial Statements, which describes the basis of accounting of the Special Purpose Consolidated Financial Statements. These statements have been prepared solely for the purpose of the preparation of the Restated Financial Information to be included in the proposed Draft Red Herring Prospectus ("DRHP"), Red Herring Prospectus ("RHP") in connection with the proposed Initial Public Offering ("IPO") of equity shares of the Company, as required by:

- a. The terms of reference and terms of our engagement agreed upon with board of directors of the company in accordance with our engagement letter dated December 2, 2024, in connection with the proposed IPO of equity shares of the Issuer;
- b. Section 26 of Part I of Chapter III of the Companies Act, 2013.
- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations").
- d. The Securities and Exchange Board of India ("SEBI") letter dated October 28, 2021, addressed to the Association of Investment Bankers of India;
- e. Other Relevant SEBI communications.
- f. The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by ICAI.

As a result, these Special Purpose Consolidated Financial Statements may not be suitable for any other purpose. ✓  
Our opinion is not modified in respect of this matter.

#### Other Matters

For the year ended March 31, 2024:

- a. The Company (including the Subsidiary and the amalgamated entity) has prepared a separate set of General Purpose Standalone Financial Statements for the year ended March 31, 2024, in accordance with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read along with the Companies (Accounting Standards) Rules, 2021, and other accounting principles generally accepted in India. We have issued unmodified Opinion(s) dated June 24, 2024, on the same.

Our opinion is not modified in respect of the above matter.

For the year ended March 31, 2023:

- a) The Company (including the Subsidiary and the amalgamated entity) has prepared a separate set of General Purpose Standalone Financial Statements for the year ended March 31, 2023, in accordance with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read along with the Companies (Accounting Standards) Rules, 2021, and other accounting principles generally accepted in India. The predecessor auditors issued unmodified Opinion(s) dated June 30, 2023.



- b) As informed by the Company's management, the predecessor auditor who audited the financial statements for the year ended March 31, 2023, did not hold a valid peer review certificate as issued by the Peer Review Board of the ICAI. Consequently, they expressed their inability to perform any work on the Restated Financial Information to be included in the Offer Documents. Accordingly, in compliance with the SEBI ICDR Regulations, the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by ICAI, and the SEBI Communications from time to time, we have audited the Special Purpose Ind AS Financial Statements of the Company for the year ended March 31, 2023.

Our opinion is not modified in respect of the above matters.

7. The Special purpose audit for one of the subsidiary Jain Ikon Global Venture FZC for the year ended March 31, 2025 (the "Component") was conducted by 'SunTech Auditors & Consultants' ("component auditor"), and accordingly reliance is placed on the examination report dated September 04, 2025 on the restated statement of assets and liabilities of the Component as at March 31, 2025 and the restated Statement of profit and loss (including other comprehensive income), restated statement of cash flows, restated statement of changes in equity, the statement of material accounting policies and other explanatory information for the year ended March 31, 2025 ("Restated Financial Information of the Component") examined by the Component Auditor. Our examination report insofar as it relates to the said component for the year ended March 31, 2025, is based solely on the examination report submitted by the Component Auditor. The Component Auditor have vide their examination report also confirmed that:
- (i) the Restated Financial Information of the Component have been prepared after incorporating adjustments for the changes in accounting policies, any material errors and regroupings/ reclassifications to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the year ended March 31, 2025 by the Holding Company, as more fully described in Note 1.II.A to the Restated Consolidated Financial Information;
  - (ii) there are no qualifications in the auditor's report issued on the Financial Statements of the Component as at and for the year ended March 31, 2025 which require any adjustments to the Restated Financial Information of the Component; and
  - (iii) the Restated Financial Information of the Component have been prepared in accordance with the Act, the SEBI ICD 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 examination report submitted by the Independent Peer Reviewed Chartered Accountant Firm for the respective years and Component Auditor as stated above, we report that:
- i) Restated Consolidated Financial Information have been prepared after incorporating adjustments for the changes in accounting policies, any material errors and regroupings / reclassifications retrospectively in the financial years as at and for the years ended March 31, 2024 and March 31, 2023, to reflect the same accounting treatment as per the accounting policies and grouping /classifications followed as at and for the year ended March 31, 2025, as more fully described in Note 1.II.A to the Restated Consolidated Financial Information (Restated Statement of Adjustments to Audited Financial Statements);
  - ii) there are no qualifications in the Audit Report on the consolidated Ind AS financial statements of the Group and its associate as at and for the year ended March 31, 2025 and special purpose audit reports on the Special Purpose Consolidated Financial Statements of the Group as at and for the years ended March 31, 2024 and March 31, 2023 which require any adjustments to the Restated Consolidated Financial Information. There are Emphasis of Matters and other legal and regulatory matters referred (refer paragraph 6 above), which do not require any adjustment to the Restated Consolidated Financial Information; and
  - iii) Restated Consolidated Financial Information have been prepared in accordance with the Act, the SEBI / ICDR Regulations, the Guidance Note and SEBI Communication.



**MSKC & Associates LLP**  
(Formerly known as M S K C & Associates)  
Chartered Accountants

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9. We have not audited any financial statements of the Group and its associate as at any date or for any period subsequent to March 31, 2025. Accordingly, we express no opinion on the financial position, results of operations, cash flows and statement of changes in equity of the Group and its associate as at any date or for any period subsequent to March 31, 2025.
10. The Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the respective date of the reports on the consolidated Ind AS financial statements and special purpose audited 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 reports issued by us or by the Independent Peer Reviewed Chartered Accountant Firm, 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 this report.
13. Our report is intended solely for use of the Board of Directors and for inclusion in the RHP and Prospectus to be filed with the SEBI, Stock Exchanges and ROC as applicable in connection with the Offer. Our report should not be used, referred to or distributed for any other purpose without prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care towards any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For M S K C & Associates LLP (formerly M S K C & Associates)  
Chartered Accountants  
ICAI firm registration number 001595S / S000168

*Geetha Jeyakumar*

Geetha Jeyakumar  
Partner  
Membership No. 029409  
UDIN: 25029409BMMITT8133



Place: Chennai  
Date: September 06, 2025