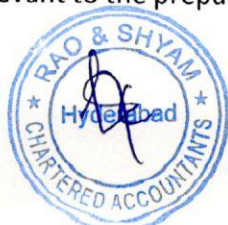




Independent Auditor's Report on Restated Financial Statements

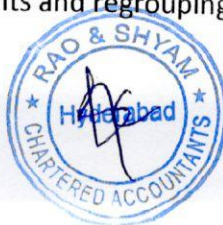
To,
The Board of Directors,
Srivari Spices and Foods Limited,
Shed No. 5-105/4/A, Sy. No. 234/A,
Sriram Industrial Area,
Kattedan, Jalpally
Hyderabad 500 077,
Telangana, India.

1. We have examined the attached restated financial information of **SRIVARI SPICES AND FOODS LIMITED (Formerly known as "SRIVARI SPICES AND FOODS PRIVATE LIMITED")** (hereinafter referred to as **"the Company"**) comprising the restated statement of assets and liabilities as at March 31, 2023, 2022 and 2021, restated statement of profit and loss and restated cash flow statement for the financial year ended on March 31, 2023, 2022 and 2021 and the summary statement of significant accounting policies and other explanatory information (collectively referred to as the **"restated financial information"** or **"restated financial statements"**) annexed to this report and initialed by us for identification purposes. These Restated Financial Statements have been prepared by the management of the Company and approved by the board of directors at their meeting in connection with the proposed Initial Public Offering on EMERGE Platform (**"IPO"** or **"EMERGE IPO"**) of National Stock Exchange of India Limited (**"NSE"**) of the company.
2. These restated summary statements have been prepared in accordance with the requirements of:
 - (i) Section 26 of Part – I of Chapter III of Companies Act, 2013 (the **"Act"**) read with Companies (Prospectus and Allotment of Securities) Rules 2014;
 - (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 (**"ICDR Regulations"**) and related amendments / clarifications from time to time issued by the Securities and Exchange Board of India (**"SEBI"**);
 - (iii) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (**"Guidance Note"**)
3. The Company's Board of Directors is responsible for the preparation of the Restated Financial Statements for inclusion in the Draft Red Herring Prospectus (**"DRHP"**)/ Red Herring Prospectus (**"RHP"**)/ Prospectus (**"Offer Document"**) to be filed with Securities and Exchange Board of India (**"SEBI"**), NSE and Registrar of Companies (Hyderabad) in connection with the proposed IPO. The Restated Financial Statements have been prepared by the management of the Company on the basis of preparation stated in Annexure 4 to the Restated Financial Statements. The responsibility of the board of directors of the Company includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial



Statements. The board of directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.

4. We have examined such Restated Financial Statements taking into consideration:
 - (i) The terms of reference and terms of our engagement letter requesting us to carry out the assignment, in connection with the proposed EMERGE IPO;
 - (ii) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
 - (iii) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Statements;
 - (iv) 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.
5. The Restated Financial Statements of the Company have been compiled by the management from audited financial statements for the year ended on March 31, 2023, 2022 and 2021.
6. Audit for the financial year ended on March 31, 2023 was conducted by us vide our report dated July 18, 2023. Audit for the financial year ended March 31, 2022 was conducted by CA Murtuza N H (M N H & Co.) and March 31, 2021 was conducted by CA Ajay Kumar Kakurla (A R C H & Co) vide their respective report dated September 01, 2022 and November 01, 2021. There are no audit qualifications in the audit reports issued by previous auditors, and which would require adjustments in the Restated Financial Statements of the Company. The financial report included for these years is based solely on the report submitted by him.
7. Based on our examination and according to information and explanations given to us, we are of the opinion that the Restated Financial Statements:
 - (i) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping / reclassifications retrospectively in the financial year ended on March 31, 2023, 2022 and 2021.
 - (ii) do not require any adjustment for modification as there is no modification in the underlying audit reports;
 - (iii) have no extra-ordinary items that need to be disclosed separately in the accounts and requiring adjustments.
 - (iv) have been prepared in accordance with the Act, ICDR Regulations and Guidance Note.
8. In accordance with the requirements of the Act including the rules made there under, ICDR Regulations, Guidance Note and engagement letter, we report that:
 - (i) The "**restated statement of asset and liabilities**" of the Company as at March 31, 2023, 2022 and 2021 examined by us, as set out in **Annexure 1** to this report read with significant accounting policies in **Annexure 4** has been arrived at after making such adjustments and regroupings to the audited financial statements of



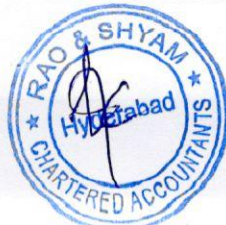
the Company, as in our opinion were appropriate and more fully described in notes to the restated summary statements to this report.

- (ii) The “**restated statement of profit and loss**” of the Company for the financial year ended on at March 31, 2023, 2022 and 2021 examined by us, as set out in **Annexure 2** to this report read with significant accounting policies in **Annexure 4** has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to the restated summary statements to this report.
- (iii) The “**restated statement of cash flows**” of the Company for the financial year ended on at March 31, 2023, 2022 and 2021 examined by us, as set out in **Annexure 3** to this report read with significant accounting policies in **Annexure 4** has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to restated summary statements to this report.

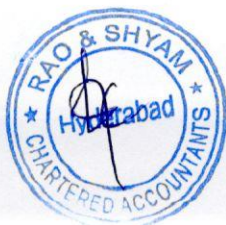
9. We have also examined the following other financial information relating to the Company prepared by the management and as approved by the board of directors of the Company and annexed to this report relating to the Company for the financial year ended on at March 31, 2023, 2022 and 2021 proposed to be included in the Offer Document.

Annexure to Restated Financial Statements of the Company:-

- 1) Summary statement of assets and liabilities, as restated as appearing in ANNEXURE 1;
- 2) Summary statement of profit and loss, as restated as appearing in ANNEXURE 2;
- 3) Summary statement of cash flows as restated as appearing in ANNEXURE 3;
- 4) Corporate Information, Significant accounting policies as restated and Notes to reconciliation of restated profits and networth as appearing in ANNEXURE 4;
- 5) Details of share capital as restated as appearing in ANNEXURE 5 to this report;
- 6) Details of reserves and surplus as restated as appearing in ANNEXURE 6 to this report;
- 7) Details of long-term borrowings as restated as appearing in ANNEXURE 7 to this report;
- 8) Details of short-term borrowings as restated as appearing in ANNEXURE 8 to this report;
- 9) Details of trade payables as restated as appearing in ANNEXURE 9 to this report;
- 10) Details of other current liabilities as restated as appearing in ANNEXURE 10 to this report;
- 11) Details of long-term provisions as restated as appearing in ANNEXURE 11 to this report;
- 12) Details of short-term provisions as restated as appearing in ANNEXURE 12 to this report;
- 13) Details of property, plant & equipment and intangible assets as appearing in ANNEXURE 13 to this report;
- 14) Details of income taxes and deferred tax assets (net) as appearing in ANNEXURE



- 14 to this report;
- 15) Details of inventories as restated as appearing in ANNEXURE 15 to this report;
 - 16) Details of trade receivables as restated as appearing in ANNEXURE 16 to this report;
 - 17) Details of cash and cash equivalents as restated as appearing in ANNEXURE 17 to this report;
 - 18) Details of short-term loans and advances as restated as appearing in ANNEXURE 18 to this report;
 - 19) Details of other non current assets as restated as appearing in ANNEXURE 19 to this report;
 - 20) Details of other current assets as restated as appearing in ANNEXURE 20 to this report;
 - 21) Details of revenue from operations as restated as appearing in ANNEXURE 21 to this report;
 - 22) Details of other income as restated as appearing in ANNEXURE 22 to this report;
 - 23) Details of Cost of materials consumed as restated as appearing in ANNEXURE 23 to this report;
 - 24) Details of changes in inventories of work-in-progress and finished goods as restated as appearing in ANNEXURE 24 to this report;
 - 25) Details of employee benefit expenses as restated as appearing in ANNEXURE 25 to this report;
 - 26) Details of finance costs as restated as appearing in ANNEXURE 26 to this report;
 - 27) Details of other expenses as restated as appearing in ANNEXURE 27 to this report;
 - 28) Details of contingent liabilities, commitments and other litigations as restated as appearing in ANNEXURE 28 to this report;
 - 29) Details of related party transactions as restated as appearing in ANNEXURE 29 to this report;
 - 30) Details of additional disclosures with respect to amendments to Schedule III as restated as appearing in ANNEXURE 30 to this report;
 - 31) Details of Earnings Per Share as restated as appearing in ANNEXURE 31 to this report;
 - 32) Other Disclosure as restated as appearing in ANNEXURE 32 to this report;
 - 33) Details gratuity liabilities as restated as appearing in ANNEXURE 33 to this report;
 - 34) Summary of significant accounting ratios as restated as appearing in ANNEXURE 34 to this report;
 - 35) Capitalisation Statement as at March 31, 2023 as restated as appearing in ANNEXURE 35 to this report;
 - 36) Statement of tax shelters as restated as appearing in ANNEXURE 36 to this report;
10. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.
11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.



12. Our report is intended solely for use of the board of directors for inclusion in the offer document to be filed with SEBI, NSE and Registrar of Companies (Hyderabad) in connection with the proposed EMERGE 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 **RAO & SHYAM**

Chartered Accountants

ICAI Firm Registration No.: 006186S



Kandarp Kumar Dudhoria

Partner

Membership No: 228416

UDIN: 23228416BGXTAC7015

Date: July 18, 2023

Place: Hyderabad