## INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED FINANCIAL INFORMATION

The Board of Directors
**S. G. Encon Limited**
S C O 41-42, Cabin No. 38,
1st Floor, Sector 11, Panchkula,
Haryana – 134 109

Dear Sirs,

1. This report is issued in accordance with the terms of our agreement dated **29-07-2026**
2. We **Dhillon & Associates**, Chartered Accountants have examined, the attached Restated Financial Information of S. G. Encon Limited (the **"Company"** or the **"Issuer"**, comprising of:
   a. The "Restated Statement of Assets and Liabilities" of the Company as at March 31, 2026, March 31, 2025, March 31, 2024 under Indian Accounting Standard (**"Ind AS"**);
   b. The "Restated Statement of Profit and Loss" (including other comprehensive income) of the Company for the financial years ended March 31, 2026, March 31, 2025 and March 31, 2024 under Ind AS;
   c. The "Restated Statement of Cash Flows" of the Company for the financial years ended March 31, 2026, March 31, 2025 and March 31, 2024 under Ind AS;
   d. The "Restated Statement of Changes in Equity" for the financial years ended March 31, 2026, March 31, 2025 and March 31, 2024 under Ind AS;
   e. The "Material Accounting Policies to the Restated Financial Information" for the years ended March 31, 2026, March 31, 2025 and March 31, 2024 under Ind AS;
   f. The "Notes to Restated Financial Information" of the Company for the financial years ended March 31, 2026, March 31, 2025 and March 31, 2024 under Ind AS;
   g. The Statement of Adjustments to the Audited Financial Statement for the year ended March 31, 2026 and Audited Special Purpose Financial Statements for the year ended March 31, 2025 and March 31, 2024 under Ind AS;

(hereinafter together referred to as the **"Restated Financial Information"**), for the purpose of inclusion in the draft red herring prospectus (**"DRHP"**) prepared by the Company in connection with its proposed initial public offer (**"IPO"**) of equity shares of face value of ₹ 10 each of the Company (**"Equity Shares"**) comprising of fresh issue of Equity Shares. The Restated Financial Information which has been approved by the Board of Directors of the Company at their meeting held on September 23, 2026 have been prepared by the Company in connection with its IPO prepared in terms of the requirements of:

a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the **"Act"**), as amended from time to time;
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 from time to time (the **"Guidance Note"**).

### Management's Responsibility for the Restated Financial Information

3. The Company's Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the DRHP to be filed with Securities and Exchange Board of India (**"SEBI"**), the stock exchanges where the equity shares of the Company are proposed to be listed on BSE Limited and National Stock Exchange of India Limited ("Stock Exchanges") and the Registrar of Companies, Delhi and Haryana ("ROC"), in connection with the proposed IPO. The Restated Financial Information has been prepared by the management of the Company on the basis of preparation stated in Note 2.1 to the Restated Financial Information.

The responsibility of the Company's Board of Directors includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The respective Board of Directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.

DHILLON & ASSOCIATES * CHANDIGARH * Chartered Accountants FRN 002783N

**Auditor's Responsibilities**

4. 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 September 23, 2026 in connection with the proposed IPO of equity shares of the Company;
   b) 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, 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.

5. These Restated Financial Information has been compiled by the management from:
   a) The audited statutory purpose Ind AS financial statements as at and for the year ended March 31, 2026, prepared in accordance with the Ind AS, as prescribed under section 133 of the Act with Companies (Indian Accounting Standards) Rules 2015, as amended, and other recognized accounting practices and policies generally accepted in India including requirements of the Act. These statutory purpose Ind AS financial statements for year ended March 31, 2026 were approved by the Board of Directors of the Company at their meeting held on July 29, 2026.
   b) The audited special purpose Ind AS financial statements of the Company as at and for the year ended March 31, 2025, prepared in accordance with Indian Accounting Standard (referred to as "Ind AS") as prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other recognized accounting practices and policies generally accepted in India, and presentation requirements of Schedule III of the Act, including the requirements of the Act except for presentation and disclosure requirements relevant for the comparative period has not been provided and after taking into consideration the requirements of the general directions issued by SEBI on October 2021 ('SEBI Communication') through the Association of Investment Banker of India. The special purpose Ind AS financial statements for the year ended March 31, 2024 were approved by the Board of Directors on July 29, 2026.
   c) The audited special purpose Ind AS financial statements of the Company as at and for the year ended March 31, 2024, prepared in accordance with Indian Accounting Standard (referred to as "Ind AS") as prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other recognized accounting practices and policies generally accepted in India, and presentation requirements of Schedule III of the Act, including the requirements of the Act except for presentation and disclosure requirements relevant for the comparative period has not been provided and after taking into consideration the requirements of the general directions issued by SEBI on October 2021 ('SEBI Communication') through the Association of Investment Banker of India. The special purpose Ind AS financial statements for the year ended March 31, 2024 were approved by the Board of Directors on July 29, 2026.
   The special purpose Ind AS financial statements for the years ended March 31, 2025 and March 31, 2024 have been prepared using the financial statements which were earlier prepared in accordance with Accounting Standards prescribed under section 133 of the Act, read with the Companies (Accounting Standards) Rules, 2021, and other accounting principles generally accepted in India (hereinafter referred to as 'India GAAP financial statements' for the respective aforementioned periods, being the applicable financial reporting framework of the Company for such periods. The said audited Indian GAAP financial statements have been adjusted for the differences in the accounting principles on transition to Ind AS, as per the requirements of Ind AS 101, First time adoption of Indian Accounting Standards (Ind AS 101). Such audited Indian GAAP financial statements for the years ended March 31, 2025 and March 31, 2024 were approved by the Board of Directors at their meeting held on September 2, 2025 and September 5, 2024 respectively.
   As at and for the year ended March 31, 2025 and March 31, 2024 included in these Special Purpose 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 us 'Dhillon & Associates' having firm registration no. 002783N who have issued an unmodified audit opinion vide audit report dated September 2, 2025 for the year ended March 31, 2025 and have issued an unmodified audit opinion vide audit report dated September 5, 2024 for the year ended March 31, 2024.



6. For the purpose of our examination, we have relied on:
   a) Auditor's report issued by us dated July 29, 2026 on the Financial Statements of the Company as at and for the period ended March 31, 2026 as referred in Paragraph 5 above.
   b) Auditor's report issued by us dated July 29, 2025 on the Special Purpose Ind AS financial statements of the Company as at and for the years ended March 31, 2025 and March 31, 2024, respectively as referred in Paragraph 5 above.
   c) Auditor's reports issued by us dated, September 2, 2025 and September 05, 2024 on the audited previous GAAP Financial Statements of the Company as at and for the years ended March 31, 2025, March 31, 2024, respectively, as referred in Paragraph 5 above.

7. 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**

8. Based on our examination and according to the information and explanations given to us for the respective years as mentioned in paragraph 5 and 6 above, 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, 2025 and March 31, 2024 to reflect the same accounting treatment as per the accounting policies and Companying/classifications followed as at and for the year ended March 31, 2026.
   b) does not contain any qualifications which requires financial adjustments. However, qualifications in the Auditors Report and Annexure to the Auditors' Report issued under Companies (Auditor's Report) Order, 2020, issued by the Central Government of India in terms of sub section (11) of section 143 of the Act, as applicable, on the financial statements for the years ended March 31, 2025, March 31, 2024 and March 31, 2023, which do not require any corrective adjustments in the Restated Financial Information have been disclosed in Note 55 to the Restated Financial Information; and
   c) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

9. The Restated Financial Information does not reflect the effects of events that occurred subsequent to the respective dates of the reports on the Special Purpose Audited Financial Statements and audited financial statements mentioned in paragraph 5 above except which is mentioned in Note 49(xii) of Restated Financial Information.

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.

**Restriction on Use**

12. Our report is intended solely for use of the Board of Directors of the Company for inclusion in the DRHP to be filed with SEBI, the Stock Exchanges and the Registrar of Companies 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 Dhillon & Associates**
Chartered Accountants
Firm's Registration Number: 002783N




**Rajesh Malhotra**
Partner
Membership Number: 090661
UDIN: 26090661K2PYVG4870

Place: Chandigarh
Date: September 23, 2026