

STATEMENT OF SPECIAL TAX BENEFITS

To,

The Board of Directors
SEPC Limited
Old No. 56/ L, New No. 10/1, 4th Floor, Bascon Futura Sv it Park,
Venkatnarayana Road, Parthasarathy puram,
T. Nagar, Chennai - 600017

12 October 2023

Sub: Statement of possible special tax benefits available to SEPC Limited (Formerly known as Shriram EPC Limited), its shareholders and Material Subsidiaries (Namely, "SHRIRAM EPC FZE AND SHRIRAM EPC ARKANS LLC"), prepared in accordance with the requirements under Schedule VI (Part B-1)(10) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended ("SEBI ICDR Regulations")

1. We, M S K A & Associates ("the Firm"), Chartered Accountants, the statutory auditors of **SEPC Limited** (the "Company") hereby confirm the enclosed statement in the Annexure I and II (together, the "Annexures") prepared and issued by the Company, which provides the possible special tax benefits under:
 - Income-tax Act, 1961 ('Act') presently in force in India viz. the Income-tax Act, 1961, ('Act'), the Income-tax Rules, 1962, ('Rules'), regulations, circulars and notifications issued thereon, as applicable to the assessment year 2024-25 relevant to the financial year 2023-24 and
 - The Central Goods and Service Tax Act 2017, the Integrated Goods and Service Tax Act, 2017 and the applicable State/ Union Territory Goods and Services Tax Act, 2017 ("GST Acts") as amended from time to time, the Customs Act, 1962 ("Customs Act") and the Customs Tariff Act, 1975 ("Tariff Act") as amended by the Finance Act 2023, applicable for Financial Year 2023-24, Foreign Trade Policy 2023, presently in force.

This Statement provides possible tax benefits available to the Company, its shareholders; and its Material Subsidiaries (Namely, "SHRIRAM EPC FZE AND SHRIRAM EPC ARKANS LLC") ("Material Subsidiary") identified as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. Several of these benefits are dependent on the Company, its shareholders and Material Subsidiary, as the case may be, fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company, its shareholders and Material Subsidiary to derive the special tax benefits is dependent upon their fulfilling such conditions, which based on business imperatives the Company, its shareholders and Material Subsidiary face in the future, the Company, its shareholders and Material Subsidiary may or may not choose to fulfil.

2. This statement of possible special tax benefits is required as per Schedule VI (Part B-1)(10) of the SEBI ICDR Regulations. While the term 'special tax benefits' has not been defined under the SEBI ICDR Regulations, it is assumed that with respect to special tax benefits available to the Company, the same would include those benefits as enumerated in the statement. Any benefits under the Taxation Laws other than those specified in the statement are considered to be general tax benefits and therefore not covered within the ambit of this statement. Further, any benefits available under any other laws within or outside India, except for those specifically mentioned in the statement, have not been examined and covered by this statement.
3. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.
4. The benefits discussed in the enclosed statement cover the possible special tax benefits available to the Company, its shareholders and its Material Subsidiary and do not cover any general tax benefits available to them.
5. In respect of non-residents, the tax rates and the consequent taxation shall be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile.



MSKA & Associates

Chartered Accountants

6. The benefits stated in the enclosed statement are not exhaustive and the preparation of the contents stated is the responsibility of the Company's management. We are informed that this statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the distinct nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultant with respect to the specific tax implications arising out of their participation in the issue and we shall in no way be liable or responsible to any shareholder or subscriber for placing reliance upon the contents of this statement. Also, any tax information included in this written communication was not intended or written to be used, and it cannot be used by the Company or the investor, for the purpose of avoiding any penalties that may be imposed by any regulatory, governmental taxing authority or agency.
7. We conducted our examination in accordance with the "Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)" (the "Guidance Note") issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accounts of India.
8. 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.
9. We do not express any opinion or provide any assurance whether:
 - The Company, its shareholders and Material Subsidiary will continue to obtain these benefits in future;
 - The conditions prescribed for availing the benefits have been/would be met;
 - The revenue authorities/courts will concur with the views expressed herein.
10. The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company. We have relied upon the information and documents of the Company being true, correct, and complete and have not audited or tested them. Our view, under no circumstances, is to be considered as an audit opinion under any regulation or law. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our Firm or any of partners or affiliates, shall not be responsible for any loss, penalties, surcharges, interest or additional tax or any tax or non-tax, monetary or non-monetary, effects or liabilities (consequential, indirect, punitive or incidental) before any authority / otherwise within or outside India arising from the supply of incorrect or incomplete information of the Company.
11. This Statement is addressed to Board of Directors and issued at specific request of the Company. The enclosed Annexure to this Statement is intended solely for your information and for inclusion in the Letter of Offer in connection with the proposed rights issue of equity shares of the Company, and is not to be used, referred to or distributed for any other purpose without our prior written consent. 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 certificate is shown or into whose hands it may come without our prior consent in writing. Any subsequent amendment / modification to provisions of the applicable laws may have an impact on the views contained in our statement. While reasonable care has been taken in the preparation of this certificate, we accept no responsibility for any errors or omissions therein or for any loss sustained by any person who relies on it.

For **M S K A & Associates**
Chartered Accountants
ICAI Firm Registration No. 105047W



Geetha Jeyakumar
Partner
Membership No. 029409
UDIN: 23029409BGTNBH7600



Place: Chennai
Date: October 12, 2023

ANNEXURE 1

STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO SEPC LIMITED ("THE COMPANY"), ITS MATERIAL SUBSIDIARIES AND SHAREHOLDERS

I. UNDER THE INCOME TAX ACT, 1961 (hereinafter referred to as 'the Act')

1.Special Tax benefits available to the company and its Material Subsidiaries under the Act

- There are no special tax benefits available to the company and its Material Subsidiaries.

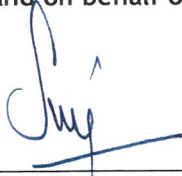
2.Special Tax benefits available to the shareholders under the Act

- There are no special tax benefits available to the shareholders.

Notes:

- a. The above Statement sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership, and disposal of shares.
- b. For the purpose of reporting here, we have not considered the general tax benefits available to the company, its Material Subsidiaries or its shareholders under the Act.
- c. The above statement of possible tax benefits is as per the current direct tax laws relevant for the assessment year 2024-25.
- d. This statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his/her investment in the shares of the company.
- e. In respect of non-residents, the tax rates and consequent taxation will be further subject to any benefits available under the relevant DTAA, if any, between India and the country in which the non-resident has fiscal domicile.
- f. No assurance is given that the revenue authorities/court will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such change.

For and on behalf of the Board of Directors of SEPC Limited



N K Suryanarayanan
Managing Director & CEO
Place: Chennai
Date: October 12, 2023



ANNEXURE II

STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO SEPC LIMITED ("THE COMPANY"), ITS MATERIAL SUBSIDIARIES AND SHAREHOLDERS

II. The Central Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017 ("GST Act"), the Customs Act, 1962 ("Customs Act") and the Customs Tariff Act, 1975 ("Tariff Act") (collectively referred to as "indirect tax")

1. Special indirect tax benefits available to the Company

There are no special indirect tax benefits available to the Company and its Material Subsidiaries.

2. Special Indirect tax benefits available to the shareholders

There are no special indirect tax benefits applicable in the hands of shareholders for investing in the Shares of the Company.

Notes:

- a. The above statement is based upon the provisions of the specified Indirect tax laws, and judicial interpretation thereof prevailing in the country, as on the date of this Annexure.
- b. The above statement covers only above-mentioned tax laws benefits and does not cover any income tax law benefits or benefit under any other law.
- c. This statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.
- d. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

For and on behalf of the Board of Directors of SEPC Limited



N K Suryanarayanan
Managing Director & CEO
Place: Chennai
Date: October 12, 2023

