

Shriram EPC Limited
Registered Office: 4th Floor, Bascon Futura SV,
Door No. 10/1, Venkatanarayana Road, T. Nagar, Chennai - 600017.
www.shriramepc.com

Corporate Identity Number : L74210TN2000PLC045167

Extract of Consolidated unaudited Financial Results for the Nine Months Ended 31 December 2021

Rs lakhs							
	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31.12.2021	30.09.2021	31.12.2020	31.12.2021	31.12.2020	31-03-2021
		Un Audited	Un Audited	Un Audited	Un Audited	Un Audited	Audited
1	Total Income from Operations (Net)	8,193.92	9,304.34	13,177.05	24,493.95	42,530.38	60,614.79
2	Loss for the period (before Tax, Exceptional and/or Extraordinary items)	-6,664.34	-2,623.20	-6,042.55	-12,835.33	-12,027.89	-16,676.03
3	Loss for the period after tax (after Exceptional and/or Extraordinary items)	-6,664.34	-2,623.20	-6,050.96	-12,835.33	-12,070.94	-17,947.31
4	Total Comprehensive Income for the period (Comprising Profit/(Loss) for the period (after tax) and Other Comprehensive Income (after tax))	-6,595.10	-2,621.96	-6,041.44	-12,760.52	-12,051.68	-17,927.70
5	Equity Share Capital (Face value of Rs 10/- each)	97,152.90	97,152.90	97,152.90	97,152.90	97,152.90	97,152.90
6	Earnings Per Share (of Rs. 10/- each)						
	(a) Basic	-0.68	-0.27	-0.62	-1.31	-1.24	-1.85
	(b) Diluted	-0.68	-0.27	-0.62	-1.31	-1.24	-1.85

- Note:
- The above unaudited consolidated financial results were reviewed by the Audit Committee and approved by the Board of Directors of the Company at their meetings held on February 11, 2022.
 - The above is an extract of the detailed results for the nine months and quarter ended December 31, 2021 filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The detailed results for the nine months and quarter ended December 31, 2021 are available on the Stock Exchanges Website www.bseindia.com and www.nseindia.com and on the website of the Company www.shriramepc.com.
 - The unaudited Standalone Results for the Nine months and Quarter ended December 31, 2021 are hereunder:

Rs lakhs						
	Quarter Ended			Nine Months Ended		Year Ended
	31.12.2021	30.09.2021	31.12.2020	31.12.2021	31.12.2020	31-03-2021
Total Income from Operations	6,573.76	8,260.74	12,916.02	21,514.98	38,403.39	55,324.01
Loss for the period (before Tax, Exceptional and/or Extraordinary items)	(4,789.61)	(3,602.93)	(6,076.04)	(12,090.70)	(12,396.99)	(17,139.42)
Loss for the period after tax (after Exceptional and/or Extraordinary items)	(4,789.61)	(3,602.93)	(6,076.04)	(12,090.70)	(12,396.99)	(18,288.53)
Total Comprehensive Income for the period (Comprising Profit for the period (after tax) and Other Comprehensive Income (after tax))	(4,720.36)	(3,601.69)	(6,066.52)	(12,015.89)	(12,377.73)	(18,268.92)

For Shriram EPC Limited

(Signature)
Shriram
Managing Director & CEO

Place: Chennai
Date: 11.02.2022

Shriram EPC Limited

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Statement of Consolidated unaudited Financial Results for the Nine Months and Quarter Ended December 31, 2021.

Rs lakhs

SNo	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31.12.2021	30.09.2021	31.12.2020	31.12.2021	31.12.2020	31.03.2021
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income						
	(a) Revenue from operations	8,945.28	8,105.23	12,457.79	23,706.57	40,526.77	58,278.52
	(b) Other Income	751.36	1,199.11	719.26	787.38	2,003.61	2,336.27
	Total Income	8,193.92	9,304.34	13,177.05	24,493.95	42,530.38	60,614.79
2	Expenses						
	(a) Cost of Materials, Erection, Construction & Operation Expenses	10,029.99	7,090.79	12,277.44	23,492.44	37,892.09	55,671.74
	(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade		253.87	189.89	248.20	140.43	76.66
	(c) Employee benefits expense	971.64	761.87	696.98	2,635.22	2,869.81	3,808.40
	(d) Finance Costs	2,981.54	2,895.74	2,759.35	8,572.12	8,122.71	10,658.93
	(e) Depreciation and amortisation expense	133.11	134.10	138.42	402.26	418.12	556.04
	(f) Other expenses	741.98	791.17	3,157.52	1,976.04	5,115.11	6,519.05
	Total expenses	14,858.26	11,927.54	19,219.60	37,329.28	54,558.27	77,290.82
3	Loss before exceptional items and tax (1-2)	(6,664.34)	(2,623.20)	(6,042.55)	(12,835.33)	(12,027.89)	(16,676.03)
4	Exceptional items - (Refer Note No 7(b))						1,149.11
5	Loss before tax (3 + 4)	(6,664.34)	(2,623.20)	(6,042.55)	(12,835.33)	(12,027.89)	(17,825.14)
6	Tax Expense			8.41		43.05	122.17
7	Loss for the period / Year (5 - 6)	(6,664.34)	(2,623.20)	(6,050.96)	(12,835.33)	(12,070.94)	(17,947.31)
8	Other comprehensive income (OCI)						
	Other comprehensive income not to be reclassified to profit or loss in subsequent periods						
	Re-measurement gains on defined benefit plans (Net of Taxes)	6.28	0.85	7.01	7.99	15.40	17.10
	Fair Value of Equity Instruments through OCI (Net of Taxes)	62.96	0.39	2.51	66.82	3.86	2.51
	Total Other comprehensive income	69.24	1.24	9.52	74.81	19.26	19.61
9	Total comprehensive Loss for the period / year (7+8)	(6,595.10)	(2,621.96)	(6,041.44)	(12,760.52)	(12,051.68)	(17,927.70)
10	Paid-up equity share capital (Face value Rs. 10 each)	97,152.90	97,152.90	97,152.90	97,152.90	97,152.90	97,152.90
11	Other Equity						3,215.11
12	Earnings per share (of Rs 10/- each) (not annualised except for year ended March 31, 2020):						
	(a) Basic	(0.68)	(0.27)	(0.62)	(1.31)	(1.24)	(1.81)
	(b) Diluted	(0.68)	(0.27)	(0.62)	(1.31)	(1.24)	(1.81)
	See accompanying notes to the financial results						



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CIN: L74210TN2000PLC045167



Notes:

1. The Company has changed its name from Shriram EPC Limited to SEPC Limited w.e.f February 12, 2021 (Final approval from Stock Exchanges awaited). The unaudited Consolidated results for the quarter and nine months ended December 31, 2021 were reviewed and recommended by the Audit Committee and approved by the Board of Directors at their respective meetings held on February 11, 2022. These results have been subjected to Limited review by the Statutory Auditors of the Company. The unaudited standalone financial results have been prepared in accordance with the recognition and measurement principles provided in Indian Accounting Standard (Ind AS) 34 on 'Interim Financial Reporting', the provisions of the Companies Act, 2013 (the Act), as applicable and guidelines issued by the Securities and Exchange Board of India (SEBI) under SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 as amended.
2. Financial Assets Loans (Non-Current) include Rs. 3,201.62 Lakhs (December 31, 2020 : Rs. 3,089.94 Lakhs), due from Leitwind Shriram Manufacturing Pvt Limited (LSML) (a related party). The management is confident of realising the amounts due from LSML considering the fact that, LSML has settled the lenders dues and any surplus cashflows /recovery of retention receivables from their customers will be utilised for repayment of these dues towards the Company. The auditors have qualified this matter in their report for the Quarter and Nine Months ended December 31, 2021.
3. The Company (SEPC) is one of the Respondent along with Twarit Consultancy Private Limited (TCPL) in respect of an Arbitration by The Singapore International Arbitration Centre (SIAC) filed by GPE (INDIA) Ltd, GPE JV1 Ltd, Gaja Trustee Company Private Ltd (the Claimants) in connection with the claimants' investments in an associate company of the Company. SIAC vide their Order dated January 07, 2021 awarded damages Jointly and Severally on the Respondents to the tune of Rs.1,98,54.10 lakhs and a sum of SGD 372,754.79 towards Arbitration expenses. These are to be paid along with simple interest @ 7.25% pa from July 21, 2017 until the date of payment. The Respondents have already preferred an appeal before the High Court of Republic of Singapore against the award of SIAC and the same is pending as on date. However, the Company has entered into an Inter-se arrangement dated September 29, 2015 with TCPL and Shri Housing Pvt Ltd by which, Company will be fully indemnified, in case of any liability arising out of any Suits, Proceedings, Disputes, Damages payable by the Company on any defaults arising out of the investments made by the Complainant in the associate. In view of the said Inter-se Arrangements, the Company do not have any liability whatsoever, on account of this award which is subject to the outcome of the Respondents appeal before all appropriate Jurisdictional Courts / Forums.
4. The contract of the Company to execute a project with Governorate of Basra, Government of Iraq (the Customer) was cancelled by the customer in 2014. Mokul Shriram EPC JV (JV Company) filed a complaint against Export Credit Guarantee Corporation of India Limited (ECGC) before the National Consumer Disputes Redressal Commission, (NCDRC) New Delhi. NCDRC, vide their order dated January 27, 2021, allowed the consumer complaint filed by the JV Company and directed ECGC to pay a sum of Rs 26,501 lakhs along with simple interest @ 10% pa. with effect from September 19, 2016 till the date of realisation to the JV Company within a period of three months from the date of order, failing which ECGC will be liable to pay compensation in the form of simple interest @ 12% pa. ECGC had filed an appeal against the order of NCDRC New Delhi, before Supreme Court, and the case is pending for disposal.
5. Against the carried forward loss of Rs.2,11,013 lakhs, the company has recognized deferred tax asset (DTA) on a carry forward loss to the extent of Rs.1,49,201 lakhs which results in DTA of Rs. 43,930 lakhs. Considering potential order book as on date, future business prospects post implementation of resolution plan, projects in pipeline etc, the management is confident of adjusting these carry forward losses and reversal of DTA before the expiry of the period for which this benefit is available. The auditors have qualified this matter in their report for the quarter and nine months ended December 31, 2021.
6. The Company has incurred net loss of Rs. 12,760.52 Lakhs during the nine months ended December 31, 2021 and as of that date has accumulated losses aggregating Rs. 206,200.94 Lakhs which has resulted in substantial erosion of its net worth. The Company has defaulted in repayment of term loan principal and payment of interest on the same to their lenders amounting to Rs. 6,076 lakhs and Rs 1,980 lakhs respectively as on December 31, 2021 based on which these accounts have become Non-performing Assets in 17 banks out of 18 banks. Further, the COVID-19 pandemic has also impacted operations resulting in delay of collection relating to project dues. The Company has received an investment proposal from an Investor who has submitted a business plan based on which a Resolution Plan has been submitted to the consortium of lenders in accordance with the requirement set out in the circular issued by the Reserve Bank of India No RBI/20119/203DBR.No>BP.BC.45/21.04.048./2018-19 dated June 07, 2019. The Resolution plan provides for infusion of Rs 35,000 Lakhs equity, change of management, conversion of loan into Non-Convertible Debenture and Compulsorily Convertible Debentures of each Rs 17,500 Lakhs, levy of interest at 9% pa. effective from October 01, 2020, amongst other requirements. Moreover One of the financial creditor has filed petition for recovery of dues before the NCLT during July 2021. As part of the implementation of Resolution Plan all over dues are scheduled to be paid. Based on the expectation of the implementation of the resolution plan with lenders, underlying strength of the Company's business plans and future growth outlook as assessed with existing order book, the credit profile of the Company, would improve resulting in it being able to meet its obligations in due course of time. Accordingly, These financial results are prepared on a going concern basis.

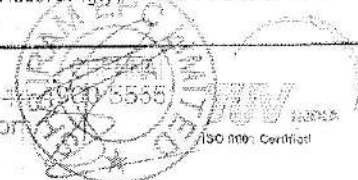
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7 (a) The outbreak of Coronavirus (COVID -19) pandemic globally and in India caused significant disturbance and slowdown of economic activity. The Company has assessed the impact of pandemic on its financial results/position based on the principle of prudence in applying judgements, estimates and assumptions including sensitivity analysis and has concluded that there is no major impact of COVID 19 on the recoverability of carrying values of assets and expects to recover the carrying value of its assets. Considering that it is a dynamic and evolving situation, the management will continue to closely monitor and evaluate the impact of any material change in macro-economic and other related factors, which may have bearing on the Company's operations.

7 (b) Exceptional item:

Exceptional items for the year ended March 31, 2021 represents provision of trade, other receivables and contract assets amounting to Rs. 1,149.11 lakhs, based on estimation of potential stress on project completion in a project, considering COVID 19 pandemic.

8. Revenue includes Rs 3624.16 lakhs and Rs.18,640.93 Lakhs for the Nine months ended December 31, 2021 and December 30, 2020 respectively, Rs. 3,210.35 lakhs and Rs.5,090.94 lakhs for the quarter ended December 31, 2021 and December 30, 2020 respectively, being share of revenue relating to the Basra project, billed from Mokul Shriram EPC JV (MSJV), a jointly controlled operation, wherein the company owns 50% interest.

9. The Company has proposed to issue and allot equity shares by way of preferential issue for a value upto Rs 35,000 Lakhs to a strategic investor subject to lenders and regulatory approvals.

10. The Company is engaged in the sole activity of carrying on the business of "Engineering ,Procurement and Construction " (EPC) and therefore, has only one reportable segment in accordance with Ind AS 108 "Operating Segments". Hence no separate segment reporting is applicable to the company.

11. The code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits, received presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date from which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

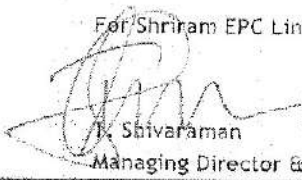
12. Previous period figures have been regrouped / reclassified to be in conformity with current period's classification/disclosure, wherever necessary.

13. On March 24, 2021, the Ministry of Corporate Affairs (MCA) through a notification, amended Schedule III of the Companies Act, 2013, applicable for financial periods commencing from April 1, 2021. Pursuant to such amendments, current maturities of long term borrowings as at March 31, 2021 have been reclassified from other financial liabilities to short term borrowings.

Place: Chennai

Date: February 11, 2022

For Shriram EPC Limited


J. Shivarman
Managing Director & CEO



Shriram EPC Limited

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 Statement of Standalone Unaudited Financial Results for the Nine Months and Quarter Ended December 31, 2021.

S No	Particulars	Quarter Ended			Nine Months Ended		Rs lakhs
		31.12.2021	30.09.2021	31.12.2020	31.12.2021	31.12.2020	Year Ended
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income						
	(a) Revenue from operations	6,412.96	8,038.50	12,228.33	21,039.57	36,559.75	53,193.33
	(b) Other Income	160.80	222.24	687.69	575.41	1,843.64	2,130.68
	Total Income	6,573.76	8,260.74	12,916.02	21,614.98	38,403.39	55,324.01
2	Expenses						
	(a) Cost of Materials, Erection, Construction & Operation Expenses	6,680.50	7,037.18	12,177.28	20,056.51	34,714.77	51,463.44
	(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade		253.87	140.43	248.20	140.43	76.66
	(c) Employee benefits expense	966.04	757.90	664.50	2,624.07	2,651.82	3,576.44
	(d) Finance Costs	2,980.82	2,895.06	2,759.05	8,570.73	8,119.88	10,655.75
	(e) Depreciation and amortisation expense	130.90	131.39	137.58	394.58	409.83	544.86
	(f) Other expenses	605.11	788.27	3,113.22	1,811.59	4,763.65	6,146.29
	Total expenses	11,363.37	11,863.67	18,992.06	33,705.68	50,800.38	72,463.44
3	Loss before exceptional items and tax (1-2)	(4,789.61)	(3,602.93)	(6,076.04)	(12,090.70)	(12,396.99)	(17,139.42)
4	Exceptional Items (Refer Note No 7(b))						1,149.11
5	Loss before tax (3 + 4)	(4,789.61)	(3,602.93)	(6,076.04)	(12,090.70)	(12,396.99)	(18,288.53)
6	Tax Expense / (Benefit)						
7	Loss for the period / year (5 - 6)	(4,789.61)	(3,602.93)	(6,076.04)	(12,090.70)	(12,396.99)	(18,288.53)
8	Other comprehensive income / (loss) (OCI)						
	Other comprehensive income not to be reclassified to profit or loss in subsequent periods						
	Re-measurement gains on defined benefit plans (Net of Taxes)	6.28	0.85	7.01	7.99	15.40	17.10
	Fair Value of Equity Instruments through OCI (Net of Taxes)	62.96	0.39	2.51	66.82	3.86	2.51
	Total Other comprehensive income	69.24	1.24	9.52	74.81	19.26	19.61
9	Total comprehensive Loss for the period / year (7+8)	(4,720.36)	(3,601.69)	(6,066.52)	(12,015.89)	(12,377.73)	(18,268.92)
10	Paid-up equity share capital (Face value ₹ 10 each)	97,152.90	97,152.90	97,152.90	97,152.90	97,152.90	97,152.90
11	Other Equity						2,298.12
12	Earnings per share (of Rs 10/- each) (not annualised for the period):						
	(a) Basic	(0.49)	(0.37)	(0.62)	(1.24)	(1.27)	(1.88)
	(b) Diluted	(0.49)	(0.37)	(0.62)	(1.24)	(1.27)	(1.88)
	See accompanying notes to the financial results						



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2. Financial Assets Loans (Non-Current) include Rs. 3,201.62 Lakhs (December 31, 2020 : Rs. 3,089.94 Lakhs), due from Leitwind Shriram Manufacturing Pvt Limited (LSML) (a related party). The management is confident of realising the amounts due from LSML considering the fact that, LSML has settled the lenders dues and any surplus cashflows / recovery of retention receivables from their customers will be utilised for repayment of these dues towards the Company. The auditors have qualified this matter in their report for the Quarter and Nine Months ended December 31, 2021.
3. The Company (SEPC) is one of the Respondents along with Twarit Consultancy Private Limited (TCPL) in respect of an Arbitration by The Singapore International Arbitration Centre (SIAC) filed by GPE (INDIA) Ltd, GPE JV Ltd, Gaja Trustee Company Private Ltd (the Claimants) in connection with the claimants investments in an associate company of the Company. SIAC vide their Order dated January 07, 2021 awarded damages Jointly and Severally on the Respondents to the tune of Rs.1,98,54.10 lakhs and a sum of SGD 372,754.79 towards Arbitration expenses. These are to be paid along with simple interest @ 7.25% pa from July 21, 2017 until the date of payment. The Respondents have already preferred an appeal before the High Court of Republic of Singapore against the award of SIAC and the same is pending as on date. However, the Company has entered into an Inter-se arrangement dated September 29, 2015 with TCPL and Shri Housing Pvt Ltd by which, Company will be fully indemnified, in case of any liability arising out of any Suits, Proceedings, Disputes, Damages payable by the Company on any defaults arising out of the investments made by the Complainant in the associate. In view of the said Inter-se Arrangements, the Company does not have any liability whatsoever, on account of this award which is subject to the outcome of the Respondents appeal before all appropriate Jurisdictional Courts / Forums.
4. The contract of the Company to execute a project with Governorate of Basra, Government of Iraq (the Customer) was cancelled by the customer in 2014. Mokul Shriram EPC JV (JV Company) filed a complaint against Export Credit Guarantee Corporation of India Limited (ECGC) before the National Consumer Disputes Redressal Commission, (NCDRC) New Delhi. NCDRC, vide their order dated January 27, 2021, allowed the consumer complaint filed by the JV Company and directed ECGC to pay a sum of Rs 26,501 lakhs along with simple interest @ 10% pa. with effect from September 19, 2016 till the date of realisation to the JV Company within a period of three months from the date of order, failing which ECGC will be liable to pay compensation in the form of simple interest @ 12% pa. ECGC had filed an appeal against the order of NCDRC New Delhi, before Supreme Court, and the case is pending for disposal.
5. Against the carried forward loss of Rs.2,11,013 lakhs, the company has recognized deferred tax asset (DTA) on a carry forward loss to the extent of Rs.1,49,201 lakhs which results in DTA of Rs. 41,930 lakhs. Considering potential order book as on date, future business prospects post implementation of resolution plan, projects in pipeline etc. the management is confident of adjusting these carry forward losses and reversal of DTA before the expiry of the period for which this benefit is available. The auditors have qualified this matter in their report for the quarter and nine months ended December 31, 2021.
6. The Company has incurred net loss of Rs. 12,015.89 Lakhs during the Nine Months ended December 31, 2021 and as of that date has accumulated losses aggregating Rs. 3,01,706.70 Lakhs which has resulted in substantial erosion of its net worth. The Company has defaulted in repayment of term loan principal and payment of interest on the same to their lenders amounting to Rs. 6,076 lakhs and Rs 1,980 lakhs respectively as on December 31, 2021 based on which, these accounts have become Non-performing Assets in 17 banks out of 18 banks. Further, the COVID-19 pandemic has also impacted operations resulting in delay of collection relating to project dues. The Company has received an investment proposal from an investor who has submitted a business plan based on which a Resolution Plan has been submitted to the consortium of lenders in accordance with the requirement set out in the circular issued by the Reserve Bank of India No RBI/20119/203DBR.No-8P.BC.45/21.04.048./2018-19 dated June 07, 2019. The Resolution plan provides for infusion of Rs 35,000 Lakhs equity, change of management, conversion of loan into Non-Convertible Debenture and Compulsorily Convertible Debentures of each Rs 12,500 Lakhs, levy of interest at 9% pa. effective from October 01, 2020, amongst other requirements. Moreover One of the financial creditor has filed petition for recovery of dues before the NCLT during July 2021. As part of the implementation of Resolution Plan all over dues are scheduled to be paid. Based on the expectation of the implementation of the resolution plan with lenders, underlying strength of the Company's business plans and future growth outlook as assessed with existing order book, the credit profile of the Company, would improve resulting in it being able to meet its obligations in due course of time. Accordingly, these financial results are prepared on a going concern basis.
- 7 (a) The outbreak of Coronavirus (COVID -19) pandemic globally and in India caused significant disturbance and slowdown of economic activity. The Company has assessed the impact of pandemic on its financial results/position based on the principle of prudence in applying judgements, estimates and assumptions including sensitivity analysis and has concluded that there is no major impact of COVID 19 on the recoverability of carrying values of assets and expects to recover the carrying value of its assets. Considering that it is a dynamic and evolving situation, the management will continue to closely monitor and evaluate the impact of any material change in macro-economic and other related factors, which may have bearing on the Company's operations.
- 7 (b) Exceptional Item:
Exceptional Items for the year ended March 31, 2021 represents provision of trade, other receivables and contract assets amounting to Rs. 1,149.11 lakhs, based on estimation of potential stress on project completion in a project, considering COVID 19 pandemic.

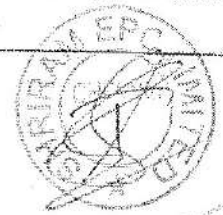
Shriram EPC Limited

Regd. Office : "Baseon Future SV" - 4th Floor,

10/1, Venkatesanarayana Road, T.Nagar, Chennai - 600 017. Phone : +91-44-4900 5555

E-mail: info@shriramepc.com Website: www.shriramepc.com

CIN: L74210TN2000PLC045167



8. Revenue includes Rs 8624.16 lakhs and Rs.18,640.93 Lakhs for the Nine months ended December 31, 2021 and December 30, 2020 respectively; Rs. 3,210.35 lakhs and Rs.5,090.94 lakhs for the quarter ended December 31, 2021 and December 30, 2020 respectively, being share of revenue relating to the Basra project, billed from Mokul Shriram EPC JV (MSJV), a jointly controlled operation, wherein the company owns 50% interest.

9. The Company has proposed to issue and allot equity shares by way of preferential issue for a value upto Rs 35,000 Lakhs to a strategic investor subject to tenders and regulatory approvals.

10. The Company is engaged in the sole activity of carrying on the business of "Engineering, Procurement and Construction" (EPC) and therefore, has only one reportable segment in accordance with Ind AS 108 "Operating Segments". Hence no separate segment reporting is applicable to the Company.

11. The code on Social Security, 2020 ("Code") relating to employee benefits during employment and post-employment benefits, received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date from which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

12. Previous period figures have been regrouped / reclassified to be in conformity with current period's classification/disclosure, wherever necessary.

13. On March 24, 2021, the Ministry of Corporate Affairs (MCA) through a notification, amended Schedule III of the Companies Act, 2013, applicable for financial periods commencing from April 1, 2021. Pursuant to such amendments, current maturities of long term borrowings as at March 31, 2021 have been reclassified from other financial liabilities to short term borrowings.

For Shriram EPC Limited

T. Shivarman

Managing Director & CEO

Place : Chennai

Date: February 11, 2022



Shriram EPC Limited

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Independent Auditor's Review Report on Standalone Unaudited Quarterly and year to date financial results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

**TO THE BOARD OF DIRECTORS
SHRIRAM EPC LIMITED**

1. We have reviewed the accompanying statement of unaudited standalone financial results of Shriram EPC Limited ('the Company') for the quarter ended December 31, 2021 and the year to-date results for the period April 01, 2021 to December 31, 2021 ('the Statement') attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ('the Regulation').
2. This Statement has been prepared by the Company's Management in accordance with the recognition and measurement principles laid down in Indian Accounting Standard (Ind AS) 34 'Interim Financial Reporting' ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting principles generally accepted in India.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether financial results are free of material misstatements. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Basis for Qualified Conclusion:

Our limited review report on the unaudited standalone financial results for the quarters ended September 30, 2021, December 31, 2020 and the year to date results for the period April 01, 2020 to December 31, 2020 and audited results for the year April 01, 2020 to March 31, 2021 were qualified in respect of the matters stated below:

- i. Financial Assets Loans (Non-Current) include Rs. 3,201.62 Lakhs (December 31, 2020: Rs. 3,089.94 Lakhs), due from related party. Sufficient appropriate audit evidence to corroborate management's assessment of recoverability of the above said amounts are not available and such amounts are outstanding for more than five years. Further, no provision with respect to the same is made in the books of accounts as explained in the Note 02 of Unaudited standalone financial results. Accordingly, we are unable to comment on the carrying value of above-mentioned Financial Assets Loans amounting to Rs. 3,201.62 Lakhs and the impact, if any, on account of non-provisioning of the said balance on the financial results at present.
- ii. The carrying value of Deferred Tax Asset (DTA) on unabsorbed business losses amounting to Rs. 43,930 Lakhs (including an amount of Rs. 16 Lakhs recognized during the current quarter ended December 31, 2021) (December 31, 2020: Rs. 43,912 Lakhs) which is recognized on unabsorbed business losses. Due to unavailability of sufficient appropriate audit evidence to corroborate management's assessment on reasonable certainty of future taxable profits, as required by IND AS 12 on Income Taxes, and considering the current pandemic situation, we are unable to ascertain the extent to which the deferred tax asset can be utilized. Refer to Note 05 of Unaudited standalone financial results.

MSKA & Associates

Chartered Accountants

5. Based on our review conducted as above, with the exception of the matters described in the paragraph 4 and the effects thereon, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited standalone financial results prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting principles generally accepted in India has not disclosed the information required to be disclosed in terms of the Regulation including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. **Material Uncertainty Related to Going Concern**

We draw attention to Note 06 in the financial results, which states that the Company has incurred a net loss Rs. 12,015.89 Lakhs during the period ended December 31, 2021 and as of that date has accumulated losses aggregating Rs. 2,01,706.70 Lakhs which has resulted in substantial erosion of its net worth. Further, the COVID-19 pandemic has also impacted operations resulting in delay of collection relating to project dues. These events or conditions indicates that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. However, as stated in Note 06, considering the investment proposal from an Investor who has submitted a business plan based on which a Resolution Plan has been submitted to the consortium of lenders, the Company's ability to continue as a going concern is dependent on the successful implementation of the resolution plan. Accordingly, the financials have been prepared on going concern basis.

Our opinion is not modified in respect of this matter.

7. We draw attention to Note 07 to the unaudited standalone financial results which states that the management has made an assessment of the impact of COVID-19 on the Company's operations, financial performance and position as at and for the period ended December 31, 2021 and has concluded that there is no impact which is required to be recognized in the financial results. Accordingly, no adjustments have been made to the financial results.

Our opinion is not modified in respect of this matter.

For MSKA & Associates
Chartered Accountants
Firm Registration No.105047W

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Date: 2022.02.11
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Geetha Jeyakumar
Partner
Membership No.: 029409
UDIN: 22029409ABLFHY2298

Place: Chennai
Date: February 11, 2022

Independent Auditor's Review Report on Consolidated Unaudited Quarterly and year to date financial results of the Group, pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

**The Board of Directors
Shriram EPC Limited**

1. We have reviewed the accompanying statement of consolidated unaudited financial results of Shriram EPC Limited ('the Holding Company'), its subsidiary, (the Holding Company and its subsidiary together referred to as the 'Group') for the quarter ended December 31, 2021 and the year to-date results for the period from April 01, 2021 to December 31, 2021 ('the Statement'), being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ('the Regulations'). This statement is the responsibility of the Holding Company's Management and has been approved by the Holding Company's Board of Directors. Our responsibility is to express a conclusion on the based on our review.
2. This Statement has been prepared by the Holding Company's Management in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 'Interim Financial Reporting' ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting principles generally accepted in India.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial results are free of material misstatement. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.
4. This Statement includes the results of the following entities:

Sr. No	Name of the Company	Relationship with the Holding Company
1	Shriram EPC (FZE) - Sharjah	Subsidiary

5. Basis for Qualified Conclusion:

Our limited review report on the unaudited consolidated financial results for the quarters ended September 30, 2021, December 31, 2020 and the year to date results for the period April 01, 2020 to December 31, 2020 and audited results for the year April 01, 2020 to March 31, 2021 were qualified in respect of the matters stated below:

- i. Financial Assets Loans (Non-Current) include Rs. 3,201.62 Lakhs (December 31, 2020: Rs. 3,089.84 Lakhs), due from related party. Sufficient appropriate audit evidence to corroborate management's assessment of recoverability of the above said amount is not available and the amount are outstanding for more than five years. Further, no provision with respect to the same is made in the books of accounts as explained in the Note 02 of Unaudited consolidated financial results. Accordingly, we are unable to comment on the carrying value of above-mentioned Financial Assets Loans amounting to Rs. 3,201.62 Lakhs and the impact, if any, on account of non-provisioning of the said balance on the financial results at present.
 - ii. The carrying value of Deferred Tax Asset (DTA) on unabsorbed business losses amounting to Rs. 43,930 Lakhs (including an amount of Rs. 16 Lakhs recognized during the current quarter ended December 31, 2021) (December 31, 2020: Rs. 43,912 Lakhs) which is recognized on unabsorbed business losses. Due to unavailability of sufficient appropriate audit evidence to corroborate management's assessment on reasonable certainty of future taxable profits, as required by IND AS 12 on Income Taxes, and considering the current pandemic situation, we are unable to ascertain the extent to which the deferred tax asset can be utilized. Refer to Note 05 of Unaudited consolidated financial results.
6. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of other auditors referred to in paragraph 9 below, with the exception of the matter described in the paragraph 5 and the effect thereon, nothing has come to our attention that causes us to believe that the accompanying Statement are prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting principles generally accepted in India has not disclosed the information required to be disclosed in terms of the Regulation including the manner in which it is to be disclosed, or that it contains any material misstatement.

7. Material Uncertainty Related to Going Concern

We draw attention to Note 06 in the financial results, which states that the Group has incurred a net loss Rs. 12,760.52 Lakhs during the period ended December 31, 2021 and as of that date has accumulated losses aggregating Rs. 2,06,200.94 Lakhs which has resulted in substantial erosion of its net worth. Further, the COVID-19 pandemic has also impacted operations resulting in delay of collection relating to project dues. These events or conditions indicates that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. However, as stated in Note 06, considering the investment proposal from an Investor who has submitted a business plan based on which a Resolution Plan has been submitted to the consortium of lenders, the Company's ability to continue as a going concern is dependent on the successful implementation of the resolution plan. Accordingly, the financials have been prepared on going concern basis.

Our conclusion is not modified in respect of this matter.

8. We draw attention to Note 07 to the unaudited consolidated financial results which states that the management has made an assessment of the impact of COVID-19 on the Company's operations, financial performance and position as at and for the period ended December 31, 2021 and has concluded that there is no impact which is required to be recognized in the financial results. Accordingly, no adjustments have been made to the financial results.

Our conclusion is not modified in respect of this matter.

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9. We did not review the interim financial statements of subsidiary company (Including step down subsidiary) included in the consolidated unaudited financial results, whose interim financial statements reflect total revenues of Rs. 1,620.15 lakhs and Rs. 2,878.98 lakhs and total net loss of Rs. 1,874.74 lakhs and Rs. 744.63 lakhs for the quarter ended December 31, 2021 and for the period from April 01, 2021 to December 31, 2021, respectively, as considered in the consolidated unaudited financial results. These interim financial statements have been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, is based solely on the report of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of the above matters

For MSKA & Associates
Chartered Accountants
ICAI Firm Registration No.105047W

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Date: 2022.02.11
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Geetha Jeyakumar
Partner
Membership No.: 029409
UDIN: 22029409ABLGTT9997

Place: Chennai
Date: February 11, 2022