

Independent Auditor's Review Report on Unaudited Consolidated financial results of SEPC Limited for the quarter and year to date ended December 31, 2023 pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.**To The Board of Directors of SEPC Limited**

1. We have reviewed the accompanying statement of unaudited consolidated financial results of SEPC Limited ('the Holding Company'), its subsidiary, (the Holding Company and its subsidiary together referred to as the 'Group') for the quarter ended December 31, 2023 and the year to-date results for the period from April 01, 2023 to December 31, 2023 ('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').
2. This Statement, which is the responsibility of the Holding Company's Management and has been approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 'Interim Financial Reporting' prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder ('Ind AS 34') and other recognised accounting principles generally accepted in India and is in compliance with the Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
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. A review of interim financial information 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 Holding Company and the following entity

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

5. Basis for Qualified Conclusion:

Our audit report on the consolidated financial statements for the year ended March 31, 2023 was qualified in respect of the matters stated below:

- i. The carrying value of Deferred Tax Asset (DTA) include an amount of Rs. 31,112.13 Lakhs as on December 31, 2023 (December 31, 2022: Rs. 39,675.48 Lakhs), which was recognized on unabsorbed business losses of Rs. 89,034.26 Lakhs (December 31, 2022: Rs.1,22,252.30 Lakhs). Due to unavailability of sufficient appropriate audit evidence to corroborate management's assessment that sufficient taxable profits will be available in the future against which such unabsorbed business losses can be utilised as required by Ind AS 12: "Income taxes", we are unable to comment on the consequential impact, if any, on the Statement for the quarter and nine months period ended December 31, 2023. (Refer Note 06 of the Statement).



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- ii. Non-Current Contract Assets include Rs.7,351.90 Lakhs (net of provisions amounting to Rs.926.98 Lakhs) (December 31, 2022: Rs.3,956.02 Lakhs) and Non-Current Trade Receivables include Rs.575.21 Lakhs (net of provisions amounting to Rs. 82.99 Lakhs) as on December 31, 2023, relating to dues on projects which have been stalled due to delays in obtaining approvals from regulatory authorities. We do not have sufficient appropriate audit evidence to corroborate management's assessment of recoverability of the said amounts. Accordingly, we are unable to comment on the carrying value of above-mentioned non-current Contract Asset and non-current Trade Receivables and the consequential impact if any, on account of non-provisioning of the said balances, on the Statement for the quarter and nine months period ended December 31, 2023. (Refer Note 03 of the Statement)

These qualifications have not been addressed by the Management of the Holding Company in the Statement for the period ended December 31, 2023.

6. Based on our review conducted and procedures performed as stated in paragraph 3 above, 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 prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 and other recognised accounting principles generally accepted in India has not disclosed the information required to be disclosed in terms of the Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement.
7. The Statement includes the interim financial results of subsidiary Company (including step down subsidiary) which have not been reviewed by their auditors, whose interim financial results reflect total revenue of Rs. Nil and Rs. 65.41 Lakhs, total net loss after tax of Rs. 7.58 Lakhs and Rs. 10.47 Lakhs and total comprehensive loss of Rs. 7.58 Lakhs and Rs. 10.47 Lakhs for the quarter ended December 31, 2023 and for the period from April 01, 2022 to December 31, 2023, respectively, as considered in the Statement. This interim financial results 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 these subsidiary is based solely on such management prepared unaudited interim financial results. According to the information and explanations given to us by the Management, this interim financial results are not material to the Group.

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

For M S K A & Associates

Chartered Accountants

ICAI Firm Registration No.105047W

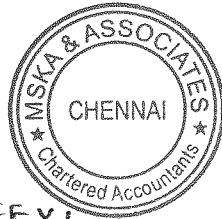
Geetha

Geetha Jeyakumar

Partner

Membership No.: 029409

UDIN: 24029409BKDEEX6031



Place: Chennai

Date: February 13, 2024

Independent Auditor's Review Report on unaudited standalone financial results of SEPC Limited for the quarter and year to date ended December 31, 2023 pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

To The Board of Directors of SEPC Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results of SEPC Limited ('the Company') for the quarter ended December 31, 2023 and the year to-date results for the period from April 01, 2023 to December 31, 2023 ('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 Regulations').
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 'Interim Financial Reporting', prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder ('Ind AS 34') and other recognised accounting principles generally accepted in India and is in compliance with the Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
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. A review of interim financial information 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 audit report on the financial statements for the year ended March 31, 2023 was qualified in respect of the matters stated below:

- i. The carrying value of Deferred Tax Asset (DTA) include an amount of Rs. 31,112.13 Lakhs as on December 31, 2023 (December 31, 2022: Rs. 39,675.48 Lakhs), which was recognized on unabsorbed business losses of Rs. 89,034.26 Lakhs (December 31, 2022: Rs.1,22,252.30 Lakhs). Due to unavailability of sufficient appropriate audit evidence to corroborate management's assessment that sufficient taxable profits will be available in the future against which such unabsorbed business losses can be utilised as required by Ind AS 12: "Income taxes", we are unable to comment on the consequential impact, if any, on the Statement for the quarter and nine months period ended December 31, 2023. (Refer Note 06 of the Statement).
- ii. Non-Current Contract Assets include Rs.7,351.90 Lakhs (net of provisions amounting to Rs.926.98 Lakhs) (December 31, 2022: Rs.3,956.02 Lakhs) and Non-Current Trade Receivables include Rs.575.21 Lakhs (net of provisions amounting to Rs. 82.99 Lakhs) as on December 31, 2023, relating to dues on projects which have been stalled due to delays in obtaining approvals from regulatory authorities. We do not have sufficient appropriate audit evidence to corroborate management's assessment of recoverability of the said amounts. Accordingly, we are unable to comment on the carrying value of above-mentioned non-current Contract Asset and non-current Trade Receivables and the consequential impact if any, on account of non-provisioning of the said balances, on the Statement for the quarter and nine months period ended December 31, 2023. (Refer Note 03 of the Statement)

These qualifications have not been addressed by the Management of the Company in the Statement for the period ended December 31, 2023.



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5. Based on our review conducted as stated in paragraph 3 above, with the exception of the matter described in the paragraph 4 and the effects thereon, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 and other recognised accounting principles generally accepted in India has not disclosed the information required to be disclosed in terms of the Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement.

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

Geetha



Geetha Jeyakumar
Partner
Membership No.: 029409
UDIN: 24029409BKDEEW7942

Place: Chennai
Date: February 13, 2024