



Sector-3 Near BJP Head Office,
Trikuta Nagar
Jammu 180012, India

And

Interactive Financial Services Ltd
612, 6th Floor, Shree Balaji Heights,
Kokilaben Vyas Marg, Ellisbridge,
Ahmedabad – 380 009, Gujarat
(Referred as Book Running Lead Manager)

Dear Sirs,

Re: Proposed public issue of equity shares of face value of Rs. 10/- each (the “Equity Shares”) of SRM Contractors Limited (the “Company”) (the “Issue”)

Sub: Report in connection with operational Key Performance Indicators of the Company

We, Satyendra Mrinal & Associates Independent Chartered Accountant and Statutory Auditors of the Company, have performed the procedures agreed with you and enumerated below with respect to the operational key performance indicators including business metrics and financial performance of the Company (“KPIs”) as on respective dates and for the respective period mentioned against each annexure (the “Periods”), set forth in the accompanying schedules. Our engagement was undertaken in accordance with the Standard on Related Services (SRS) 4400, “Engagements to Perform Agreed-upon Procedures regarding Financial Information”, issued by the Institute of Chartered Accountants of India. SRS 4400 is generally adopted to perform agreed upon procedures regarding financial information; however, this standard can also be used as a guide to perform agreed upon procedures regarding non-financial information.

The procedures were performed solely to assist you in evaluating KPIs of the Company entities and the same have been enumerated in Schedule I. Our engagement on the agreed upon procedures has been performed in accordance with our Engagement Letter signed on June 01,2023.

The procedures were performed to assist you in evaluating the accuracy, validity and completeness of KPIs and are summarized as follows:

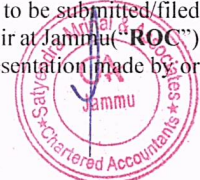
At your request, we have also read the items identified by you on the attached copy of the Draft Red Herring Prospectus received by us on March 02,2024 and have compared the amounts to the corresponding amounts set out in the Annexure and found them to be in agreement.

On the basis of the procedures set forth in Schedule I nothing came to our attention that caused us to believe the KPIs were not accurate, valid and complete.

We hereby consent to, and have no objection to, the inclusion of our name Satyendra Mrinal & associates . Independent Chartered Accountants and this report or any extract thereof in the Draft Red Herring Prospectus (“DRHP”), Red Herring Prospectus (“RHP”) and the prospectus (“Prospectus”) to be filed with the Registrar of Companies, Jammu & Kashmir at Jammu (“ROC”), Securities and Exchange Board of India (“SEBI”) and the stock exchanges where the Equity Shares are proposed to be listed (the “Stock Exchanges”), or any other document to be issued or filed in relation to the Issue, including in any corporate or investor presentation made by or on behalf of the Company (together referred as “Issue Documents”).

We conducted our examination of the information given in this certificate (including the annexures thereto) in accordance with the ‘Guidance Note on Reports or Certificates for Special Purposes’ issued by the Institute of Chartered Accountants of India (“ICAI”), as revised from time to time, to obtain a reasonable assurance that such details are in agreement with the books of accounts and other relevant records provided to us, in all material respects; the aforesaid Guidance Note requires that we comply with the ethical requirements of the ‘Code of Ethics’ issued by the ICAI, as revised from time to time. Further, 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’, as revised from time to time.

This certificate may be relied upon by the Company, BRLM and Legal Counsel appointed in relation to the Issue. This certificate is for information and for inclusion in the Draft Red Herring Prospectus, Prospectus, the Preliminary International Wrap/Issuing Memorandum, the Abridged Prospectus and any other addendum thereto of the Company to be submitted/filed with the Securities and Exchange Board of India (“SEBI”), the Registrar of Companies, Jammu & Kashmir at Jammu (“ROC”) and the stock exchanges, or any other material (including in any corporate advertisement or investor presentation made by or





SATENDRYA MRINAL & ASSOCIATES

CHARTERED ACCOUNTANTS

HALL NO 2 A, AQUAF COMPLEX, GANDHI NAGAR, JAMMU-180010



:9858514318



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: amitgupta.aga@gmail.com

on behalf of the Company) to be issued in relation to the Issue (together referred as “**Issue Documents**”) prepared in connection with the Issue or any other document to be issued or filed in relation to the Issue, and for the submission of this certificate as may be necessary, to any regulatory / statutory authority, stock exchanges, any other authority as may be required and / or for the records to be maintained by the BRLM in connection with the Issue, and in accordance with applicable law, and for the purpose of any defense the BRLM may wish to advance in any claim or proceeding in connection with the contents of this certificate.

We confirm that any changes to the above that come to our attention will immediately be intimated to the BRLM and the Legal Counsel to the Issue in writing till the date the Equity Shares of the Company commences trading on the stock exchanges. In the absence of any communication from us, you may assume that there is no change in respect of the matters covered in this certificate.

We hereby indemnify and keep indemnified, saved, defended and harmless the BRLM and Legal Counsel to the proposed Issue of the Company and all persons claiming under them (“**Indemnified Persons**”), from and against all losses and/or damages arising as a result of the aforementioned representations made by us in order to disclose details of the same in the Issue Documents including the Draft Red Herring Prospectus, the Prospectus, the Preliminary International Wrap/Issuing Memorandum, the Abridged Prospectus, etc., for the Issue or arising as a result of any notices, proceedings, litigations, claims, penalties, demands and costs that may be made and/or raised on the Indemnified Persons by any third parties and/or with regard to any matter arising in connection thereto or otherwise by reason of the matter contemplated herein and/or sustained by the BRLM and/or Legal Counsel to the Issue as a result of any statements, representations, assurances, confirmations hereinunder given being untrue.

All capitalized terms not defined hereinabove shall have the same meaning as defined in the Issue Documents.

Yours sincerely,

For Satyendra Mrinal & Associates
Chartered Accountants
(Firm Registration No. 017068N)

Amit Gupta

Partner

Membership No. 505172

Place: Jammu

Date: *March 02, 2024*

UDIN : 24505172BKAINX1884

Encl: As above



CC:

Legal Counsel to the Issue

Vidhigya Associates

501, 5th floor, Jeevan Sahakar Building

Homji Street, Fort, Mumbai 400 001,

Contact Person: Rahul Pandey

Email: rahul@vidhigyaassociates.com

Mobile: 8424030160



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Schedule I

Procedures performed as per our Engagement Letter (on information provided by the Company)

At your request, we have read the items identified by you in the Annexure, and have performed the following procedures, which were applied as indicated with respect to the letters explained below:

- A. Compared the amounts to the corresponding amounts appearing in the Restated Financial Statements or accounting records or schedules and found them to be in agreement.
- B. Verified and compared the items with the [audited financial statements, relevant accounting records, documents, other records and registers including invoices, management reports, internal documents, reports used for periodic MIS reporting, reports from digital / computerized systems, extracts of minutes of board meetings, any other documents necessary or required for verification of the items and upon necessary discussions with and representations by the management of the Company] and found them to be in agreement.
- C. Tested the arithmetic and clerical accuracy.

Based on the procedures performed above, we found the information identified by you in the Annexure to be true and correct.





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ANNEXURE

Financial information on the basis of Restated Consolidated Financial Statements

| Parameter | As on December 31, 2023 | Financial Year 2023 | Financial Year 2022 | Financial Year 2021 |
|--------------------------------------|-------------------------------|------------------------|------------------------|------------------------|
| Total income | 23455.03 | 30,065.09 | 26,550.88 | 16,194.74 |
| Total revenue from operations (in ₹) | 24227.63 | 30,029.08 | 26,361.14 | 16,005.89 |
| Current Ratio | 2.16 | 2.05 | 1.56 | 1.23 |
| EBIDTA | 3724.03 | 3,865.67 | 3,201.28 | 1,832.82 |
| EBIDTA Margin (in %) | 15.88% | 12.87 % | 12.14% | 11.45% |
| Net Profit for the Year | 2107.11 | 1,874.62 | 1,756.77 | 827.28 |
| Net Profit Margin (in %) | 8.98 | 6.24% | 6.66 % | 5.17% |
| Return on Net Worth (in %) | 25.02 | 34.85% | 49.30% | 36.43% |
| Return on Capital Employed (in %) | 29.43 | 35.04% | 42.16% | 31.17% |
| Debt-Equity Ratio | 0.50 | 0.75 | 0.71 | 1.19 |
| Debt Service Coverage Ratio | 3.13 | 3.26 | 3.25 | 3.68 |

