



## 1. STATEMENT OF SPECIAL TAX BENEFITS

**STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO SRM CONTRACTORS LIMITED ("THE COMPANY"), THE SHAREHOLDERS OF THE COMPANY AND ITS SUBSIDIARY UNDER THE DIRECT AND INDIRECT TAX LAWS IN INDIA**

To,

**The Board of Directors**  
**SRM Contractors Limited**  
Sector-3 Near BJP Head Office,  
Trikuta Nagar  
Jammu 180012, India

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.: Statement of possible Special Tax Benefits available to the Company, its equity shareholders and its subsidiary under the direct and indirect tax laws**

We refer to the proposed initial public Issuing of equity shares (the "Issue") of the Company. We enclose herewith the statement (the "Annexure") showing the current position of special tax benefits available to the Company, to its shareholders and its subsidiaries as per the provisions of the Indian direct and indirect tax laws including the Income-tax Act, 1961, ("Act") the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017 (collectively the "GST Act"), the Customs Act, 1962 ("Customs Act") and the Customs Tariff Act, 1975 ("Tariff Act") (collectively the "Taxation Laws") including the rules, regulations, circulars and notifications issued in connection with the Taxation Laws, as presently in force and applicable to the assessment year 2024-25 relevant to the financial year 2023-24 for inclusion in the Draft Red Herring Prospectus ("DRHP") for the proposed initial public Issuing of shares of the Company as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations").

Following are the subsidiaries of the Company:

1. Trikuta Power Private Limited  
Loran Valley Power Project Private Limited

Several of these benefits are dependent on the Company or its shareholders or its subsidiaries fulfilling the conditions prescribed under the relevant provisions of the direct and indirect taxation laws including the Income-tax Act 1961. Hence, the ability of the Company or its shareholders or its subsidiaries to derive these direct and indirect tax benefits is dependent upon their fulfilling such conditions.

The benefits discussed in the enclosed Annexure are neither exhaustive nor conclusive. The contents stated in the Annexure are based on the information and explanations obtained from the Company. This statement is only intended to provide general information to guide the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultants, with respect to the specific tax implications arising out of their participation in the Issue particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail. We are neither suggesting nor are we advising the investors to invest or not to invest money based on this statement.

The contents of the enclosed Annexure are based on the representations obtained from the Company and its subsidiaries and on the basis of our understanding of the business activities and operations of the Company and its subsidiaries.

We do not express any opinion or provide any assurance whether:

- The Company or its Shareholders or its subsidiaries will continue to obtain these benefits in future;
- The conditions prescribed for availing the benefits have been/would be met;





**SATENDRYA MRINAL & ASSOCIATES**

**CHARTERED ACCOUNTANTS**

**HALL NO 2 A, AQUAF COMPLEX, GANDEI NAGAR, JAMMU-180010**



:-9858514318



:- 01912458442



:- [amitgupta.aga@gmail.com](mailto:amitgupta.aga@gmail.com)

- The revenue authorities/courts will concur with the views expressed herein.

This statement is provided solely for the purpose of assisting the Company in discharging its responsibilities under the ICDR Regulations.

We hereby give our consent to include this report and the enclosed Annexure regarding the tax benefits available to the Company, its Shareholders and its Subsidiaries in the DRHP for the proposed initial public Issue of equity shares which the Company intends to submit to the Securities and Exchange Board of India and the National Stock Exchange of India Limited and BSE Limited (the "**Stock Exchanges**") where the equity shares of the Company are proposed to be listed, as applicable, provided that the below statement of limitation is included in the DRHP and Prospectus.

We also consent to the references to us as "Experts" as defined under Section 2(38) of the Companies Act, 2013, read with Section 26(5) of the Companies Act, 2013 to the extent of the certification provided hereunder and included in the Draft Red Herring Prospectus, 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 or investor presentation made by or on behalf of the Company) to be issued in relation to the Issue (together referred as "**Issue Documents**") or in any other documents in connection with the Issue

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

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

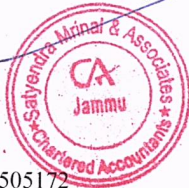
  
**Amit Gupta**  
Partner

Membership No. 505172

Place: Jammu

Date: March 02, 2024

UDIN : 24505172BKAIN7891





**ANNEXURE TO THE STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO SRM contractors Limited ("COMPANY"), THE SHAREHOLDERS OF THE COMPANY ("SHAREHOLDERS") AND ITS SUBSIDIARIES**

Outlined below are the possible special tax benefits available to Company and its shareholders under Income Tax Act 1961("the Act") presently in force in India.

**A. SPECIAL TAX BENEFITS TO THE COMPANY UNDER THE INCOME TAX ACT, 1961 (THE ACT")**

The Company is not entitled to any special tax benefits under the Act.

**B. SPECIAL TAX BENEFITS TO THE SHAREHOLDERS UNDER THE INCOME TAX ACT, 1961 (THE "ACT")**

The Shareholders of the Company are not entitled to any special tax benefits under the Act

**Note:**

- The above statement of Direct Tax Benefits sets out the special tax benefits available to the Company and its shareholders under the current tax laws presently in force in India.
- The above statement covers only above-mentioned tax laws benefits and does not cover any indirect tax law benefits or benefit under any other law.
- Our views expressed in this statement are based on the facts and assumptions as indicated in the statement. 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 change from time to time. We do not assume responsibility to update the views consequent to such changes.

