

**Modern Engineering
and Projects Limited**

Shaping the Road Ahead

77th Annual Report

COMPANY INFORMATION

BOARD OF DIRECTORS	Mr. Jashandeep Singh	Managing Director
	Mr. Suraj Samat	Non-executive Director, Chairman
	Mr. Sitaram Dhulipala	Whole-time Director
	Mr. Shashikant Bhoge	Non-executive Director
	Ms. Vaishali Mulay	Non-executive Director
	Dr. Pandit Sawant	Additional Non – Executive Independent Director

CHIEF FINANCIAL OFFICER	Mr. Naresh Sasanwar
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COMPANY SECRETARY & COMPLIANCE OFFICER	Ms. Beena Khandelwal
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STATUTORY AUDITORS	M/s K K A B & Co LLP, Chartered Accountants, Mumbai
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SECRETARIAL AUDITORS	Ramesh Chandra Mishra & Associates, Company Secretary, Mumbai
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INTERNAL AUDITOR	D N A & Associates, Chartered Accountants, Mumbai
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BANKERS	State Bank of India
	IDFC First Bank Limited
	ICICI Bank Limited

<p>REGISTRAR AND SHARE TRANSFER AGENT PURVA SHAREGISTRY (INDIA) PVT. LTD 9 SHIV SHAKTI INDUSTRIAL ESTATE, J R BORICHA MARG, NEAR LODHA EXCELUS, LOWER PAREL (EAST), MUMBAI 400011 TEL: 022- 31998810/ 49614132 Email: support@purvashare.com</p>	<p>REGISTERED OFFICE 103/4, PLOT-215, FREE PRESS HOUSE, JOURNAL MARG, FL-10 FREE PRESS, NARIMAN POINT, MUMBAI 400021 MAHARASHTRA TEL: 022- 6666 6007 EMAIL: cs@mep.ltd</p>
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NOTICE

NOTICE is hereby given that the Seventy Seventh (77th) Annual General Meeting of the Members of **Modern Engineering and Projects Limited** (formerly Known as Modern Converters Limited) will be held on **Saturday, September 30, 2023 at 4.00 p.m.** at Registered office of the Company at 103/4, Plot-215, Free Press House, Journal Marg, Fl-10 Free Press, Nariman Point, Mumbai - 400021 to transact following business:

ORDINARY BUSINESS

1. To consider and adopt the Audited Financial Statements of the Company for the financial year ended as on March 31, 2023 together with the reports of the Board of Directors and Auditors thereon.
2. To appoint a director in place of Mr. Shashikant Bhoge (DIN: 05345105), who retires by rotation and being eligible, offers himself for re-appointment.
3. Appointment of Statutory Auditor and fix their remuneration:

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Audit and Auditors) Rules, 2014, (“the Rules”) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and in accordance with the recommendation of the Audit Committee and the Board of Directors of the Company, M/s. S K Patodia & Associates, Chartered Accountants, Mumbai, having ICAI Firm Registration No. 112723W, who have offered themselves for appointment and have confirmed their eligibility to be appointed as Statutory Auditors in terms of provisions of Section 141 of the Act and Rule 4 of the Rules, be and are hereby appointed as Statutory Auditors of the Company to hold office for a five consecutive years from the conclusion of this 77th Annual General Meeting until the conclusion of the 82nd Annual General Meeting of the Company to be held in year 2028 on such remuneration as may be mutually agreed upon between by the Board of Directors and the Statutory Auditors, in addition to applicable taxes and reimbursement of out of pocket expenses, travelling expenses etc. incurred by them during the course of the Audit.

RESOLVED FURTHER THAT The Board of Directors (including its Committee thereof) be and are hereby authorized to take such steps and do all such acts, deeds, matters and things as may be considered necessary, proper and expedient to give effect to this Resolution.”

SPECIAL BUSINESS

4. **To consider and, if thought fit, to pass the following resolution as a Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) read with Schedule IV of the Act and Regulation 16(1)(b) and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 and pursuant to the provisions of the Articles of Association of the Company and subject to such other approvals as may be required, Dr. Pandit P Sawant (DIN: 06581946), who was appointed as an Additional Director by the Board of Directors with effect from May 30, 2023 in terms of Section 161 of the Act and who is eligible for appointment as Non-Executive Independent Director and has submitted a declaration that he meets the criteria for independence as provided in Section 149(7) of the Act and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as an Non-Executive Independent Director of the Company to hold office for a term of five consecutive years with effect from May 30, 2023 till May 29, 2028 and whose office shall not be liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors or any other person authorized by the Board be and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed necessary to give effect to this resolution.”

5. **To consider and if thought fit to pass the following resolution as a Special Resolution:**

“RESOLVED THAT in supersession to the earlier resolution passed by the members of the Company at an Annual General Meeting held on July 31, 2021 and pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (the “Companies Act”) read with the applicable provisions of the

Companies (Meetings of Board and its Powers) Rules, 2014 and read with the Articles of Association of the Company and all other provisions of applicable law, consent of the members be and is hereby accorded to authorize the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this Resolution), to borrow monies, from time to time, from financial institutions, non-banking finance companies, co-operative banks, investment institutions and their subsidiaries, banks, mutual funds, trusts, other bodies corporate, directors, promoters or others (hereinafter referred to as the "Lending Agencies"), whether by way of advances, loans, issue of debentures/ bonds and/or other instruments or otherwise which together with monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the Company's paid up share capital, free reserves, and Securities Premium, so that the total amount up to which the monies borrowed by the Board of Directors and which shall remain outstanding at any time, exclusive of interest and other charges shall not exceed the sum of Rs. 500 Crores (Rupees Five Hundred Crores only) over and above the aggregate of the paid-up share capital and free reserves of the Company for the time being.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to do all such acts, deeds and things as it may in its absolute discretion deem fit, necessary, proper, desirable and to settle any question, difficulty, doubt that may arise in respect of the borrowing(s) as aforesaid and further to do all such acts, deeds and things and to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution."

6. To consider and if thought fit to pass the following resolution as a Special Resolution:

"RESOLVED THAT in supersession to the earlier resolution passed by the Members at an Annual General Meeting held on July 31, 2021 and pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any of the Companies Act, 2013 and read with rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and all other provisions of applicable law, if any, the consent of the members be and is hereby accorded to the board of directors of the Company (hereinafter called the "Board", which term shall be deemed to include any committee thereof, which the Board may have constituted or hereinafter constitute to exercise its powers including the power conferred by this resolution) to create a charge and/or mortgage and/or hypothecation or pledge over any of its movable and/or immovable properties and other assets of the Company, wherever situated, whether present and future, for the company and any of its subsidiaries, joint venture, associate company or other body corporates, or to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any such undertaking(s) and to create a charge and/ or mortgage, on such terms and conditions, at such time(s) and in such form and manner, and with such ranking as to priority as the Board in its absolute discretion deems fit, on the whole or substantially the whole of the Company's any one or more of the undertaking(s) of the Company, to or in favor of any financial institutions, non-banking finance companies, co-operative banks, investment institutions and their subsidiaries, banks, mutual funds, trusts, other bodies corporate or any other person(s) (the "Lenders") or trustees of such Lenders or otherwise, for the financial facilities availed by the company and any of its subsidiaries, joint venture, associate company or other body corporates to secure non-convertible debentures by way of private placement or public issue or otherwise rupee term loans/ bonds or other instruments together with interest thereon at the agreed rates, costs, charges, expenses and all other amounts payable by the Company and any of its subsidiaries, joint venture, associate company or other body corporates to the Lenders or trustees of the Lenders acting on behalf of and for the benefit of the Lenders under their respective agreements to be entered into by the Company the company and any of its subsidiaries, joint venture, associate company or other body corporates in respect of the said borrowings up to an equivalent aggregate value not exceeding Rs. 500 Crores (Rupees Five Hundred Crores only) at any point of time.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors or any person authorized by the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may in its sole discretion deem necessary, proper or desirable and to settle any questions, difficulties, doubts that may arise in respect of the borrowing(s) aforesaid and further do all such acts, deeds and things and to execute all such documents, deeds, drafts, agreements, undertakings and writings as may be necessary, proper, desirable or expedient to give effect to this resolution."

7. To consider and if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 186 and all other applicable provisions, if any, of the Companies Act, 2013 read with rules made thereunder (including any statutory modification(s), amendments or re-enactment

thereof, for the time being in force) and in supersession of all the earlier resolutions passed in this regard, the consent of members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board") to give loan(s) to any person(s) or body corporate(s) and/or give any guarantee/ provide any security(ies) in connection with loan(s) made to any person(s) or body corporate(s) and to make investments, acquires by way of subscription, purchase or otherwise, the securities of any Body Corporate(s) as may be required from time to time for an amount not exceeding Rs. 500 Crores (Rupees Five Hundred Crores only) notwithstanding that the aggregate of the loans, guarantees or securities so far given to any person(s) or body corporate(s) and/or securities so far acquired in all body corporates may exceed the limits prescribed under the Section 186 of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to determine the actual sums to be so given as loan, provide as guarantee or security and to be invested and all matters arising out of or incidental to the proposed investment.

RESOLVED FURTHER THAT the consent of members of the Company be and is hereby accorded to the Board to sell, dispose of securities acquired to be acquired, at such price and at such time and on such terms and conditions as the Board may think fit and proper in the interests of the Company.

RESOLVED FURTHER THAT the Board of Directors of the company be and is hereby authorize may to that extent permitted by the Companies Act, 2013, and subject to any other law for the time being in force, delegate the power to invest the funds, within the aforesaid limit, to a committee of the Board or Managing Director or any other Directors, Key Managerial personnel or officer of the Company, subject to such conditions, restrictions and limitations, as deemed fit by the Board and the Board of Director be and is hereby authorised to do and execute all such acts, deeds and things and take all such step as may be necessary or desirable to give effect to the above resolution."

8. To consider and if thought fit, to pass the following resolution as a Special Resolution:

"**RESOLVED THAT** pursuant to the provisions of Section 185, 186 and other applicable provisions, if any of the Companies Act, 2013 ("Act") and read with rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) consent of the members of the Company be and is hereby accorded to the Board of directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include any committee thereof) to give advances any loans including loan represented by book debts or give guarantees or provide security in connection with any loan taken by any of subsidiary companies and/or Associate and/or Joint Venture and/or group entities (including all kinds of entities whether public or private company / LLP /Body Corporate/ Association of person) or any other person in whom any of the directors of the company is deemed to be interested as specified in the explanation to sub-section 2 of section 185 of the Act, for an aggregate amount of not exceeding Rs. 500 Crores (Rupees Five Hundred Crores only) in one or more tranches for the purpose of capital expenditure of the projects and/or working capital requirements including purchase of fixed assets as may be required from time to time for its principal business activities and other matters connected and incidental thereto."

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters, and things as, in its absolute discretion, may be considered necessary, expedient or desirable and to settle any question or doubt that may arise in relation thereto in order to give effect to the foregoing resolution or otherwise considered by the Board of Directors to be in the interest of the Company."

**By Order of the Board of Directors
For Modern Engineering and Projects Limited**

**Place: Mumbai
Date: September 01, 2023**

**Beena Khandelwal
Company Secretary
ACS: 69067**

Registered Office:
103/4 Plot -215, Free Press House
Fl-10 Free Press Journal Marg,
Nariman Point Mumbai 400021
CIN: L01132MH1946PLC381640
Website: www.mep.ltd
Email: cs@mep.ltd

NOTES:

1. A Member entitled to attend and vote at the Annual General Meeting (“AGM”) is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a Member of the Company. The instrument appointing the proxy should, however, be deposited at the Registered Office of the Company not less than forty-eight hours before the commencement of the Meeting. Proxies submitted on behalf of the Companies, Societies, etc., must be supported by an appropriate resolution /authority, as applicable.

A person can act as proxy on behalf of members not exceeding 50 (fifty) in number and holding in the aggregate not more than 10 (ten) percent of the total share capital of the Company carrying voting rights. A member holding more than 10 (ten) per-cent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person cannot act as a proxy for any other person or member. The holder of the proxy shall prove his / her identity at the time of attending the AGM.

2. Attendance slip, proxy form and the route map of the venue of the Meeting are annexed hereto.
3. Corporate Members are required to send a certified true copy of the Board Resolution, pursuant to Section 113 of the Companies Act, 2013, authorising their representative(s) to attend and vote on their behalf at the AGM.
4. Members, Proxies and Authorised Representatives are requested to bring to the AGM, the copy of the Annual Report and Attendance Slip, duly completed and signed mentioning therein details of their shareholding, DP ID and Client ID / Folio Number.
5. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“the Act”) in respect of the business under Item Nos. 3 to 8 set out above and relevant details of the Directors seeking appointment / re-appointment at this AGM as required under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”) and the Secretarial Standard on General Meetings issued by The Institute of the Company Secretaries of India (“SS-2”) are annexed hereto. Requisite declarations have been received from the Directors seeking appointment / re-appointment.
6. In compliance with the Circulars issued by Ministry of Corporate Affairs (“MCA”) and Securities and Exchange Board of India (“SEBI”), this Notice calling the AGM together with the Annual Report for the financial year ended March 31, 2023 is being sent only through electronic mode to those members whose email addresses are registered with the Company / Depository Participants (“DPs”) for communication purpose unless any Member has requested for a physical copy of the same. Members whose email address is not registered with the Company / DPs, physical copies of the Notice and Annual Report are being sent by the mode permitted under the Act. Members may also note that the Notice and Annual Report for financial year ended March 31, 2023 has also been uploaded on the website of the Company at www.mep.ltd and on website of BSE Limited at www.bseindia.com.
7. The Company’s Registrar & Share Transfer Agent (“RTA”) for its Share Registry Work (Physical and Electronic) are Purva Sharegistry (India) Pvt. Ltd, having their office premises at 9 Shiv Shakti Industrial Estate, J R Boricha Marg, Near Lodha Excelus, Lower Parel (East), Mumbai 400011. Their registered email address is support@purvashare.com.
8. For receiving all communication (including Annual Report) from the Company electronically:
 - (a) Members holding share(s) in physical mode and who have not registered / updated their e-mail address with the Company are requested to register / update the same by writing to the R & T Agent at their registered email address at support@purvashare.com or by sending mail to cs@mep.ltd; and
 - (b) Members holding share(s) in electronic mode are requested to register / update their e-mail address with their respective DPs.
9. In case of joint holders, the Member whose name appears as first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
10. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which the Directors are interested, and other documents

as referred in the Notice are available for inspection by the Members at the Registered office of the Company during business hours on all working days except Saturdays, Sundays and National Holidays up to the date of the AGM.

11. Members holding shares in single name are advised to avail the facility of nomination in respect of the shares held by them pursuant to the provisions of Section 72 of the Act. Members holding the shares in physical form desiring to avail this facility may send their nomination in the prescribed Form No. SH-13 duly filled in to the R & T Agent of the Company. Members holding the shares in electronic mode may contact their respective DPs for availing this facility.
12. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed Companies to issue securities in dematerialised form only while processing service requests viz. issue of duplicate securities certificate; claim for unclaimed suspense account; renewal / exchange of securities certificate; consolidation of securities certificates / folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4. The said form can be downloaded from the Investors Section available on the website of the Company and is also available on the website of the R & T Agent. It may be noted that any service request can be processed only after the folio is KYC Compliant.
13. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.
14. SEBI vide its notification dated January 24, 2022 has amended Regulation 40 of the Listing Regulations and has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialised form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or its R & T Agent for assistance in this regard.
15. **SEBI HAS MANDATED SUBMISSION OF PAN BY EVERY PARTICIPANT IN THE SECURITIES MARKET. MEMBERS HOLDING SHARES IN ELECTRONIC FORM ARE, THEREFORE, REQUESTED TO SUBMIT THEIR PAN DETAILS TO THEIR DEPOSITORY PARTICIPANTS. MEMBERS HOLDING SHARES IN PHYSICAL FORM ARE REQUESTED TO SUBMIT THEIR PAN DETAILS TO THE COMPANY'S R & T AGENT.**
16. The Company has made special arrangement with the R & T Agent for registration of email addresses in terms of the MCA Circulars for Members who wish to receive the Annual Report along with the AGM Notice electronically and to cast their vote electronically.
17. Members are requested to address all correspondences, including shareholding related documents to the Company's R & T Agent.
18. Members holding the shares in dematerialised form are requested to intimate the change of bank mandates, address, name, bank details, nomination, e-mail address, etc., if any, to their respective DPs.
19. Members holding shares in physical form are requested to intimate changes, if any, pertaining to their name, address, e-mail address, telephone number, bank details to the Company's R & T Agent in prescribed Form ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021, as per instructions mentioned in the form. The said form can be downloaded from the Investors Section on the Company's website and is also available on the website of the R & T Agent at www.purvashare.com.
20. Non-Resident Indian Members are requested to immediately inform the Company or its R & T Agent or the concerned DP, as the case may be, about the change in residential status on return to India for permanent settlement and the particulars of the NRE account with a bank in India, if not furnished earlier.
21. Relevant documents referred to in the accompanying Notice and in the Explanatory Statement are open for inspection by the Members at the Registered Office of the Company during business hours on all working days, except Saturdays, Sundays and National Holidays, up to the date of the AGM and also at the AGM.

22. A brief resume of each of the Directors proposed to be appointed / re-appointed at this AGM, nature of their expertise in specific functional areas, name of the Companies in which they hold directorship and membership / chairmanship of Board Committees, shareholding and relationship between directors *inter se* as stipulated under Regulation 36 of the Listing Regulations and other requisite information as per SS-2 on General Meetings, are provided as Appendix A to the Notice.
23. The register of members and Share transfer books of the company will remain closed from Saturday, September 23, 2023 to Saturday 30, 2023 (both day inclusive) for the purpose of Annual General Meeting.
24. **Voting through electronic means:**

Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Act read with the Rules made thereunder, as amended from time to time, Regulation 44 of the Listing Regulations and SS-2, read with the circular of SEBI on e-Voting Facility provided by the Listed Entities dated December 9, 2020, the Company is providing its members facility to exercise their right to vote on resolutions proposed to be passed at the AGM by electronic means ("e-voting"). Members may cast their votes remotely, using an electronic voting system on the dates mentioned herein below ("remote e-voting").

The Company has engaged the services of Central Depository Services (India) Limited ("CDSL") as the agency to provide e-voting facility.

The manner of voting, including voting remotely by (a) Individual Shareholders holding shares of the Company in demat mode (b) shareholders holding shares in physical mode and non-individual shareholders in demat mode.

The remote e-voting facility will be available during the following voting period:

Commencement of remote e-voting	From 9.00 a.m. on September 27, 2023
End of remote e-voting	Up to 5.00 p.m. on September 29, 2023

The remote e-voting module shall be disabled by CDSL for voting thereafter.

Voting rights of a Member / Beneficial Owner (in case of electronic shareholding) shall be in proportion to his / her / its shareholding in the paid-up equity share capital of the Company as on the cutoff date, that is, September 22, 2023 ("cut-off date"). A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cutoff date only shall be entitled to avail the facility of remote e-voting. A person who is not a Member of the Company as on the cut-off date, should treat the Notice for information purpose only.

The Board of Directors of the Company has appointed M/s. Ramesh Chandra Mishra & Associates, Company Secretary in Practice (Membership No. 5477 and CP No. 3987) as the Scrutinizer to scrutinize the remote e-voting and voting process at the AGM in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for the said purpose.

Information and Instructions relating to e-voting

The way to cast vote electronically on CDSL e-voting system consists of "Two Steps" which are as mentioned below

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (i) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL depository	<ol style="list-style-type: none"> 1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsl website www.cdslindia.com and click on login icon & New System Myeasi Tab. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL Depository	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com Select "Register Online for IDeAS "Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp <p>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</p>
Individual Shareholders (holding securities in demat mode) login through their depository participants (DP)	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/ CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or call at toll free no.: 1800 22 55 33
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at evoting@nsdl.com or contact at 022- 4886 7000 and 022 2499 7000

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(ii) Login method for Remote e-Voting for **Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on “Shareholders” module.
- 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

(iii) After entering these details appropriately, click on “SUBMIT” tab.

(iv) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(v) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

- (vi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (vii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (viii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (ix) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (x) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xi) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xiii) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xiv) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
 - It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; cs@mep.ltd (designated email address by company) , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (Self attested scanned copy of PAN card), AADHAR (Self attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013 and Secretarial Standard on General Meetings issued by The Institute of the Company Secretaries of India (“SS-2”).**ITEM NO. 3**

This Explanatory Statement is in terms of Regulation 36(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”), though statutorily not required in terms of Section 102 of the Companies Act, 2013.

The members of the Company at their Extra-Ordinary General Meeting held on January 05, 2023, had appointed M/S. K K A B & Co. LLP, Chartered Accountants (FRN: 0132029W/ W10024) as the Statutory Auditors of company to fill casual vacancy caused due to resignation of M/S. S A R A & Co. as a Statutory Auditor of the company accordingly the terms of the auditor get expire in the ensuing Annual General Meeting.

After evaluating and considering various factors such as industry experience, competency of the audit team, efficiency in conduct of audit, independence, etc., The Board of Directors at their meeting held on August 10, 2023 based on the recommendation of the Audit Committee proposed the appointment of M/s. S K Patodia & Associates, Chartered Accountants (Firm Registration No. 112723W) as the Statutory Auditors of the Company for Period of five consecutive years with effect from the conclusion of this 77th Annual General Meeting of the Company till the conclusion of the 82nd Annual General Meeting of the Company to be held in the year 2028. at a remuneration as may be mutually agreed between the Board and the Statutory Auditors.

M/s. S K Patodia & Associates, Chartered Accountants, have consented to the said appointment and confirmed that their appointment, if made, would be within the limits specified under Section 141(3)(g) of the Companies Act. They have further confirmed that, they are not disqualified to be appointed as Statutory Auditors in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Companies Act and the provisions of the Companies (Audit and Auditors) Rules, 2014. M/s. S K Patodia & Associates, Chartered Accountants has provided confirmation that they have subjected themselves to the peer review process of the Institute of Chartered Accountants of India (ICAI) and holds a valid certificate issued by the ‘Peer Review Board of ICAI’.

The Board of Directors of the Company, based on recommendation of the Audit Committee, and subject to approval of the members of the Company at the AGM, have approved to pay a fee of Rs. 10,00,000/- (Rupees Ten Lakhs only) plus applicable taxes and re- imbursement of the out of pocket expenses, costs and taxes, as may be incurred by the Statutory Auditors during the course of Audit/Limited Review for the financial year 2023-2024.

The remuneration to be paid to the Statutory Auditors for the remaining term i.e. from FY 2024-25 to FY 2027-28 shall be mutually agreed between the Board and the Statutory Auditors from time to time. The Board of Directors of the Company in consultation with the Audit Committee may alter and vary the terms and conditions of remuneration of the Statutory Auditors arising out of increase in scope of work, amendments to Accounting Standards or SEBI Listing Regulations and such other requirements resulting in the change in scope of work, in such manner and to such extent as may be agreed with the Statutory Auditors.

Besides the audit services, the Company would also obtain certifications which are to be mandatorily received from the Statutory Auditors under various statutory regulations and certifications required by banks, statutory authorities and other requirements as required from time to time, for which the auditors will be remunerated separately on mutually agreed terms.

None of the Directors, Key Managerial Personnel and their respective relatives are, in any way, concerned or interested, financially or otherwise, in this resolution at Item No. 3 of the accompanying Notice.

Based on the recommendation of the Audit Committee, the Board recommends the Ordinary Resolution set out at Item No. 3 of the Notice for approval by the members.

ITEM NO. 4

The Board of Directors of the Company, on the recommendation of the Nomination and Remuneration Committee, had at its Meeting held on May 30, 2023 appointed Dr. Pandit Sawant (DIN: 06581946), as an Additional Director with effect from May 30, 2023 and as Non- Executive Independent Director for a term of 5 consecutive years commencing from May 30, 2023 to May 29, 2028, subject to the approval of Members. During his tenure as an independent director, Dr. Pandit Sawant shall not be liable to retire by rotation.

The Company has received declaration from Dr. Pandit Sawant to the effect that he meets the criteria of independence as required under the provisions of Section 149(6) Companies Act, 2013 ("the Act") and the Rules framed thereunder and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The Company has also received a declaration confirming that he is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and that no order of Securities and Exchange Board of India or any other such authority has been passed against Dr. Pandit Sawant debaring him from accessing the capital markets and restraining from holding the position of Director in any listed Company.

Dr. Pandit Sawant has confirmed that he is registered with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

The Board of Directors of the Company is of the opinion that Dr. Pandit Sawant, fulfils the criteria of Independence as specified under Section 149 of the Act and Regulation 16(1)(b) of Listing Regulations as amended from time to time and is independent of the management.

The brief profile of Dr. Pandit Sawant in terms of Regulation 36(3) of Listing Regulations and Secretarial Standard - 2 on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, is annexed Annexure "A" to this Notice.

Considering Dr. Pandit Sawant knowledge and experience, the Board of Directors is of the view that his appointment as an independent director would be in the best interest of the Company and feels that the Company would immensely benefit from Dr. Pandit Sawant appointment and accordingly recommends passing of special resolution at item no. 4 of the notice.

In terms of Section 160 of the Companies Act, 2013, the Company has received a notice in writing from a member signifying the intention to propose Dr. Pandit Sawant as a candidate for the office of Independent Director of the Company.

None of the directors except Dr. Pandit Sawant and/or key managerial personnel and their relatives, are concerned or interested, financially or otherwise, in this Resolution at Item No. 4 of the accompanying Notice. The relatives of Dr. Pandit Sawant may be deemed to be interested in the resolutions to the extent of their shareholding in the Company, if any.

ITEM NO.5 & 6

The Members of the Company by way of Special resolutions passed at Annual General Meeting held on July 31, 2021 had accorded its approval under Section 180 (1)(c) and 180 (1)(a) of the Companies Act, 2013 for borrowing of sums by the Company up to a limit not exceeding Rs. 100 Crores (Rupees One Hundred Crores only) and to create securities for such borrowings by creation of mortgage, charge and/or hypothecation on movable and immovable assets of the Company.

Nonetheless, taking into account the business operations and future growth plans of the Company and to cater to the working capital needs, a fresh resolution is proposed to borrow monies, from time to time, for the purpose of the Company's business, notwithstanding that the monies to be borrowed by the Company together with monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) and remaining outstanding at any point of time will exceed the Company's paid up share capital, free reserves and Securities premium, that is to say, reserves not set apart for any specific purpose, provided that the total amount up to which monies may be so borrowed by the Board and which shall remain outstanding at any given point of time shall not exceed the sum of Rs. 500 Crores (Rupees Five Hundred Crores only) and to create security for the borrowings by way of suitable mortgage, hypothecation or charge on all or any of the movable and/or immovable properties of the Company.

Accordingly, the approval of the Members of the Company is sought to increase Borrowing powers as mentioned in the Resolution at Item Nos. 5 and 6 of this Notice.

None of the directors and/or key managerial personnel of your Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item Nos. 5 and 6 of the Notice.

The Board recommends the passing of the Special Resolution set out at Item No. 5 & 6 of the Notice.

ITEM NO. 7

As per Section 186 of the Companies Act, 2013 no Company shall directly or indirectly give any loans to any person or other Body corporate give any guarantees or provide securities in connection with a loan to any Body corporate or person and acquire by way of subscription, purchase or otherwise, the securities of any other body corporate exceeding limit specified in Section 186 i.e. sixty percent of its paid-up share capital, free reserve and securities premium account or one hundred percent of free reserve and securities premium account, whichever is higher except by passing special resolution.

In order to make optimum use of funds available with the Company and also to achieve long term strategic and business objectives, the Board of Directors of the Company proposes to make use of the same by making investment in other bodies corporate or granting loans, giving guarantee or providing security to other persons or other body corporate or as and when required.

None of directors and/or of Key Managerial Personnel of your Company and their relatives are concerned or interested in the resolution no 7 of the notice except to the extent of their shareholding in the Company.

The Board recommends the passing of the Special Resolution set out at Item No.7 of the Notice.

ITEM NO. 8

Pursuant to Section 185 of the Companies Act, 2013 ("the Act"), a Company may advance any loan including any loan represented by book debt, or give any guarantee or provide any security in connection with any loan taken by any person in whom any of the directors of the company is deemed to be interested as specified in the explanation to Sub-section 2 of the Section 185 of the Companies Act, 2013, after passing a Special Resolution in the general meeting.

It is proposed to make loan(s) including loan represented by way of Book Debt to, and/or give guarantee(s) and/or provide security(ies) in connection with any loan taken/to be taken by any of subsidiary Companies and/or Associate and/or Joint Venture and/or group entities (including all kind of entities whether public or Private company/ LLP/ Body corporate/ Association of person) or any other person in whom any of the directors of the Company is deemed to be interested as specified in the explanation to sub-section 2 of Section 185 of the Act, from time to time, for the purpose of capital expenditure of the projects and/or working capital requirements including purchase of fixed assets as may be required from time to time for its principal business activities and other matters connected and incidental thereto, within the limits as mentioned in the Item no. 8 of the notice.

The members may note that Board of Directors would carefully evaluate the proposals and provide such loan, guarantee or security through deployment of funds out of internal resources/accruals and/or any other appropriate sources, from time to time, and the proposed loan shall be at such rate of interest as agreed by the parties in the best interest of the Company and shall be used by the borrowing company for its principal business activities only.

None of directors and/or of Key Managerial Personnel of your Company and their relatives are concerned or interested in the resolution No. 8 of the notice except to the extent of their shareholding in the Company.

The Board recommends the passing of the Special Resolution set out at Item No. 8 of the Notice.

ANNEXURE “A”

DETAILS OF THE DIRECTOR SEEKING APPOINTMENT PURSUANT TO REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARDS (SS-2) ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA (ICSI)

Name of the Director	Dr. Pandit Sawant (DIN: 06581946)	Mr. Shashikant Bhoge (DIN: 05345105)
Age (Years)	66	46
Nationality	Indian	Indian
Date of first Appointment on the Board	May 30, 2023	April 16, 2021
Brief resume and Expertise in specific functional area	Dr. Pandit Sawant is an MD (Ayu) Rasshastra Bhaishajya Kalpana and was Pursuing PhD in Ras Bhaishajya in R.A.Podar (Ayu) Med. College. (M.U.H.S.-Nasik) Dr. Pandit Sawant has a career spanning over 40 years in Research & Development of Herbo mineral medicines and Pharmaceutical Sector. Dr. Pandit Sawant served as Professor in various Ayurvedic colleges and act as Dean (principle) of Dev Bhoomi Ayurvedic College, Dehradun. Dr. Pandit Sawant was members of Board of Studies in Maharashtra University of health sciences, Nashik. Dr. Pandit Sawant Delivered lectures on behalf of Unicef in European countries. Dr Pandit Sawant Work to popularise and propagate Indian medicine (Ayurveda) in European countries. Dr Pandit Sawant is a founder member of Latvia India Cultural and Friendship Association (LICFA) and has served vice as a Chairman of Vasundhara towards Environmental consciousness (NGO) and also served as a Chairman of R.A. PODAR — Ethical Committee/ Ethics Committee for Clinical Trials	Mr. Shashikant Gangadhar Bhoge is a Professional and having experience of more than 8 years' experience in Infrastructure sectors
Shareholding in the Company	Nil	4,27,295 Equity Shares
Qualification	Post Graduate M.D.	Graduate
No. of Board meetings attended during the year	Not Applicable	15 Board Meeting
Terms & Conditions of appointment, including remuneration	Appointed as an Independent Director for a term of five consecutive years commencing from May 30, 2023 to May 29, 2028, subject to the approval of Members.	Appointed as Non-executive Director of the Company liable to retire by rotation.
Remuneration last drawn	Nil	Nil

other directorship	Ayurtej Arogyam Niwas Private Limited Kalamboli Structurals And Roofings Private Limited Nike Realtors Private Limited	Yog Woollen and Synthetics Industries Ltd Oscorp Construction private Limited Oscorp Infra Solution Private Limited Oscorp Real Estate Development Private Limited Dependencia Hospitality Private Limited Oscorp Management Consultancy Private Limited Oscorp Hospitality Private Limited Dependencia Logistics Private Limited Dependencia Infrastructure Private Limited Protech Solutions Private Limited Omega Weapons Private Limited J. K. Solutions Private Limited Dependencia Advisors Private Limited Dependencia Media Private Limited Oscorp Trade Services Private Limited
Chairman / Membership in committees of the Board of Directors of other Listed Company in which he/she is a Director	There is no directorship in other listed Company	There is no directorship in other listed Company
Inter-se relationship with other directors/ Key Managerial Personnel	None	Mr. Shashikant Bhoge is promoter of the Company except that there is no relationship with other directors/ Key Managerial personnel

**By Order of the Board of Directors
For Modern Engineering and Projects Limited**

**Place: Mumbai
Date: September 01, 2023**

**Beena Khandelwal
Company Secretary
ACS: 69067**

Registered Office:
103/4 Plot -215, Free Press House
Fl-10 Free Press Journal Marg,
Nariman Point Mumbai 400021
CIN: L01132MH1946PLC381640

Website: www.mep.ltd
Email: cs@mep.ltd

DIRECTORS' REPORT

To the Members,

The Directors have pleasure in presenting their Seventy-Seventh Directors' Report of Modern Engineering and Projects Limited ("the Company") along with the Audited Financial Statements for the year ended March 31, 2023.

1. FINANCIAL HIGHLIGHTS:

The financial performance of the Company during the financial year ended March 31, 2023, as compared to previous financial year are summarized below:

(₹ In Lacs)

Particulars	March 31, 2023	March, 31 2022
Income		
Revenue from Operations	6779.89	133.90
Other Income	163.45	7.03
Total Income	6943.34	140.93
Profit before Tax	(281.22)	(308.45)
Profit after Tax	(264.88)	(299.31)
Other Comprehensive Income	0	0
Total Comprehensive Income	(264.88)	(299.31)

2. STATE OF COMPANY'S AFFAIRS

Ø During the year under Revenue from operation of the Company has been increased from Rs. 133.90 Lakhs to Rs. 6779.89 Lakhs as compared to previous year and other income has been increased from Rs. 7.03 lakhs to Rs.163.45 lakhs. as compared to the previous year.

Ø The Company has booked loss of Rs. 264.88 Lakhs in financial year 2022-23.

3. DIVIDEND

Considering the loss incurred in the current financial year, your directors have not recommended any dividend for the financial year under review.

4. TRANSFER TO RESERVES

Considering the loss incurred in the current financial year, your directors are not in a position to recommend any amount to transfer in to the reserves.

5. SHARE CAPITAL AND CHANGES THEREIN

There was no change in the Authorized share capital of the Company during the financial year. As on March 31, 2023, the paid-up equity share capital of your Company was Rs.3,09,00,000 divided into 30,90,000 equity shares of Rs.10/- each.

6. ANNUAL RETURN

As required under section 92 of the Companies Act, 2013 (the "Companies Act") the Annual Return for the financial year ended March 31, 2023 is available on the website of the Company and can be accessed at www.mep.ltd

7. DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013 the Board of Directors to the best of their knowledge and ability confirms that:

- In the preparation of the annual accounts for financial year ended March 31, 2023, the applicable accounting standards have been followed along with proper explanation relating to material departures;

- ii. Have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of financial year and of the Loss for that period;
- iii. Have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. Have prepared the annual accounts for financial year ended March 31, 2023 on a 'going concern' basis;
- v. Had laid down internal financial control to be followed by the Company and that such internal financial controls are adequate and have been operating efficiently; and
- vi. Have devised proper systems to ensure compliance with provisions of all applicable laws and that such systems were adequate and operating effectively.

8. DEPOSITORY SYSTEM

Your Company's Equity Shares are available for dematerialization through National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As on March 31, 2023, 99.34% of the Equity Shares of your Company were held in dematerialized form.

9. Number of Meetings of the Board

During the financial year, the Board of Directors met 15 (Fifteen) times on May 30, 2022; July 28, 2022; August 06, 2022; August 13, 2022; August 26, 2022; August 30, 2022; September 16, 2022; September 27, 2022; September 30, 2022; October 07, 2022; November 14, 2022; December 08, 2022; December 27, 2022; February 06, 2023 and March 20, 2023.

10. Committees of the Board

A. Audit Committee

Composition:

The Audit Committee of the Company comprises of Two Non-executive Director and one Independent Directors as on March 31, 2023. The Audit Committee comprised of three members i.e. Mr. Siddhant Singh, (Independent Director), Mr. Shashikant Bhoge (Non-Executive director) and Ms. Vaishali Mulay, (Non-executive Director). The Board of Directors is in process to appoint new Independent Director on the Board of the Company, after appointment Board will reconstitute the Audit Committee in alignment with the provisions of Section 177 of Companies Act, 2013.

Terms of Reference:

The terms of reference of the Audit Committee approved by the Board as per the provisions of section 177 of the Companies Act, 2013.

The primary objective of the Audit Committee is to monitor and provide effective supervision of the management's financial reporting progress with a view to ensuring accurate timely and proper disclosures and transparency, integrity and quality of financial reporting. The Committee oversees the work carried out by the management, internal auditors, statutory auditors on the financial reporting process and the safeguards employed by them. The Recommendation by the Audit Committee as and when made to the Board has been accepted by it.

No. of Meetings:

During the financial year, members of the Audit Committee met 6 (Six) times on May 30, 2022; August 13, 2022; November 14, 2022; December 08, 2022; December 27, 2022 and February 06, 2023.

B. Nomination & Remuneration Committee

Composition:

The Nomination & Remuneration Committee of the Company comprises of Two Non-executive Director and one Independent Directors as on March 31, 2023. The Nomination & Remuneration Committee comprised of three members i.e. Mr. Siddhant Singh, (Independent Director), Mr. Shashikant Bhoge (Non-Executive director) and Ms. Vaishali Mulay, (Non-executive Director). The Board of Directors is in process to appoint new Independent Director on the Board of the Company, after appointment Board will reconstitute the Nomination & Remuneration Committee in alignment with the provisions of Section 178 of Companies Act, 2013

Terms of Reference:

The terms of reference of the Nomination & Remuneration Committee approved by the Board as per the provisions of section 178 of the Companies Act, 2013 are as follows:

- a. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- b. Formulation of criteria for evaluation of performance of independent directors, Board, its committee and individual directors;
- c. Devising a policy on diversity of board of directors;
- d. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
- e. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- f. Recommend to the Board, all the remuneration, in whatever form, payable to senior management.
- g. Formulate detailed ESOS Plan and the terms and conditions thereof including but not limited to determination of the Exercise Price, Exercise Period, Lock – in period, consequence of failure to exercise option, method of valuation, accounting policies, disclosures, etc and matters related thereto

Number of Meetings

During the financial year, the members of the Nomination & Remuneration Committee met 8 (Eight) times on July 28, 2022, August 06, 2022; August 26, 2022; August 30, 2022; September 27, 2022; October 07, 2022; December 08, 2022 and December 27, 2022.

C. Stakeholders Relationship Committee

The scope of the Stakeholders Relationship Committee is to review and address the grievances of the shareholders in respect of share transfers, transmission, issue of duplicate/consolidated share certificates, allotment and listing of shares, non-receipt of annual report, non- receipt of balance sheet, non-receipt of dividend etc. and other related activities. In addition, the Committee also looks into matters that can facilitate better investor's services and relations.

Composition:

Composition of Stakeholders Relationship Committee is in alignment with the provisions of Section 178 of Companies Act, 2013.

Terms of Reference:

The scope of the Stakeholders Relationship Committee is to review and address the grievances of the shareholders in respect of share transfers, transmission, issue of duplicate/consolidated share certificates, allotment and listing of shares, non-receipt of annual report, non- receipt of balance sheet, non-receipt of dividend etc. and other related activities. In addition, the Committee also looks into matters that can facilitate better investor's services and relations.

Status of Investor Complaints for the Financial Year ended March 31, 2023:

Complaints outstanding as on April 01, 2022	0
Complaints received during the financial year ended March 31, 2023	0
Complaints resolved during the financial year ended March 31, 2023	0
Complaints outstanding as on March 31, 2023	0

No. of Meetings

During the financial year, members of the Stakeholders Relationship Committee does not meet.

11. POLICY ON DIRECTORS' AND KEY MANAGERIAL PERSONNEL'S APPOINTMENT AND REMUNERATION

The policy on appointment and remuneration including criteria for determining qualifications, positive attributes, independence of Directors' and Key Managerial Personnel and other matters provided under Section 178(3) of the Companies Act, is appended as Annexure I to this Report and also is available on the website of the Company at www.mep.ltd

12. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The details of loans given, Investments made and guarantees given and securities provided by the company during the financial year ended March 31, 2023 have been provided in the notes to the Financial Statements provided in this Annual report.

13. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All contracts / arrangements / transactions entered by the Company during the financial year under review with related parties as defined under the Companies Act, 2013, were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3) of the Companies Act in Form AOC-2 is not applicable.

Attention of the members is drawn to the disclosures of transactions with the related parties as per Indian Accounting Standard (IND AS) 24 is set out in Notes to Accounts forming part of the financial statement forming part of Annual report.

14. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this report other than those disclosed in this report.

15. PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

- **Conservation of Energy**

Your Company has taken necessary steps and initiative in respect of conservation of energy to possible extent to conserve the energy resources.

- **Technology Absorption**

Your Company is not engaged in any manufacturing activity, the particulars of technology absorption as required under Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 are not applicable.

- **Foreign Exchange Earnings and Outgo**

During the period under review, the Company had not earned any foreign exchange nor incurred any outflows in foreign exchange.

16. RISK MANAGEMENT

Your Company is aware of the risks associated with the business. It regularly analyses and takes corrective actions for managing/mitigating the same. Your Company has institutionalized the policy/process for identifying, minimizing and mitigating risk which is reviewed. The key risks and mitigation actions are placed before the Audit Committee.

17. CORPORATE SOCIAL RESPONSIBILITY

In terms of Section 135 of the Companies Act, 2013, provisions of Corporate Social Responsibility are not applicable to the Company during the year under review. Accordingly, company discontinue to maintain Corporate Social Responsibility (CSR) Committee.

18. ANNUAL EVALUATION ON PERFORMANCE OF THE BOARD

The Board adopted a formal mechanism for evaluating performance of the Board, its committees and individual Directors, including the Chairman of the Board pursuant to the provisions of the Companies Act, 2013. The exercise was carried out through an evaluation process as formulated by Nomination & Remuneration Committee (NRC) covering various aspects of the Board's functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, contribution at the meetings and otherwise, independent judgement, governance issues etc.

All Directors participated in the evaluation. Evaluation was carried out on individually excluding the Director being evaluated.

19. CHANGE IN THE NATURE OF BUSINESS

During the financial year ended March 31, 2023, there was no change in the nature of business of the Company.

20. DIRECTORS AND KEY MANAGERIAL PERSONNEL

a) Appointment/ resignation of Director:

The Board of Director, upon the recommendation of Nomination & Remuneration Committee, appointed Mr. Sitaram Dhulipala (DIN: 03408989) as an Additional Whole-Time Director and Mr. Sidhant Singh as an Additional Independent Director (DIN: 07769031) on the Board of the Company with effect from August 06, 2022 and August 26, 2022 respectively. Appointment was approved by the members at 76th Annual General Meeting of the Company held on September 30, 2022.

The Board of Director, upon the recommendation of Nomination & Remuneration Committee, appointed Mr. Suraj Samat (DIN: 00587940) as an Additional Non-executive Director with effect from October 07, 2022. His appointment was approved by the members at Extra-ordinary General Meeting held on January 05, 2023.

Subsequent to the end of financial year, the Board of Director upon the recommendation of Nomination & Remuneration Committee, appointed Dr. Pandit Sawant (DIN: 06581946) as an Additional Non-executive Independent Director on the Board of the Company with effect from May 30, 2023.

During the financial year under review, Mr. Jaipal Singh (DIN 03613609) due to pre-occupation and Mr. Sukhdeep Singh (DIN: 07722411) due to personal reason has tender his resignation from the post of director of the company with effect from September 27, 2022 and October 29, 2022 respectively. There is no other material reason for resignation.

Subsequent to the end of financial year Mr. Sidhant Singh (DIN: 07769031) due to un-avoidable circumstance has tender his resignation from the post of director of the company with effect from June 23, 2023. There is no other material reason for resignation.

b) Appointment/ resignation of Key Managerial personnel:

During the year under review Ms. Nidhi Kumari has resigned from the post of Company Secretary & Compliance Officer of the Company with effect from July 28, 2022. Board of Director of the Company on the recommendation of Nomination & Remuneration Committee appointed Ms. Beena Khandelwal as a Company Secretary & Compliance officer of the Company with effect from July 28, 2022.

During the year under review Mr. Subhas Chandra Bose has resigned from the post of Chief financial officer of the Company with effect from December 15, 2022. Board of Director of the company on the recommendation of Nomination & Remuneration Committee appointed Mr. Naresh Sasanwar as Chief Financial officer of the company with effect from December 27, 2022.

21. DECLARATION BY INDEPENDENT DIRECTOR

Independent Director of the Company have submitted the declarations of independence as required under Section 149(7) of the Companies Act, 2013 confirming that they meet the criteria of independence under section 149(6) of the Companies Act, 2013 and Regulation 16 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015. In the opinion of the Board, the Independent Directors fulfill the conditions specified in these regulations and are independent of the management. There has been no change in the circumstances affecting their status as Independent Directors of the Company.

The Board is also of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise in the field of finance, strategy, auditing, tax, risk advisory, financial services, infrastructure and real estate industry and they hold the highest standards of integrity.

In compliance with rule 6(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014, all the Independent Directors have included their names in the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

22. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

The details of familiarization Programme to Independent Director, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters is uploaded on the website of the Company at the link www.mep.ltd.

23. COMPLIANCE WITH SECRETARIAL STANDARDS

The Company complies with Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

24. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

As at March 31, 2023, the company does not have subsidiary company, Joint venture Company and Associate Company.

Further as on March 31, 2023 the company have 1(one) Joint venture in the form of Association of person (AOP) with MEP Infrastructure Developers Limited namely "MEPIDL-MCL JV"

Further subsequent to the end of financial year company has entered into Join Venture with Aquatech Solutions Private Limited namely "Aquatech-MEPL JV" in the form of AOP for jointly execution of contract of Khopoli Municipal Sewerage Scheme.

Further during the financial year ended March 31, 2023 no company become or ceased to be its Subsidiaries, Joint Venture or Associate company of the company.

25. DETAILS RELATING TO DEPOSITS, COVERED UNDER CHAPTER V OF THE COMPANIES ACT, 2013

The Company has not accepted any Deposits within the purview of Section 73 to 76 of the Companies Act, 2013 read with The Companies (Acceptance of Deposits) Rules, 2014. Further no amount on account of principal or interest on public deposits was outstanding as on March 31, 2023.

Further as on March 31, 2023 outstanding amount of Loan from Director is Rs. 2,54,91,782/- (Rupees Two Crores Fifty-four Lakhs Ninety-one Thousand Seven Hundred and Eighty-two Only).

26. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

There are no significant material orders passed by the regulators/Courts/ tribunals which would impact the going concern status of the Company and its future operations.

27. ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH RESPECT TO FINANCIAL STATEMENTS

The Company has an internal financial control system commensurate with respect to its financial statements which provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements. The Audit Committee has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. The Audit Committee has a process for timely check for compliance with the operating systems, accounting procedures and policies. Major risks identified by the businesses and functions are systematically addressed through mitigating action on continuing basis.

28. STATUTORY AUDITORS AND AUDITORS' REPORT

The members of the Company at their Extra-ordinary General Meeting held on January 5, 2023 had appointed M/s. K K A B & Co. LLP, Chartered Accountants, Mumbai, (FRN: 0132029W/ W-10024) as the Statutory Auditor to fill casual vacancy caused due to resignation of Auditor who shall hold office upto the date of ensuing Annual General Meeting.

On the recommendation of Audit Committee Board of Directors of the company recommended the appointment of M/s. S k Patodia & Associates, Chartered Accountant having Firm Registration No. 112723W as a Statutory Auditors of the Company for a period of five consecutive years i.e from the conclusion of this 77th Annual General Meeting of the Company till the conclusion of the 82nd Annual General Meeting of the Company to be held in the year 2028.

The Report issued by M/s. K K A B & Co. LLP on the financial statements of the Company for the financial year ended March 31, 2023 forms part of the Annual Report. There are no qualifications, reservations or adverse remarks or disclaimers made by M/s. K K A B & Co. LLP, Statutory Auditors, in their report.

29. SECRETARIAL AUDITORS AND AUDITORS' REPORT

The Board of Directors of the Company has appointed M/s. Ramesh Chandra Mishra & Associates, Practicing Company Secretary as Secretarial Auditor to conduct the Secretarial Audit and his Report for the financial year ended March 31, 2023 is appended to this Report as **ANNEXURE II**.

There are no other qualifications, reservations or adverse remarks or disclaimers made by M/s. Ramesh Chandra Mishra & Associates, Practicing Company Secretary, in their Secretarial Audit Report except the following observations:

1. The Company has not complied with the Section 149(4) of the Companies Act, 2013, as the Company has only one Independent Director on the Board. Thus, the Board does not have proper composition.
2. Section 177(2) of the Companies Act of 2013 states that the audit committee must have a minimum of three directors, with independent directors constituting a majority. The Company has not complied with the Section 177(2) of the Companies Act, 2023 with the composition of the audit committee also.
3. Company has also not complied with the Section 178(1) of the Companies Act, 2013, which states that the Nomination and Remuneration Committee consisting of three or more non-executive directors out of which not less than one-half shall be independent director.

Management Reply:

1. The Board is in process to identify a suitable person to be appointed as an Independent Director on the Board.
2. Once Independent director is appointed on the Board of the Company, the Board will re-constitute both the Committees i.e. Audit Committee and Nomination & Remuneration Committee in compliance with the Section 177 and 178 of the Companies Act, 2013

30. MAINTENANCE OF COST RECORDS & COST AUDIT

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148 of the Act, are not applicable upon the company during the financial year ended March 31, 2023.

31. INSTANCES OF FRAUDS, IF ANY REPORTED BY AUDITORS

During the financial year under review, the Statutory Auditors and Secretarial Auditor has not reported any instance of frauds committed in the Company by its officers or employees to the Audit committee or to the central Government under Section 143(12) of the Companies Act, details of which needs to be mentioned in this Report.

32. WHISTLE BLOWER POLICY/ VIGIL MECHANISM

The Company has a Whistle Blower Policy in line with the provisions of the Section 177 of the Companies Act, 2013. This policy establishes a vigil mechanism for directors and employees to report their genuine concerns, actual or suspected fraud or violation of the Company's code of conduct.

The said mechanism also provides for adequate safeguards against victimisation of the persons who use such mechanism and makes provision for direct access to the chairman of the Audit Committee.

The administration of the vigil mechanism is being done through Audit Committee. We confirm that during the financial year ended March 31, 2023. no employee of the Company was denied access to the Audit Committee.

The said Whistle Blower Policy is available on the website of the Company at www.mep.ltd

33. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

Your Company is committed to creating and maintaining an atmosphere in which employees can work together, without fear of sexual harassment, exploitation and intimidation. Your Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act 2013. Internal Complaints Committee (ICC) was set up to redress complaints received regarding sexual harassment.

The following is a summary of sexual harassment complaints received and disposed of during the year:

No. of Complaints received	Nil
No. of Complaints disposed off	Nil

34. REPORT ON CORPORATE GOVERNANCE

In terms of Regulation 15(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, the compliance of provisions of the Corporate Governance under Regulation 27(2) of the Listing Regulations is not applicable to the Company as paid up equity share capital of the Company

is not exceeding Rs. 10 Crores and net worth is not exceeding Rs. 25 Crores, as on the last day of previous financial year.

Pursuant to the provisions of the Listing Regulations, your Company has taken adequate steps to ensure that all mandatory provisions of Corporate Governance as prescribed under the Listing Regulations are complied with.

35. MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

The Management's Discussion and Analysis Report for the financial year ended March 31, 2023, as stipulated under Regulation 34(2) of SEBI Listing Obligation and Disclosure Requirements) Regulation, 2015, is appended as **ANNEXURE III** to this report.

36. PARTICULARS OF EMPLOYEES

Disclosures with respect to the remuneration of directors and employees as required under Section 197(12) of the Companies Act and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended has been appended as **ANNEXURE IV** to this Report.

As per the second proviso to Section 136(1) of the Companies Act and the second proviso of Rule 5 of the Companies (Appointment and Remuneration) Rules, 2014 the Directors' Report and Financial Statements are being sent to the Members of the Company excluding the statement of particulars of employees under Rule 5(2) of the Companies (Appointment and Remuneration) Rules, 2014. If any Member is interested in obtaining a copy thereof, the Member may write to the Company Secretary, whereupon a copy would be sent to such Member.

37. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONG WITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR

There are no applications made or any proceeding pending against the Company under Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the financial year.

38. DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

During the financial year under review, there were no instances of one-time settlement with any bank or financial institution.

39. DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT / UNCLAIMED SUSPENSE ACCOUNT

The Company does not have any shares lying in its Demat Suspense Account / Unclaimed Suspense Account.

40. AGREEMENTS RELATING TO THE COMPANY

There are no agreements with any party which impact the management or control of the Company or impose any restriction or create any liability upon the Company.

41. ACKNOWLEDGEMENT

The Directors wish to place on record their appreciation and sincere thanks to the State Governments, Government agencies, Banks & Financial Institutions, joint venture partners, shareholders, vendors and other related organizations, who through their continued support and co-operation have helped, as partners in your Company's progress. The Directors, also acknowledge the hard work, dedication and commitment of the employees for the growth of the Company and look forward to their continued involvement and support.

**For and on behalf of the Board of Directors of
Modern Engineering and Projects Limited**

Jashandeep Singh
Managing Director
DIN: 02357390

Sitaram Dhulipala
Whole-time Director
DIN: 03408989

Place: Mumbai
Date: August 10, 2023

NOMINATION & REMUNERATION POLICY

1. OBJECTIVE

The Nomination & Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Regulation 19 of Securities Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 (As amended from time to time). The Key Objectives of the Committee would be:

- 1.1 To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- 1.2. To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- 1.3. To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- 1.4. To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- 1.5. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- 1.6. To devise a policy on Board diversity
- 1.7. To develop a succession plan for the Board and to regularly review the plan;
- 1.8. To formulate detailed ESOS Plan and the terms and conditions thereof including but not limited to determination of the Exercise Price, Exercise Period, Lock – in period, consequence of failure to exercise option, method of valuation, accounting policies, disclosures, etc and matters related thereto.

2. DEFINITIONS

- 2.1. **Act** means the Companies Act, 2013 and Rules framed there under, as amended from time to time.
- 2.2. **Board** means Board of Directors of the Company.
- 2.3. **Directors** mean Directors of the Company.
- 2.4. **Key Managerial Personnel** means
 - 2.4.1. Managing Director;
 - 2.4.2. Whole-time director;
 - 2.4.3. Chief Financial Officer;
 - 2.4.4. Company Secretary;
 - 2.4.5. Such other officer, not more than one level below the directors who is in whole-time employment, designated as key managerial personnel by the Board; and
 - 2.4.6. Such other officer as may be prescribed.
- 2.5. **Senior Management** shall mean the officers and personnel of the Company who are members of its core management team excluding the Board of Directors, and shall also comprise all the members of the management one level below the chief executive officer or managing director or Whole time director or manager (including Chief executive officer or manager, in case they are not part of the Board of Directors) and shall specifically include the functional heads, by whatever name called and the company secretary and chief Financial officer.

3. ROLE OF COMMITTEE

The Committee shall:

3.1 Terms of reference

- 3.1.1. Formulation the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- 3.1.2. Formulation of criteria for evaluation of performance of independent directors, Board, its committee and individual directors;
- 3.1.3. Devising a policy on diversity of board of directors;
- 3.1.4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
- 3.1.5. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- 3.1.6. Recommend to the Board, all the remuneration, in whatever form, payable to senior management.
- 3.1.7. Formulate detailed ESOS Plan and the terms and conditions thereof including but not limited to determination of the Exercise Price, Exercise Period, Lock – in period, consequence of failure to exercise option, method of valuation, accounting policies, disclosures, etc and matters related thereto;

3.2. Policy for appointment and removal of Director, KMP and Senior Management

3.2.1. Appointment criteria and qualifications

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- c) The Company shall not appoint or continue the employment of any person as Managing Director or Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

3.2.2. Term / Tenure

a) **Managing Director/Whole-time Director:**

The Company shall appoint or re-appoint any person as its Managing Director or Whole-time Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

b) **Independent Director:**

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 years or more in the Company as on date as may be determined by the Committee as per regulatory requirement; he/ she shall be eligible for appointment for one more term of 5 years only.
- At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

3.2.3. Evaluation

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

3.2.4. Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

3.2.5. Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

3.3. Policy relating to the Remuneration for the Managing Director or Whole- time Director, KMP and Senior Management Personnel

3.3.1. General:

- a) The remuneration / compensation / commission etc. to the Managing Director or Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
- b) The remuneration and commission to be paid to the Managing Director or Whole-time Director shall be in accordance with the percentage / slabs / conditions laid down as per the provisions of the Act and in line with the Company's policy.
- c) Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Managing Director or Whole-time Director.
- d) Where any insurance is taken by the Company on behalf of its Managing Director or Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

3.3.2. Remuneration to Whole-time Director / Managing Director, KMP and Senior Management Personnel:

a) Fixed pay:

The Managing Director or Whole-time Director/ KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

b) Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managing Director or Whole-time Director in accordance with the provisions of Schedule V of the Act.

c) Provisions for excess remuneration:

If any Managing Director or Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without approval required under section 197 of the Act, he / she shall refund such sums to the Company, within two years and until such sum is

refunded, hold it in trust for the Company. The Company shall not waive the recovery of any sum refundable to it unless approved by the members by passing special resolution within two years from the date the sum becomes refundable.

3.3.3. Remuneration to Non- Executive / Independent Director:

a) Remuneration / Commission:

The remuneration / commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and/or the Act.

b) Sitting Fees:

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rs. One Lac per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

Provided that the amount of sitting fees paid to independent directors or woman directors shall not be less than the sitting fees payable to other directors.

c) Commission:

Commission may be paid within the monetary limit approved by shareholders, subject to applicable provisions of the Act.

d) Stock Options:

An Independent Director shall not be entitled to any stock option of the Company.

4. MEMBERSHIP

4.1 The Committee shall consist of a minimum 3 non-executive directors, majority of them being independent.

4.2 The quorum for a meeting of the Committee shall be either two members or one-third of the members of the Committee, whichever is greater.

4.3 Membership of the Committee shall be disclosed in the Annual Report.

4.4 Term of the Committee shall be continued unless terminated by the Board of Directors.

5. CHAIRPERSON

5.1 Chairperson of the Committee shall be an Independent Director.

5.2 Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.

5.3 In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson.

5.4 Chairperson of the Nomination & Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries; however, it shall be up to the chairperson of Annual General Meeting to decide who shall answer the queries.

6. FREQUENCY OF MEETINGS

The meeting of the Committee shall be held at least once in a year.

7. COMMITTEE MEMBERS' INTERESTS

7.1 A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.

7.2 The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

8. SECRETARY

The Company Secretary of the Company shall act as Secretary of the Committee.

9. VOTING

9.1 Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.

9.2 In the case of equality of votes, the Chairman of the meeting will have a casting vote.

10. NOMINATION DUTIES

The duties of the Committee in relation to nomination matters include:

10.1 Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;

10.2 Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;

10.3 Identifying and recommending Directors who are to be put forward for retirement by rotation.

10.4 Determining the appropriate size, diversity and composition of the Board;

10.5 Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;

10.6 Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;

10.6 Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;

10.7 Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract;

10.8 Delegating any of its powers to one or more of its members or the Secretary of the Committee;

10.9 Recommend any necessary changes to the Board; and

10.10 Considering any other matters, as may be requested by the Board.

11. REMUNERATION DUTIES

The duties of the Committee in relation to remuneration matters include:

11.1 To consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.

11.2 To approve the remuneration of the Senior Management including key managerial personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.

11.3 To delegate any of its powers to one or more of its members or the Secretary of the Committee.

11.4 To consider any other matters as may be requested by the Board.

11.5 Professional indemnity and liability insurance for Directors and senior management.

12. MINUTES OF COMMITTEE MEETING

Proceedings of all meetings must be minuted and signed by the Chairperson of the Committee or by the chairperson of the subsequent Committee meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.

**For and on behalf of the Board of Directors of
Modern Engineering and Projects Limited**

Jashandeep Singh
Managing Director
DIN: 02357390

Sitaram Dhulipala
Whole-time Director
DIN: 03408989

Place: Mumbai
Date: August 10, 2023

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31STMARCH 2023

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members,
MODERN ENGINEERING AND PROJECTS LTD
(FORMERLY KNOWN AS MODERN CONVERTERS LIMITED)
CIN: L01132MH1946PLC381640

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Modern Engineering and Projects Limited (hereinafter called 'the Company')** for the financial year ended 31st March, 2023. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act), and Rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;(Not applicable to the Company during the Audit Period)
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Agreement, Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992('SEBI Act'):
 - a. Simplified Listing Agreement for Debt Securities;
 - b. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended;
 - c. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - d. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - e. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations,2009;
 - f. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - g. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - h. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding Companies Act and dealing with client;
 - i. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - j. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

- k. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.
- (vi) As informed to us, the other laws as may be applicable specifically to the Company are:

- a. The Electricity Act, 2003;
- b. The Environment (Protection) Act, 1986;

We are not reporting on Fiscal Laws, since those are to be covered by the Statutory Auditor in the course of Statutory Audit.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI) relating to Board meetings and General Meetings;
- (ii) The Uniform Debt Listing Agreement entered into by the Company with the BSE Limited;

I have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

Based on the information received and records maintained, we further report the following:

I. Composition of Board of Directors:

During the financial year under review, the Board of Directors of the Company comprised of the following Directors:

Sr. No.	Name of Director	Category	DIN	Date of appointment	Date of Cessation
1.	Mr. Jashandeep Singh	Managing Director	02357390	21/09/2021	NA
2.	Mr. Sitaram Dhulipala	Whole-time Director	03408989	06/08/2022	NA
3.	Mr. Suraj Samat	Non-executive Director	00587940	07/10/2022	NA
4.	Mr. Shashikant Bhoge	Non-executive Director	05345105	16/04/2021	NA
5.	Ms. Vaishali Mulay	Non-executive Director	06444900	16/04/2021	NA
6.	Mr. Siddhant Singh	Non-executive Independent Director	07769031	26/08/2022	23/06/2023

We further report that:

The Composition of Board of Directors of the Company is constituted with Executive Directors, Non-Executive Directors, Independent Directors & Woman Director.

II. Meetings of the Board of Directors:

During the financial year under review, the Company has held Fifteen (15) meetings of the Board of Directors i.e., May 30, 2022; July 28, 2022; August 06, 2022; August 13, 2022; August 26, 2022; August 30, 2022; September 16, 2022; September 27, 2022; September 30, 2022; October 07, 2022; November 14, 2022; December 08, 2022; December 27, 2022; February 06, 2023 and March 20, 2023 respectively.

For the Board meeting, adequate notice was given to all Directors. Agenda and detailed notes on agenda of the meetings were sent in advance to all the Directors, in compliance with the provisions of the Companies Act and the Secretarial Standards. The Company has a system existing for seeking and obtaining further information and clarifications on the agenda items placed before the meeting for the meaningful participation at the meeting.

The meetings were convened as per the provisions of the Companies Act, 2013. The requisite Quorum was present in the Board Meeting held during the financial year as per provisions of the Companies Act, 2013 and as per the requirements of the Articles of Association of the Company.

All decisions at the Board Meeting were carried out unanimously and recorded in the minute's book of the meetings of the Board of Directors.

The Attendance of the Directors in Board Meetings held during the financial year was as follows.:

Sr. No	Name of Directors	Category	No. of Meeting held during the year	No. of Meeting attended
1.	Mr. Jashandeep Singh	Managing Director	15	13
2.	Mr. Sitaram Dhulipala	Whole-time Director	15	10
3.	Mr. Suraj Samat	Non-executive Director	15	03
4.	Mr. Shashikant Bhoge	Non-executive Director	15	15
5.	Ms. Vaishali Mulay	Non-executive Director	15	15
6.	Mr. Siddhant Singh	Non-executive Independent Director	15	00

III. Separate Meeting of the Independent Directors:

During the financial year under review, as per the provisions of Section 149(8) read with Clause VII of Schedule IV of the Companies Act, 2013, a separate meeting of Independent Directors of the Company was held on 06-02-2023.

IV. Statutory Committees of the Board:

(i) Audit Committee:

The Audit Committee of the Company has been constituted as per the provisions of Section 177 of the Companies Act, 2013 and the Rules made there under, Guidelines, Regulations and Standards.

As on 31.03.2023, the Audit Committee of the Board of Directors of the Company comprised of the following members:

Sr. No.	Name of Members	Category/ Designation	Designation
1.	Mr. Shashikant Bhoge	Non-executive Director	Chairman
2.	Mr. Siddhant Singh	Non-executive Independent Director	Members
3.	Ms. Vaishali Mulay	Non-executive Director	Members

During the financial year under review, the Company has conducted Six (6) meetings of the Audit Committee.

Company has conducted Six (6) Audit Committee Meeting during the year:

April – June	July – September	October-December	January – March
May 30, 2022	August 13, 2022	November 14, 202; December 08, 2022 and December 27, 2022	February 06, 2023

Adequate Notice for the Audit Committee Meeting was sent to all the Members of the Committee. Agenda and detailed notes on agenda were sent in advance. A system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at the Committee Meeting were carried out unanimously and recorded in the minute's book of the respective Committee Meetings.

The Attendance of the Members in the Audit Committee Meeting of the Board of Directors held during the year as follows:

Meetings and Attendance of the Audit Committee during the year:

Sr. No.	Name of the Member	No. of Meeting held during the year	No. of Meeting attended
1.	Mr. Shashikant Bhoge	06	06
2.	Mr. Siddhant Singh	06	00
3.	Ms. Vaishali Mulay	06	06

(ii) Nomination and Remuneration Committee:

The Nomination and Remuneration Committee of the Company has been constituted as per the provisions of Section 178 of the Companies Act, 2013 and the Rules made there under, Guidelines, Regulations and Standards.

The Nomination and Remuneration Committee of the Board of Directors of the Company consists of the following members:

Sr. No.	Name of Members	Category	Designation
1	Mr. Shashikant Bhoge	Non-executive Director	Chairman
2	Mr. Siddhant Singh	Non-executive Independent Director	Members
3	Ms. Vaishali Mulay	Non-executive Director	Members

Company has conducted Nomination and Remuneration Committee meetings on - July 28, 2022; August 06, 2022; August 26, 2022; August 30, 2022; September 27, 2022; October 07, 2022; December 08, 2022 and December 27, 2022.

iii. Corporate Social Responsibility:

The Corporate Social Responsibility Committee of the Company has not been constituted as per the provisions of Section 135 of the Companies Act, 2013 and the Rules made there under, Guidelines, Regulations and Standards as CSR provisions are not applicable.

iv. Risk Management Committee:

The Risk Management Committee of the Company has not been constituted as per the provisions of the Companies Act, 2013 and the Rules made there under, Guidelines, Regulations and Standards as provisions are not applicable.

V. Maintenance of Statutory Records:

During the period under review, as per the explanation provided by the management, all Statutory Registers, records and other registers as prescribed under various provisions of the Companies Act, 2013 and the rules made there under were kept and maintained by the Company properly with all necessary entries made therein. Provisions of these Acts were duly complied with during the period under report.

VI. Filing of Statutory Returns:

All provisions of the Act and other statutes were duly complied with regard to filing of various e-forms and returns as per the provisions of the Companies Act, 2013 with the MCA/Registrar of Companies within the prescribed time limit with payment of requisite fees.

All documents/intimations under various Statutes/Listing Regulations/ Business Rules were also regularly filed with the Stock Exchanges and Depositories (NSDL and CDSL) within the prescribed due dates.

We further report that, during the audit period on the basis of documents and explanations provided by the Company, there are adequate systems & processes exist in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations, standards and guidelines.

We further report that as informed, the company has responded appropriately to notices received from various statutory/regulatory authorities including initiating actions for corrective measures, wherever found necessary.

*****During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above Subject to the following Observation:

1. The Company has not complied with the Section 149 (4) of the Companies Act, 2013, as the Company has only one Independent Director on the Board. Thus, the Board does not have proper composition.
2. Section 177(2) of the Companies Act of 2013 states that the audit committee must have a minimum of three directors, with independent directors constituting a majority. The Company has not complied with the Section 177 (2) of the Companies Act, 2023 with the composition of the audit committee also.
3. Company has also not complied with the Section 178 (1) of the Companies Act, 2013, which states that the Nomination and Remuneration Committee consisting of three or more non-executive directors out of which not less than one-half shall be independent director.

For Ramesh Chandra Mishra & Associates

Ramesh Mishra

Company Secretary in Practice

FCS: 5477

PCS: 3987

UDIN NO.: F005477E000774223

Peer Review certificate No.: 1133/2021

Valid Up to: 15/03/2026

Date: 10/08/2023

Place: Mumbai

(This report is to be read with our letter of even date which is annexed as Annexure - A and forms an integral part of this report)

ANNEXURE - A

To
The Members,
MODERN ENGINEERING AND PROJECTS LTD
(FORMERLY KNOWN AS MODERN CONVERTERS LIMITED)
CIN: L01132MH1946PLC381640

Our report of even date is to read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Ramesh Chandra Mishra & Associates

Ramesh Mishra
Company Secretary in Practice
FCS: 5477
PCS: 3987

UDIN NO.: F005477E000774223
Peer Review certificate No.: 1133/2021
Valid Up to: 15/03/2026

Date: 10/08/2023
Place: Mumbai

MANAGEMENT DISCUSSION AND ANALYSIS

Economy Overview

Global Economy Overview

In 2022, the global economy had recovered from the COVID-19 pandemic and the Russia-Ukraine conflict, but it is still experiencing some unprecedented crisis. Inflation reached multi-decade highs in a number of economies in 2021 as a result of pent-up demand, ongoing supply disruptions, and rising commodity prices, prompting central banks to aggressively tighten monetary policy in order to return inflation to their target levels. There are indications that the tightening of monetary policy is beginning to suppress inflation and demand, but its full impact will not be realised until 2024. As per the International Monetary Fund's (IMF) April 2023 outlook, the global economy, which grew by 3.4% in 2022, is estimated to grow by 2.8% in 2023 and by 3.0% in 2024.

World Economic Output (%)

	2022	2023P	2024P
World Output	3.4	2.8	3.0
Advanced Economies	2.7	1.3	1.4
United States	2.1	1.6	1.1
Euro Area	3.5	0.8	1.4
Japan	1.1	1.3	1.0
United Kingdom	4.0	(0.3)	1.0
Canada	3.4	1.5	1.5
Other Advanced Economies	2.6	1.8	2.2
Emerging Market and Developing Economies	4.0	3.9	4.2
Emerging and Developing Asia	4.4	5.3	5.1
China	3.0	5.2	4.5
India	6.8	5.9	6.3
Asean-5 (Indonesia, Malaysia, Philippines, Thailand, Vietnam)	5.5	4.5	4.6

P: Projected

Source: IMF World Economic Outlook April 2023

The financial instability of the gilt market in the United Kingdom and the recent failure of a few banks in the United States demonstrate that both banks and non-bank financial institutions are susceptible to failure. In both cases, governments and authorities acted promptly and have effectively managed the financial crisis. Europe is now facing with the difficult challenges of sustaining the economic recovery, combating inflation, and maintaining financial stability. Germany has been in recession for two consecutive quarters as a result of decreased consumer expenditure and consistent price increases caused by ongoing geopolitical tensions. However, a significant portion of the economic risk in Europe has been mitigated by a mild winter and a steep drop in natural gas prices. The advanced economies are expected to grow by 1.3% in 2023, after witnessing growth of 2.7% in 2022, and are further expected to grow by 1.4% in 2024.

Factors such as political instability, economic collapse, and deteriorating social conditions affected Sri Lanka, Nepal, Afghanistan, Myanmar, and Pakistan to an increasing degree. Sri Lanka, Nepal, and Pakistan are experiencing declining foreign exchange reserves and a balance of payment crisis, whereas Afghanistan and Myanmar are experiencing a dramatic deterioration in humanitarian conditions. In contrast, China's reopening in 2022, weakening global financial conditions, and fewer cycles of interest-rate increases have all contributed to the healthy beginning of 2023 for emerging markets. Going forward, emerging markets may outperform global markets as a result of the combination of

strong regional growth projections and market valuation expansion potential backed by strong economic growth in India, China, and ASEAN countries. The emerging markets and developing economies, which increased by 4.0% in 2022, are predicted to surge by 3.9% in 2023 and 4.2% in 2024.

Indian Economy Overview

India's economic momentum has been more resilient than expected, during last year's tightening of the global and domestic financial environments. According to the NSO's (National Statistical Office) second advance estimates, the Indian economy grew by 9.1% in FY 2021-22. The emphasis on capital expenditure in the Union Budget 2023-24 is expected to stimulate private investment, increase job creation, overall consumer demand and enhance India's potential growth. The budget for capital expenditures for FY 2023-24 was announced to be ₹ 10 Lakh Crores, or 3.3% of the gross domestic product. According to NSO's Second Advance Estimates Report, India's real GDP growth could approach 7% growth in FY 2023-24 if the expenditures are effectively implemented. In order to control inflation, the RBI's (Reserve Bank of India) Monetary Policy Committee (MPC) ceased the rate increase cycle in April 2023 and maintained the repo rate at 6.5%. The MPC kept its "withdrawal of accommodation" position. Taking into consideration global and domestic factors, it is anticipated that headline inflation will moderate in FY 2023-24. The RBI expects consumer inflation to decrease to 5.2% in FY 2023-24, and its SPF (Survey of Professional Forecasters) report projects India's real GDP to grow by 6% in FY 2023-24. India's rising global profile is supported by a number of achievements, such as the unique World Class Digital Public Infrastructure of Aadhaar, CoWin, and UPI; the unprecedented scale and a proactive role in frontier areas, such as the accomplishment of climate-related goals, and the National Hydrogen Mission. Three megatrends – global offshoring, digitalisation, and the energy transition – are creating the foundation for the country's unprecedented economic growth. According to the SBI Ecwrap report, by 2027, India is expected to surpass Japan and Germany to become the world's third-largest economy. In addition, India's GDP is projected to more than double by 2031, from its present level of US\$ 3.5 trillion to over US\$ 7.5 trillion.

Industry Structure and Development

Infrastructure Sector

India's high growth imperative in 2023 and beyond will significantly be driven by major strides in key sectors with infrastructure development being a critical force aiding the progress.

Infrastructure is a key enabler in helping India become a US\$ 26 trillion economy. Investments in building and upgrading physical infrastructure, especially in synergy with the ease of doing business initiatives, remain pivotal to increase efficiency and costs. Prime Minister Narendra Modi also recently reiterated that infrastructure is a crucial pillar to ensure good governance across sectors.

The government's focus on building infrastructure of the future has been evident given the slew of initiatives launched recently. The US\$ 1.3 trillion national master plan for infrastructure, Gati Shakti, has been a forerunner to bring about systemic and effective reforms in the sector, and has already shown a significant headway.

The Government "Smart Cities Mission" and "Housing for All" programmes have benefited from these initiatives. Saudi Arabia seeks to spend up to US\$ 100 billion in India in energy, petrochemicals, refinery, infrastructure, agriculture, minerals, and mining.

In order to reach at US\$ 5 trillion economy by 2025 the government has launched the National Infrastructure Pipeline (NIP) combined with other initiative such as 'Make in India' and production-linked incentives (PLI) Scheme to augment the growth of Infrastructure sector.

The government has given top most priority for infrastructure development which shows in Union Budget 2023-24.

Union Budget 2023-24

Capital investment outlay for infrastructure has been increased by 33% to Rs. 10 Lakhs Crore (US\$ 122 billion), which would be 3.3% of GDP. National infrastructure Pipeline (NIP) which was started with 6,835 projects now the count of the project has been increased at 9,142 projects. Under that initiative 2,476 projects are under development phase. Government has expressed its intention to spend US\$ 1.4 trillion on infrastructure through NIP in the next Five years.

Budget 2023-24 is complemented with continuation of the 50-year interest free loan to state governments for one more year to spur investment in infrastructure and to incentivize them for complementary policy actions, with a significantly enhanced outlay of Rs. 1.3 lakh crore (US\$ 16 billion). The government will establish Infrastructure Finance Secretariat to enhance opportunities for private investment in infrastructure that will assist all Stakeholders for more private investment in infrastructure including railway, road, urban infrastructure and Power.

Opportunities & Threats

Opportunities

- The Government's consistent investment in the infrastructure sector to push growth has resulted in increased bids and awarding activity in the sector
- With the increasing focus of the Government on high-speed expressways and urban connectivity, there is extensive potential of growth in the sector

Threats

- The supply chain disruption caused by the Russia-Ukraine war impacted project execution, and delayed them
- Delays in land acquisition is a continuous challenge, and impacts approvals and project execution
- Unavailability of raw material and shortage of skilled labor is another challenge
- Liquidity crunch and cash flow disruptions in the event of economic slowdown impacts operations as well

Outlook

India has to enhance its infrastructure to reach its 2025 economic growth target of US\$ 5 trillion. India's population growth and economic development requires improved transport infrastructure, including through investments in roads, railways, and aviation, shipping and inland waterways.

It is estimated that India needs to invest \$840 billion over the next 15 years into urban infrastructure to meet the needs of its fast-growing population. This investment will only be rational as well as sustainable, if we additionally focus on long-term maintenance and strength of our buildings, bridges, ports and airports.

As a result of digitalisation and opportunities that tier II and III cities present for economic growth, the difference between metro and non-metros is blurring, moving to the new era of infrastructure growth. Commercial real estate properties have witnessed exponential growth in demand across Tier II & III cities as Information technology and Information technology enabled services and banking financial services and insurance focused organizations are increasingly decentralizing their operations to adapt to the new normal.

Under Gati Shakti masterplan worth \$7.67 billion 102 critical projects are to be completed by 2024, making 2023 a critical year for effective execution and celerity of completion.

India's Infrastructure forms an integral part of the country's economic ecosystem. There has been a significant shift in the industry that is leading to the development of world-class facilities across the country in the areas of roads, waterways, railways, airports, and ports, among others. The country-wide smart cities Programmes have proven to be industry game-changers. Given its critical role in the growth of the nation, the infrastructure sector has experienced a tremendous boom as a result of India's necessity and desire for rapid development. The expansion has been aided by urbanisation and an increase in foreign investment in the sector.

The infrastructure sector has become the biggest focus area for the Government of India. Government plans to spend US\$ 1.4 trillion on infrastructure during 2019-23 to have a sustainable development of the country. The Government has suggested investment of US\$ 750 billion for railways infrastructure from 2018-30. India's GDP is expected to grow by 8% over the next three fiscal years, one of the quickest rates among major, developing economies, according to S&P Global Ratings.

India and Japan have joined hands for infrastructure development in India's Northeast states and are also setting up an India-Japan Coordination Forum for development of Northeast to undertake strategic infrastructure projects for the region.

India being a developing nation is set to take full advantage of the opportunity for the expansion of the infrastructure sector, and it is reasonable to conclude that India's infrastructure has a bright future ahead of it.

Risk and concerns

Construction Industry faces risks such as increase in construction cost risk, delays in completion risks, quality and standard of the work risks. Further, Construction sector also faces operating risks includes increase in raw material cost risks, Labour availability risks, changes in political and regulatory risks and capital cost risks etc. Most of the

above risks are manageable and risks can be mitigated by close monitoring of the projects and better contract management.

Internal Control Systems and their adequacy

The Company's internal control procedures are tailored to match the organization's pace of growth and increasing complexity of operations. This ensures compliance to various policies, practices and statutes.

We have an independent and adequate system of Internal Control which enables reliable financial reporting, safeguard of assets and encourages adherence to management policies. The Company has a system for speedy compilation of accounts and management information reports to comply with applicable laws and regulations.

We have a reasonable budgetary control system so that the management can monthly review actual performance against the budget. A well-defined organization structure is in place with authority level, internal rules and guidelines for conducting business transactions.

Discussion on Financial Performance with respect to operational performance

The Break-up of Revenue and Costs of Company is as given below:

(Rs. in lakhs)

Particulars	March 2023	March 2022
Income:		
Revenue from Operation	6,779.89	133.90
Other income	163.45	7.03
Total Revenue	6,943.34	140.93
Expenses:		
Cost of materials consumed	6,197.68	—
Employee benefits expenses	402.24	103.78
Finance costs	31.71	35.93
Depreciation & Amortization expense	137.37	97.47
Other expenses	455.19	212.19
Total Expenses	7,224.56	449.37
Profit /(Loss) Before Extra-Ordinary Items and Tax	(281.22)	(308.45)
Less:		
Current Tax	3.87	—
Deferred Tax	(20.21)	(9.13)
Profit/ (Loss) After Tax	(264.88)	(299.31)
Other Comprehensive Income		
A) Items that will not be reclassified to Profit & Loss	0	0
B) Items that will be reclassified to Profit & Loss	0	0
Total comprehensive income for the period	(264.88)	(299.31)
Earnings Per Share (EPS)	(8.57)	(9.69)

Human Resource and Industrial Relations

Industrial relations of the company were cordial during the year and continue to remain peaceful at all the principal offices and all the employees are working with the company for a common objective. Modern Engineering and Projects Limited had 15 employees on payroll.

Significant Changes in Financial Ratios

Sr. no	Key Financial Ratio	Financial year ended		Change (%)	Reason for significant Change (25% or more as compared to previous financial year) in ratio
		March 2023	March 2022		
1	Debt Turnover Ratio	27.18	0.94	2792.72%	Increase in debt for the project
2	Inventory Turnover Ratio	NA	NA	NA	NA
3	Interest Coverage Ratio	(7.86)	(7.58)	3.69%	NA
4	Current Ratio	0.66	0.41	59.31%	Improvement in business
5	Debt Equity Ratio	(1.39)	83.45	102%	Due to increase Loss
6	Operating Profit Margin (%)	3%	22%	Cost	Due to escalation of Material
7	Net profit Margin (%)	(4%)	(224%)		Due to decrease in fixed cost
8	Return on Net worth	NA	NA	Networth is negative	

Cautionary Statement

Statements in this Report describing your Company's objectives, projections, estimates and expectations or predictions, may be 'forward looking statements' are within the meaning of the applicable laws and regulations. Actual results might differ substantially or materially from those expressed and implied. Important developments that could affect your Company's operations include a downtrend in the international market, fall in on-site, offshore rates and significant changes in political and economic environment, environment standards, tax laws, litigations and labour relations.

**For and on behalf of the Board of Directors of
Modern Engineering and Projects Limited**

Place: Mumbai

Date: August 10, 2023

Jashandeep Singh
Managing Director
DIN: 02357390

Sitaram Dhulipala
Whole-time Director
DIN: 03408989

ANNEXURE IV

DISCLOSURES PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:

1. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2022-23 and percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2022-23 is as under:

Sr.	Name of Director/ KMP & Designation	Ratio of Remuneration of each Director/ KMP to median remuneration of employees	Percentage increase / decrease in Remuneration in the financial year 2022-23 over financial year 2021-22
1.	Mr. Jashandeep Singh, Managing Director (w.e.f. 21.09.2021)	6.07:1	0%
2.	Mr. Sitaram Dhulipala, Whole-time Director (w.e.f. 06.08.2022)	1.52:1	Not Comparable
3.	Mr. Sukhdeep Singh, Non-Executive Director (upto 14.11.2022)	2.43:1	Not Comparable
4.	Mr. Naresh Sasanwar, Chief Financial officer (w.e.f. 27.12.2022)	3.97:1	Not Comparable
5.	Ms. Nidhi Kumari, Company Secretary (upto 28.07.2022)	0.22:1	Not Comparable
6.	Ms. Beena Khandelwal, Company Secretary (w.e.f. 28.07.2022)	0.35:1	Not Comparable

2. The percentage increase in the median remuneration of employees in the financial year 2022-23:

In the financial year 2022-23, there was an increase of 104.73% in the median remuneration of employees

3. The number of permanent employees on the rolls of Company as on 31st March, 2023:

Total number of permanent employees on the rolls of company as on 31st March, 2023 is - 15.

4. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial Remuneration

Particulars	Increase %
Average salary of all employees (excluding Managerial Remuneration)	73.93
Managerial Remuneration	119.72

During the year there are no exceptional circumstances for increase in managerial remuneration.

5. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial personnel and Senior Management

The Company is in compliance with its Nomination & Remuneration policy.

For and on behalf of the Board of Directors of
Modern Engineering and Projects Limited

Jashandeep Singh
Managing Director
DIN: 02357390

Sitaram Dhulipala
Whole-time Director
DIN: 03408989

Place: Mumbai
Date: August 10, 2023

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and Schedule V Para C Clause (10) (i) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members,
MODERN ENGINEERING AND PROJECTS LIMITED
CIN: L01132MH1946PLC381640
103/4, PLOT-215, Free Press House, Journal Marg,
FI-10 Free Press, Nariman Point,
Mumbai, Maharashtra, 400021.

I have examined the following documents:

Declaration of non-disqualification as required under section 164 of the companies Act 2013, Disclosure of concern of interest as required under section 184 of the Act. (hereinafter referred to as relevant documents) as received from the Directors of **Modern Engineering and Projects Limited** bearing **CIN: L01132MH1946PLC381640**, having its registered office at 103/4, PLOT-215, Free Press House, Journal Marg, FI-10 Free Press, Nariman Point, Mumbai, Maharashtra, 400021, (herein after referred to as 'the Company'), and the relevant registers, records, forms, and returns maintained by the Company and made available to me by the Company for the purpose of issuing this certificate in accordance with regulation 34(3) read with schedule V Part C Clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations, 2015.

Based on the examination as aforesaid, and such other verification carried out by us as deemed necessary and adequate (including Director Identification Number (DIN) status of the respective directors at the portal www.mca.gov.in in our opinion and best of our belief, information and knowledge and according to the explanations provided by the Company its officers and authorised representatives and written representation made by the respective directors, we hereby certify that none of the Directors on the board of the Company as stated below for the financial year ending on 31st March 2023 have been debarred or disqualified from being appointed or continuing as the director of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other statutory authority.

Sr. No	Name of Director	DIN	Date of Appointment	Date of Cessation
1	Mr. Jashandeep Singh	02357390	21/09/2021	NA
2	Mr. Sitaram Dhulipala	03408989	06/08/2022	NA
3	Mr. Suraj Samat	00587940	07/10/2022	NA
4	Mr. Shashikant Bhoge	05345105	16/04/2021	NA
5	Ms. Vaishali Mulay	06444900	16/04/2021	NA
6	Mr. Siddhant Singh	07769031	26/08/2022	23/06/2023

Ensuring the eligibility for the appointment/ continuity as the director of the board is the responsibility of the management of the Company. Our responsibility is to express an opinion based on our verification and representation made by the respective directors.

This Certificate is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Ramesh Chandra Mishra & Associates

Ramesh Mishra
Company Secretary in Practice
FCS: 5477
PCS: 3987
UDIN NO.: F005477E000776731
Peer Review certificate No.: 1133/2021
Valid Up to: 15/03/2026

Date: 10/08/2023

Place: Mumbai

INDEPENDENT AUDITOR'S REPORT

TO,
THE MEMBERS OF
MODERN ENGINEERING AND PROJECTS LIMITED

Report on the Audit of the Standalone Financial Statements

We have audited the accompanying Standalone Financial Statements of **MODERN ENGINEERING AND PROJECTS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss, Statement of Cash Flows for the year then ended, and notes to the Standalone Financial Statements, including a summary of the significant accounting policies and other explanatory information.

Auditor's Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023 and its Loss and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Standalone Financial Statements and our Auditor's Report thereon.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read such other information as and when made available to us and if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance

Responsibility of Management and Those Charged with Governance (TCWG)

The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting

records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or

when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters:

- (a) We did not audit the financial statements and other information of Joint Operations included in the financial statements of the Company whose financial statements/financial information reflect total assets of Rs. 2880.44 Lakh (without intercompany elimination) as of March 31, 2023, total revenue of Rs. 9118.57 Lakh (without intercompany elimination) and total profit after tax (net) of Rs. 90.09 Lakh (without intercompany elimination) for the year ended on that date, as considered in their financial statements in which company's interest is 74%. The financial information of Joint Operations have been reviewed by other auditors whose reports have been furnished to us by the management. Our report on the Statement is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.
- (b) The standalone financial results include Company's interest (74%) in assets, liabilities, revenues and expenses relating to joint operation in Financial Year 2022-23 for the whole year.

Our opinion is not modified in respect of these matters

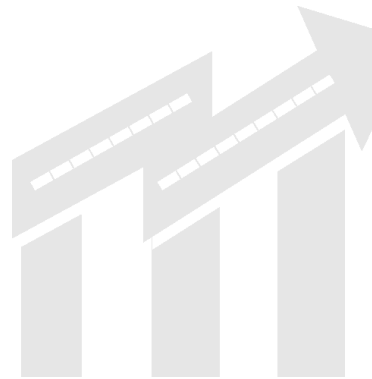
Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub section (11) of section 143 of the Companies Act, 2013. We give in the Annexure "A" statements on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
- (g) In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

- iv. (a) The management has represented that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The management has represented, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.
- v. The Company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.



For K K A B & CO LLP
Chartered Accountants
Firm registration No. -
132029/W/W100204

Kanhaiya Lal Rathi
Partner
Membership No. 136073
UDIN: 23136073BGTFZR9656

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT**Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of MODERN ENGINEERING AND PROJECTS LIMITED on the Financial Statements as of and for the year ended March 31, 2023**

- i. a) i. The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.
- ii. The Company is maintaining proper records showing full particulars of Intangible Assets.
- b) The Property, Plant and Equipment are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, Plant and Equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), are held in the name of the Company.
- d) The Company has chosen cost model for its Property, Plant and Equipment (including Right of Use assets) and intangible assets. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or intangible assets does not arise.
- e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its financial statements does not arise.
- ii. a) Company does not have any inventory; hence this clause is not applicable;
- b) Company has not been sanctioned any working capital limits from banks or financial institution on the basis of security of current assets during the financial year
- iii. In our opinion and according to the information provided to us the Company has made investments and provided guarantees and granted unsecured loans or advances in the nature of loans as specified below:
 - A. To Subsidiaries, Joint Ventures, Associates:
- iv. The Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186. Therefore, the reporting under clause 3(iv) of the Order are not applicable to the Company.
- v. The Company has not accepted any deposits or amount which is deemed to be deposits from the public.
- vi. Pursuant to the rules made by the Central Government of India, the Company is not required to maintain cost records as specified under Section 148(1) of the Act in respect of its products.
- vii. a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of income tax, provident fund, professional tax and employees' state insurance, though there has been a slight delays in a few cases, and is regular in depositing undisputed statutory dues, including goods and services tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities.
- b) According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues of income tax, provident fund, professional tax, employees 'state insurance, goods and services tax, service tax, duty of customs, duty of excise, cess and other material statutory dues, which have not been deposited on account of any dispute.

- viii. According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- ix. a) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.
- b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.
- c) In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained.
- d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short term basis have been used for long-term purposes by the Company.
- e) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate Companies during the year.
- f) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate Companies during the year.
- x. a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi. a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company
- c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, and as represented to us by the Management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.
- xiv. a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.
- b) The reports of the Internal Auditor for the period under audit have been considered by us.

- xv. The Company has not entered into any non-cash transactions with its Directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.
- xvi. a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.
- b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.
- c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- d) Based on the information and explanations provided by the Management of the Company, the Group has five CICs which are registered with the Reserve Bank of India and one CIC which is not required to be registered with Reserve Bank of India, as detailed in Note 53 to the financial statements. We have not, however, separately evaluated whether the information provided by the Management is accurate and complete
- xvii. The Company has incurred cash losses of Rs 143.49 lakhs in the financial year and Rs 210.98 lakhs in the immediately preceding financial year.
- xviii. There has been a resignation of the Statutory Auditors during the year and outgoing auditor has not raised any objection.
- xix. According to the information and explanations given to us and on the basis of the financial ratios ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.
- xx. The provisions relating to Corporate Social Responsibility under Section 135 of the Act are not applicable to the Company. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.
- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

“Annexure B” to the Independent Auditor’s Report of even date on the Standalone Financial Statements of MODERN ENGINEERING AND PROJECTS LIMITED.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013.

We have audited the internal financial controls over financial reporting of **MODERN ENGINEERING AND PROJECTS LIMITED** as of March 31, 2023 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence amount the adequacy of the internal financial control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and operating effectiveness of internal control based on the assessed risk. The procedures selected depend upon on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and

not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For K K A B & CO LLP
Chartered Accountants
Firm registration No. -
132029/W/W100204

Kanhaiya Lal Rathi
Partner
Membership No. 136073
UDIN: 23136073BGTFZR9656



STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST MARCH, 2023
(All amounts are in Rs. Lacs, unless stated otherwise)

PARTICULARS	Note No.	As at 31-03-2023	As at 31-03-2022
I ASSETS			
1 Non-current Assets			
(a) Property, Plant and Equipment	3	1,177.71	102.90
(b) Intangible assets	4	0.56	0.91
(c) Right-of-use assets	5	226.23	301.64
(d) <u>Financial Assets :</u>			
(i) Investments		–	74.00
(ii) Other financial assets	6	48.00	52.00
(e) Deferred tax assets (net)		29.34	9.13
(f) Other non – current assets	7	6.96	41.90
Total Non-Current Assets		1,488.80	582.49
2 Current assets			
(a) Financial Assets :			
(i) Trade and other receivables	8	360.89	149.97
(ii) Cash and cash equivalents	9	169.04	14.81
(b) Current Tax Assets (Net)		16.66	–
(c) Other current assets	10	1,626.76	240.50
Total Current Assets		2,173.36	405.27
TOTAL ASSETS		3,662.15	987.75
II EQUITY AND LIABILITIES			
1 Equity			
a) Equity share capital	11	309.00	309.00
b) Other Equity	12	(746.35)	(301.79)
Total Equity		(437.35)	7.21
2 Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	13	611.78	601.92
(ii) Lease Liabilities	14	186.99	255.17
Total Non Current Liabilities		798.77	857.08
3 Current liabilities			
(a) Financial Liabilities			
(i) Lease Liabilities	14	68.17	61.98
(ii) Trade Payables	15	–	–
– Micro, Small and Medium Enterprises		–	–
– Others		2,063.44	46.22
(b) Other current liabilities	16	1,169.13	15.25
Total Current Liabilities		3,300.73	123.45
Total Liabilities		4,099.50	980.54
TOTAL EQUITY AND LIABILITIES		3,662.15	987.75

Significant accounting policy

1-2

The accompanying notes from 1 to 38 form an integral part of the financial statements.

As per our attached report of even date
For K K A B & CO. LLP
Chartered Accountants
FRN No. 132029W/W100204

CA Kanahiyalal Rathi
Partner
Membership No: 136073

Date : 30th May, 2023
Place : Mumbai

For and on behalf of the Board of Directors
of Modern Engineering and Projects Limited

Jashandeep Singh
Managing Director
DIN: 02357390

Naresh Sasanwar
Chief Financial Officer

Date : 30th May, 2023
Place : Mumbai

Shashikant Bhoge
Director
DIN: 05345105

Beena Khandelwal
Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2023

(All amounts are in Rs. Lacs, unless stated otherwise)

PARTICULARS	Note No.	For the year ended 31st March, 2023	For the year ended 31st March, 2022
I Income			
Revenue from Operations	17	6,779.89	133.90
Other Income	18	163.45	7.03
Total Income		6,943.34	140.93
II Expenses			
Cost of material consumed	19	6,197.68	–
Employee benefits expense	20	402.24	103.78
Finance costs	21	31.71	35.93
Depreciation and amortization expense	22	137.73	97.47
Other expenses	23	455.19	212.19
Total expenses		7,224.56	449.37
III Profit / (loss) before tax		(281.22)	(308.45)
IV Tax expense			
Current tax		3.87	–
Deferred tax charge/(credit)		(20.21)	(9.13)
V Profit/(Loss) for the Year		(264.88)	(299.31)
VI Total Comprehensive Income for the year (VII + VIII)		(264.88)	(299.31)
VII Earnings per share for profit attributable to equity shareholders			
Earnings per share (Basic & Diluted)		(8.57)	(9.69)
(Face value Rs. 10 per share)			

Significant accounting policy

1-2

The accompanying notes from 1 to 38 form an integral part of the financial statements.

**As per our attached report of even date
For K K A B & CO. LLP**
Chartered Accountants
FRN No. 132029W/W100204

 CA Kanahiyalal Rathi
Partner
Membership No: 136073

 Date : 30th May, 2023
Place : Mumbai

**For and on behalf of the Board of Directors
of Modern Engineering and Projects Limited**

 Jashandeep Singh
Managing Director
DIN: 02357390

 Naresh Sasanwar
Chief Financial Officer

 Date : 30th May, 2023
Place : Mumbai

 Shashikant Bhoge
Director
DIN: 05345105

 Beena Khandelwal
Company Secretary

STATEMENT OF CASH FLOWS AS AT 31ST MARCH, 2023
(All amounts are in Rs. Lacs, unless stated otherwise)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
A) Cashflow from operating activities		
Profit/(Loss) before tax	(281.22)	(308.45)
Adjustment for:		
Depreciation and amortization	137.73	97.47
Interest on unwinding of Security deposits	4.62	7.03
Interest on lease liabilities	31.71	35.93
Operating cash flow before working capital changes	(107.15)	(168.02)
Changes in working capital:		
(Increase)/decrease Other financial assets	4.00	0.00
(Increase)/decrease Trade Receivables	(210.92)	(149.97)
(Increase)/decrease Short Term Loans & Advances	(1,386.26)	(42.39)
(Increase)/decrease Other non - current assets	34.94	-
Increase/(decrease) Trade Payables	2,017.21	46.22
Increase/(decrease) Other Current Liabilities	1,153.87	14.24
Cash generated from operations	1,505.69	(299.92)
Tax paid (net of refunds)	7.42	9.13
Net cashflow from operating activities	1,513.11	(290.79)
(B) Cashflow from investing activities		
Purchase of Property, Plant and Equipment	(1,217.64)	(201.29)
Purchase of Investments	(74.00)	(66.97)
Net cashflow from investing activities	(1,291.64)	(268.26)
(C) Cashflow from financing activities		
Proceeds from Borrowing	(9.86)	601.92
Payment of Lease Liabilities	(93.69)	(78.08)
Interest on Lease Liabilities	36.34	35.93
Net cashflow from financing activities	(67.21)	559.79
Net increase /(decrease) in cash and cash equivalents (A+B+C)	154.26	-0.74
Cash and cash equivalents at the beginning of the year	14.81	15.55
Cash and cash equivalents at the end of the year	169.05	14.81
Cash and cash equivalents comprise of:	169.04	14.81
Cash in hand	2.85	1.35
Balance with banks:		
In current accounts	166.19	13.46

Significant accounting policy

1-2

The accompanying notes from 1 to 38 form an integral part of the financial statements.

As per our attached report of even date
For K K A B & CO. LLP
Chartered Accountants
FRN No. 132029W/W100204

CA Kanahiyalal Rathi
Partner
Membership No: 136073

Date : 30th May, 2023
Place : Mumbai

For and on behalf of the Board of Directors
of Modern Engineering and Projects Limited

Jashandeep Singh
Managing Director
DIN: 02357390

Naresh Sasanwar
Chief Financial Officer

Date : 30th May, 2023
Place : Mumbai

Shashikant Bhoge
Director
DIN: 05345105

Beena Khandelwal
Company Secretary

A. Equity Share Capital

Particulars	Note No.	Amount
As at April 1, 2021	11	309.00
Changes in equity share capital		
As at March 31, 2022	11	309.00
Changes in equity share capital		
As at March 31, 2023	11	309.00

B. Other Equity

Particulars	Note No.	Reserves and Surplus			Items of other comprehensive income	Total Other Equity
		Capital Redemption Reserve	General Reserve	Retained Earnings	Actuarial gain / (loss) on defined benefit liabilities/ (assets)	
As at 1st April 2021	12	3.00	72.89	(78.36)	–	(2.47)
Profit for the year		–	–	(299.31)	–	(299.31)
As at 31st March 2022	12	3.00	72.89	(377.68)	–	(301.79)
Balance as at 1st April, 2022		3.00	72.89	(377.68)	–	(301.79)
Profit for the year		–	-	(264.88)	–	(264.88)
Loss in JV				(179.69)	–	(179.69)
Balance as at 31st March, 2023	12	3.00	72.89	(822.24)	–	(746.35)
Significant accounting policies and accompanying notes form an integral part of financial statements	1-38					

MODERN ENGINEERING AND PROJECTS LIMITED
(Formerly Known as Modern Converters Limited)
For Year ended on 31st March 2023

Note: 1 - Notes Forming Part of the Financial Statements

Corporate Information

The Company, M/s Modern Engineering and Projects Limited (formerly known as Modern Converters Limited) was incorporated on 26/02/1946, having its registered office at 103/104 Plot -215, Free Press House, FI-10 Free Press Journal Marg Nariman Point Mumbai - 400021 is listed on the Bombay Stock Exchange (BSE).

The Directors of the Company are Jashandeep Singh, Sitaram Dhulipala, Suraj Manohar Samat, Shashikant Gangadhar Bhoge, Vaishali Sahebrao Mulay, Pandit Purbhajirao Sawant.

The Company is engaged in the business of execution of contracts of various infrastructure projects including Transportation Engineering, Civil Construction and other works, etc.

Note: 2 - Significant accounting policies:

Basis of preparation of financial statements

(a) Accounting Convention:

The financial statements have been prepared in accordance with Section 133 of Companies Act, 2013, i.e. Indian Accounting Standards ('Ind AS') notified under Companies (Indian Accounting Standards) Rules 2015. The Ind AS Financial Statements are prepared on historical cost convention, except in case of certain financial instruments which are recognized at fair value.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Part I of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current - non-current classification of assets and liabilities.

(b) Compliance with Ind AS:

The financial statements have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015.

Use of Estimates and Judgments

The preparation of the Ind AS financial statements in conformity with the generally accepted accounting principles in India requires management to make estimates and assumptions that affect the reported amount of assets and liabilities as of the Balance Sheet date, reported amount of revenue and expenses for the year and disclosure of contingent liabilities and contingent assets as of the date of Balance Sheet. The estimates and assumptions used in these Ind AS financial statements are based on management's evaluation of the relevant facts and circumstances as of the date of the Ind AS financial statements. The actual amounts may differ from the estimates used in the preparation of the Ind AS financial statements and the difference between actual results and the estimates are recognized in the period in which the results are known/materialize.

(c) Property, Plant and Equipment (PPE):

All items of PPE are stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items. The Company follows cost model for subsequent measurement for all classes and items of PPE. Subsequent costs are included in the carrying amount of asset or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the Statement of Profit and Loss during the period in which they are incurred. Gains or losses arising on retirement or disposal of assets are recognised in the Statement of Profit and Loss. Spare parts, stand-by equipment and servicing equipment are recognised as PPE if they meet the definition of PPE. PPE which are not ready for intended use as on the date of the Balance Sheet are disclosed as 'Capital work-in-progress'.

(d) Depreciation:

Depreciation is provided on written down value method, as per the useful lives of assets specified in Schedule II of the Companies Act, 2013. PPE which are added / disposed off during the year, depreciation is provided on pro-rata basis with reference to the day of addition / deletion. Gains and losses on disposals are determined by comparing the proceeds with the carrying value. The residual values are not more than 5% of the original cost of the asset, wherever applicable. The residual values, useful lives and method of depreciation of property, plant and equipment are reviewed at each financial year end and any changes there-in are considered as change in estimate and accounted prospectively.

(e) Impairment of Asset:

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. Impairment losses are recognised in Statement of Profit and Loss.

(f) Revenue recognition:

Revenue in respect of income is recognized when a reasonable certainty as to its realization exists.

(g) Other income:

- (i) Interest: Interest income is calculated on effective interest rate, but recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.
- (ii) Dividend: Dividend income is recognised when the right to receive dividend is established.

(h) Inventories:

Inventories are stated at cost or net realisable value whichever is lower. Cost is determined on First-In-First-Out (FIFO) basis.

Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

'Cost' comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventory to the present location and condition.

(i) Income Tax:

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period.

(i) Current tax:

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

(ii) Deferred tax:

Deferred tax is recognized using the balance sheet approach. Deferred tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements.

Deferred tax asset is recognized to the extent that it is probable that taxable profit will be available against which such deferred tax assets can be realized. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

(j) Employee Benefits:

(i) Short term employee benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

(ii) Post-Employment Benefits:

The Company operates the following post-employment schemes:

- defined benefit plans and
- defined contribution plans

Defined benefit plans: Gratuity obligations

The liability or asset recognised in the Balance Sheet in respect of defined benefit pension and gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in Other Comprehensive Income (OCI). They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately as profit or loss as past service cost.

Defined contribution plans - Provident fund

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(k) Earnings per share (EPS):

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations.

(l) Material events after balance sheet date:

Events which are of material nature after the balance sheet date are accounted for in the accounts.

(m) Cash and Cash equivalents:

Cash and Cash equivalents comprise cash and cash on deposit with banks and corporations. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

(n) Cash Flow Statements:

Cash Flow Statements have been prepared in accordance with Accounting Standard 3 issued by Institute of Chartered Accountants of India.

(o) Micro and small enterprise

Based on information available with the company, on the status of the suppliers being Micro or small enterprises, on which the auditors have relied, the disclosure requirements of Schedule III to the Companies Act, 2013 with regard to the payments made/due to Micro and small Enterprises are given below :

Sr. No.	Particulars	Year Ended on 31 st March 2023		Year Ended on 31 st March 2022	
		Principal	Interest	Principal	Interest
I	Amount due as at the date of Balance sheet	Nil	Nil	Nil	Nil
II	Amount paid beyond the appointed date during the year	Nil	Nil	Nil	Nil
III	Amount of interest due and payable for the period of delay in making payments of principal during the year beyond the appointed date	Nil	Nil	Nil	Nil
IV	The amount of interest accrued and remaining unpaid as at the date of Balance sheet	Nil	Nil	Nil	Nil

The company has initiated the process of obtaining

The Company has initiated the process of obtaining the confirmation from suppliers who have registered themselves under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) but has not received the same in totality. The above information is compiled based on the extent of responses received by the company from its suppliers.

3. Foreign Currency Transactions:

(a) **Expenditure in Foreign Currency:** Nil

(b) **Earnings in Foreign Currency:** Nil

4. COVID - 19 Pandemic:

Based on assessment of COVID-19 pandemic on the business/economic conditions, the Company expects to recover the carrying value of its assets. The Company will continue to evaluate the pandemic related uncertainty and update its assessment.

As per our report attached**As per our attached report of even date****For K K A B & CO. LLP**

Chartered Accountants

FRN No. 132029W/W100204

CA Kanahiyalal Rathi

Partner

Membership No: 136073

Date : 30th May, 2023

Place : Mumbai

**For and on behalf of the Board of Directors
of Modern Engineering and Projects Limited**Jashandeep Singh
Managing Director
DIN: 02357390Shashikant Bhoge
Director
DIN: 05345105Naresh Sasanwar
Chief Financial OfficerBeena Khandelwal
Company Secretary

Date : 30th May, 2023

Place : Mumbai

Notes to the financial statements as at 31st March, 2023

(All amounts are in Rs. Lacs, unless stated otherwise)

3 Property, Plant and Equipment

Particulars	Freehold Land	Office Equipment	Furniture & Fixtures	Vehicles	Computers	Total
Gross Carrying Amount :						
As at 1st April 2022	6.00	3.97	67.94	32.81	13.93	124.65
Additions	971.30	1.83	11.76	72.55	–	1,057.44
Disposals	–	–	–	–	–	–
As at 31st March 2023	977.30	5.80	79.69	105.36	13.93	1,182.09
Accumulated Depreciation :						
As at 1st April 2022	–	0.71	12.20	2.12	6.73	21.75
Depreciation charge for the year	–	0.87	14.82	19.72	4.55	39.96
Disposals	–	–	–	–	–	–
As at 31st March 2023	–	1.58	27.01	21.84	11.28	61.71
Net Carrying Amount :						
As at 31st March 2022	6.00	3.26	55.74	30.69	7.21	102.90
As at 31st March 2023	977.30	4.22	52.68	83.52	2.65	1,177.71
Particulars	Freehold Land	Office Equipment	Furniture & Fixtures	Vehicles	Computers	Total
Gross Carrying Amount :						
As at 1st April 2021	–	–	–	–	–	–
Additions	6.00	5.80	79.69	105.36	13.93	210.79
Disposals	–	–	–	–	–	–
Adjustment	–	–	–	–	–	–
As at 31st March 2022	6.00	5.80	79.69	105.36	13.93	210.79
Accumulated Depreciation :						
As at 1st April 2021	–	–	–	–	–	–
Depreciation charge for the year	–	0.71	12.20	2.12	6.73	21.75
Disposals	–	–	–	–	–	–
As at 31st March 2022	–	0.71	12.20	2.12	6.73	21.75
Net Carrying Amount :						
As at 1st April 2021	–	–	–	–	–	–
As at 31st March 2022	6.00	5.09	67.50	103.24	7.21	189.04

4 Intangible assets

Particulars	Computer Software
Gross Carrying Amount	
As at 1st April 2022	1.23
Additions	–
Capitalised	–
As at 31st March 2023	1.23
Accumulated Amortisation	
As at 1st April 2022	0.31
Amortisation charge for the year	0.36
As at 31st March 2023	0.67
Net Carrying Amount	
As at 31st March 2022	0.91
As at 31st March 2023	0.56

Particulars	Computer Software	
Gross Carrying Amount		
As at 1st April 2021		-
Additions		1.23
As at 31st March 2022		1.23
Accumulated Amortisation		
As at 1st April 2021		-
Amortisation charge for the year		0.31
Disposals		
As at 31st March 2022		0.31
Net Carrying Amount		
As at 1st April 2021		-
As at 31st March 2022		0.91
5 Right-of-use assets		
Particulars	As at 31-03-2023	
Gross Carrying Amount		
As at 31st March 2021		377.05
Accumulated Amortisation		75.41
As at 31st March 2022		301.64
Amortisation charge for the year		75.41
As at 31st March 2023		226.23
Net Carrying Amount		
As at 31st March 2022		301.64
As at 31st March 2023		226.23
Total		226.23
		(Amount in Lakhs)
Particulars	As at 31-03-2023	As at 31-03-2022
6 Other Financial Assets - Non Current		
<u>Non-current</u>		
Considered good		
Security Deposits with Others	48.00	52.00
Considered doubtful		
Other assets		
Less: Allowance for bad and doubtful assets		
Total	48.00	52.00
7 Other non - current assets		
Capital advances	6.96	41.90
Total	6.96	41.90
8 Trade receivables		
Unsecured Considered Good	360.89	149.97
Unsecured Considered doubtful	-	-
Less: Allowance for bad and doubtful debts	-	-
Total	360.89	149.97

March 31, 2023

Particulars	Outstanding for following periods from due date of payment						
	Current but not due	Less than 6 months	6 months – 1 year	1–2 years	2–3 years	More than 3 years	Total
Trade receivables							
(i) Undisputed Trade receivables – considered good	–	360.89	–	–	–	–	360.89
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	–	–	–	–	–	–	–
(iii) Undisputed Trade Receivables – credit impaired	–	–	–	–	–	–	–
(iv) Disputed Trade receivables – considered good	–	–	–	–	–	–	–
(v) Disputed Trade receivables – which have significant increase in credit risk	–	–	–	–	–	–	–
(vi) Disputed Trade receivables – credit impaired	–	–	–	–	–	–	–
	–	360.89	–	–	–	–	360.89

March 31, 2022

Particulars	Outstanding for following periods from due date of payment						
	Current but not due	Less than 6 months	6 months – 1 year	1–2 years	2–3 years	More than 3 years	Total
Trade receivables							
(i) Undisputed Trade receivables – considered good	–	149.97	–	–	–	–	149.97
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	–	–	–	–	–	–	–
(iii) Undisputed Trade Receivables – credit impaired	–	–	–	–	–	–	–
(iv) Disputed Trade receivables – considered good	–	–	–	–	–	–	–
(v) Disputed Trade receivables – which have significant increase in credit risk	–	–	–	–	–	–	–
(vi) Disputed Trade receivables – credit impaired	–	–	–	–	–	–	–
	–	149.97	–	–	–	–	149.97

(Amount in Lakhs)

Particulars	As at 31-03-2023	As at 31-03-2022
-------------	---------------------	---------------------

Note 9: Cash and Cash Equivalents

Balance with Banks

- In Current accounts	166.19	13.46
Cash on hand	2.85	1.35
Total	169.04	14.81

(Amount in Lakhs)

Particulars	As at 31-03-2023	As at 31-03-2022
Note 10: Other Current Assets		
Loans and advances to Body Corporates and Individuals	–	199.76
Balances with Customs, Excise, etc	46.03	2.47
Advances to Suppliers	1,580.11	38.25
Advances to Staff	0.62	0.02
Total	1,626.76	240.50

Note 11: Equity Share capital**a) Authorised****Equity shares, of Rs.10 each**

5,31,50,000 Nos. of Rs. 10 each (31st Mar 23 - 5,31,50,000 Nos. & 31st Mar 22 - 5,31,50,000 Nos.)

5,315.00 5,315.00

Issued, subscribed and fully paid up**Equity shares, of Rs.10 each**

30,90,000 Nos of Rs. 10 each (31st Mar 23 - 30,90,000, 31st Mar 22 - 30,90,000 Nos.)

309.00 309.00

309.00 309.00**(b) Particulars of shareholders holding more than 5% shares of a class of shares**

Particulars	As at March 31, 2023		As at March 31, 2022	
	% of total shares in the class	Number of shares	% of total shares in the class	Number of shares
Equity shares of Rs. 10 each fully paid-up held by				
Vaishali S Mulay	13.83%	4,27,295	13.83%	4,27,295
Shashikant Bhoge	13.83%	4,27,295	13.83%	4,27,295
Jashandeep Singh	13.83%	4,27,295	13.83%	4,27,295
Jetra Infrastructure Private Limited	21.37%	6,60,365	21.37%	6,60,365

(c) Details of shares held by promoters**March 31, 2023**

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Vaishali S Mulay	4,27,295	–	4,27,295	13.83%	0%
Shashikant Bhoge	4,27,295	–	4,27,295	13.83%	0%
Jashandeep Singh	4,27,295	–	4,27,295	13.83%	0%
Jetra Infrastructure Private Limited	6,60,365	–	6,60,365	21.37%	0%
Total	19,42,250	–	19,42,250	62.86%	0%

March 31, 2022

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Vaishali S Mulay	–	4,27,295	4,27,295	13.83%	13.83%
Shashikant Bhoge	–	4,27,295	4,27,295	13.83%	13.83%
Jashandeep Singh	–	4,27,295	4,27,295	13.83%	13.83%
Jetra Infrastructure Private Limited	–	6,60,365	6,60,365	21.37%	21.37%
Total	–	–	19,42,250	62.86%	62.86%

(d) Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. Equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder are in proportion to its share of the paid-up equity capital of the Company.

(Amount in Lakhs)

Particulars	As at 31-03-2023	As at 31-03-2022
12 Other Equity		
Capital Redemption Reserve	3.00	3.00
Retained Earnings	(822.24)	(377.68)
General Reserve	72.89	72.89
Total	(746.35)	(301.79)
13 Non Current Financial Liabilities – Borrowings		
<u>Unsecured</u>		
From Related Parties	601.92	601.92
Others	9.86	–
Total	611.78	601.92
14 Leases		
Non-current		
Lease Liability	186.99	255.17
Total non-current Lease liabilities		
Current		
Lease Liability	68.17	61.98
Total current Lease liabilities		
Total	255.16	317.15
15 Trade payables		
Due to micro enterprises and small enterprises*	–	–
Due to creditors other than micro enterprises and small enterprises	2,063.44	46.22
Total	2,063.44	46.22

March 31, 2023

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 year	2-3 years	More than 3 years	Total
(i) Total outstanding dues of micro enterprises and small enterprises	–	–	–	–	–
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	2,037.02	26.41	–	–	2,063.44
(iii) Disputed dues of micro enterprises and small enterprises	–	–	–	–	–
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	–	–	–	–	–
Total	2,037.02	26.41	–	–	2,063.44

March 31, 2022

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 year	2-3 years	More than 3 years	Total
(i) Total outstanding dues of micro enterprises and small enterprises	–	–	–	–	–
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	46.22	–	–	–	46.22
(iii) Disputed dues of micro enterprises and small enterprises	–	–	–	–	–
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	–	–	–	–	–
Total	46.22	–	–	–	46.22

*** DUES TO MICRO AND SMALL ENTERPRISES**

Disclosure of payable to vendors as defined under the “Micro, Small and Medium Enterprise Development Act, 2006” is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the company. There are no overdue principal amounts / interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payments made during the year or brought forward from previous years.

(Amount in Lakhs)

Particulars	As at 31-03-2023	As at 31-03-2022
16 Other Current liabilities		
Advance from customers		
Others	1,105.83	–
Towards Employees	49.15	12.31
Statutory Dues Payable*	14.14	2.94
Total	1,169.13	15.25

*Includes liability towards Tax deducted at source, Provident fund contribution and Professional tax

(Amount in Lakhs)

Particulars	For the year ended 31-03-2023	For the year ended 31-03-2022
17 Revenue from Operations		
Sales of Goods		
–Sale of Products	6,747.75	131.03
–Sale of Services	32.14	2.87
Total	6,779.89	133.90
18 Other income		
Interest income	5.53	7.03
Interest on income tax refund	2.97	–
Cost sharing	146.55	–
Provision no longer required, written back	8.39	–
Total	163.45	7.03

(Amount in Lakhs)

Particulars	For the year ended 31-03-2023	For the year ended 31-03-2022
19 Cost of materials consumed		
Consumables	0.42	–
Labour Charges	6,178.21	–
Hiring Charges	16.86	–
Surveying Fees	2.19	8.40
Total	6,197.68	8.40
20 Employee benefits expense		
Salaries and wages including bonus	400.44	103.78
Contribution to provident funds and other funds	1.41	–
Bonus to Employees	0.39	–
Total	402.24	103.78
21 Finance costs		
Interest expense on lease	31.71	35.93
Total	31.71	35.93
22 Depreciation and amortization expense		
Depreciation on Property, Plant and Equipment	61.97	22.06
Amortization on Intangible assets	0.36	–
Depreciation on Right to Use Assets	75.41	75.41
Total	137.73	97.47
23 Other expenses		
Repairs & Maintenance Others	2.40	–
Insurance	0.68	–
Rent	26.66	14.82
Rates and Taxes	11.19	1.05
Auditors' Remuneration	5.40	1.50
Legal and Professional Expenses	373.95	143.40
Admin Expenses	12.67	8.03
Travelling & Conveyance	11.79	10.01
Electricity Expense	5.26	4.44
Foreign Exchange (Gain)/Loss	–	–
Miscellaneous Expenses	5.19	20.54
Total	455.19	203.79
23 (a) Payment to auditors :		
For statutory audit	5.40	1.50
For other services	–	–
Total payment to auditors	5.40	1.50

24 Interests In Joint Operations

The Company's share of interest in joint arrangement as at March 31, 2023 and March 31, 2022 is set out below. The principal place of business of all these joint operations is in India.

Name	Principal activities	% of Ownership interest	
		Year ended 31-03-2023	Year ended 31-03-2022
(1) MEIPDL-MCL-JV	Construction	74%	74%

Classification of Joint Arrangements:

The joint arrangements in relation of joint operations mentioned above requires unanimous consent from all the parties for all relevant activities. The partners/joint operators have direct rights to the assets of the entity and are jointly and severally liable for the liabilities incurred by the entity. These entities are therefore classified as joint operations and the company recognises its direct right to the jointly held assets, liabilities, revenues and expenses.

The Summarised financial details of the Joint Operations considered in the Financial Statements of the Company are as follows:

Particulars	(Amount in Lakhs)	
	As at year ended 31-03-2023	As at year ended 31-03-2022
(i) Summarised Balance Sheet		
Total Assets	2,880.44	1,708.61
Total Liabilities	2,880.44	1,708.61
(ii) Summarised Statement of Profit and Loss		
Revenue from operations	9,118.58	2,626.78
Other Income	16.09	2.77
Total Expenses (Including taxes)	9,043.85	2,846.38

25 Related party transactions

(a) Related parties

Sr. No	Name of the Party	Nature of relationship
1	Jetra Infrastructure Private Limited	Company having significant influence

(b) Key managerial personnel

Sr. No	Name of the Party	Nature of relationship
1	Mr. Suraj Samat (w.e.f. October 07, 2022)	Non-Executive Director, Chairman
2	Mr. Jashandeep Singh	Managing Director
3	Mr. Sitaram Dhulipala (w.e.f August 06, 2022)	Whole-time Director
4	Mr. Shashikant Gangadhar Bhoge	Non-executive Director
5	Ms. Vaishali Sahebrao Mulay	Non-executive Director
6	Mr. Jaipal Singh (till September 27, 2022)	Independent Director
7	Mr. Sukhdeep Singh (till October 29, 2022)	Non-executive Director
8	Mr. Siddhant Singh (w.e.f August 26, 2022)	Independent Director
9	Mr. Subhash Chandra Bose (till December 15, 2022)	Chief Financial Officer
10	Mr. Naresh Parbat Sasanwar (w.e.f. December 27, 2022)	Chief Financial Officer
11	Ms. Nidhi Kumari (till July 28, 2022)	Company Secretary
12	Ms. Beena Khandelwal (w.e.f July 28, 2022)	Company Secretary

(c) Details of transactions with related parties :

Sr. No	Nature of Transaction	March 31, 2023	March 31, 2022
A	Transactions		
1	Managerial remuneration		
	Mr. Jashandeep Singh	29.95	14.97
	Mr. Sitaram Dhulipala	19.57	–
2	Key Managerial remuneration		
	Mr. Naresh Parbat Sasanwar	15.45	–
	Ms. Beena Khandelwal	1.69	–
B	Closing balances	As at March 31, 2023	As at March 31, 2022
1	Managerial remuneration Payable		
	Mr. Jashandeep Singh	9.91	2.19
	Mr. Sitaram Dhulipala	7.42	–
2	Key Managerial remuneration Payable		
	Mr. Naresh Parbat Sasanwar	4.69	–
	Ms. Beena Khandelwal	0.19	–
3	Loan Repayble		
	Mr. Jashandeep Singh	4.92	4.92
	Jetra Infrastructure Private Limited	347.00	347.00
	Ms. Vaishali Sahebrao Mulay	250.00	250.00

Key managerial personnel who are under the employment of the Company are entitled to post employment benefits recognized as per Ind AS 19 –‘Employee Benefits’ in the Standalone financial statements. As these employee benefits are amounts provided on the basis of actuarial valuation, the same is not included above. Gratuity has been computed for the Company as a whole and hence not included as part of managerial remuneration.

The transactions with related parties are made on terms equivalent to those that prevail in arm’s length transactions. Outstanding balances at the year-end are unsecured and settlement occurs in cash. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

26 Financial risk management framework

The Company’s Board of Directors has overall responsibility for the establishment and oversight of the Company’s risk management framework. The Board is responsible for developing and monitoring the Company’s risk management policies. The Board holds regular meetings on its activities.

The Company’s risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company’s activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Board oversees how management monitors compliance with the Company’s risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company’s receivables from customers.

Cash and cash equivalents

Credit risk on cash and cash equivalents and other deposits with banks is limited as the Company generally invest in deposits with banks with high credit ratings assigned by external credit rating agencies, accordingly the Company considers that the related credit risk is low.

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

Summary of the Company's exposure to credit risk by age of the outstanding from various customers is as follows:

Trade and Other receivables

	As at March 31, 2023	As at March 31, 2022
Not past due	–	–
	–	–

(b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

The Company's treasury maintains flexibility in funding by maintaining liquidity through investments in liquid funds. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows.

Maturities of financial liabilities

The below table analyses the Company's financial liabilities into relevant maturity based on their contractual maturities. The amounts disclosed in the table are undiscounted cash flows, balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Particulars	Carrying amount <12months
March 31, 2023	
Trade payables	2,063.44
Employee related liabilities	49.15
Total	2,112.59
March 31, 2022	
Trade payables	46.22
Employee related liabilities	12.31
Total	57.54

(c) Market risk

Market risk is the risk arising from changes in market prices – such as foreign exchange rates and interest rates – which could affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and debt. The Company is exposed to market risk primarily related to foreign exchange rate risk. Thus, the exposure to market risk is a function of revenue generating and operating activities in foreign currency.

(i) Currency risk

The Company is not exposed to currency risk on account of foreign currency transactions including recognized assets and liabilities denominated in a currency that is not the Company's functional currency (₹).

Exposure to currency risk

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR, is as follows:

As at March 31, 2023

Particulars	USD converted to INR	Total
Financial assets		
Trade receivables	–	–
Net exposure to foreign currency (assets)	–	–
Financial liabilities		
Trade payables	–	–
Net exposure to foreign currency (liabilities)	–	–

As at March 31, 2022

Particulars	USD converted to INR	Total
Financial assets		
Trade receivables	–	–
Net exposure to foreign currency (assets)	–	–
Financial liabilities		
Trade payables	–	–
Net exposure to foreign currency (liabilities)	–	–

Sensitivity analysis

Any change with respect to strengthening (weakening) of the Indian Rupee against various currencies as at March 31, 2023 and March 31, 2022 would have affected the measurement of financial instruments denominated in respective currencies and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates remain constant.

Particulars	Impact on profit after tax and equity	
	March 31, 2023	March 31, 2022
USD		
- Increase by 5%	–	–
- Decrease by 5%	–	–

(ii) Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

The Company's deposits/loans are all at fixed rate and are carried at amortized cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The Company has assessed no exposure to fluctuating change of market interest rates.

27 Fair value measurement

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities if the carrying amount is a reasonable approximation of fair value - these include cash and cash equivalents, other bank balances, trade receivables and trade payables.

(a) Financial instruments by category

March 31, 2023

Particular	Carrying amount		Fair value Level
	Fair value through Profit or Loss	Amortised cost	
Financial assets			
Non Current			
Investment	–	–	–
Current			
Trade receivables	–	360.89	–
Cash and cash equivalents	–	169.04	–
Other financial assets	–	1,633.72	–
Total financial assets	–	2,163.66	–
Financial liabilities			
Current			
Trade payables	–	2,063.44	–
Other financial liabilities	–	1,169.13	–
Total financial liabilities	–	3,232.56	–

March 31, 2022

Particular	Carrying amount		Fair value Level
	Fair value through profit or Loss	Amortised cost	
Financial assets			
Non Current			
Investment	–	74.00	–
Current			
Trade receivables	–	149.97	–
Cash and cash equivalents	–	14.81	–
Other financial assets	–	240.50	–
Total financial assets	–	479.27	–
Financial liabilities			
Current			
Trade payables	–	46.22	–
Other financial liabilities	–	15.25	–
Total financial liabilities	–	61.48	–

Note: Carrying amounts of Cash and Cash equivalents, Trade and other receivables, Bank balances, Trade payables and Other Payables as at March 31, 2023 and March 31, 2022 approximate the fair value. Difference between carrying amounts and fair values of bank deposits, other financial assets and other financial liabilities subsequently measured at amortised cost is not significant in each of the periods presented.

28 Leases

Operating lease

The Company as lessee

The Company has entered into cancellable leasing arrangement in respect of office premises. From period beginning June 01, 2021 the Company has entered into long term lease arrangement.

Ind AS 116 – Lease liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current	186.99	255.17
Current	68.17	61.98
Total	255.17	317.14

(i) Movement in Lease liabilities:

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Balance	317.14	–
Add: Gain	–	359.29
Add: Finance cost accrued during the year	31.71	35.93
Less: Payment of Lease Liabilities	(93.69)	(78.08)
Closing Balance	255.17	317.14

(ii) The contractual maturities of Lease liabilities are as under on undiscounted basis:

Particulars	As at March 31, 2023	As at March 31, 2022
Payable within one year	93.69	93.69
Payable later than one year and not later than five years	215.49	309.18

(iii) Lease payments recognized for short term leases in Statement of Profit and Loss – –

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

29 Ratio Analysis and its elements

Ratio	Numerator	Denominator	March 31, 2023	March 31, 2022	% change	Reason for variance
Current ratio	Current Assets	Current Liabilities	0.66	3.28	(79.94%)	Improvement in business efficiency
Return on Equity ratio*	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	1.21	(83.00)	(101.46%)	Increase in Business activity
Trade Receivable Turnover Ratio*	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	27.18	0.94	2792.72%	Improvement in business efficiency
Net Capital Turnover Ratio*	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	(6.16)	0.50	(1331.65%)	Increase in Business activity
Net Profit ratio	Net Profit	Net sales = Total sales - sales return	(0.04)	(2.30)	(8.20%)	Improvement in business efficiency
Return on Capital Employed*	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	0.36	1.03	(64.64%)	
Return on Investment	Interest (Finance Income)	Investment	NA	NA	NA	

30 Earnings per share

Particulars	As at March 31, 2023	As at March 31, 2022
Loss attributable to the equity holders of the Company (in Rs. lacs)	(264.88)	(299.31)
Weighted average number of equity shares	30,90,000	30,90,000
–Earnings per share (basic)	(8.57)	(9.69)
–Earnings per share (diluted)	(8.57)	(9.69)
Face value per equity share (Rs.)	10.00	10.00

31 Income tax expense

This note provides analysis of company's income tax expense, amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates in relation to the Company's tax position.

(i) Income tax expense is as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Recognised in profit and loss		
Current tax	3.87	–
–For the year	–	–
–Adjustment for earlier years		
Deferred tax (credit) /charge for the year	(20.21)	(9.13)
Total tax expense	(16.34)	(9.13)
(b) Recognised in other comprehensive income		
Deferred tax	–	–
Total Tax Expense	–	–
Tax Expense	–	–

(ii) Reconciliation of tax expense and the accounting profit computed by applying income tax rate

Particulars	As at March 31, 2023	As at March 31, 2022
Loss before tax	(264.88)	(299.31)
Tax rate	25.17%	25.17%
Computed tax expense	(66.66)	(75.33)
Depreciation	137.73	97.47
Other adjustments	(219.77)	(199.60)
Expenses not deductible	31.71	35.93
Tax expense	(16.34)	(9.13)

(iii) Deferred Tax:

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax relates to the following:		
Timing differences in the carrying amount of property, plant and equipment	(7.61)	(9.13)
Timing differences in the carrying amount of Leases	(2.60)	0.00
Deferred Tax (Assets) / Liabilities–Net	(20.21)	(9.13)
Movement in deferred tax liabilities		

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance as at:	(9.13)	0.00
Tax (income)/expense during the period recognised in profit or loss	(20.21)	(9.13)
Closing balance as at:	(29.34)	(9.13)

32 Segment reporting

The Company is engaged in only one business. Therefore, no separate segment disclosure is provided in terms of Ind AS –108, i.e. Operating Segment.

33 Other Statutory Information

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company did not have any transactions with companies struck off.
- (iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- (vii) The Company have not any such transaction which is not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income–tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income–tax Act, 1961.

34 Commitments and contingent liabilities

There are no contingent liabilities and commitments as of March 31, 2023 (March 31, 2022 –Nil)

- 35 **Going concern:**The management has taken initiatives directed towards improving the profitability through operational efficiencies. The Company expects that these initiatives would result in sustainable cash flows. The Company, based on the support given by the parent company, is confident of meeting its operating and capital funding requirements. Accordingly, these financial statements have been prepared on going concern basis.
- 36 The Company has evaluated subsequent events from the balance sheet date to May 30, 2023, the date at which the financial statements were available to be issued and determined that there are no other material items to disclose.
- 37 The financial statements were authorised for issue by the Company's Board of directors on May 30, 2023
- 38 Previous year figures have been regrouped to confirm to current year presentation.

**As per our attached report of even date
For K K A B & CO. LLP
Chartered Accountants
FRN No. 132029W/W100204**

**CA Kanahiyalal Rathi
Partner
Membership No: 136073**

**For and on behalf of the Board of Directors
of Modern Engineering and Projects Limited**

**Jashandeep Singh
DIN: 02357390
Managing Director**

**Shashikant Bhoge
DIN: 05345105**

**Naresh Sasanwar
Chief Financial Officer**

**Beena Khandelwal
Company Secretary**

**Date : 30th May, 2023
Place : Mumbai**

**Date : 30th May, 2023
Place : Mumbai**

MODERN ENGINEERING AND PROJECTS LIMITED

CIN: L01132MH1946PLC381640

Regd Off: 103/4 Plot -215, Free Press House, FL-10 Free Press Journal Marg Nariman Point Mumbai 400021

Tel: +91 22 6666 6007 Email: cs@mep.ltd | website: www.mep.ltd

FORM NO. MGT-11

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of Member			
Registered Address:-			
Email id			
Folio No./ Client ID		DP-ID	

I / We, being the member(s) of shares of the above named company, hereby appoint:

1.	Name			
	Address		Signature	
	E-Mail ID			
Or failing him				
2.	Name			
	Address		Signature	
	E-Mail ID			
Or failing him				
3.	Name			
	Address		Signature	
	E-Mail ID			

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at 77th Annual General Meeting of the Company, to be held on Saturday, September 30, 2023 at 04.00 p.m. at 103/4 Plot -215, Free Press House, FL-10 Free Press Journal Marg Nariman Point Mumbai 400 021 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Resolution	Optional		
		For	Against	Abstain
ORDINARY BUSINESS				
1.	Adoption of Financial Statement for the year ended March 31, 2023			
2.	Re-appointment of Mr. Shashikant Bhoge, as Director liable to retire by rotation			
3.	Appointment of M/s. S K Patodia & Associates, Chartered Accountant as a Statutory Auditors and fix their remuneration			
SPECIAL BUSINESS				
4.	Appointment of Dr. Pandit P Sawant (DIN 06581946) as an Independent Director of the Company			
5.	Approval for enhancement of borrowing limits			
6.	Approval for creation of charge on properties of the Company			
7.	Approval for enhancement of Investment limits			
8.	Approval to give loan, guarantee or provide securities to person in whom director is interested			

Signed this _____ day of _____ 2023

Signature of the Shareholder _____

Affix
Revenue
Stamp

Signature of First Proxy Holder

Signature of Second Proxy Holder

Signature of Third Proxy holder

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered office of the Company, not less than 48 hours before the commencement of meeting.
2. It is optional to indicate your preference. If you leave the 'for', 'against' column blank against any or all resolution, your proxy will be entitled to vote in the manner as he/she may deem appropriate.

MODERN ENGINEERING AND PROJECTS LIMITED

CIN: L01132MH1946PLC381640

Regd Off: 103/4 Plot -215, Free Press House, FL-10 Free Press Journal Marg Nariman Point Mumbai 400021

Tel: +91 22 6666 6007 **Email:** cs@mep.ltd | **website:** www.mep.ltd

ATTENDANCE SLIP

(To be presented at the entrance)

Annual General Meeting – September 30, 2023

Name	
Address :-	
Reg. Folio No./ DP ID	
Client ID	

I/We hereby record my/our presence at the 77th Annual General Meeting of the Company to be held on Saturday, September 30, 2023 at 4.00 p.m. at 103/4, Plot-215, Free Press House, Journal Marg, FI-10 Free Press, Nariman Point, Mumbai – 400 021.

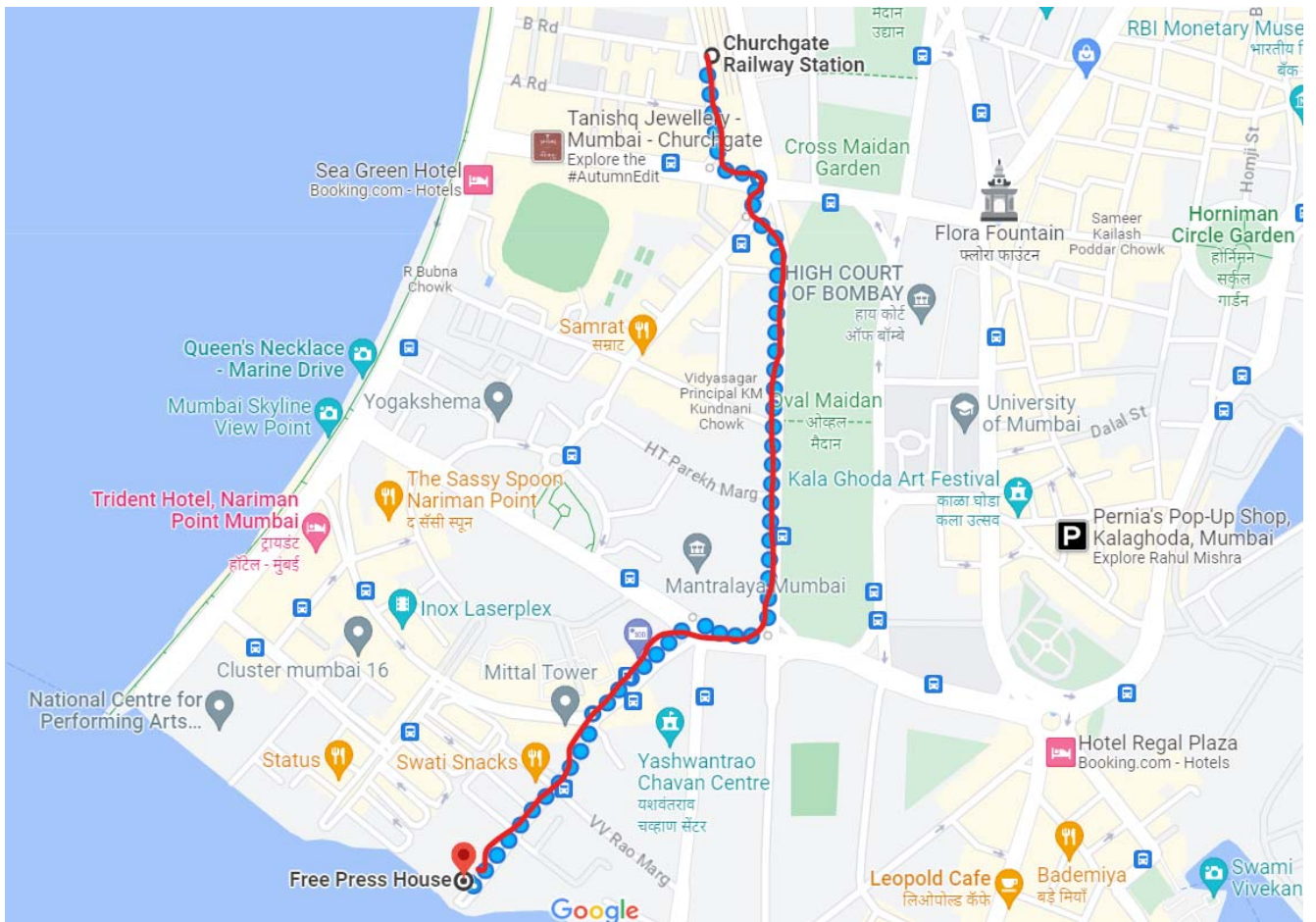
Member's/Proxy Name in Block Letters

Member's/Proxy's Signature

Note:

1. Member/Proxy must bring the attendance slip to the meeting and hand it over, duly signed, at the registration counter.
2. The copy of notice may please be brought to the meeting venue.

ROUTE MAP FOR VENUE OF 77th ANNUAL GENERAL MEETING



BOOK POST

If undelivered, please return to:

MODERN ENGINEERING AND PROJECTS LIMITED

Regd. Off: 103/4 Plot -215, Free Press House, FI-10 Free Press Journal Marg, Nariman Point, Mumbai 400021

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