

Modern Engineering
and Projects Limited

Shaping the Road Ahead

MODERN ENGINEERING AND PROJECTS LIMITED

Modern Engineering and Projects Limited (“Company” or “Issuer”) was incorporated as Singtom Tea Co. (1946) Limited under the Companies Act, 1913 at Calcutta on February 26, 1946. The name was changed to Modern Convertors Limited on May 18, 1976 vide a fresh Certificate of Incorporation issued by the Registrar of Companies, West Bengal. The name of the Company was once again changed to its current name Modern Engineering and Projects Limited on December 03, 2021 vide a fresh Certificate of Incorporation issued by the Registrar of Companies, Kolkata, West Bengal. Our Registered Office has been shifted from the state of West Bengal to Maharashtra vide the Order of the Regional Director dated December 17, 2021 which was Registered with Registrar of Companies, Mumbai vide Certificate of Registration of Regional Director Order for change of State dated April 28, 2022. For details of changes in the name and in the registered office of our Company, refer chapter titled “General Information” on page 36 of this Draft Letter of Offer.

Registered Office: 103/4, Plot 215, Free Press House, FL-10 Free Press Journal Marg, Nariman Point, Mumbai 400 021, Maharashtra

Tel: +91 66666007 **Fax:** N.A.

Contact Person: Sanjay Jha, Company Secretary and Compliance Officer

E-mail: cs@mep.ltd; **Website:** www.mep.ltd

Corporate Identification Number: L01132MH1946PLC381640

OUR PROMOTERS: JASHANDEEP SINGH, VAISHALI S MULAY, SHASHIKANT BHOGHE AND JETRA INFRASTRUCTURE PRIVATE LIMITED

FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF MODERN ENGINEERING AND PROJECTS LIMITED (OUR “COMPANY”) ONLY

ISSUE OF UP TO [●] FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH OF OUR COMPANY (THE “RIGHTS EQUITY SHARES”) FOR CASH AT A PRICE OF ₹ [●] PER RIGHTS EQUITY SHARE AGGREGATING UP TO ₹ 4990.00 LAKHS ON A RIGHTS BASIS TO THE ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF [●] RIGHTS EQUITY SHARES FOR EVERY [●] FULLY PAID-UP EQUITY SHARES HELD BY THE ELIGIBLE EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON [●] (“RECORD DATE”) (THE “ISSUE”). FOR FURTHER DETAILS, SEE “TERMS OF THE ISSUE” ON PAGE 154 OF THIS DRAFT LETTER OF OFFER.

**Assuming full subscription with respect to Rights Equity Shares*

WILFUL DEFAULTERS OR FRAUDULENT BORROWER

Neither our Company, nor our Promoter or Directors are categorised as wilful defaulters or fraudulent borrowers by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters or fraudulent borrowers issued by the Reserve Bank of India.

AMOUNT PAYABLE PER RIGHTS EQUITY SHARE	FACE VALUE (₹)	PREMIUM (₹)	TOTAL (₹)
On Application	[●]	[●]	[●]
Total	10.00	[●]	[●]

* For further details on Payment Schedule, see “Terms of the Issue” on page 154 of this Draft Letter of Offer.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Rights Equity Shares being offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Letter of Offer. Specific attention of the investors is invited to the section titled “Risk Factors” on page 18 of this Draft Letter of Offer.

OUR COMPANY’S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Letter of Offer contains all information with regard to our Company and this Issue, which is material in the context of this Issue, that the information contained in this Draft Letter of Offer is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Letter of Offer as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect.

LISTING

The existing Equity Shares are listed on BSE Limited (“BSE/ “Stock Exchange”). Our Company has received ‘in-principle’ approval from the BSE for listing the Rights Equity Shares to be allotted pursuant to this Issue vide their letter dated [●]. Our Company will also make applications to the BSE to obtain trading approvals for the Rights Entitlements as required under the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020. For the purpose of this Issue, the Designated Stock Exchange is BSE.

REGISTRAR TO THE ISSUE



Purva Share Registry (I) Private Limited
9 Shiv Shakti Industrial Estate,
J.R. Boricha Marg, Near Lodha Excelus, Lower Parel (E),
Mumbai, 400011, Maharashtra
Tel No: +91 22 4961 4132 / 3199 8810
Email: newissue@purvashare.com
Website: www.purvashare.com
Contact Person: Ms Deepali Dhuri
SEBI Registration Number: INR000001112

ISSUE PROGRAMME

ISSUE OPENS ON	LAST DATE FOR ON MARKET RENUNCIATION*	ISSUE CLOSES ON**
[●]	[●]	[●]

* Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounees on or prior to the Issue Closing Date.

** Our Board or the Rights Issue Committee thereof will have the right to extend the Issue period as it may determine from time to time, provided that this Issue will not remain open in excess of 30 (Thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

(This page has intentionally been left blank)

Contents

SECTION I – GENERAL	1
DEFINITIONS AND ABBREVIATIONS	1
NOTICE TO INVESTORS	9
CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND CURRENCY OF PRESENTATION	11
FORWARD - LOOKING STATEMENTS	13
SUMMARY OF THE DRAFT LETTER OF OFFER	15
SECTION II: RISK FACTORS	18
SECTION III: INTRODUCTION	35
THE ISSUE	35
GENERAL INFORMATION	36
CAPITAL STRUCTURE	41
OBJECTS OF THE ISSUE	46
STATEMENT OF TAX BENEFITS	52
SECTION IV: ABOUT OUR COMPANY	55
OUR BUSINESS	61
OUR MANAGEMENT	66
OUR PROMOTERS	74
RELATED PARTY TRANSACTIONS	76
DIVIDEND POLICY	77
SECTION V – FINANCIAL INFORMATION	78
RESTATED FINANCIAL INFORMATION	78
ACCOUNTING RATIOS AND CAPITALISATION STATEMENT	124
MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS	126
FINANCIAL INDEBTEDNESS	139
MARKET PRICE INFORMATION	140
SECTION VI – LEGAL AND OTHER INFORMATION	142
OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS	142
GOVERNMENT AND OTHER APPROVALS	147
OTHER REGULATORY AND STATUTORY DISCLOSURES	148
TERMS OF THE ISSUE	154
RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES	180
RESTRICTIONS ON PURCHASES AND REALES	181
SECTION VIII: OTHER INFORMATION	190
MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION	190

**SECTION I – GENERAL
DEFINITIONS AND ABBREVIATIONS**

This Draft Letter of Offer uses certain definitions and abbreviations which, unless the context otherwise indicates or implies or unless otherwise specified, shall have the meaning as provided below. References to any legislation, act, regulation, rule, guideline, policy, circular, notification or clarification will be deemed to include all amendments, supplements, re-enactments and modifications thereto from time to time, and any reference to a statutory provision shall include any subordinate legislation made from time to time thereunder. The words and expressions used but not defined in this Draft Letter of Offer will have the same meaning as assigned to such terms under the Companies Act, the SEBI Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act and the rules and regulations made thereunder, as applicable.

The following list of capitalised terms used in this Draft Letter of Offer is intended for the convenience of the reader/prospective investor only and is not exhaustive.

The Terms used in “Summary of Draft Letter of Offer”, “Restated Financial Statements”, “Statement of Special Tax Benefits”, “Outstanding Litigations and Defaults” and “Terms of the Issue” on pages 15, 78, 52, 142 and 154 respectively of this Draft Letter of Offer, shall, unless indicated otherwise, have the meanings ascribed to such terms in the respective sections.

General Terms

Term	Description
“Company”, “Our Company”, “the Company”, or “Modern”	Modern Engineering and Projects Limited, a public limited company incorporated under the Companies Act, 1913 whose registered office is situated at 103/4, Plot No: 215 Free Press House, FL-10, Free Press Journal Marg, Nariman Point, Mumbai 400 021, Maharashtra.
“We”, “Our”, “Us”, or “our Group”	Unless the context otherwise requires, indicates or implies or unless otherwise specified, Our Company and our Joint Ventures as applicable, as at and during the relevant Financial Year.

Company Related Terms

Term	Description
Articles of Association” or “Articles	Articles of Association of our Company, as amended from time to time
Audit Committee	The audit committee of our Board
Auditors or Statutory Auditors	The statutory auditors of our Company, namely S K Patodia & Associates LLP., Chartered Accountants
Board of Directors, or Board or our Board	The Board of Directors of our Company or any duly constituted committee thereof.
Director(s)	The director(s) on our Board, as disclosed in “Our Management” on page 66 of this Draft Letter of Offer
Equity Shares	Equity Shares of face value of ₹ 10 each of our Company
Chief Financial Officer	The Chief Financial Officer of our Company. We currently do not have a Chief Financial Officer. Our erstwhile CFO resigned on December 09, 2023 and we are yet to appoint a new CFO.
Group Companies	Group companies of our Company as determined in terms of Regulation 2(1)(t) of SEBI ICDR Regulations
Independent Directors	An Independent Director appointed as per the Companies Act, 2013 and the SEBI Listing Regulations. For details of the Independent Directors, see “Our Management” on page 66 of this Draft Letter of Offer
Joint Ventures	The joint ventures that we have entered pursuant to a Joint Venture Agreement into for specific projects. We currently have 3 joint ventures
Key Managerial Personnel or KMP	Key Managerial Personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations, as disclosed in “Our Management” on page 66 of this Draft Letter of Offer.
Managing Director	The Managing Director of our Company Mr Sitaram Dhulipala
Material Subsidiaries	None

Term	Description
Memorandum of Association	Memorandum of Association of our Company, as amended from time to time
“Non-Executive Director(s)”	A Director, not being an Executive Director of our Company.
Promoters	The promoters of our Company, being Vaishali S Mulay, Shashikant Bhoge, Jashandeep Singh and Jetra Infrastructure Private Limited
Promoter Group	Unless the context requires otherwise, the promoter group of our Company as determined in accordance with Regulation 2(1)(pp) of the SEBI ICDR Regulations
Registered Office	Registered office of our Company situated at 103/4, Plot No: 215 Free Press House, FL-10, Free Press Journal Marg, Nariman Point, Mumbai 400 021, Maharashtra.
Rights Issue Committee	The Rights issue committee of our Board constituted through the resolution of the Board dated February 13, 2024
Restated Financial Statements	Our restated Ind AS summary statement of assets and liabilities as at March 31, 2023, March 31, 2022 and as at March 31, 2021 and restated Ind AS summary statement of profit and loss, restated Ind AS summary statement of changes in equity and restated Ind AS summary statement of cash flows for the years ended March 31, 2023, March 31, 2022 and March 31, 2021 together with the annexures, notes and other explanatory information thereon, derived from the annual audited financial statements as at and for year ended March 31, 2023, March 31, 2022 and March 31 2021, prepared in accordance with Ind AS and restated in accordance with Section 26 of Part 1 of Chapter III of the Companies Act, 2013, the SEBI ICDR Regulations and the Guidance Note on “Reports in Company Prospectuses (Revised 2019)” issued by the ICAI.
Subsidiaries	Subsidiaries of our Company as defined under the Companies Act, 2013 and the applicable Accounting Standards. We currently do not have any subsidiary
Shareholders or “Equity Shareholders	The holders of the Equity Shares from time to time
Unaudited Financial Results	The unaudited, limited review standalone financial results of our Company as at and for the nine-month period ended December 31, 2023

Issue Related Terms

Term	Description
Abridged Letter of Offer or ALOF	The Abridged Letter of Offer to be sent to the Eligible Equity Shareholders of our Company with respect to the Issue in accordance with the provisions of the SEBI ICDR Regulations and the Companies Act
Additional Rights Equity Shares	The Rights Equity Shares applied or allotted under this Issue in addition to the Rights Entitlement
Allotment or Allot or Allotted	Allotment of Rights Equity Shares pursuant to the Issue
Allotment Account	The account opened with the Banker(s) to the Issue, into which the Application Money lying credit to the escrow account and amounts blocked by Application Supported by Blocked Amount in the ASBA Account, with respect to successful Applicants will be transferred on the Transfer Date in accordance with Section 40(3) of the Companies Act
Allotment Account Bank(s)	Banks which are clearing members and registered with SEBI as bankers to an issue and with whom the Allotment Accounts will be opened, in this case being, [●]
Allotment Advice	The note or advice or intimation of Allotment sent to each successful Applicant who has been or is to be Allotted the Rights Equity Shares pursuant to the Issue
Allotment Date	Date on which the Allotment is made pursuant to the Issue
Allottee(s)	Person(s) to whom the Rights Equity Shares are Allotted pursuant to the Issue
Applicant(s) or Investor(s)	Eligible Equity Shareholder(s) and/or Renouncee(s) who are entitled to make an application for the Rights Equity Shares pursuant to the Issue in terms of the Letter of Offer, including an ASBA Investor
Application	Application made through submission of the Application Form or plain paper Application to the Designated Branch(es) of the SCSBs or online/ electronic

Term	Description
	application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process, to subscribe to the Rights Equity Shares at the Issue Price
Application Form	Unless the context otherwise requires, an application form used by an Applicant to make an application for the Allotment of Rights Equity Shares in this Issue
Application Money	Aggregate amount payable at the time of Application, i.e., ₹[●] per Rights Equity Share in respect of the Rights Equity Shares applied for in this Issue
Application Supported by Blocked Amount or ASBA	Application (whether physical or electronic) used by Applicant(s) to make an application authorising the SCSB to block the Application Money in a specified bank account maintained with the SCSB
ASBA Account	An account maintained with SCSBs and as specified in the Application Form or plain paper Application, as the case may be, by the Applicant for blocking the amount mentioned in the Application Form or in the plain paper Application
ASBA Applicant/ ASBA Investors	Eligible Equity Shareholders who make an application to subscribe to the Issue through ASBA process
ASBA Circulars	Collectively, SEBI circular bearing reference number SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009, SEBI circular bearing reference number CIR/CFD/DIL/1/2011 dated April 29, 2011 and the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 and SEBI circular bearing reference number SEBI/HO/CFD/SSEP/CIR/P/2022/66 dated May 19, 2022 and any other circular issued by SEBI in this regard and any subsequent circulars or notifications issued by SEBI in this regard
Banker(s) to the Issue	Collectively, Escrow Collection Bank, Allotment Account Bank and the Refund Bank, in this case being [●]
Banker(s) to the Issue Agreement	Agreement to be entered into by and among our Company, the Registrar to the Issue and the Banker(s) to the Issue for collection of the Application Money from Applicants/Investors, transfer of funds to the Allotment Account and where applicable, refunds of the amounts collected from Applicants/Investors, on the terms and conditions thereof
Basis of Allotment	The basis on which the Rights Equity Shares will be Allotted to successful Applicants in consultation with the Designated Stock Exchange in this Issue, as described in “Terms of the Issue” on page 154 of this Draft Letter of Offer.
Controlling Branches / Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the Registrar to the Issue and the Stock Exchanges, a list of which is available on SEBI updated from time to time, or at such other website(s) as may be prescribed by the SEBI from time to time.
Demographic Details	Details of Investors including the Investor’s address, PAN, DP ID, Client ID, bank account details and occupation, where applicable.
Designated Branch(es)	Such branches of the SCSBs which shall collect the Applications, as the case may be, used by the ASBA Investors and a list of which is available on the website of SEBI and/or such other website(s) as may be prescribed by the SEBI from time to time
Designated Stock Exchange	BSE Limited
Eligible Equity Shareholder(s)	Existing Equity Shareholders as at the Record Date. Please note that the investors eligible to participate in the Issue exclude certain overseas shareholders. For further details, please see “Notice to Investors” on page 9 of this Draft Letter of offer
Equity Shareholder(s) or Shareholders	Holder(s) of the Equity Shares of our Company
Escrow Collection Bank	Bank(s) which are clearing members and registered with SEBI as banker to an issue and with whom the escrow account will be opened, in this case being, [●]
FPIs	Foreign portfolio investors as defined under the SEBI FPI Regulations
Fraudulent Borrower	Fraudulent Borrower(s) as defined under Regulations 2(1)(III) of the SEBI ICDR Regulations
Issue or Rights Issue	This issue of up to [●] fully paid-up Equity Shares of face value of ₹10/- each of our Company for cash at a price of ₹[●] (including a premium of ₹[●] per Rights Equity Share) aggregating up to ₹ 4990.00 Lacs* on a rights basis to the Eligible Equity Shareholders of our Company in the ratio of [●] Rights Equity Share for every [●]

Term	Description
	fully paid-up Equity Shares held by the Eligible Equity Shareholders on the Record Date. <i>*Assuming full subscription respect to Rights Equity Shares</i>
Issue Closing Date	[●], 2024
Issue Materials	Letter of Offer, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and any other material relating to the Issue
Issue Opening Date	[●], 2024
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which Applicants/Investors can submit their Application, in accordance with the SEBI ICDR Regulations.
Issue Price	₹[●] per Equity Share On Application, investors will have to pay ₹[●] per Rights Equity Share which constitutes 100% of the Issue Price
Issue Proceeds	The gross proceeds raised through the Issue
Issue Size	The issue of up to [●] Rights Equity Shares aggregating up to ₹ 4990.00 Lacs* <i>*Assuming full subscription with respect to Rights Equity Shares</i>
Letter of Offer	The Letter of Offer dated [●] to be filed with the Stock Exchange and SEBI
Listing Agreement	The listing agreements entered into between our Company and the Stock Exchange in terms of the SEBI Listing Regulations
Multiple Application Forms	Multiple application forms submitted by an Eligible Equity Shareholder/Renouncee in respect of the Rights Entitlement available in their demat account. However supplementary applications in relation to further Equity Shares with/without using additional Rights Entitlements will not be treated as multiple application.
Net Proceeds	Issue Proceeds less the Issue related expenses. For further details, please see "Objects of the Issue" on page 46 of this Draft Letter of Offer
Non-ASBA Investor	Investors other than ASBA Investors who apply in the Issue otherwise than through the ASBA process
Non-Institutional Investors	An Investor other than a Retail Individual Investor or Qualified Institutional Buyer as defined under Regulation 2(1)(jj) of the SEBI ICDR Regulations
Off Market Renunciation	The renouncement of Rights Entitlements undertaken by the Investor by transferring them through off market transfer through a depository participant in accordance with the SEBI Rights Issue Circulars, circulars issued by the Depositories from time to time and other applicable laws
On Market Renunciation	The renouncement of Rights Entitlements undertaken by the Investor by trading them over the secondary market platform of the Stock Exchange through a registered stock broker in accordance with the SEBI Rights Issue Circulars, circulars issued by the Stock Exchange from time to time and other applicable laws, on or before [●]
Payment Schedule	Payment schedule under which 100% of the Issue Price is payable on Application, i.e. ₹[●] per Rights Equity Share
Qualified Institutional Buyers or QIBs	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
Record Date	Designated date for the purpose of determining the Equity Shareholders eligible to apply for Rights Equity Shares in the Issue, being [●], [●]
Refund Bank	The Bankers to the Issue with whom the refund account will be opened, in this case being [●]
Registrar Agreement	Agreement dated May 21, 2024 between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to this Issue
Registrar to the Company	Purva Shareregistry India Private Limited
Registrar to the Issue	Purva Shareregistry India Private Limited
Renouncee(s)	Person(s) who has/have acquired Rights Entitlements from the Eligible Equity Shareholders on renunciation
Renunciation Period	The period during which the Investors can renounce or transfer their Rights Entitlements which shall commence from the Issue Opening Date. Such period shall close on [●] in case of On Market Renunciation. Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in

Term	Description
	such a manner that the Rights Entitlements are credited to the demat account of the Renouncee on or prior to the Issue Closing Date
Rights Entitlement(s)	Number of Rights Equity Shares that an Eligible Equity Shareholder is entitled to in proportion to the number of Equity Shares held by the Eligible Equity Shareholder on the Record Date, in this case being [●] Rights Equity Shares for every [●] Equity Shares held by an Eligible Equity Shareholder
Rights Equity Shares	Equity Shares to be Allotted pursuant to this Issue
Rights Entitlement Letter	Letter including details of Rights Entitlements of the Eligible Equity Shareholders. The Rights Entitlements are also accessible on the website of our Company.
SCSB(s)	Self-certified syndicate banks registered with SEBI, which acts as a banker to the Issue and which offers the facility of ASBA. A list of all SCSBs is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34
Stock Exchange	Stock exchange where the Equity Shares are presently listed, being BSE Limited
Transfer Date	The date on which the Application Money blocked in the ASBA Account will be transferred to the Allotment Account(s) in respect of successful Applications, upon finalisation of the Basis of Allotment, in consultation with the Designated Stock Exchange
Wilful Defaulter	Company or person, as the case may be, categorised as a wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by RBI
Working Days	In terms of Regulation 2(1)(mmm) of SEBI ICDR Regulations, working day means all days on which commercial banks in Mumbai are open for business. Further, in respect of Issue Period, working day means all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business. Furthermore, the time period between the Issue Closing Date and the listing of Equity Shares on the Stock Exchanges, working day means all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per circulars issued by SEBI

Industry Related Terms

Term/Abbreviation	Description/ Full Form
BOT	Build-Operate-Transfer. This includes projects undertaken on a BOT (toll) basis, BOT (annuity) basis and HAM basis
DBFOT	Design, Build, Finance, Operate and Transfer
EPC	Engineering, procurement and construction
MORTH	Ministry of Road Transport and Highways
MS	Mild Steel
NH	National Highway
NHAI	National Highways Authority of India
NHIDCL	National Highways Infrastructure and Development Corporation Limited
NIP	National Infrastructure Pipeline
NIIF	National Investment and Infrastructure Fund
NA Order	Non Agricultural Order
PCC	Plain cement concrete
PLI	Production Linked Incentive
RCC	Reinforced cement concrete
RERA	Real Estate (Regulation and Development) Act, 2015
RMC	Ready Mix Concrete
ROB	Road Over Bridge

Conventional and General Terms or Abbreviations

Term/Abbreviation	Description/ Full Form
₹ or Rs. or Rupees or INR	Indian Rupee
Adjusted EBITDA	Adjusted earnings before interest, taxes, depreciation, and amortisation
AIF(s)	Alternative Investment Fund, as defined and registered with SEBI under the SEBI AIF Regulations
AS or Accounting Standards	Accounting standards issued by the ICAI
BSE	BSE Limited
CAGR	Compounded annual growth rate
Category I AIF	AIFs who are registered as “Category I Alternative Investment Funds” under the SEBI AIF Regulations
Category I FPIs	FPIs who are registered as “Category I foreign portfolio investors” under the SEBI FPI Regulations
Category II AIF	AIFs who are registered as “Category II Alternative Investment Funds” under the SEBI AIF Regulations
Category II FPIs	FPIs who are registered as “Category II foreign portfolio investors” under the SEBI FPI Regulations
Category III AIF	AIFs who are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulations
CBDT	Central Board of Direct Taxes, Government of India
CDSL	Central Depository Services (India) Limited
Central Government	Central Government of India
CERSAI	Central Registry of Securitisation Asset Reconstruction and Security Interest
CIBIL	Credit Information Bureau (India) Limited
CIN	Corporate Identity Number
Civil Code	Code of Civil Procedure, 1908
Client ID	The client identification number maintained with one of the Depositories in relation to the demat account
Companies Act or Companies Act, 2013	The Companies Act, 2013, read with the rules, regulations, clarifications and modifications notified thereunder
Companies Act 1956	The Companies Act, 1956, read with the rules, regulations, clarifications and modifications notified thereunder
Depositories Act	Depositories Act, 1996
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
DIN	Director Identification Number
DP / Depository Participant	Depository participant as defined under the Depositories Act
DP ID	Depository Participant Identity
DPIIT	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry (formerly Department of Industrial Policy and Promotion), Government of India
EBIT	Earnings before interest and taxes
EBITDA	Earnings before interest, taxes, depreciation, and amortisation
EGM	Extraordinary general meeting
EPF	Employees’ Provident Fund
EPFO	Employees’ Provident Fund Organisation
EPS	Earnings Per Share
EUR	Euro
FCNR Account	Foreign Currency Non-Resident Account
FDI	Foreign direct investment
FEMA	Foreign Exchange Management Act, 1999
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Financial Year / Fiscal Year / FY	Period of 12 months ending March 31 of that particular year
FDI Policy	Consolidated Foreign Direct Investment Policy notified by DPIIT through notification dated October 28, 2020 issued by DPIIT, effective from October 15, 2020

Term/Abbreviation	Description/ Full Form
FIR	First Information Report
FPI	Foreign portfolio investors as defined under the SEBI FPI Regulations
FVCI	Foreign Venture Capital Investors registered under the SEBI FVCI Regulations
GAAR	General Anti-Avoidance Rules
GAAP	Generally Accepted Accounting Principles in India
Gazette	Official Gazette of India
GDP	Gross domestic product
GECL	Guaranteed Emergency Credit Line
GIR	General Index Register
GOI	Government of India
Government	Central Government and/ or the State Government, as applicable
GST	Goods and Services Tax
IBC	The Insolvency and Bankruptcy Code, 2016
ICAI	Institute of Chartered Accountants of India
IEPF	Investor Education and Protection Fund
IFRS	International Financial Reporting Standards
Income-tax Act	Income Tax Act, 1961
Ind AS	Indian Accounting Standards as specified under section 133 of the Companies Act 2013 read with Companies (Indian Accounting Standards) Rules 2015
India	Republic of India
ISIN	International Securities Identification Number
IST	Indian Standard Time
IT	Information Technology
KYC	Know Your Customer
MCA	Ministry of Corporate Affairs, Government of India
Mutual Fund	Mutual fund registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
NACH	National Automated Clearing House
NAV	Net Asset Value per Equity Share at a particular date computed based on total equity divided by number of Equity Shares
Net Worth	The aggregate value of the equity share capital, other equity and non-controlling interests
NEFT	National Electronic Fund Transfer
NPCI	National Payments Corporation of India
NR	Non-resident or person(s) resident outside India, as defined under the FEMA
NRE	Non- Residential External
NRE Account	Non-resident External account
NRI	A person resident outside India, who is a citizen of India and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2016
NRO	Non- Resident Ordinary
NRO Account	Non-resident ordinary account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCBs or Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA. OCBs are not allowed to invest in this Issue
OCI	Overseas Citizen of India
p.a.	Per annum
P/E Ratio	Price to Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PMLA	Prevention of Money Laundering Act, 2002
RBI	Reserve Bank of India

Term/Abbreviation	Description/ Full Form
Regulation S	Regulation S under the United States Securities Act of 1933, as amended
RLLR	Repo Linked Lending Rate
ROC	Registrar of Companies, Maharashtra at Mumbai
ROE	Return on Equity
RoNW	Return on Net Worth
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	The Securities and Exchange Board of India
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI BTI Regulations	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994
SEBI FPI Regulations	The Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Listing Regulations	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI Merchant Bankers Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
SEBI Rights Issue Circulars	SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 and SEBI circular bearing reference number SEBI/HO/CFD/SSEP/CIR/P/2022/66 dated May 19, 2022 and any other circular issued by SEBI in this regard
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SEBI VCF Regulations	The Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as repealed and replaced by the SEBI AIF Regulations
Securities Act	United States Securities Act of 1933
Stamp Act	The Indian Stamp Act, 1899
Stock Exchange	BSE
STT	Securities Transaction Tax
State Government	Government of a State of India
TAN	Tax deduction account number
TDS	Tax deductible at source
Trademarks Act	Trade Marks Act, 1999
USD	United States Dollar
U.S./USA/United States	United States of America, its territories or possessions, any state of the United States, and the District of Columbia
VCFs	Venture Capital Funds as defined in and registered with SEBI under the SEBI VCF Regulations
w.e.f.	With Effect From
Year/Calendar Year	Unless context otherwise requires, shall refer to the twelve-month period ending December 31

NOTICE TO INVESTORS

The distribution of this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, Application Form and Rights Entitlement Letter (collectively “**Issue Material**”) and the issue of Rights Entitlement and Rights Equity Shares to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession the Issue Material may come are required to inform themselves about and observe such restrictions.

Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders and will dispatch through email and will send / dispatch the Issue Material only to Eligible Equity Shareholders who have a registered address in India or who have provided an Indian address to our Company. Further, the Letter of Offer will be provided, through email and sent / dispatched, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard. Investors can also access the Issue Material from the websites of the Registrar, our Company and the Stock Exchange. Those overseas shareholders who do not update our records with their Indian address or the address of their duly authorized representative in India, prior to the date on which we propose to dispatch the Issue Materials, shall not be sent any Issue Materials. Our Company and the Registrar will not be liable for non-dispatch of physical copies of Issue Materials, including the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form, in the event the Issue Materials have been sent to the registered email addresses of such Eligible Equity Shareholders

No action has been or will be taken to permit the Issue in any jurisdiction where action would be required for that purpose. Accordingly, the Rights Entitlements or Rights Equity Shares may not be offered or sold, directly or indirectly, and the Issue Material or any offering materials or advertisements in connection with the Issue may not be distributed, in whole or in part, in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of the Issue Material will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, in those circumstances, the Issue Material must be treated as sent for information purposes only and should not be acted upon for subscription to the Rights Equity Shares and should not be copied or redistributed. Accordingly, persons receiving a copy of the Issue Material should not, in connection with the issue of the Rights Equity Shares or the Rights Entitlements, distribute or send the Issue Material to any person outside India where to do so, would or might contravene local securities laws or regulations. If the Issue Material is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Rights Equity Shares or the Rights Entitlements referred to in the Issue Material.

Any person who makes an application to acquire the Rights Entitlements or the Rights Equity Shares offered in the Issue will be deemed to have declared, represented, warranted and agreed that such person is authorised to acquire the Rights Entitlements or the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in his jurisdiction. Our Company, the Registrar or any other person acting on behalf of our Company reserves the right to treat any Application Form as invalid where they believe that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements and we shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such Application Form. Neither the delivery of this Draft Letter of Offer nor any sale hereunder, shall, under any circumstances, create any implication that there has been no change in our Company’s affairs from the date hereof or the date of such information or that the information contained herein is correct as at any time subsequent to the date of this Draft Letter of Offer or the date of such information.

Neither the delivery of the Issue Material nor any sale hereunder, shall, under any circumstances, create any implication that there has been no change in our Company’s affairs from the date hereof or the date of such information or that the information contained herein is correct as at any time subsequent to the date of the Issue Material or the date of such information.

THE CONTENTS OF THIS DRAFT LETTER OF OFFER SHOULD NOT BE CONSTRUED AS LEGAL, TAX OR INVESTMENT ADVICE. PROSPECTIVE INVESTORS MAY BE SUBJECT TO ADVERSE FOREIGN, STATE OR LOCAL TAX OR LEGAL CONSEQUENCES AS A RESULT OF THE OFFER RIGHTS OF EQUITY SHARES OR RIGHTS ENTITLEMENTS. ACCORDINGLY, EACH INVESTOR SHOULD CONSULT ITS OWN COUNSEL, BUSINESS ADVISOR AND TAX ADVISOR AS TO THE LEGAL, BUSINESS, TAX AND RELATED MATTERS CONCERNING THE OFFER OF EQUITY SHARES. IN ADDITION, OUR COMPANY IS NOT MAKING ANY REPRESENTATION TO ANY OFFEREE OR PURCHASER OF THE EQUITY SHARES REGARDING THE LEGALITY OF AN

INVESTMENT IN THE EQUITY SHARES BY SUCH OFFEREE OR PURCHASER UNDER ANY APPLICABLE LAWS OR REGULATIONS.

NO OFFER IN THE UNITED STATES

The Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States of America or the territories or possessions thereof (“**United States**”), except in a transaction not subject to, or exempt from, the registration requirements of the Securities Act and applicable state securities laws. The offering to which this Draft Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any Rights Equity Shares or Rights Entitlement for sale in the United States or as a solicitation therein of an offer to buy any of the Rights Equity Shares or Rights Entitlement. There is no intention to register any portion of the Issue or any of the securities described herein in the United States or to conduct a public offering of securities in the United States. Accordingly, the Issue Material should not be forwarded to or transmitted in or into the United States at any time. In addition, until the expiry of 40 days after the commencement of the Issue, an offer or sale of Rights Entitlements or Rights Equity Shares within the United States by a dealer (whether or not it is participating in the Issue) may violate the registration requirements of the Securities Act.

Neither our Company nor any person acting on our behalf will accept a subscription or renunciation from any person, or the agent of any person, who appears to be, or who our Company or any person acting on our behalf has reason to believe is in the United States when the buy order is made. Envelopes containing an Application Form and Rights Entitlement Letter should not be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer, and all persons subscribing for the Rights Equity Shares Issue and wishing to hold such Equity Shares in registered form must provide an address for registration of these Equity Shares in India. Our Company is making the Issue on a rights basis to Eligible Equity Shareholders and the Issue Material will be dispatched only to Eligible Equity Shareholders who have an Indian address. Any person who acquires Rights Entitlements and the Rights Equity Shares will be deemed to have declared, represented, warranted and agreed that, (i) it is not and that at the time of subscribing for such Rights Equity Shares or the Rights Entitlements, it will not be, in the United States, and (ii) it is authorized to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable laws and regulations.

Our Company reserves the right to treat any Application Form as invalid which: (i) does not include the certification set out in the Application Form to the effect that the subscriber is authorised to acquire the Rights Equity Shares or Rights Entitlement in compliance with all applicable laws and regulations; (ii) appears to us or our agents to have been executed in or dispatched from the United States; (iii) where a registered Indian address is not provided; or (iv) where our Company believes that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such Application Form.

Rights Entitlements may not be transferred or sold to any person in the United States.

THIS DOCUMENT IS SOLELY FOR THE USE OF THE PERSON WHO RECEIVED IT FROM OUR COMPANY OR FROM THE REGISTRAR. THIS DOCUMENT IS NOT TO BE REPRODUCED OR DISTRIBUTED TO ANY OTHER PERSON.

(The remainder of this page has intentionally been left blank)

CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND CURRENCY OF PRESENTATION

Certain Conventions

All references to “India” contained in this Draft Letter of Offer are to the Republic of India and its territories and possessions and all references herein to the “Government”, “Indian Government”, “GoI”, “Central Government” or the “State Government” are to the Government of India, central or state, as applicable.

Unless otherwise specified or the context otherwise requires, all references in this Draft Letter of Offer to the ‘US’ or ‘U.S.’ or the ‘United States’ are to the United States of America and its territories and possessions.

Unless otherwise specified, any time mentioned in this Draft Letter of Offer is in Indian Standard Time. Unless indicated otherwise, all references to a year in this Draft Letter of Offer are to a calendar year.

A reference to the singular also refers to the plural and one gender also refers to any other gender, wherever applicable.

Unless stated otherwise, all references to page numbers in this Draft Letter of Offer are to the page numbers of this Draft Letter of Offer.

Financial Data

Unless stated otherwise or the context otherwise requires, the financial information and financial ratios in this Draft Letter of Offer have been derived from our Restated Financial Statements. For details, please see “*Restated Financial Information*” on page 78 of this Draft Letter of Offer. Our Company’s financial year commences on April 1 and ends on March 31 of the following calendar year. Accordingly, all references to a particular financial year, unless stated otherwise, are to the twelve (12) month period ending on March 31 of the following calendar year.

The GoI has adopted the Ind AS, which are converged with the IFRS and notified under Section 133 of the Companies Act, 2013 read with the Ind AS Rules. The Restated Financial Statements of our Company for the Financial Years ended March 2021, March 2022 and March 2023 have been prepared in accordance with Ind AS read with the Ind AS Rules and other the relevant provisions of the Companies Act, 2013 and restated in accordance with the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (revised), 2019, issued by the ICAI. Our Company publishes its financial statements in Indian Rupees.

In this Draft Letter of Offer, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off and unless otherwise specified all financial numbers in parenthesis represent negative figures. Our Company has presented all numerical information in the Financial Statements in whole numbers and in this Draft Letter of Offer in “Lakh” units or in whole numbers where the numbers have been too small to represent in Lakh. One Lakh represents 1,00,000 and one million represents 10,00,000.

There are significant differences between Ind AS, US GAAP and IFRS. We have not provided a reconciliation of the financial information to IFRS or US GAAP. Our Company has not attempted to also explain those differences or quantify their impact on the financial data included in this Draft Letter of Offer, and you are urged to consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information included in this Draft Letter of Offer will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, Ind AS, the Companies Act, 2013 and the SEBI ICDR Regulations. Any reliance by persons not familiar with these accounting principles and regulations on our financial disclosures presented in this Draft Letter of Offer should accordingly be limited. For further information, see “*Restated Financial Information*” on 78 of this Draft Letter of Offer.

Certain figures contained in this Draft Letter of Offer, including financial information, have been subject to rounding off adjustments. All figures in decimals (including percentages) have been rounded off to one or two decimals. However, where any figures that may have been sourced from third-party industry sources are rounded off to other than two decimal points in their respective sources, such figures appear in this Draft Letter of Offer rounded-off to such number of decimal points as provided in such respective sources. In this Draft Letter of Offer, (i) the sum or percentage change of certain numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Any such discrepancies are due to rounding off.

Currency and Units of Presentation

All references to:

- “Rupees” or “₹” or “INR” or “Rs.” or “Re.” are to Indian Rupee, the official currency of the Republic of India;
- “USD” or “US\$” or “\$” are to United States Dollar, the official currency of the United States of America; and
- “Euro” or “€” are to Euro, the official currency of the European Union.

Our Company has presented certain numerical information in this Draft Letter of Offer in “lakh” or “Lac” units or in whole numbers. One Lakh represents 1,00,000 and one million represents 10,00,000. All the numbers in the document have been presented in Lakh or in whole numbers where the numbers have been too small to present in Lakh. Any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*”, “*Management’s Discussion and Analysis of Financial Conditions and Results of Operation*” and elsewhere in this Draft Letter of Offer, unless otherwise indicated, have been calculated based on our Restated Financial Information.

Exchange Rates

This Draft Letter of Offer contains conversions of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI ICDR Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Indian Rupee and other foreign currencies:

Currency	December 29, 2023*	March 31, 2023	March 31, 2022	March 31, 2021
1 USD	83.12	82.21	75.81	73.50
1 Euro	92.00	89.61	84.66	86.10

(Source: www.rbi.org.in and www.fbil.org.in)

* December 30 and December 31 being Saturday and Sunday, the rates are not available

Industry and Market Data

Unless stated otherwise, industry and market data used in this Draft Letter of Offer has been obtained or derived from publicly available information as well as industry publications and sources.

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable, but their accuracy and completeness are not guaranteed, and their reliability cannot be assured. Although we believe the industry and market data used in this Draft Letter of Offer is reliable, it has not been independently verified by us. The data used in these sources may have been reclassified by us for the purposes of presentation. Data from these sources may also not be comparable. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in “*Risk Factors*” on page 18 of this Draft Letter of Offer. Accordingly, investment decisions should not be based solely on such information.

The extent to which the market and industry data used in this Draft Letter of Offer is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which the business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources.

FORWARD - LOOKING STATEMENTS

This Draft Letter of Offer contains certain “forward-looking statements”. Forward looking statements appear throughout this Draft Letter of Offer, including, without limitation, under the chapters titled “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” and “*Industry Overview*”. Forward-looking statements include statements concerning our Company’s plans, objectives, goals, strategies, future events, future revenues or financial performance, capital expenditures, financing needs, plans or intentions relating to acquisitions, our Company’s competitive strengths and weaknesses, our Company’s business strategy and the trends our Company anticipates in the industries and the political and legal environment, and geographical locations, in which our Company operates, and other information that is not historical information. These forward-looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “believe”, “continue”, “can”, “could”, “expect”, “estimate”, “intend”, “likely”, “may”, “objective”, “plan”, “potential”, “project”, “pursue”, “shall”, “seek to”, “will”, “will continue”, “will pursue”, “forecast”, “target”, or other words or phrases of similar import. Similarly, statements that describe the strategies, objectives, plans or goals of our Company are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements.

All statements regarding our Company’s expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our Company’s business strategy, planned projects, revenue and profitability (including, without limitation, any financial or operating projections or forecasts), new business and other matters discussed in this Draft Letter of Offer that are not historical facts. These forward-looking statements contained in this Draft Letter of Offer (whether made by our Company or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of our Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections.

Actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industry in which our Company operates and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, the competition in our industry and markets, technological changes, our exposure to market risks, general economic and political conditions in India and globally which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in laws, regulations and taxes, incidence of natural calamities and/or acts of violence. Important factors that could cause actual results to differ materially from our Company’s expectations include, but are not limited to, the following:

- adverse effect of competition on our market share and profits;
- changes in technology and our ability to manage any disruption or failure of our technology systems;
- our ability to:
 - manage our growth effectively;
 - manage our credit risk;
 - manage our quality of services;
 - hire and retain senior management personnel and other skilled manpower;
 - manage cost of compliance with labor laws or other regulatory developments;
 - manage our operating costs;
 - successfully implement our business strategies and expansion plans;
 - maintain effective internal controls;
- changes in general, political, social and economic conditions in India and elsewhere;
- general levels of GDP growth, and growth in employment and personal disposable income; and
- economic uncertainties, fiscal crises or instability in India.

For further discussion of factors that could cause the actual results to differ from our estimates and expectations, see “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” on pages 18, 61 and 126 respectively, of this Draft Letter of Offer. By their nature, certain market

risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

We cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance.

Forward-looking statements reflect the current views of our Company as of the date of this Draft Letter of Offer and are not a guarantee of future performance. These statements are based on the management's beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, nor our Directors, our Promoters, the Syndicate Member(s) or any of their respective affiliates or advisors have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with the SEBI ICDR Regulations, our Company will ensure that investors are informed of material developments from the date of this Draft Letter of Offer until the time of receipt of the listing and trading permissions from the Stock Exchange.

(The remainder of this page has intentionally been left blank)

SUMMARY OF THE DRAFT LETTER OF OFFER

The following is a general summary of certain disclosures and terms of the Issue included in this Draft Letter of Offer and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Letter of Offer or all details relevant to the prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Letter of Offer, including “Risk Factors”, “Objects of the Issue”, “Our Business” and “Outstanding Litigation and Defaults” on pages 18, 46, 61 and 142 respectively.

SUMMARY OF INDUSTRY

The infrastructure sector is a key driver of the Indian economy. The sector is highly responsible for propelling India’s overall development and enjoys intense focus from the Government for initiating policies that would ensure the time-bound creation of world-class infrastructure in the country. The infrastructure sector includes power, bridges, dams, roads, and urban infrastructure development. In other words, the infrastructure sector acts as a catalyst for India’s economic growth as it drives the growth of the allied sectors like townships, housing, built-up infrastructure, and construction development projects.

To meet India’s aim of reaching a US\$ 5 trillion economy by 2025, infrastructure development is the need of the hour. The government has launched the National Infrastructure Pipeline (NIP) combined with other initiatives such as ‘Make in India’ and the production-linked incentives (PLI) scheme to augment the growth of the infrastructure sector. Historically, more than 80% of the country’s infrastructure spending has gone toward funding for transportation, electricity, and water, and irrigation.

For further details, please refer to the chapter titled “Industry Overview” at page 55 of this Draft Letter of Offer.

PRIMARY BUSINESS OF OUR COMPANY

We are in the business of execution of contracts of various infrastructure projects including Transportation Engineering, Civil Construction and other works, etc. We bid for various projects all across India. We execute these contracts by forming Joint Ventures. We have a Joint Venture for the construction of Eight laning of the existing 4 lane road from Km. 539.202 to Km. 563 section of NH 3 (new national highway 848) to be executed on Engineering, Procurement, construction (“EPC”) in the state of Maharashtra., and two joint venture for the execution of a sewerage Treatment Plants in the state of Maharashtra. For further details, please refer to the chapter titled “Our Business” at page 61 of this Draft Letter of Offer

OUR PROMOTERS

The Promoters of our Company are Mr Jashandeep Singh, Ms Vaishali S Mulay, Mr Shashikant Bhoge, and Jetra Infrastructure Private Limited.

OBJECTS OF THE ISSUE

Our Company intends to utilise the Net Proceeds from the Issue towards funding of the following objects:

Particulars	Estimated amount (up to) (₹ Lakhs)
Towards Purchase of Machinery	545.89
Towards Repayment / pre-payment of unsecured loan	597.00
Augmenting our Working capital requirements	2600.00
General corporate purposes*	[•]
Total Net Proceeds**	[•]

* The amount utilised for general corporate purpose shall not exceed 25% of the Gross Proceeds

For further details, please see “Objects of the Issue” on page 46 of this Draft Letter of Offer.

INTENTION AND EXTENT OF PARTICIPATION BY OUR PROMOTERS

Pursuant to letter dated February 13, 2024 Our Corporate Promoter Jetra Infrastructure Private Limited and Mr. Jashandeep Singh have confirmed that they intend to (i) subscribe, to the full extent of their Rights Entitlements and have also confirmed that they shall not renounce the Rights Entitlements (except to the extent of Rights Entitlements renounced by any of them in favour of other Promoters or other member(s) of our Promoter Group); (ii) subscribe to the Rights Equity Shares for the Rights Entitlements, if any, which are renounced in their favour by any other Promoters or any other member(s) of our Promoter Group, each as may be applicable; and (iii) their intention to apply for and subscribe to additional Rights Equity Shares and to any unsubscribed portion in this Issue,

subject to compliance with the minimum public shareholding requirements, as prescribed under the SCRR and the SEBI Listing Regulations, at the time of Allotment. Further Ms. Vaishali Mulay has confirmed that she will subscribe partially to her entitlement and will renounce the balance to persons who belong to the promoter group or outside the Promoter group. Mr. Shashikant Bhoge has not given such an undertaking.

Our Company is in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements pursuant to the Issue.

Such subscription for Equity Shares over and above their Rights Entitlement, if allotted, may result in an increase in their percentage shareholding. Any such acquisition of additional Rights Equity Shares (including any unsubscribed portion of the Issue) is exempt in terms of Regulation 10 (4) (b) of the SEBI Takeover Regulations as conditions mentioned therein have been fulfilled and shall not result in a change of control of the management of our Company in accordance with provisions of the SEBI Takeover Regulations.

Summary of Restated Financial Information

Following are the details as per the Restated Financial Information for the Financial Years ended on March 31, 2021, March 31, 2022 and March 31, 2023 and unaudited limited reviewed results for the Nine month period ended December 31, 2023:

(₹ in lakhs)

S. No.	Particulars	Unaudited Limited Review	Restated Financial		
			December 31, 2023	March 31, 2023	March 31, 2022
1.	Authorised Share Capital	5,315.00	5,315.00	5,315.00	315.00
2.	Paid-up Capital	309.00	309.00	309.00	309.00
3.	Net Worth attributable to Equity Shareholders	-	(397.56)	(148.34)	307.27
4.	Total Revenue	5,310.24	6,802.47	2084.26	8.10
5.	Profit after tax	201.59	(252.77)	(455.61)	(4.25)
6.	Earnings per Share (basic & diluted) (in ₹)	6.52	(8.18)	(14.74)	(0.14)
7.	Net Asset Value per Equity Share (in ₹)	-	(12.86)	(4.80)	9.94
8.	Total Borrowings	-	612.20	713.83	0.00

For further details, please refer the section titled “*Restated Financial Information*” on page 78 of this Draft Letter of Offer.

SUMMARY OF OUTSTANDING LITIGATIONS

A summary of the pending tax proceedings and other material litigations involving our Company, our Promoter, our Directors and our Group Companies is provided below:

Litigations involving our Company

i) Cases filed against our Company:

Nature of Litigation	Number of matters outstanding	Amount involved* (₹ in lakhs)
Proceedings involving issues of moral turpitude or criminal liability on the part of our Company	Nil	Nil
Tax Proceedings	Nil	Nil
Proceedings involving material violations of statutory regulations by our Company	1	Unascertainable
Labour Matters	Nil	Nil
Economic offences	Nil	Nil
Material civil litigations above the materiality threshold	Nil	Nil
Other civil litigation considered to be material by our Company's Board of Directors	Nil	Nil

*To the extent quantifiable

ii) Cases filed by our Company:

Nature of Litigation	Number of matters outstanding	Amount involved* (₹ in lakhs)
Criminal matters	Nil	Nil
Direct Tax Matters	Nil	Nil
Indirect Tax Matters	Nil	Nil
Other civil litigation considered to be material by our Company's Board of Directors	Nil	Nil

**To the extent quantifiable*

Litigations involving our Promoters / Directors

Nature of Litigation	Number of matters outstanding	Amount involved* (₹ in Lakhs)
Criminal matters	1	Unascertainable
Direct tax matters	5	1097.71
Indirect tax matters	Nil	Nil
Other civil litigation considered to be material by our Company's Board of Directors	Nil	Nil

**To the extent quantifiable*

For further details, please see “*Outstanding Litigation and Defaults*” on page 142 of this Draft Letter of Offer

RISK FACTORS

For details, please see “*Risk Factors*” on page 18 of this Draft Letter of Offer. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue.

SUMMARY OF CONTINGENT LIABILITIES

There are no contingent liabilities as at the end of March 31, 2023.

SUMMARY OF RELATED PARTY TRANSACTIONS

For details regarding our related party transactions as per Ind AS 24 entered into by our Company in Fiscal 2023, please see “*Restated Financial Statements*” and “*Management's Discussion and Analysis of Financial Condition and Results of Operations—Related party transactions*” on pages 78 and 104 of this Draft Letter of Offer respectively.

ISSUE OF EQUITY SHARES FOR CONSIDERATION OTHER THAN CASH IN THE LAST ONE YEAR

Our Company has not issued Equity Shares for consideration other than cash during the period of one year preceding the date of this Draft Letter of Offer.

SPLIT OR CONSOLIDATION OF EQUITY SHARES IN THE LAST ONE YEAR

There has been no split or consolidation of equity shares in the last one year preceding the date of this Draft Letter of Offer.

SECTION II: RISK FACTORS

An investment in the Equity Shares involves a high degree of risk. You should carefully consider all the information in this Draft Letter of Offer, including the risks and uncertainties described below, before making an investment in the Equity Shares. In making an investment decision, prospective investors must rely on their own examination and the terms of the Issue including the merits and risks involved. The risks described below are not the only ones relevant to us, our Equity Shares, the industry or the segment in which we operate. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may arise or may become material in the future and may also impair our business, results of operations and financial condition. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations, cash flows and financial condition could be adversely affected, the trading price of our Equity Shares could decline, and as prospective investors, you may lose all or part of your investment. You should consult your tax, financial and legal advisors about particular consequences to you of an investment in this Issue. The financial and other related implications of the risk factors, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are certain risk factors where the financial impact is not quantifiable and, therefore, cannot be disclosed in such risk factors.

To obtain a complete understanding, you should read this section in conjunction with the sections “Industry Overview”, “Our Business” and “Management’s Discussion and Analysis of Financial Position and Results of Operations” on pages 55, 61, and 126 of this Draft Letter of Offer respectively. The industry-related information disclosed in this section has been derived from publicly available documents from various sources believed to be reliable, but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Neither our Company, nor any other person connected with the Issue has independently verified the information in the industry report or other publicly available information cited in this section.

This Draft Letter of Offer also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and, in the section titled “Forward-Looking Statements” on page 13 of this Draft Letter of Offer.

Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section. Unless the context requires otherwise, the financial information of our Company has been derived from the Restated Financial Information, prepared in accordance with Ind AS and the Companies Act and restated in accordance with the SEBI ICDR Regulations.

Materiality:

The Risk Factors have been determined on the basis of their materiality. The following factors have been considered for determining the materiality of Risk Factors:

- *Some events may not be material individually but may be found material collectively;*
- *Some events may have material impact qualitatively instead of quantitatively; and*
- *Some events may not be material at present but may have a material impact in future.*

The financial and other related implications of risks concerned, wherever quantifiable have been disclosed in the risk factors mentioned below. However, there are risk factors where the impact may not be quantifiable and hence, the same has not been disclosed in such risk factors. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk over another.

In this Draft Letter of Offer, any discrepancies in any table between total and sums of the amount listed are due to rounding off.

INTERNAL RISK FACTORS

1. **We derive our revenue from infrastructure activities like building of roads, construction of sewerage or other civil construction related work and our financial condition would be materially and adversely affected if we fail to obtain new contracts or our current contracts are terminated.**

We derive our revenue from infrastructure activities. We propose to bid for projects on an ongoing basis and infrastructure projects are typically awarded by the Government of India or the State Government or municipal

authorities following a competitive bidding process and satisfaction of prescribed qualification criteria. There can be no assurance that we would be able to meet the eligibility criteria and in addition, we cannot assure you that we would bid where we have been qualified to submit a bid or that our bids, when submitted or if already submitted, would be accepted. Our business, growth prospects and financial performance largely depends on our ability to obtain new contracts, and there can be no assurance that we will be able to procure new contracts. Our future results of operations and cash flows may fluctuate from period to period depending on the timing of our contract. In the event we are unable to obtain new contracts, our business will be materially and adversely affected.

2. Infrastructure projects are typically awarded to us on satisfaction of prescribed pre-qualification criteria and following a competitive bidding process. Our business and our financial condition may be adversely affected if new infrastructure projects are not awarded to us or if contracts awarded to us are prematurely terminated.

Infrastructure projects are typically awarded to us following a competitive bidding process and satisfaction of prescribed technical and financial pre-qualification criteria. While track record, experience of project execution, service quality, health and safety records, qualified and experienced personnel, reputation and sufficiency of financial resources are important considerations in awarding contracts, there can be no assurance that we would be able to meet such technical and financial qualification criteria, whether independently or together with other joint venture partners. Further, once prospective bidders satisfy the pre-qualification requirements of the tender, the project is usually awarded on the basis of price competitiveness of the bid. We generally incur costs in the preparation and submission of bids, which are one-time, non-reimbursable costs. We cannot assure you that we would bid where we have been pre-qualified to submit a bid, or that our bids, when submitted or if already submitted, would result in projects being awarded to us.

Another factor which may impact the growth of our business is that our clients may terminate their construction agreements for reasons set forth in these agreements. If the client terminates any of our construction agreements, under the relevant agreement it is generally required to compensate us for the amount, depending on the valuation of the unpaid works and the timing of the termination in relation to the payment milestones associated with the respective projects, unless the agreement is terminated pursuant to applicable law or our breach of the terms of the agreement is material. Such compensation process is likely to be time consuming and the amount paid to us may not be fully compensated to us. We cannot assure you that we would receive such amounts on a timely basis or in an amount equivalent to the value of our investment plus our lost profits. While such instances have not occurred in the past, however an early termination of our contracts by our clients may adversely affect our business, results of operation and financial condition.

3. Our projects are exposed to various implementation and other risks, including risks of time and cost overruns, and uncertainties, which may adversely affect our business, financial condition, results of operations, and prospects.

The construction or development of infrastructure projects involves various implementation risks including construction delays, delay or disruption in supply of raw materials, delays in acquisition of land by our project clients, unanticipated cost increases, force majeure events, cost overruns, disputes with our joint venture partners, or delays in securing required licenses by our project clients, or making advance payments. We may be further subject to regulatory risks, financing risks and the risks that these projects may ultimately prove to be unprofitable.

Despite the escalation clauses in some of our construction contracts, our government clients may interpret the applicability of the escalation clauses in their favour and we may experience difficulties in enforcing such clauses to recover the costs we incurred in relation to the work performed as per the underlying contract. We may have to bear risks associated with any increase in actual costs for construction activities exceeding the agreed work. Further, while our contracts with our clients have clauses which allow us to seek extension of time for completing our projects, we may for unforeseen reasons, not be able to obtain extensions for projects and thereby face delays or time overruns. While there have not been any instances in the past, where we were not provided extension of time for completion of projects or where penalties were levied on account of delay, however, our project clients may, as per the agreed upon contractual terms, be entitled to invoke penalty provisions and/or terminate the contract in the event of delay in completion of the work if the delay is not on account of any of force majeure clauses or any agreed exceptions. With respect to some of our projects, in the event of termination for any of the aforesaid reasons, we may only receive partial payments under such agreements and such payments may be less than our estimated cash flows from such projects. If any or all of these risks materialize, we may suffer significant cost overruns or time overruns or even losses in these projects due to unanticipated increase in costs as a result of which our business, profits and results of operations will be materially and adversely affected.

4. Our business has been relatively concentrated in the State of Maharashtra consequently, we are exposed to risks emanating from economic, regulatory and other changes in these locations which we may not be able to successfully manage may adversely affect our business, financial condition, results of operations, and prospects.

Currently Our project portfolio has been relatively concentrated in the State of Maharashtra. We generate our entire revenue from our projects which have been set-up in and around the State of Maharashtra. For the Fiscals 2023, and Fiscal 2022, our projects in and around Maharashtra contributed to 100% of our total revenue from operations. This concentration of business subjects us to various risks, including but not limited to:

- (i) regional slowdown in construction activities or reduction in infrastructure projects;
- (ii) vulnerability to change in laws, policies and regulations of the political and economic environment;
- (iii) perception by our potential customers that we are a regional construction company which hampers us from competing for large and complex projects at the national level; and
- (iv) limitation on our ability to implement the strategy to cluster projects in the states where we intend to conduct business.

The concentration of our operations heightens our exposure to adverse developments related to competition, as well as economic, political, demographic and other changes, which may adversely affect our business prospects, financial conditions and results of operations. While we strive to geographically diversify our project portfolio and reduce our concentration risk, we cannot assure you that adverse developments associated with the region will not impact on our business. If we are unable to mitigate the concentration risk, we may not be able to develop our business as planned and our business, financial condition and results of operation could be adversely affected.

5. We depend on a limited number of customers for a significant portion of our revenue. The loss of any of our major customers due to any adverse development or significant reduction in business from our major customers may adversely affect our business, financial condition, results of operations and future prospects.

Our top two customers have contributed to 100% of our revenues for the period/year ended December 31, 2023, March 31, 2023 and March 31, 2022 respectively based on restated financial statements. However, our top customers may vary from period to period depending on the demand and thus the composition and revenue generated from these customers might change as we continue to add new customers in normal course of business. Since at present our business is concentrated among relatively few significant customers, we could experience a reduction in our results of operations, cash flows and liquidity if we lose one or more of these customers or the amount of business, we obtain from them is reduced for any reason, including but not limited on account of any dispute or disqualification. Accordingly, we cannot assure you that the customers which contribute to the major part of our revenue stream will pay us the amounts due to us on time, or at all. In the event any of our significant customers fail to fulfil their respective obligations, our business, financial condition and results of operations would be adversely affected. While we believe we have maintained good and long-term relationships with our customers, there can be no assurance that we will continue to have such long-

6. We may be exposed to liabilities arising from defects during construction, which may adversely affect our business, financial condition, results of operations and prospects.

Actual or claimed defects in construction quality during the construction of our projects, could give rise to claims, liabilities, costs and expenses. Further, we may not be able to recover such increased costs from our project clients in part, or at all, for any defects observed in the projects or damage caused to the project on account of the fault of our workers. We may further face slight delays in the estimated project completion schedule in respect of such projects on account of additional works required to be undertaken towards rectifying such construction faults, and we may have to appoint additional workforce and resources in order to complete the project within the pre-determined time period, which may result in increased expenditure for our Company, which we may not be able to pass on to our project clients. While any of the aforementioned events which could materially impact our projects or business operations, have not occurred in the past, however we cannot assure you that any claims in respect of the quality of our construction will not arise in the future and would not affect our business or financial condition. In the event any material events which bring the quality of our services could impact our eligibility to bid for infrastructure projects and other projects may be affected, or in the event any defects in our construction of the roads trigger the extreme circumstances leading to termination or affect public interest, could lead to termination

of our contracts blacklisting of our registration as a civil constructor and therefore could adversely affect our business operations and result of operations.

In addition, if there is a client dispute regarding our performance, the client may delay or withhold payment to us. If we were ultimately unable to collect these payments, our profits would be reduced. While there have not been any such instances in the past, however, these claims, liabilities, costs and expenses, if not fully covered, thus could have an adverse effect on our business, financial condition, results of operations, and prospects.

7. The construction and development of our infrastructure projects require the services of third parties, including service providers, suppliers and independent contractors, which entail certain risks.

For the purposes of construction and development of our infrastructure projects, we engage third parties such as architects, engineers, contractors and suppliers of labour and materials. We do not have direct control over the day-to-day activities of such contractors and are reliant on such contractors performing these services in accordance with our expectations and the relevant construction contracts. The time of completion and quality of construction of the projects that we develop depends, in part, on the availability and skill of these third parties, as well as other contingencies affecting them, including labour and raw material shortages and industrial action such as strikes and lockouts. Any consequent delay in project execution could materially and adversely affect our business, prospects, financial condition, and results of operations. Additionally, if a contractor or supplier becomes insolvent, it may be impossible for us recover compensation for any defective work undertaken or materials supplied, as applicable, by such third parties and we may incur losses as a result of funding the repair of the defective work or products or paying damages to persons who have suffered a loss as a result of such defective work products. Further, customarily, we do not enter into formal long term supply contracts with such third parties. However, any unexpected issues in our relationship with any such third party may require us to source services or materials from alternate sources, which we may not be able to do in a timely manner or on commercially viable terms, if at all, which may adversely affect our business and results of operations.

8. We are required to renew, maintain or obtain statutory and regulatory permits, licenses and approvals for our operations from time to time. Any delay or inability to obtain such approvals may have an adverse impact on our business.

We require certain statutory and regulatory permits, licenses and approvals to operate our business. We have made renewal applications for certain approvals or licenses that have expired. If we fail to obtain necessary approvals we require to operate, or if there is any delay in obtaining these approvals, our business and financial condition may be adversely affected. Further, these permits, licenses and approvals are subject to several conditions, and there is no assurance that we will be able to continuously meet such conditions or be able to prove compliance with such conditions to the statutory authorities, which may lead to cancellation, revocation or suspension of relevant permits, licenses or approvals. Any interruption of our operations caused by our statutory and regulatory permits, licenses and approvals could adversely affect our business, prospects, financial condition and results of operations.

9. Our business activities are labour intensive and depend on availability of skilled and unskilled labourers in large numbers. In case of unavailability of such labourers and / or inability to retain such personnel or occurrence of any work stoppages, our business operations could be affected.

We operate in a labour-intensive industry and our contractors hire casual labour to work on our projects. In the event of a labour dispute, if our contractors are unable to successfully negotiate with the workmen or sub-contractors, it would result in work stoppages or increased operating costs. It may also be difficult to procure the required skilled workers for existing or future projects. In addition, we may also be liable for or exposed to sanctions, penalties or losses arising from accidents or damages caused by our workers or contractors. Though we have not experienced any major disruptions in our business operations due to disputes or other problems with our work force in the past, there can be no assurance that we will not experience such disruptions in the future. Such disruptions may adversely affect our business and results of operations and may also divert the management's attention and result in increased costs. India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. We are also subject to laws and regulations governing relationships with employees, in such areas as minimum wage and maximum working hours, overtime, working conditions, hiring and terminating of employees and work permits. Although our employees are not currently unionized, there can be no assurance that they will not unionize in the future. If our employees unionize, it may become difficult for us to maintain flexible labour policies, and we may face the threat of labour unrest, work stoppages and diversion of our management's attention due to union

intervention, which may have a material adverse impact on our business, results of operations and financial condition.

10. Our operations and our work force are exposed to various hazards and we are exposed to risks arising from construction related activities that could result in material liabilities, increased expenses and diminished revenues.

There are certain unanticipated or unforeseen risks that may arise in the course of property development due to adverse weather and geological conditions such as storm, hurricane, lightning, flood, landslide and earthquake. Additionally, our operations are subject to hazards inherent in providing architectural and construction services, such as the risk of equipment failure, impact from falling objects, collision, work accidents, fire or explosion, including hazards that may cause injury and loss of life, severe damage to and destruction of property and equipment, and environmental damage on our business, results of operations and financial condition.

11. Increases in the prices of construction materials, fuel, labour and equipment could have an adverse effect on our business, results of operations and financial condition.

The cost of construction materials, fuel, labour and equipment maintenance constitutes a significant part of our operating expenses. We are vulnerable to the risk of rising and fluctuating raw material prices, which are determined by demand and supply conditions in the global and Indian markets as well as government policies. Any unexpected price fluctuations after placement of orders, shortage, delay in delivery, quality defects, or any factors beyond our control may result in an interruption in the supply of such materials and adversely affect our business, financial performance and cash flows.

The steep increase in commodity and crude oil prices on account of global turmoil, the ongoing Russia-Ukraine war and high inflation could also increase input costs and impact profitability

While, our contracts always include escalation clauses covering any increased costs we may incur, we may suffer cost overruns or even losses in these projects due to unanticipated cost increases which may not be covered in the escalation clauses of these contracts. Despite the escalation clauses in some of our construction contracts, our government clients may interpret the applicability of the escalation clauses in their favour and we may experience difficulties in enforcing such clauses to recover the costs we incurred in relation to the work performed as per the underlying contract. As a result, our ability to pass on increased costs may be limited and we may have to absorb such increases which may adversely affect our business, financial condition and results of operations. We may also suffer significant cost overruns or even losses in these projects due to unanticipated cost increases resulted from force majeure events or unforeseen circumstances which are not covered under the escalation clauses, and consequently we may experience difficulties in enforcing such clauses to recover the incremental costs we incurred in relation to our projects. If any of these risks materialize, they could adversely affect our profitability, which may in turn have an adverse effect on our overall results of operation.

In addition, India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. Any upward revision of the prescribed minimum wage or other benefits required to be paid to our workers (including in the event of injuries or death sustained in course of employment, dismissal or retrenchment) will result in the increase in cost of labour which we may be unable to pass on to our customers due to market conditions and also the pre agreed conditions of contract. This would result in us being required to absorb the additional cost, which may have a material adverse impact on our profitability. Further we also depend on third party contractors for the provision of various services associated with our business. Such third- party contractors and their employees/workmen may also be subject to these labour legislations.

12. Our Auditors have included an “Emphasis of Matter” in the limited review audit report for the quarter and nine month period ended December 31, 2023

The following “Emphasis of Matter” has been included in the limited review report for the quarter and nine-month period ended December 31, 2023:

Emphasis of Matter

“(a) We draw attention to Note 6 of the Statement, with respect to one joint venture of the company which has not been considered in the Statement.

(b) We draw attention to Note 7 of the Statement, which describes the resignation of the Chief Financial Officer during the quarter ended December 31, 2023, and the provisions of Section 203 of Companies Act, 2013 read with rule 8 of Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014.

(c) During the period and as on date, the Company has not met the requirements prescribed under 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.”

13. There have been delays in the payment of our lease rentals in the last 3 years

There have been delays in the remittance of our lease rentals for all the leasehold properties in the last 3 years. The delays have been ranging from 2 to 125 days. Although we have not paid any penal interest or any other charges for the delays, there is no guarantee that the lessor will not charge such penal charges. Any such levies could have an adverse impact on our revenues and profitability.

14. There are certain legal proceedings involving our Company, Directors and Promoter, an adverse outcome in which, may have an adverse impact on our reputation, business, financial condition, results of operations and cash flows.

Our Company, its Directors and Promoter are involved in certain legal proceedings, which if determined, against us could have adverse impact on the business and financial results of our Company. A brief detail of such outstanding litigations as on the date of this Draft Letter of Offer are as follows:

Litigations involving our Company

Cases filed against our Company:

Nature of Litigation	Number of matters outstanding	Amount involved* (₹ in lakhs)
Proceedings involving issues of moral turpitude or criminal liability on the part of our Company	Nil	Nil
Tax Proceedings	Nil	Nil
Proceedings involving material violations of statutory regulations by our Company	1	Unascertainable
Labour Matters	Nil	Nil
Economic offences	Nil	Nil
Material civil litigations above the materiality threshold	Nil	Nil
Other civil litigation considered to be material by our Company’s Board of Directors	Nil	Nil

*To the extent quantifiable

Cases filed by our Company:

Nature of Litigation	Number of matters outstanding	Amount involved* (₹ in lakhs)
Criminal matters	Nil	Nil
Direct Tax Matters	Nil	Nil
Indirect Tax Matters	Nil	Nil
Other civil litigation considered to be material by our Company’s Board of Directors	Nil	Nil

*To the extent quantifiable

Litigations involving our Promoters / Directors

Nature of Litigation	Number of matters outstanding	Amount involved* (₹ in Lakhs)
Criminal matters	1	Unascertainable
Direct tax matters	5	1097.69
Indirect tax matters	Nil	Nil
Other civil litigation considered to be material by our Company's Board of Directors	Nil	Nil

*To the extent quantifiable

We cannot provide any assurance that these matters will be decided in our favour. Further, there is no assurance that legal proceedings will not be initiated against our Company, its Directors or Promoter in future. For further details on the outstanding litigation proceedings, see "Outstanding Litigation and Material Developments" on Page 142 of this Draft Letter of Offer.

15. Our Company has experienced negative cash flow in the past and may continue to do so in the future, which could have a material adverse effect on our business, prospects, financial condition, cash flows and results of operations.

Our Company has experienced negative net cash flow in operating and financing activities in the past, the details of which are provided below:

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
	Restated		
Net Cash Flow from/ (used in) Operating Activities	1,383.51	(396.78)	14.44
Net Cash Flow from / (used) in investing Activities	(1,066.80)	(517.14)	(23.73)
Net cash flow from / (used) in Financing Activities	(208.66)	939.19	23.85

We may incur negative cash flows in the future which may have a material adverse effect on our business, prospects, results of operations and financial condition.

16. Our Company has reported losses for the Annual Financial Statements for fiscal 2023, 2022 and 2021, but our Company has earned profit for the Unaudited Interim Financial Statements for the nine-month ended December 31, 2023. Further Any failure to generate profits in future may adversely affect our ability to pay dividends, impair our ability to raise capital and expand our business.

Our Company has incurred losses in Fiscal 2023, Fiscal 2022 and Fiscal 2021 amounting to ₹ (252.77) lakhs ₹(455.61) lakhs and ₹(4.25) lakhs, respectively but has earned a profit ₹ 201.59 lakhs for the nine-month ended December 31, 2023. Our Company's financial position may accordingly be currently perceived adversely by external parties such as customers, bankers, and suppliers, which may affect our reputation and business operations. For further details, see "Restated *Financial Statements*" on page 78 of this Draft Letter of Offer. Our ability to operate profitably depends upon a number of factors, some of which are beyond our direct control. These factors include, but are not limited to, our ability to successfully complete on-going projects on time and get more projects. Accordingly, we cannot assure you that we will not incur losses in the future. Any failure to generate profits may adversely affect the market price of our Equity Shares, restrict our ability to pay dividends, impair our ability to raise capital and expand our business.

17. We have entered into, and will continue to enter into, related party transactions.

We have in the course of our business entered into transactions with related parties. While we believe that all such transactions have been conducted on an arms-length basis, there can be no assurance that we could not have achieved more favourable terms had such transactions not been entered into with related parties. Furthermore, it is likely that we may enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have adversely affect our business, prospects, financial condition and results of operations.

For details regarding our related party transactions as per Ind AS 24 entered into by our Company in Fiscal 2023, please see “*Financial Statements*”—*Related Party Transactions*” on page 104 of this Draft Letter of Offer.

18. We have not been paying dividends in the past and our ability to pay dividends in the future may be affected by any material adverse effect on our future earnings, financial condition or cash flows.

Our ability to pay dividends in future will depend on our earnings, financial condition and capital requirements. We may be unable to pay dividends in the near or medium term, and our future payment or declaration of dividend will depend on our capital requirements and financing arrangements in respect of our operations, financial condition and results of operations. We have not paid dividends in the past and there can be no assurance that our Company will declare dividends in the future also.

19. Obsolescence, destruction, theft, breakdowns of our major plants or equipment or failures to repair or maintain the same may adversely affect our business, cash flows, financial condition and results of operations.

We seek to purchase plants and equipment built with the latest technologies and knowhow and keep them readily available for our construction activities through careful and comprehensive repairs and maintenance. However, while there have been no instances in the past of obsolescence of our plants or equipment, destruction, theft or major equipment breakdowns or failures to repair our major plants or equipment, we cannot assure that we will be immune from the associated operational risks such as the obsolescence of our plants or equipment, destruction, theft or major equipment breakdowns or failures to repair our major plants or equipment, which may result in their unavailability, project delays, cost overruns and even defaults under our construction contracts. While we have availed insurance policies to protect our Company against the risk of destruction, theft, breakdowns, repair or maintenance failures, our insurance coverage may not be adequate to cover all the risks to which our equipment and vehicles are exposed to, and may have an adverse effect our business, cash flows, financial condition and results of operations.

20. We operate in a competitive industry and our failure to successfully compete may adversely affect our business, financial condition and results of operations, and prospects.

The infrastructure sector is competitive and highly fragmented. We compete against various domestic engineering, construction and infrastructure companies for infrastructure projects. Some of our competitors may have larger financial resources or access to lower cost funds, or may have stronger engineering or technical capabilities in executing complex projects, or projects with certain specifications or in certain geographies. They may also benefit from greater economies of scale and operating efficiencies. Further, the premium placed on having experience may cause some of the new entrants to accept lower margins in order to be awarded a contract. The nature of the bidding process may cause us and our competitors to accept lower margins in order to be awarded the contract. In certain instances, certain competitors may choose to under-bid, which may adversely impact our market share, margins, revenues and financial condition. Whilst we have sufficient track record and experience in undertaking projects and such aforementioned events have not occurred in the past, however, if we are unable to bid for and win projects, whether large or small, or compete effectively with competitors, we may be unable to sustain or increase our volume of order intake.

Given the fragmented nature of the Indian infrastructure industry, we may not have adequate information about the projects our competitors are constructing. As we seek to diversify our regional focus, we may face competition from existing competitors as well as local infrastructure companies, who may have better market understanding and reputation in such geographies. These competitive factors may result in reduced revenues, reduced margins and loss of market share. Failure to compete successfully against current or future competitors could harm our business, operating cash flows and financial condition.

21. Our promoter will continue to retain significant shareholding in our Company after the issue, which will enable them to exercise significant control over us.

After the completion of the Issue, our Promoter, will continue to exercise significant control over us, including being able to control the composition of our Board of Directors and affect the outcome of shareholder voting. As a result, our Promoter may take or block actions with respect to our business, which may conflict with our interests or the interests of our minority shareholders.

22. The management of our Company is dependent upon our senior management, directors and key personnel.

We operate in an industry where the quality of our people is a critical asset. We benefit significantly from the vision, strategic guidance, experience and skills of several key members of our management team, which includes our Promoter, supported by the skills, efforts, expertise, continued performance and motivation of our Key Management Personnel, and other personnel. If any of our Promoter, Key Management Personnel cease to be associated with our Company and we fail to recruit suitable replacements in a timely manner, our ability to manage our growth and our business, results of operations and prospects may be adversely affected.

23. The insurance cover taken by our Company may not be adequate, as a result of which the loss or destruction of our assets could have a material adverse effect on our financial condition and results of operations.

In relation to the projects under construction, we have taken insurance policies which we believe are required, mainly to cover the risk of third party and other unforeseen events and also to cover the various labourers working on site. Such insurance policies are taken on the basis of estimated period of completion of the project and estimated costs and other projections. However, we cannot assure you that our company will recover all our losses in case of any damage or adverse event. We may face uninsured risks to the extent of remaining assets of the company. Further, if we may suffer any losses, damages and liabilities in the course of our operations and in our project development. Any such uninsured losses or liabilities could result in a material adverse effect on our business operations, financial conditions and results of operations. We may have to bear the costs associated with any damage suffered by us in respect of these uninsured projects or uninsured events.

24. Our logo is not registered as a trademark and we currently do not have any other registered trademarks and hence we may not be able to safeguard our company from any infringement or passing off.

Our Company's logo is not a registered trademark. Accordingly, we may not be able to safeguard it from infringement or passing off. Further, we do not own any other trademark and therefore our ability to attract and retain customers is dependent upon public perception and recognition of the quality associated with our Company and promoter. Our success depends on our ability to maintain the brand image of our existing products and effectively build our brand image for new products and brand extensions. We currently do not have any form of intellectual property protection in relation to the designs of our products and consequently do not enjoy the statutory protections accorded to such designs in India and cannot prohibit the use of such designs by anybody by means of statutory protection. Any unauthorized usage by a third party of logo that is being used by us may create confusion in the market as to our identity and/or may have a material adverse effect on our reputation, goodwill, business prospects and results of operation too. Such infringement will hamper our business as prospective clients may go to such user of mark and our revenues may decrease.

We may also face allegations that we have infringed the trademarks, copyrights, patents or other intellectual property rights of third parties, including from our competitors or non-practicing entities, for passing off. Any adverse decision by the adjudicating authority may prevent us from registering and using such trademarks. Further, patent and other intellectual property litigation may be protracted and expensive, and the results are difficult to predict and may require us to stop offering certain products or product features, acquire licenses, which may not be available at a commercially reasonable price or at all, or modify our products, product features, processes or websites while we develop non-infringing substitutes

We have not registered the logo and the trademark of our Company which we use. The registration for the said trademark in our name is important to retain our brand equity. If we do not register our trademark, we may lose the statutory protection available to us under the Trade Marks Act, 1999 for such trademark. We are unable to assure the future viability or value of any of our intellectual. Our Company's business may be affected due to our inability to protect our existing and future intellectual property rights.

25. Our Company has availed unsecured loans from related parties, which are recallable in nature.

As on March 31, 2023, our Company has outstanding unsecured loans aggregating to ₹ 611.78 lakhs, which have been extended by related parties which are recallable in nature and can be recalled at any time by them. We cannot assure you that the lenders will not demand repayment of the unsecured loans extended to us. In the event, the lenders seeks a repayment of any these unsecured loans, our Company would need to find alternative sources of

financing, which may not be available on commercially reasonable terms, or at all. If we are unable to arrange for any such financing arrangements, we may not have adequate working capital to carry out the operations or complete our ongoing operations. Therefore, any such demand may adversely affect our business, financial condition and results of operations. For further details, see “Financial Indebtedness” on page 139 of this Draft Letter of Offer

26. We are a listed company and are required to comply with rules and regulations imposed by the Stock Exchanges and SEBI with respect to continuous listing and the Companies Act. Any failure to comply with such rules and regulations or any wrong disclosure made to the Stock Exchange or any statutory authority could result in penalties being imposed on us, which may adversely affect our business and operations.

As a listed company, we are required to comply with certain conditions for continuous listing under the SEBI Listing Regulations and other rules and regulations imposed by SEBI, which require us to make certain periodic disclosures, including disclosures about any material events or occurrences with respect to our Company, disclosure of our financial statements and disclosure of our updated shareholding pattern. Any failure to comply with these continuous disclosure requirements or any wrongful disclosure made by us to the Stock Exchange or any other statutory authority may lead to penalties being imposed on us.

We believe, we are in compliance with rules and regulations imposed by the BSE and SEBI with respect to continuous listing, any failure to comply with such rules and regulations or any wrong disclosure/ Non filing to the BSE or any statutory authority could result in penalties being imposed on us, which may adversely affect our business and operations.

27. Our funding requirements and the proposed deployment of Net Proceeds have not been appraised by a public financial institution or a scheduled commercial bank and our management will have broad discretion over utilization of the Net Proceeds.

Our Company proposes to utilize the Net Proceeds for (i) purchase of certain fixed assets (ii) meeting working Capital requirements of our company; and (iii) general corporate purposes. Our proposed deployment of Net Proceeds has not been appraised by a public financial institution or a scheduled commercial bank and is based on management estimates. Our management will have broad discretion to use the Net Proceeds. Various risks and uncertainties, including those set forth in this section, may limit or delay our efforts to use the Net Proceeds to achieve profitable growth in our business. We cannot assure you that use of the Net Proceeds to meet our future capital requirements, fund our growth and for other purposes identified by our management would result in actual growth of our business, increased profitability or an increase in the value of our business.

28. The deployment of funds is entirely at our discretion and as per the details mentioned in the chapter titled “Objects of the Issue”.

As the Issue size is not more than ₹10,000 lakhs, under Regulation 82 of the SEBI ICDR Regulations it is not required that a monitoring agency be appointed by our Company, for overseeing the deployment and utilization of funds raised through this Issue. Therefore, the deployment of the funds towards the Objects of this Issue is entirely at the discretion of our Board of Directors and is not subject to monitoring by external independent agency. Our Board of Directors along with the Audit Committee will monitor the utilization of Issue proceeds and shall have the flexibility in applying the proceeds of this Issue. However, the management of our Company shall not have the power to alter the objects of this Issue except with the approval of the Shareholders of the Company given by way of a special resolution in a general meeting, in the manner specified in Section 27 of the Companies Act, 2013. Additionally, the dissenting shareholders being those shareholders who have not agreed to the proposal to vary the objects of this Issue, our Promoters shall provide them with an opportunity to exit at such price, and in such manner and conditions as may be specified by the SEBI, in respect to the same.

29. We are yet to place Orders for the fixed assets for which an amount of ₹ 545.89 Lakhs has been earmarked from the issue proceeds.

We are yet to place orders for fixed assets comprising of machinery for an amount aggregating to ₹ 545.89 lakhs for our existing operations which is proposed to be funded from the proceeds of the Rights Issue. We have obtained quotations for the same and in case the vendors decide to revise the quotations upward or fail to supply the fixed assets as per the agreed terms, there could be an increase in the funds required and in the event of any such circumstances that require us to undertake variation in the disclosed utilisation of the Net Proceeds and any delay may adversely affect our business or operations.

30. We are subject to cyber security risks and security breaches and may incur increasing costs in an effort to minimize those risks and to respond to cyber incidents.

A number of other companies have disclosed cyber-attacks and security breaches, some of which have involved intentional attacks. Attacks may be targeted at us, our customers, or both. Although we devote significant resources to maintain and regularly upgrade our systems and processes that are designed to protect the security of our computer systems, software, networks and other technology assets and the confidentiality, integrity and availability of information belonging to us and our customers, our security measures may not provide absolute security. Despite our efforts to ensure the integrity of our systems, it is possible that we may not be able to anticipate or to implement effective preventive measures against all security breaches of these types, especially because the techniques used change frequently or are not recognized until launched, and because cyber-attacks can originate from a wide variety of sources, including third parties outside the Company such as persons who are involved with organized crime or associated with external service providers or who may be linked to terrorist organizations or hostile foreign governments. A successful penetration or circumvention of the security of our systems could cause serious negative consequences, including significant disruption of our operations, misappropriation of our confidential information or that of our customers, or damage to our computers or systems or those of our customers and counterparties, and could result in violations of applicable privacy and other laws, financial loss to us or to our customers, loss of confidence in our security measures, customer dissatisfaction, significant litigation exposure, and affect to our reputation, all of which could have a material adverse effect on us.

Our servers are also vulnerable to computer viruses, physical or electronic break-ins, and similar disruptions. We may need to expend significant resources to protect against security breaches or to address problems caused by breaches. Security breaches, including any breach of our systems or by persons with whom we have commercial relationships that result in the unauthorized release of customers' or businesses' personal information, could damage our reputation and expose us to a risk of loss or litigation and possible liability.

31. Failure to stay up to date with technological changes, as well as the uses and regulation of the internet, might be detrimental to our Company.

The industry is very dynamic and fresh. We must keep up with changing technical breakthroughs, customer and small company usage habits, internet security threats, system failure or inadequacy hazards, and governmental regulation and taxation, all of which could have a negative influence on our entity.

If we are unable to adequately react to such developments, decreased demand for our products could result in a loss of revenues or a fall in profitability. The demand for our products could fall as a result of a variety of factors, including regulatory restrictions that limit customer access to specific products, the availability of competing or alternative products, or changes in customers' financial circumstances, such as increases in income or savings. Our revenues could be severely reduced if we fail to adjust to a significant change in our clients' desire for, or access to, our products. Customers may refuse or reject products whose changes make them less appealing or less available, even if we make adjustments or launch new products to meet customer demand.

32. The COVID-19 pandemic has had, and may in the future continue to have, and any similar pandemic situations that may arise in the future, may have a material adverse impact on our business, results of operations, financial condition and cash flows.

The global spread and unprecedented impact of the COVID-19 pandemic continues to create significant volatility, uncertainty and economic disruption. The pandemic has led governments and other authorities around the world to implement significant measures intended to control the spread of the virus, including lockdowns, shelter-in-place orders, social distancing measures, business closures or restrictions on operations, quarantines, travel bans and restrictions and multi-step policies with the goal of re-opening these markets. These responsive measures have severely disrupted the delivery schedules of various contract/ Work order/ Projects under execution by the Company..

The scope, duration, and frequency of the measures implemented and the adverse effects of COVID-19 remain uncertain and could be severe. If COVID-19 infection rates resurge and the pandemic intensifies and expands geographically, its negative impacts on our business, operating expenses, gross profit and gross margin could be more prolonged and may become more severe.

33. We have not commissioned an industry report for the disclosures made in the chapter titled “Industry Overview” and made disclosures on the basis of the data available on the internet and such data has not been independently verified by us.

We have neither commissioned an industry report, nor sought consent from the quoted website source for the disclosures which need to be made in the chapter titled “Industry Overview” of this Draft Letter of Offer. We have made disclosures in the said chapter on the basis of the relevant industry related data available online for which relevant consents have not been obtained. We have not independently verified such data. We cannot assure you that any assumptions made are correct or will not change and, accordingly, our position in the market may differ from that presented in this Draft Letter of Offer. Further, the industry data mentioned in this Draft Letter of Offer or sources from which the data has been collected are not recommendations to invest in our Company. Accordingly, investors should read the industry related disclosure in this Draft Letter of Offer in this context.

EXTERNAL RISK FACTORS

34. Significant differences exist between Ind AS, Indian GAAP and other accounting principles, such as US GAAP and IFRS, which investors may be more familiar with and consider material to their assessment of our financial condition.

Our audited summary statements of assets and liabilities as at March 31, 2023 and audited summary statements of profit and loss (including other comprehensive income), cash flows and changes in equity for the Financial Year 2023 have been prepared in accordance with the Ind AS, read with the Ind AS Rules and restated in accordance with the SEBI ICDR Regulations, the SEBI Circular and the Prospectus Guidance Note.

We have not attempted to quantify the impact of US GAAP, IFRS or any other system of accounting principles on the financial data included in this Letter of Offer, nor do we provide a reconciliation of our financial statements to those of US GAAP, IFRS or any other accounting principles. US GAAP and IFRS differ in significant respects from Ind AS and Indian GAAP. Accordingly, the degree to which the Audited Financial Information included in this Letter of Offer will provide meaningful information is entirely dependent on the reader’s level of familiarity with Ind AS, Indian GAAP and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Letter of Offer should accordingly be limited.

35. Political, economic or other factors that are beyond our control may have adversely affect our business and results of operations.

The Indian economy is influenced by economic developments in other countries. These factors could depress economic activity which could have an adverse effect on our business, financial condition and results of operations. Any financial disruption could have an adverse effect on our business and future financial performance.

We are dependent on domestic, regional and global economic and market conditions. Our performance, growth and market price of our Equity Shares are and will be dependent to a large extent on the health of the economy in which we operate. There have been periods of slowdown in the economic growth of India. Demand for our services may be adversely affected by an economic downturn in domestic, regional and global economies.

Economic growth is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports, global economic uncertainty and liquidity crisis, volatility in exchange currency rates, and annual rainfall which affects agricultural production.

Consequently, any future slowdown in the Indian economy could harm our business, results of operations and financial condition. Also, a change in the government or a change in the economic and deregulation policies could adversely affect economic conditions prevalent in the areas in which we operate in general and our business in particular and high rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins.

36. A slowdown in economic growth in India could cause our business to suffer.

We are incorporated in India, and all of our assets and employees are located in India. As a result, we are highly dependent on prevailing economic conditions in India and our results of operations are significantly affected by factors influencing the Indian economy. A slowdown in the Indian economy could adversely affect our business, including our ability to grow our assets, the quality of our assets, and our ability to implement our strategy.

Factors that may adversely affect the Indian economy, and hence our results of operations, may include:

- any increase in Indian interest rates or inflation;
- any scarcity of credit or other financing in India;
- prevailing income conditions among Indian consumers and Indian corporations;
- changes in India's tax, trade, fiscal or monetary policies;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighbouring countries;
- prevailing regional or global economic conditions; and
- other significant regulatory or economic developments in or affecting India

Any slowdown in the Indian economy or in the growth of the sectors we participate in or future volatility in global commodity prices could adversely affect our borrowers and contractual counterparties. This in turn could adversely affect our business and financial performance and the price of our Equity Shares.

37. Financial instability in both Indian and international financial markets could adversely affect our results of operations and financial condition.

The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries, particularly in emerging market in Asian countries. Financial turmoil in Asia, Europe, the United States and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors' reactions to developments in one country can have an adverse effect on the securities of companies in other countries. A loss in investor confidence in the financial systems of other emerging markets may cause increased volatility in the Indian economy in general. Any global financial instability, including further deterioration of credit conditions in the U.S. market, could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our results of operations and financial condition.

The Indian economy is also influenced by economic and market conditions in other countries. This includes, but is not limited to, the conditions in the United States, Europe and certain economies in Asia. Financial turmoil in Asia and elsewhere in the world in recent years has affected the Indian economy. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and its business.

Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby impact the Indian economy. Financial disruptions in the future could adversely affect our business, prospects, financial condition and results of operations. The global credit and equity markets have experienced substantial dislocations, liquidity disruptions and market corrections.

There are concerns that a tightening of monetary policy in emerging markets and some developed markets will lead to a moderation in global growth. In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, have implemented a number of policy measures designed to add stability to the financial markets. However, the overall long-term impact of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have had the intended stabilizing effects. Any significant financial disruption in the future could have an adverse effect on our cost of funding, loan portfolio, business, future financial performance and the trading price of the Equity Shares.

38. Inflation in India could have an adverse effect on our profitability and if significant, on our financial condition.

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. India has experienced high inflation in the recent past. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of salaries, and other expenses relevant to our business.

High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to pass on to our customers, whether entirely or in part, and the same may adversely affect our business and financial condition. In particular, we might not be able to reduce our costs or increase our rates to pass the increase in costs on to our customers. In such case, our business, results of operations, cash flows and financial condition may be adversely affected.

Further, the GoI has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

39. Foreign investors are subject to foreign investment restrictions under Indian law that limits our ability to attract foreign investors, which may adversely impact the market price of the Equity Shares.

As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies, including those specified under FEMA. Such regulatory restrictions limit our financing sources for our projects under development and hence could constrain our ability to obtain financing on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that the required approvals will be granted to us without onerous conditions, or at all. Limitations on foreign debt may adversely affect our business growth, results of operations and financial condition.

Further, under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/ tax clearance certificate from the income tax authority. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

40. Any downgrading of India's debt rating by an independent agency may harm our ability to raise financing.

Any adverse revisions to India's credit ratings international debt by international rating agencies may adversely affect our ability to raise additional overseas financing and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our ability to fund our growth on favourable terms or at all, and consequently adversely affect our business and financial performance and the price of our Equity Shares.

41. The occurrence of natural or man-made disasters could adversely affect our results of operations, cash flows and financial condition. Hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect the financial markets and our business.

The occurrence of natural disasters, including cyclones, storms, floods, earthquakes, tsunamis, tornadoes, fires, explosions, pandemic disease and man-made disasters, including acts of terrorism and military actions including wars amongst nations like the current Russia Ukraine conflict could adversely affect our results of operations, cash flows or financial condition. In addition, any deterioration in international relations, especially between India and its neighbouring countries, may result in investor concern regarding regional stability which could adversely affect the price of the Equity Shares. In addition, India has witnessed local civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse effect on our business.

Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the market price of the Equity Shares.

ISSUE SPECIFIC RISKS

42. Our Company will not distribute the Letter of Offer and Application Form to certain overseas Shareholders who have not provided an address in India for service of documents.

Our Company will dispatch the Letter of Offer, the Abridged Letter of Offer, Rights Entitlement Letter and Application Form (the "Offering Materials") to such Shareholders who have provided an address in India for the service of documents. The Offering Materials will not be distributed to addresses outside India on account of restrictions that apply to the circulation of such materials in various overseas jurisdictions. However, the Companies Act requires companies to serve documents at any address, which may be provided by the members as well as

through e- mail. Presently, there is a lack of clarity under the Companies Act and the rules thereunder, with respect to the distribution of Offering Materials to retail individual shareholders in overseas jurisdictions where such distribution may be prohibited under applicable laws of such jurisdictions.

43. SEBI has by way of circulars dated January 22, 2020, May 6, 2020, January 19, 2021 and October 01, 2021, streamlined the process of rights issues. You should follow the instructions carefully, as stated in such SEBI circulars and in this Letter of Offer.

The concept of crediting Rights Entitlements into the demat accounts of the Eligible Equity Shareholders has recently been introduced by the SEBI. Accordingly, the process for such Rights Entitlements has been recently devised by capital market intermediaries. Eligible Equity Shareholders are encouraged to exercise caution, carefully follow the requirements as stated in the SEBI circulars dated January 22, 2020, May 6, 2020, January 19, 2021, April 22, 2021 and October 01, 2021 and ensure completion of all necessary steps in relation to providing/updating their demat account details in a timely manner. For details, see “Terms of the Issue” on page of 154 of this Draft Letter of Offer.

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI Listing Regulations; or (b) Equity Shares held in the account of IEPF authority; or (c) the demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or (d) credit of the Rights Entitlements returned/reversed/failed; or (e) the ownership of the Equity Shares currently under dispute, including any court proceedings.

44. Failure to exercise or sell the Rights Entitlements will cause the Rights Entitlements to lapse without compensation and result in a dilution of shareholding.

The Rights Entitlements that are not exercised prior to the end of the Issue Closing Date will expire and become null and void, and Eligible Equity Shareholders will not receive any consideration for them. The proportionate ownership and voting interest in our Company of Eligible Equity Shareholders who fail (or are not able) to exercise their Rights Entitlements will be diluted. Even if you elect to sell your unexercised Rights Entitlements, the consideration you receive for them may not be sufficient to fully compensate you for the dilution of your percentage ownership of the equity share capital of our Company that may be caused as a result of the Issue. Renouncee(s) may not be able to apply in case of failure in completion of renunciation through off-market transfer in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee(s) prior to the Issue Closing Date. Further, in case, the Rights Entitlements do not get credited in time, in case of On Market Renunciation, such Renouncee will not be able to apply in this Issue with respect to such Rights Entitlements.

45. You may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. However, any gain realized on the sale of listed equity shares on or before March 31, 2018 on a stock exchange held for more than 12 months was not subject to long term capital gains tax in India if STT was paid on the sale transaction and, additionally, as stipulated by the Finance Act, 2017, STT had been paid at the time of acquisition of such equity shares on or after October 1, 2004, except in the case of such acquisitions of equity shares which are not subject to STT, as notified by the Central Government under notification no. 43/2017/F. No. 370142/09/2017-TPL on June 5, 2017. However, the Finance Act, 2018, has now levied taxes on long-term capital gains arising from sale of equity shares. However, where specified conditions are met, such long-term capital gains are only taxed to the extent they exceed Rs. 100,000.00 and unrealized capital gains earned up to January 31, 2018, continue to be exempt. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short-term capital gains tax in India. Capital gains arising from the sale of the equity shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India’s ability to impose tax

on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the equity Shares.

46. You may not receive the Equity Shares that you subscribe in the Issue until fifteen days after the date on which this Issue closes, which will subject you to market risk.

The Equity Shares that you subscribe in the Issue may not be credited to your demat account with the depository participants until approximately 15 days from the Issue Closing Date. You can start trading such Equity Shares only after receipt of the listing and trading approval in respect thereof. There can be no assurance that the Equity Shares allocated to you will be credited to your demat account, or that trading in the Equity Shares will commence within the specified time period, subjecting you to market risk for such period.

47. There is no guarantee that our Equity Shares will be listed in a timely manner or at all which may adversely affect the trading price of our Equity Shares.

In accordance with Indian law and practice, final approval for listing and trading of the Equity Shares will not be granted by the Stock Exchange until after those Equity Shares have been issued and allotted. Approval will require all relevant documents authorizing the issuing of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on Stock Exchanges. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares. Further, historical trading prices, therefore, may not be indicative of the prices at which the Equity Shares will trade in the future which may adversely impact the ability of our shareholders to sell the Equity Shares or the price at which shareholders may be able to sell their Equity Shares at that point of time.

48. Holders of Equity Shares could be restricted in their ability to exercise pre-emptive rights under Indian law and could thereby suffer future dilution of their ownership position.

Under the Companies Act, 2013, any company incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages prior to the issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the shares voted on such resolution, unless our Company has obtained government approval to issue without such rights. However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without us filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights unless we make such a filing. We may elect not to file a registration statement in relation to pre-emptive rights otherwise available by Indian law to you. To the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares, your proportional interests in us would be reduced.

49. Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may adversely affect the value of our Equity Shares, independent of our operating results.

On listing, our Equity Shares will be quoted in Indian Rupees on the Stock Exchange. Any dividends in respect of our Equity Shares will also be paid in Indian Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time that it takes to undertake such conversion may reduce the net dividend to foreign investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating outside India the proceeds from a sale of Equity Shares, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the proceeds received by equity shareholders. For example, the exchange rate between the Rupee and the U.S. dollar has fluctuated substantially in recent years and may continue to fluctuate substantially in the future, which may adversely affect the trading price of our Equity Shares and returns on our Equity Shares, independent of our operating results.

50. Sale of Equity Shares by our Promoter or other significant shareholder(s) may adversely affect the trading price of the Equity Shares.

Any instance of disinvestments of equity shares by our Promoter or by other significant shareholder(s) may significantly affect the trading price of our Equity Shares. Further, our market price may also be adversely affected even if there is a perception or belief that such sales of Equity Shares might occur.

51. Rights of shareholders under Indian laws may be more limited than under the laws of other jurisdictions.

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as shareholder in an Indian company than as shareholder of a corporation in another jurisdiction.

(The remainder of this page has intentionally been left blank)

SECTION III: INTRODUCTION

THE ISSUE

The Issue has been authorised by way of resolution passed by our Board on February 13, 2024, pursuant to section 62(1)(a) of the Companies Act, 2013 and other applicable provisions. The terms of the Issue including the Record Date and Rights Entitlement Ratio have been approved by a resolution passed by the Board of Directors/ Right issue Committee at their meeting held on [●].

The following is a summary of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, more detailed information in “*Terms of the Issue*” on page 154 of this Draft Letter of Offer.

Rights Equity Shares being offered by our Company	[●] Rights Equity Shares
Rights Entitlement for the Rights Equity Shares	[●] Rights Equity Share for every [●] Equity Shares held on the Record Date
Record Date	[●]
Face Value per Equity Share	₹10 each
Issue Price	₹ [●] per Rights Equity Share (including a premium of ₹ [●] per Rights Equity Share). On Application, Investors will have to pay ₹ [●] per Rights Equity Share, which constitutes 100% of the Issue price including premium.
Issue Size	[●] Equity Shares of face value of ₹ 10 each for cash at a price of ₹ [●] per Rights Equity Share up to an amount of ₹ 4,990 lakhs* * <i>Assuming full subscription</i>
Voting Rights and Dividend	The Equity Shares issued pursuant to this Issue shall rank <i>pari-passu</i> in all respects with the Equity Shares of our Company.
Fractional Entitlement	For Equity Shares being offered on a rights basis under the Issue, if the shareholding of any of the Eligible Equity Shareholders is less than [●] ([●]) Equity Shares or is not in multiples of [●] ([●]), the fractional entitlement of such Eligible Equity Shareholders shall be ignored for computation of the Rights Entitlement. However, Eligible Equity shareholders whose fractional entitlements are being ignored earlier will be given preference in the Allotment of one additional Equity Share each, if such Eligible Equity Shareholders have applied for additional Equity Shares over and above their Rights Entitlement, if any.
Equity Shares issued, subscribed and paid up and outstanding prior to the Issue	30,90,000 Equity Shares issued subscribed and paid-up.
Equity Shares outstanding after the Issue (assuming full subscription for and Allotment of the Rights Equity Shares)	[●] Equity Shares* * <i>assuming full subscription</i>
Security Codes for the Equity Shares	ISIN: INE250S01015 BSE Code: 539762
ISIN for Rights Entitlements	[●]
Terms of the Issue	For details, please see “ <i>Terms of the Issue</i> ” on page 154 of this Draft Letter of Offer.
Use of Issue Proceeds	For details, please see “ <i>Objects of the Issue</i> ” on page 46 of this Draft Letter of Offer.

GENERAL INFORMATION

Our Company was incorporated as Soingtom Tea Co. (1946) Limited under the Companies Act, 1913 at Calcutta on February 26, 1946. The name was changed to Modern Convertors Limited on May 18, 1976 vide a fresh Certificate of Incorporation issued by the Registrar of Companies, West Bengal. The name of the Company was once again changed to its current name, Modern Engineering and Projects Limited on December 03, 2021 vide a fresh Certificate of Incorporation issued by the Registrar of Companies, Kolkata, West Bengal. Our Registered Office has been shifted from the state of West Bengal to Maharashtra vide the Order of the Regional Director dated December 17, 2021 which was registered with Registrar of Companies, Mumbai vide certificate of Registration of Regional Director order for change of state dated April 28, 2022.

Changes in the registered office of our Company

Except as disclosed below, there has been no change in the address of the registered office of our Company since the date of incorporation:

Date of change	Details of change in the registered office
April 08, 2022	Change of the registered office address from 56E, Hemanta Basu Sarani Old 4 BBD Bagh East, Room No: 14A, Kolkata – 700 001, West Bengal to 103/4, Plot 215, Free Press House, FL-10 Free Press Journal Marg, Nariman Point, Mumbai 400 021, Maharashtra

Registered Office of our Company

Modern Engineering and Projects Limited

103/4, Plot 215,

Free Press House, FL-10

Free Press Journal Marg,

Nariman Point,

Mumbai 400 021, Maharashtra

Tel: + 91 22 6666 6007 Fax: N.A

Email cs@mep.ltd

Website: www.mep.ltd

CIN: L01132MH1946PLC381640

Registration Number: 381640

Registrar of Companies

Our Company is registered with the Registrar of Companies, Mumbai, which is situated at the following address:

Registrar of Companies, Mumbai

100, Everest, Marine Drive,

Mumbai-400002, Maharashtra.

Board of Directors of our Company

Set forth below are the details of our Board of Directors as on the date of this Draft Letter of Offer:

Name	Age	Designation	Address	DIN
Sitaram Dhulipala	64	Managing Director	Plot No F-43, Panchavati Township, Opp Road Hari Villu, Manikonda Rajendra Nagar Ragareddi Telangana - 500089	03408989
Vaishali S Mulay	50	Non-Executive Director	3/904, Vasant Lawns, Pokharan Road No-2, Jupiter Hospital, Majiwada, Thane Maharashtra 400601	06444900
Jashandeep Singh	37	Non-Executive Director	House No. 27/C New Lal Bagh Colony Patiala Punjab 147001	02357390
Pandit Sawant	67	Independent Non-Executive Director	Bldg No. 7 -192 Vijay Nagar MAHADA Colony, Govt Colony	06581946

Name	Age	Designation	Address	DIN
			Road, Bandra (East) Mumbai – 400051	
Shivratan Agarwal	40	Independent Non-Executive Director	Room No. A/3, A Wing Shamail Complex Balaji Nagar, Bhayandar West Thane 401101	03496765

For detailed profile of our directors, please refer to the chapter titled “*Our Management*” on page 66 of this Draft Letter of Offer.

Company Secretary and Compliance Officer

Mr Sanjay Jha
103/4, Plot 215,
Free Press House, FL-10
Free Press Journal Marg,
Nariman Point,
Mumbai 400 021, Maharashtra
Tel: + 91 22 6666 6007
Email: cs@mep.ltd

Details of Key Intermediaries pertaining to this Issue:

Registrar to the Company / Issue

Purva Sharegistry (I) Private Limited
9 Shiv Shakti Industrial Estate,
J.R. Boricha Marg, Near Lodha Excelus, Lower Parel (E),
Mumbai, 400011, Maharashtra
Tel No: +91 22 4961 4132 / 3199 8810
Email: newissue@purvashare.com
Website: www.purvashare.com:
Contact Person: Ms Deepali Dhuri
SEBI Registration Number: INR000001112

Legal Advisor to the Issue

RMA Legal
209, Midas, Sahar Plaza Complex
Andheri Kurla Road
Andheri (East)
Mumbai- 400 059
Tel: +91 22 49602645
Email : mumbai@rmalegal.net
Contact Person : Ms Meenakshi Acharya

Statutory and Peer Review Auditor of our Company

M/s. S K Patodia & Associates LLP
Chartered Accountants
Sunil Patodia Tower, J.B. Nagar, Andheri (East),
Mumbai, 400 099 India
Email: info@skpatodia.in
Tel No: +91 – 22-6707 999
Contact Person: Mr Dhiraj Lalpuria
Membership Number : 146268
Firm Registration Number: 112723W/W100962
Peer Review Certificate Number: 014150
Bankers to the Issue/ Refund Bank

[•]

The Banker to the Issue/ the Refund Bank shall be appointed prior to filing of the Letter of Offer.

Designated Intermediaries

Self-Certified Syndicate Banks

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided at the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time. For details on Designated Branches of SCSBs collecting the Application Forms, refer to the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. On Allotment, the amount will be unblocked and the account will be debited only to the extent required to pay for the Rights Equity Shares Allotted.

Inter-se Allocation of Responsibilities

Since there are no lead managers to the Issue, a statement of inter se allocation of responsibilities is not required.

Expert Opinion

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent dated May 24, 2024 from the Statutory Auditors to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations in this Draft Letter of Offer as an “Expert” as defined under Section 2(38) of the Companies Act, 2013 to the extent and in its capacity as an independent Statutory Auditor and in respect of its (i) Restated Audit Report dated May 24, 2024 on our Financial Statements for the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021, and (ii) Statement of Special Tax Benefits dated May 24, 2024 in this Draft Letter of Offer and such consent has not been withdrawn as on the date of this Draft Letter of Offer. However, the term “Expert” shall not be construed to mean an “Expert” as defined under the Securities Act, 1933.

Investor grievances

Investors may contact the Company Secretary and Compliance Officer for any pre-Issue/ post-Issue related matters such as non-receipt of Letters of Allotment/ share certificates/ demat credit/ Refund Orders, etc.

Investors are advised to contact the Registrar to the Issue or our Company Secretary and Compliance Officer for any pre- Issue or post-Issue related problems such as non-receipt of Abridged Letter of Offer/ Application Form and Rights Entitlement Letter/ Letter of Allotment, Split Application Forms, Share Certificate(s) or Refund Orders, etc. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSBs, giving full details such as name, address of the applicant, ASBA Account number and the Designated Branch of the SCSBs, number of Equity Shares applied for, amount blocked, where the Application Form and Rights Entitlement Letter or the plain paper application, in case of Eligible Equity Shareholder, was submitted by the ASBA Investors through ASBA process.

Credit Rating

As this is a Rights Issue of Equity Shares, credit rating is not required.

Debenture Trustees

As this is a Rights Issue of Equity Shares, the appointment of Debenture trustees is not required.

Monitoring Agency

Since the size of the issue is less than Rs.10,000 lacs, under Regulation 82 of the SEBI ICDR Regulations, a monitoring agency is not required to be appointed by our Company.

Filing

SEBI *vide* the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020 has amended Regulation 3(b) of the SEBI ICDR Regulations as per which the threshold of filing of Draft Letter of Offer with SEBI for rights issues has been increased to Rupees fifty crores. Since the size of this Issue falls below this threshold, the Draft Letter of Offer has been filed with the Stock

Exchange and not with SEBI. However, the Letter of Offer will be submitted with SEBI for information and dissemination and will be filed with the Stock Exchange.

Changes in Auditors during the last three years

Except for the following there have been no changes in the auditors during the last 3 years.

Name of Auditor	Address and Email	Date of Appointment cessation	Reason
M/s. S K Patodia & Associates LLP (formerly know as S K Patodia & Associates) Firm Registration Number: 112723W/W100962	Sunil Patodia Tower, J.B. Nagar, Andheri East, Mumbai-400 009 Email: info@skpatodia.in	September 30, 2023	Appointed in place of retiring Auditor
M/s. K K A B & Co. LLP Firm Registration Number: 132029W/W100204	101A, 1 st Floor, Royal Enclave, Parsi Panchyat Road, Andheri East Mumbai – 400069 Email: info@kkab.in	January 05, 2023	Appointed to fill casual vacancy caused due to resignation of Auditor.
M/s. S A R A & Co. Firm Registration Number: 100157W	204, Holar Samaj CHSL, Plot No. 11, Sahyog Nagar, Opp Gyan Kendra School, 4 Bunglows, Andheri West, Mumbai – 400005, Maharashtra Email: sunil@saraco.co.in	December 05, 2022	Resigned due to pre- occupation
M/s. S A R A & Co. Firm Registration Number: 100157W	204, Holar Samaj CHSL, Plot No. 11, Sahyog Nagar, Opp Gyan Kendra School, 4 Bunglows, Andheri West, Mumbai – 400005, Maharashtra Email: sunil@saraco.co.in	July 31, 2021	Appointed as Statutory Auditor
M/s. Ghosh & Ghosh Firm Registration Number: 306020E	25, R. N. Mukharjee Road Kolkata – 700001, West Bengal Email: gpg_143107@bsnl.in	July 31, 2021	Resigned due to pre- occupation

Underwriting Agreement

This Issue is not underwritten, and our Company has not entered into any underwriting arrangement.

Issue Schedule

The subscription will open upon the commencement of the banking hours and will close upon the close of banking hours on the dates mentioned below:

LAST DATE FOR CREDIT OF RIGHTS ENTITLEMENTS	[●]
ISSUE OPENING DATE	[●]
LAST DATE FOR ON MARKET RENUNCIATION OF RIGHTS ENTITLEMENTS #	[●]
ISSUE CLOSING DATE*	[●]
FINALISATION OF BASIS OF ALLOTMENT (ON OR ABOUT)	[●]
DATE OF ALLOTMENT (ON OR ABOUT)	[●]
DATE OF CREDIT (ON OR ABOUT)	[●]
DATE OF LISTING (ON OR ABOUT)	[●]

Eligible Equity shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.

* The Board of Directors or the Rights Issue Committee will have the right to extend the Issue period as it may determine from time to time, provided that the Issue will not remain open in excess of 30 (thirty) days from the Issue Opening Date.

The above schedule is indicative and does not constitute any obligation on our Company. Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two (2) Working Days prior to the Issue Closing Date, i.e., [●] to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date, being [●].

Investors are advised to ensure that the Applications are submitted on or before the Issue Closing Date. Neither our Company nor the Registrar to the Issue will be liable for any loss on account of non-submission of Applications on or before the Issue Closing Date. For details on submitting Application Forms, see “Terms of the Issue” on page 154154 of this Draft Letter of Offer.

Please note that if no Application is made by the Eligible Equity Shareholders of Rights Entitlements on or before Issue Closing Date, such Rights Entitlements shall lapse and shall be extinguished after the Issue Closing Date. No Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the amount paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required to make an Application to apply for Equity Shares offered under Rights Issue for subscribing to the Equity Shares offered under Issue

Minimum Subscription

The objects of this Issue involve: (i) Purchase of Fixed Assets (ii) to meet the working capital requirements of the Company, (iii) for repayment of loans and (ii) general corporate purposes. However, all our Promoters have not undertaken that they will subscribe to the full extent of their Rights Entitlements. Accordingly, in terms of Regulation 86 of the SEBI ICDR Regulations, the requirement of minimum subscription is applicable to this Issue.

(The remainder of this page has intentionally been left blank)

CAPITAL STRUCTURE

The equity share capital of our Company as at the date of this Draft Letter of Offer, and the details of the Equity Shares proposed to be issued in the Issue, and the issued, subscribed and paid up share capital after the Issue, are set forth below:

(₹ Lakhs except share data)

		Aggregate Value at Face Value	Aggregate Value at Issue Price
A	Authorised Share Capital		
	5,31,50,000 Equity Shares of ₹10 each	5,315.00	NA
B	Issued Subscribed and Paid-up Share Capital Before the Issue		
	30,90,000 Equity Shares of ₹10 each	309.00	NA
C	Present Issue in terms of this Draft Letter Of Offer⁽¹⁾		
	Up to [●] Rights Equity Shares, at a premium of ₹[●] per Rights Equity Share, <i>i.e.</i> , at a price of ₹[●] per Rights Equity Share ⁽²⁾	[●]	Up to 4990.00
D	Issued, Subscribed and Paid-Up Share Capital after the Issue⁽³⁾		
	Up to [●] Equity Shares	[●]	
E	Securities Premium Account		
	Before the Issue	Nil	
	After the Issue	[●] ⁽³⁾	

^{(1) & (2)} The present Issue has been authorised vide a resolution passed at the meeting of the Board of Directors dated February 13, 2024.

⁽²⁾ On Application, Investors will have to pay [●] per Rights Equity Share which constitutes 100% of the Issue Price.

⁽³⁾ Assuming full subscription for and Allotment of the Rights Equity Shares.

NOTES TO CAPITAL STRUCTURE

1. Intention and extent of participation by our Promoters and Promoter Group in the Issue:

Pursuant to letter dated February 13, 2024 Our Corporate Promoter Jetra Infrastructure Private Limited and Mr Jashandeep Singh have confirmed that they intend to (i) subscribe, to the full extent of their Rights Entitlements and have also confirmed that they shall not renounce the Rights Entitlements (except to the extent of Rights Entitlements renounced by any of them in favour of other Promoters or other member(s) of our Promoter Group); (ii) subscribe to the Rights Equity Shares for the Rights Entitlements, if any, which are renounced in their favour by any other Promoters or any other member(s) of our Promoter Group, each as may be applicable; and (iii) their intention to apply for and subscribe to additional Rights Equity Shares and to any unsubscribed portion in this Issue, subject to compliance with the minimum public shareholding requirements, as prescribed under the SCRR and the SEBI Listing Regulations, at the time of Allotment. Further Ms. Vaishali Mulay has confirmed that they will subscribe partially to their entitlement and will renounce the balance to persons who belong to the promoter group or outside the promoter group. Mr. Shashikant Bhoge has not given such an undertaking.

2. The ex-rights price of the Rights Equity Shares as per Regulation 10(4)(b) of the SEBI Takeover Regulations is ₹ / [●]- per equity share.
3. Shareholding Pattern of our Company as per the last filing with the Stock Exchange:

The summary statement of the shareholding pattern of our Company as on March 31, 2024, is as follows

Category (I)	Category of Shareholder (II)	No. of Shareholders (III)	No. of fully paid-up Equity Shares held (IV)	No. of Partly paid-up Equity Shares held (V)	No. of shares underlying depositary receipts (VI)	Total No. of shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of Equity Shares (calculated as per SCRR) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			No. of Shares underlying outstanding convertible securities (including warrants)	Shareholding as a % assuming full conversion of convertible securities No. (a)	No. of locked-in Equity Shares (XII)		Number of Equity Shares pledged or otherwise encumbered (XIII)		No. of Equity Shares held in dematerialized form (XIV)
								Class (Equity)	Total	Total as a % of (A+B+C)			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
(A)	Promoter and Promoter Group	4	19,42,211	0	0	19,42,211	62.85	19,42,211	19,42,211	62.85	0	0	0	0	0	0	19,42,211
(B)	Public	384	11,47,789	0	0	11,47,789	37.15	11,47,789	11,47,789	37.15	0	0	0	0	0	0	11,27,314
(C)	Non-Promoter - Non-Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying depositary receipts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by employee trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total		388	30,90,000	0	0	30,90,000	100.00	30,90,000	30,90,000	100.00	0	0	0	0	0	0	30,69,525

i. The statement of the shareholding pattern of our Company as on March 31, 2024 is as follows:

Category of Shareholder	No. of Shareholders	No. of fully paid up Equity Shares held	Total no of Equity Shares held	Shareholding as a % of total no. of Equity Shares (calculated as per SCRR, 1957) As a% of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting rights	Number of Equity Shares held in dematerialized form
(A) Promoter & Promoter Group	4	19,42,211	19,42,211	62.85	19,42,211	62.85	19,42,211
(B) Public	384	11,47,789	11,47,789	37.15	11,47,789	37.15	11,27,314
Grand Total	388	30,90,000	30,90,000	100.00	30,90,000	100.00	30,69,525

ii. Statement showing holding securities of persons belonging to the category Promoters and Promoter Group” as at March 31, 2024:

Category of Shareholder	No. of Shareholders	No. of fully paid up Equity Shares held	Total no of Equity Shares held	Shareholding as a % of total no. of Equity Shares (calculated as per SCRR, 1957) As a% of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	Number of Equity Shares held in dematerialized form
A1) Indian							
a. Individuals/ Hindu Undivided Family	3	12,81,885	12,81,885	41.48	12,81,885	41.48	12,81,885
Vaishali S Mulay		4,27,295	4,27,295	13.83	4,27,295	13.83	4,27,295
Jashandeep Singh		4,27,295	4,27,295	13.83	4,27,295	13.83	4,27,295
Shashikant S Bhoge		4,27,295	4,27,295	13.83	4,27,295	13.83	4,27,295
b. Body Corporates	1	6,60,326	6,60,326	21.36	6,60,326	21.36	6,60,326
Jetra Infrastructure Private Limited		6,60,326	6,60,326	21.36	6,60,326	21.36	6,60,326
Sub- total of A1	4	19,42,211	19,42,211	62.85	19,42,211	62.85	19,42,211
A2) Foreign	-	-	-	-	-	-	-
Sub-total of A2	-	-	-	-	-	-	-
A= A1+ A2	4	19,42,211	19,42,211	62.85	19,42,211	62.85	19,42,211

iii. Statement showing holding of securities of persons belonging to the "public" category as on March 31, 2024:

Category of Shareholder	Nos. of Shareholders	No. of fully paid up Equity Shares held	Total no of Equity Shares held	Shareholding as a % of total no. of Equity Shares (Calculated as per SCRR, 1957) As a% of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	Number of Equity Shares held in dematerialized form
B1) Institutions							
Foreign Portfolio Investors	-	-	-	-	-	-	-
2) Central Government/ State Government(s) / President of India	-	-	-	-	-	-	-
Sub Total B2	-	-	-	-	-	-	-
B3) Non-Institutions							
Individual share capital up to ₹ 2 Lakhs	355	2,63,552	2,63,552	8.53	2,63,552	8.53	2,43,077
Individual share capital in excess of ₹. 2 Lakhs	9	5,09,358	5,09,358	16.48	5,09,358	16.48	5,09,358
Any Other							
IEPF	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-
Non-Resident Indian (NRI)	1	20	20	0.00	20	0.00	20
Clearing Members	-	-	-	-	-	-	-
Bodies Corporate	9	2,51,450	2,51,450	8.14	2,51,450	8.14	2,51,450
HUF	9	1,23,109	1,23,109	3.98	1,23,109	3.98	1,23,109
LLP	1	300	300	0.01	300	0.01	300
Sub-total B3	384	11,47,789	11,47,789	37.15	11,47,789	37.15	11,27,314
B= B1+B2+B3	384	11,47,789	11,47,789	37.15	11,47,789	37.15	11,27,314

iv. Details of shareholders of our Company holding 1% or more of the paid-up capital of the issuer as last disclosed to the stock exchanges: i.e. March 31, 2024:

S. No.	Name of the Shareholders	No. of Equity Shares	% of Pre-Issue Equity Share Capital
1.	Jetra Infrastructure Private Limited	6,60,326	21.36
2.	Vaishali S Mulay	4,27,295	13.82
3.	Jashandeep Singh	4,27,295	13.82

S. No.	Name of the Shareholders	No. of Equity Shares	% of Pre-Issue Equity Share Capital
4.	Shashikant Bhoge	4,27,295	13.82
5.	Durgapur Construction Private Limited	1,50,000	4.85
6.	Mohit Vinodkumar Agarwal	1,08,412	3.51
7.	Alpa Vaibhav Doshi	1,04,000	3.37
8.	Raghav Karol HUF	1,00,000	3.24
9.	Sachin Amrit Nahar	98,970	3.20
10.	Multiplier Share & Stock Advisors Private Limited	95,000	3.07
11.	Pankaj Prasoon	51,300	1.66
12.	Shaily Hiral Jobalia	35,143	1.14
13.	Preeti Bhauka	41,531	1.34

v. *Details of shares locked-in, pledged, encumbrance by the Promoters and the Promoter Group:*

As on date of this Draft Letter of Offer, none of the shares held by the promoter are locked-in, pledged or encumbered

vi. *Details of shares acquired by Promoters and Promoter Group in the last one year immediately preceding the date of filing of this Draft Letter of Offer:*

S. No.	Name of the Promoter and Promoter Group	Number of shares acquired	Mode of Acquisition	Date
NIL				

4. At any given time, there shall be only one denomination of the Equity Shares of our Company.
5. All Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Letter of Offer. For details on the terms of this Issue, see "Terms of the Issue" on page 154 of this Draft Letter of Offer.
6. There are no outstanding options or convertible securities, including any outstanding warrants or rights to convert debentures, loans or other instruments convertible into the Equity Shares as on the date of filing of this Draft Letter of Offer.

(The remainder of this page has intentionally been left blank)

OBJECTS OF THE ISSUE

Objects of the Issue

Our Company proposes to utilize the Net Proceeds towards funding the following Objects:

1. Towards purchase of fixed assets/ Machinery
2. Towards repayment / prepayment of unsecured loan
3. Augmenting our Working Capital Requirements; and
4. General Corporate Purposes.

(Collectively, referred to hereinafter as the “**Objects**”)

We intend to utilize the gross proceeds raised through the Issue (the “**Issue Proceeds**”) after deducting the Issue related expenses (“**Net Proceeds**”) for the abovementioned Objects.

The objects set out in the Memorandum of Association enable us to undertake our existing activities and the activities for which funds are being raised by us through the Issue and the activities for which the borrowings proposed to be repaid in full or part from the Net Proceeds.

Net Proceeds

The details of the proceeds of the Issue are set forth in the following table:

<i>(₹ in lakhs)</i>	
Particulars	Amount
Gross Proceeds from the Issue (upto)	4990.00
Less: Issue related expenses	[•]
Net Proceeds from the Issue	[•]

Requirement of Funds

The details of the Net Proceeds are set forth in the following table:

<i>(₹ in lakhs)</i>	
Particulars	Amount
Purchase of Fixed Assets/ Machinery	545.89
Augmenting our Working Capital requirements	2600.00
Toward Repayment / pre-payment of unsecured loan	597.00
General Corporate Purposes	[•]
Net proceeds from the Issue	[•]

Means of Finance

Our Company proposes to meet the entire requirement of funds for the proposed objects of the Issue from the Net Proceeds. Accordingly, our Company confirms that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Issue.

Schedule of Implementation and Deployment of Funds

Our Company proposes to deploy the entire Net Proceeds towards the Objects as described herein during Fiscals 2024-25 and 2025-26.

The funds deployment described herein is based on management estimates and current circumstances of our business and operations. Given the dynamic nature of our business, we may have to revise our funding requirements and deployment on account of variety of factors such as our financial condition, business strategy, including external factors which may not be within the control of our management. This may entail rescheduling and revising the planned funding requirements and deployment and increasing or decreasing the funding requirements from the planned funding requirements at the discretion of our management. Accordingly, the Net Proceeds of the Issue would be used to meet all or any of the purposes of the funds requirements described herein.

Details of the Objects of the Issue

1. For Purchase of Fixed Assets / Machinery

Our Company proposes to utilize an aggregate amount of ₹ 545.89 Lakhs from the Net Proceeds towards the acquisition of the following machinery which will be used in our ongoing and future projects. The machinery will enhance our operating capacity and ability to execute more orders quickly and with greater precision.

The details of the machinery proposed to be acquired are as under:

Sl.No	Particulars	Qty	Cost per Unit	Date of Quotation	Name of Vendor	Quotation Amount (₹)
1	Ashok Leyland 6*4 Boom Pump – 5750 MM WB Chassis fitted with H Series Diesel Engine	1	36,96,250 plus GST @ 14%	16/04/24	Automotive Manufacturers Private Limited	47,31,200
2	Ashok Leyland 6*4 Tipper – 3900 MM WB Chassis fitted with H Series BS VI Diesel Engine	1	39,32,813 plus GST @ 14%	16/04/2024	Automotive Manufacturers Private Limited	50,34,000
3	Ashok Leyland 6*4 CE2820 – 6*4 – 3900 MM WB Chassis fitted with H Series Diesel Engine	1	42,28,305 plus GST @ 14%	16/04/2024	Automotive Manufacturers Private Limited	49,89,400
4	Putzmeister Concrete Mixer Plant	1	75,35,000	16/04/2024	Putzmeister	75,35,000
5	Sany Concrete Pump Model	1	82,00,000	16/04/2024	Putzmeister	82,00,000
6	Batching Plant	1	1,05,00,000	16/04/2024	Putzmeister	1,05,00,000
7	Boom Pump	1	1,18,00,000	16/04/2024	Putzmeister	1,18,00,000
8	Sany Concrete Pump Model	1	1,00,00,000	16/04/2024	Putzmeister	1,00,00,000
Total						545,89,600

The Orders are yet to be placed for the above machinery.

2. Augmentation of Working Capital requirements of our Company

We fund a majority of our working capital requirements in the ordinary course of business from internal accruals. We propose to utilise ₹ 2600.00 lakhs from the Net Proceeds of the Issue to fund the working capital requirements of our Company in Fiscal Years 2024-25 and 2025-26 as stated in the below table.

Basis of estimation of long-term working capital requirement

The details of Company's working capital as at March 31, 2022 and as at March 31, 2023 and the source of funding, on the basis of restated financial statements, as certified by our Statutory and Peer Review Auditor, M/s S K Patodia & Associates LLP, Chartered Accountants, vide their report dated May24, 2024 are provided in the table below. Further, in light of the incremental business requirements, our Company requires additional working capital for funding its working capital requirements in the Fiscal 2025. The proposed funding of such working capital requirements are as set out in the table below:

Particulars of Assets	2021-22	2022-23	2023-24	2024-25
	Audited	Audited	Provisional	Projected
Current Assets				
Trade Receivables	928.09	1,379.44	2,246.66	5,850.94
Cash and Bank Balances	40.82	169.04	260.42	439.64
Other Current Assets	543.24	525.38	197.24	1,922.45
Total Current Assets (A)	1,512.16	2,073.85	2,704.32	8,213.03
Current Liabilities				
Trade Payables	350.20	1,003.34	2,361.02	2,674.72
Other Current Liabilities & advances	932.89	2,173.09	1,402.86	2,699.96
Total Current Liabilities (B)	1,283.09	3,176.43	3,843.64	5,374.67
Total Working Capital Requirements (A)-(B)	229.06	(1,102.58)	(1,139.32)	2,838.36
Funding Pattern				
i) Fund Based Borrowings	229.06	-	-	-
ii) Internal Accruals/ Other Borrowings	-	-	-	238.36
iii) Rights Issue Proceeds	-	-	-	2,600.00

Assumption for future working capital requirements:

(No. of Days)

Particulars	Holding level as on March 31, 2022 (Audited)	Holding level as on March 31, 2023 (Audited)	Holding level as on March 31, 2024 (Provisional)	Holding level as on March 31, 2025 (Projected)
Current Assets				
Trade Receivables	82	62	71	48
Other Current assets	73	29	14	13
Current Liabilities				
Trade Payables	31	37	66	30
Other Current Liabilities	83	84	70	25

Justification for "Holding Period" levels:

The justifications for the holding levels mentioned in the table above are provided below:

Current Assets	
Trade Receivables	Our Company has assumed the holding levels for trade receivables of 48 days on the basis of the previous holdings for receivables and the market practices
Other Current Assets	Our Company has assumed the holding levels for advances of 14days on the basis of the previous holdings for current assets
Current Liabilities	
Trade Payables	Our trade payables have a direct correlation to our business growth. Holding level for trade payables is assumed as 30 days which is line with the past levels
Other Current Liabilities	Our other current liabilities is line with the past levels

Our Board pursuant to its resolution dated [●] has approved the estimated working capital requirements for Fiscal

year 2025 and the proposed funding of such working capital requirements.

3. Repayment in full or part, of certain identified unsecured loans availed by our Company from promoter and members of the Promoter Group

Our Company proposes to utilize an amount of ₹597 lakhs from the Net Proceeds of the Issue towards part repayment/prepayment, in full or in part, of certain identified unsecured loans availed by our Company from members of the Promoter Group. The loans have been advanced by the Promoters / Directors to meet the working capital needs of the Company.

The following table provides details of the relevant terms of the unsecured loans that have been availed by our Company from the members of the Promoter Group, out of which we may repay/prepay, in full or in part, any or all of its respective loans/facilities, without any obligation to pay/repay any particular lender in priority to the other:

Sr. No.	Name of the Lenders	Principal Amount availed and outstanding as on March 31, 2024	Repayment Terms	Purpose of the Loan*	Amount proposed to be repaid
1.	Jetra Infrastructure Private Limited	347.00	On Demand	Working Capital	347.00
2.	Vaishali Sahebrao Mulay	250.00	On Demand	Working Capital	250.00
	Total	597.00			597.00

* Our Statutory auditors have provided a certificate dated May 24, 2024 confirming the outstanding Unsecured Loan as on the date of this Draft Letter of Offer as ₹ 597.00 Lakhs

Our Company intends to partly or fully repay or pre-pay ₹ [●] lakhs to the Promoters / Promoter Group through this Issue, as per the details mentioned in the above table, and the said amount is proposed to be adjusted against the application money to be received by our Company, for the subscription to the Rights Equity Shares to be allotted in this Issue, from the members of Promoter Group, to the extent of their entitlement, renunciation of entitlement in favour of the members of Promoter Group (if any) as well as Additional Rights Equity Shares to be applied for by the members of Promoter Group (in part or full, as the case may be) in the Issue. Consequently, no fresh Issue proceeds would be received by our Company to such an extent from the promoters.

4. General Corporate Purposes

In terms of Regulation 62(2) of the SEBI ICDR Regulations, the extent of the Issue Proceeds proposed to be used for general corporate purposes shall not exceed 25% of the Gross proceeds of the Issue. Our Board will have flexibility in applying the balance amount towards general corporate purposes, capital expenditure, funding our growth opportunities, including strategic initiatives, meeting expenses incurred in the ordinary course of business including salaries and wages, administration expenses, insurance related expenses, meeting of exigencies which our Company may face in course of business and any other purpose as may be approved by the Board or a duly appointed committee from time to time, subject to compliance with the necessary provisions of the Companies Act.

Our management will have flexibility in utilizing any amounts for general corporate purposes under the overall guidance and policies of our Board. The quantum of utilization of funds towards any of the purposes will be determined by the Board, based on the amount actually available under this head and the business requirements of our Company, from time to time.

Undertaking by our Promoter

Please refer to Page No 15 of this Draft Letter of Offer regarding the intention of the promoters and extent of subscription in the issue.

Interest of Promoters and Directors in the objects of the Issue

None of our Promoter, members of the Promoter Group and Directors have any interest in the objects of the Issue, except to the extent of repayment of the unsecured loan availed from them and no part of the Net Proceeds will be paid by our Company as consideration to our Promoter, Promoter Group, Directors and Key Managerial Personnel of our Company.

Issue Related Expenses

The Issue related expenses include, among others, fees to various advisors, printing and distribution expenses, advertisement expenses and registrar and depository fees. The estimated Issue related expenses are as follows:

Particulars	Amount* (Rs. In Lakhs)	As a percentage of total expenses*	As a percentage of Issue size*#
Fees of the Bankers to the Issue, Advisors, Registrar to the Issue, Legal Advisor, Auditor's fees, including out of pocket expenses etc.	[●]	[●]	[●]
Expenses relating to advertising, printing, distribution, marketing and stationery expenses	[●]	[●]	[●]
Regulatory fees, filing fees, listing fees and other miscellaneous expenses	[●]	[●]	[●]
Total estimated Issue expenses[^]	[●]	[●]	[●]

* Subject to finalisation of Basis of Allotment. In case of any difference between the estimated Issue related expenses and actual expenses incurred, the shortfall or excess shall be adjusted with the amount allocated towards general corporate purposes. All Issue related expenses will be paid out of the Gross Proceeds received at the time of receipt of the subscription amount to the Rights Equity Shares.

The amount utilized as on date of the Letter of Offer towards Issue expenditure is ₹ [●] Lakhs as certified by duly certified by the Statutory auditor S K Patodia & Associates LLP dated May 24, 2024 [●].

[^]Excluding taxes

#Assuming full subscription.

Interim use of funds

Our Company, in accordance with the policies established by our Board from time to time, will have the flexibility to deploy the Net Proceeds. Pending utilization for the purposes described above, our Company intends to temporarily deposit the funds in the scheduled commercial banks included in the second schedule of Reserve Bank of India Act, 1934 as may be approved by our Board of Directors. Our Company confirms that pending utilization of the Net Proceeds for the Objects of the Issue, our Company shall not use the Net Proceeds for any investment in the equity markets.

Appraisal and Bridge Financing Facilities

Our Company has not raised any bridge loan from any bank or financial institution as on the date of the Letter of Offer, which are proposed to be repaid from the Net Proceeds.

Monitoring of utilization of funds

Since the Issue is for an amount not exceeding ₹ 10,000 lakhs, in terms of Regulation 82(1) of the SEBI ICDR Regulations, our Company is not required to appoint a monitoring agency for the purposes of the Issue. As required under the SEBI Listing Regulations, the Audit Committee appointed by the Board shall monitor the utilization of the proceeds of the Issue. We will disclose the details of the utilization of the Net Proceeds of the Issue, including interim use, under a separate head in our financial statements specifying the purpose for which such proceeds have been utilized or otherwise disclosed as per the disclosure requirements.

As per the requirements of Regulations 18 of the SEBI Listing Regulations, we will disclose to the Audit Committee the statement of uses/ applications of funds on a quarterly basis as part of our quarterly declaration of results. Further, on an annual basis, we shall prepare a statement of funds utilized for purposes other than those stated in the Letter of Offer and place it before the Audit Committee. The said disclosure shall be made till such time that the Gross Proceeds raised through the Issue have been fully spent. The statement shall be certified by our Auditor.

Further, in terms of Regulation 32 of the SEBI Listing Regulations, we will furnish to the Stock Exchange on a quarterly basis, a statement indicating material deviations, if any, in the use of proceeds from the objects stated in the Letter of Offer. Further, this information shall be furnished to the Stock Exchange along with the interim or annual financial results submitted under Regulations 33 of the SEBI Listing Regulations and be published in the newspapers simultaneously with the interim or annual financial results, after placing it before the Audit Committee in terms of Regulation 47 of the SEBI Listing Regulations.

Bridge Financing Facilities

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Letter of Offer, which are proposed to be repaid from the Issue Proceeds.

Other Confirmations

No part of the Net Proceeds will be paid by our Company as consideration to our Promoter and Promoter Group, Directors, Key Managerial Personnel of our Company, except for the part of the Net Proceeds that will be utilized towards the repayment/prepayment of certain unsecured loans availed by our Company from the Promoter Group members and payments made in the ordinary course of business, there are no material existing or anticipated transaction.

(The remainder of this page has intentionally been left blank)

STATEMENT OF TAX BENEFITS

Date: May 24, 2024

To,

The Board of Directors
Modern Engineering and Projects Limited
103/4, Plot 215, Free Press House,
FL-10 Free Press Journal Marg,
Nariman Point, Mumbai 400 021
Maharashtra

Dear Sirs,

Sub: Proposed Rights Issue (the “Issue”) of equity shares of face value of ₹ 10 each (the “Equity Shares”) of Modern Engineering and Projects Limited (the “Company”).

We, S K Patodia & Associates LLP, Chartered Accountants, hereby report that the enclosed Statement prepared by the Company states the possible special tax benefits available to the Company and to the shareholders of the Company under the Income-tax Act, 1961 and Income tax Rules, 1962 including amendments made by Finance Act 2024 (hereinafter referred to as “Income Tax Laws”), the Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, Customs Act, 1962, Customs Tariff Act, 1975 as amended, the rules and regulations there under, Foreign Trade Policy, presently in force in India, as on the signing date, for inclusion in the Draft Letter of Offer and Letter of Offer for the proposed rights issue of the Company to the existing shareholders. These benefits are dependent on the Company or the shareholders of the Company fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company or the shareholders of the Company to derive the special tax benefits is dependent upon fulfilling such conditions, which is based on business imperatives the Company may face in the future and accordingly, the Company or the shareholders of the Company may or may not choose to fulfill.

The benefits discussed in the enclosed Statement cover only special tax benefits available to the Company, and to the shareholders of the Company and are not exhaustive and also do not cover any general tax benefits available to the Company. Further, any benefits available under any other laws within or outside India have not been examined and covered by this Statement.

Further, the preparation of the enclosed Statement and its contents was the responsibility of the management of the Company. We were informed that this Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed Issue.

We have conducted our examination in accordance with the “Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)” (“**Guidance Note**”) issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India. We have also complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

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

- the Company or the shareholders of the Company will continue to obtain these benefits in future; or
- the conditions prescribed for availing the benefits, where applicable, have been / would be met with.

The contents of the enclosed Statement are based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company. Our views expressed herein are based on the facts and assumptions indicated to us. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to the Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this Statement.

We hereby confirm that the aforesaid information is true, complete and not misleading. We consent to the inclusion of the above information in the Draft Letter of Offer and Letter of Offer ("**Offer Documents**") to be filed by the Company with the Stock Exchanges, the Securities and Exchange Board of India, and any other authority and such other documents as may be prepared in connection with the Issue.

The aforesaid information contained herein and annexures to this certificate may be relied upon by the Advisor to the Issue and legal counsels appointed pursuant to the Issue and may be submitted to the stock exchanges, the Securities and Exchange Board of India, and any other regulatory or statutory authority in respect of the Issue and for the records to be maintained by the Advisor to the Issue in connection with the Issue.

We undertake to immediately inform the Advisor to the Issue and legal counsels in case of any changes to the above, intimated to us by the management, until the date when the Equity Shares issued pursuant to the Issue commence trading on the stock exchanges. In the absence of any such communication, you may assume that there is no change in respect of the matters covered in this certificate.

Capitalized terms used herein, unless otherwise specifically defined, shall have the same meaning as ascribed to them in the Offer Documents.

Yours Sincerely,

For S K Patodia & Associates LLP,
Chartered Accountants
Firm Registration Number: 112723W/W100962

Dhiraj Lalpuria
Partner
Membership Number: 146268
UDIN: 24146268BKCSNH7663

Encl: Annexure A

Annexure 1

There are no special tax benefits available to company

Note - The Company incorporated in India have adopted for taxation under section 115 BAA of the Income Tax Act, 1961 for previous year 2022-23 and subsequent years. The effective tax rate under section 115 BAA is 25.17% (including surcharge and cess)

SECTION IV: ABOUT OUR COMPANY

INDUSTRY OVERVIEW

The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither We or any of our or their respective affiliates or advisors nor any other person connected with Issue have verified this information. The data may have been re-classified by us for the purposes of presentation. The information may not be consistent with other information compiled by third parties within or outside India. Industry sources and publications generally state that the information contained therein has been obtained from sources it believes to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed, and their reliability cannot be assured. Industry and government publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry and government sources and publications may also base their information on estimates, forecasts and assumptions which may prove to be incorrect.

Before deciding to invest in the Equity Shares, prospective investors should read this entire Letter of Offer, including the information in the sections "Risk Factors" and "Financial Information" on pages 18 and 78 of this Draft Letter of Offer respectively. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with an investment in the Equity Shares, please see the section 'Risk Factors' on page 18 of this Draft Letter of Offer. Accordingly, investment decisions should not be based on such information.

Indian Economy



Strong economic growth in the first quarter of FY 2022-23 helped India overcome the UK to become the fifth-largest economy after it recovered from repeated waves of COVID-19 pandemic shock. Real GDP in the first quarter of 2022–23 is currently about 4% higher than its corresponding 2019-20, indicating a strong start for India's recovery from the pandemic. Given the release of pent-up demand and the widespread vaccination coverage, the contact-intensive services sector will probably be the main driver of development in 2022–2023. Rising employment and substantially increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.

Future capital spending of the government in the economy is expected to be supported by factors such as tax buoyancy, the streamlined tax system with low rates, a thorough assessment and rationalisation of the tariff structure, and the digitization of tax filing. In the medium run, increased capital spending on infrastructure and asset-building projects is set to increase growth multipliers, and with the revival in monsoon and the Kharif sowing, agriculture is also picking up momentum. The contact-based services sector has largely demonstrated promise to boost growth by unleashing the pent-up demand over the period of April-September 2022. The sector's success is being captured by a number of HFIs (High-Frequency Indicators) that are performing well, indicating the beginnings of a comeback.

India has emerged as the fastest-growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships.

The Infrastructure Industry – Introduction

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 Mr. 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.

Infrastructure support to the nation's manufacturers also remains one of the top agendas as it will significantly transform goods and exports movement making freight delivery effective and economical.

The "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.

The infrastructure sector is a key driver of the Indian economy. The sector is highly responsible for propelling India's overall development and enjoys intense focus from the Government for initiating policies that would ensure the time-bound creation of world-class infrastructure in the country. The infrastructure sector includes power, bridges, dams, roads, and urban infrastructure development. In other words, the infrastructure sector acts as a catalyst for India's economic growth as it drives the growth of the allied sectors like townships, housing, built-up infrastructure, and construction development projects.

To meet India's aim of reaching a US\$ 5 trillion economy by 2025, infrastructure development is the need of the hour. The government has launched the National Infrastructure Pipeline (NIP) combined with other initiatives such as 'Make in India' and the production-linked incentives (PLI) scheme to augment the growth of the infrastructure sector. Historically, more than 80% of the country's infrastructure spending has gone toward funding for transportation, electricity, and water, and irrigation.

While these sectors still remain the key focus, the government has also started to focus on other sectors as India's environment and demographics are evolving. There is a compelling need for enhanced and improved delivery across the whole infrastructure spectrum, from housing provision to water and sanitation services to digital and transportation demands, which will assure economic growth, increase quality of life, and boost sectoral competitiveness.

MARKET SIZE

In Budget 2023-24, capital investment outlay for infrastructure is being increased by 33% to Rs.10 lakh crore (US\$ 122 billion), which would be 3.3 per cent of GDP. As per the Union Budget 2023-24, a capital outlay of Rs. 2.40 lakh crore (US\$ 29 billion) has been provided for the Railways, which is the highest ever outlay and about 9 times the outlay made in 2013-14.

Starting with 6,835 projects, the NIP project count now stands at 9,142 covering 34 sub-sectors, as per news reports. Under the initiative, 2476 projects are under the development phase with an estimated investment of US\$ 1.9 trillion. Nearly half of the under-development projects are in the transportation sector, and 3,906 are in the roads and bridges sub-sector.

The Indian Railways expects to complete total revenue of Rs. 2,64,500 crore (US\$ 31.81 billion) by the end of 2023-24.

India's Logistics Market is estimated to be US\$ 435.43 billion in 2023 and is expected to reach US\$ 50.52 billion by 2028, growing at a CAGR of 8.36%.

India intends to raise its ranking in the Logistics Performance Index to 25 and bring down the logistics cost from 14% to 8% of GDP, leading to a reduction of approximately 40%, within the next five years.

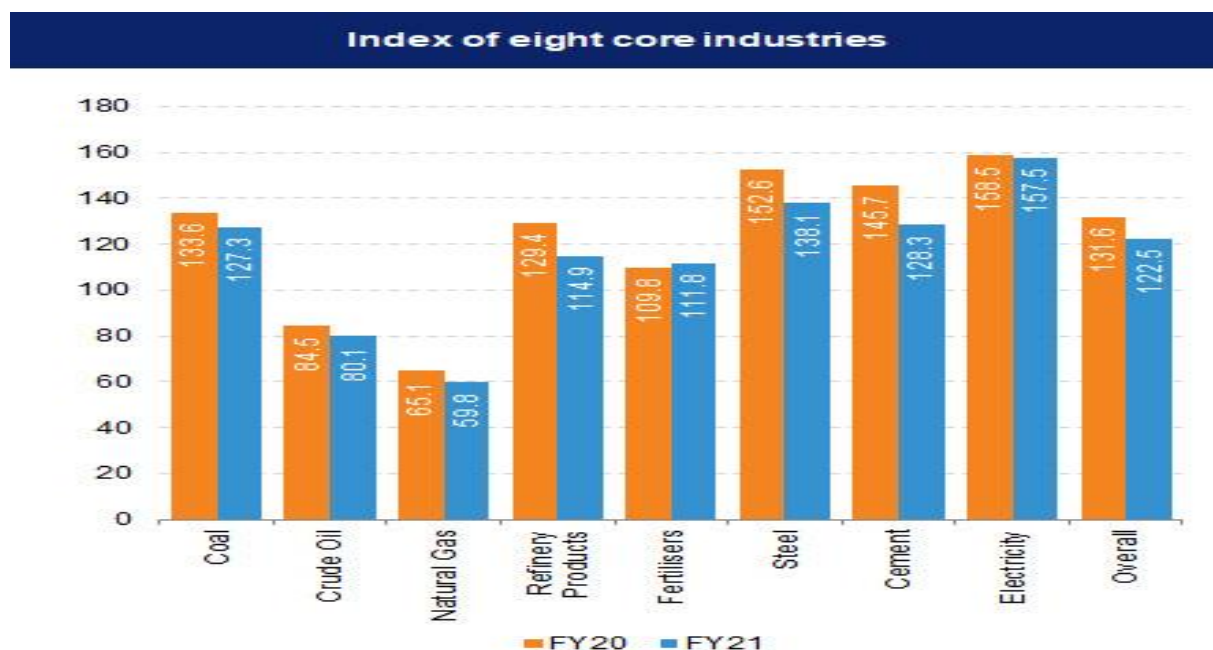
In December 2022, AAI and other Airport Developers have targeted capital outlay of approximately Rs. 98,000 crore (US\$ 11.8 billion) in airport sector in the next five years for expansion and modification of existing terminals, new terminals and strengthening of runways, among other activities.

India currently has the fifth-largest metro network in the world and will soon overtake advanced economies such as Japan and South Korea to become the third-largest network. Metro rail network reached 810 kms and is operational in 20 cities as of September 2022.

At almost 20 kms, Mumbai monorail is the third largest route in the world after China with 98 kms and Japan with 28 kms.

India plans to spend US\$ 1.4 trillion on infrastructure through ‘National Infrastructure Pipeline’ in the next five years. In FY21, infrastructure activities accounted for 13% share of the total FDI inflows of US\$ 81.72 billion. India will need to construct 43,000 houses every day until 2022 to achieve the vision of Housing for All by 2022. As of August 22, 2022, 122.69 lakh houses have been sanctioned, 103.01 lakh houses have been grounded, and 62.21 lakh houses have been completed, under the Pradhan Mantri Awas Yojna scheme (PMAY-Urban).

Hundreds of new cities need to be developed over the next decade. Over the next 10 years, demand for urban freight is predicted to increase by 140%. Final-mile freight transit in Indian cities accounts for 50% of the total logistics expenditures in the country's increasing e-commerce supply chains. India is expected to become the third-largest construction market globally by 2022. Indian logistics market is estimated to touch US\$ 320 billion by 2025. The overall infrastructure capex is estimated to grow at a CAGR of 11.4% over 2021-26 driven by spending on water supply, transport, and urban infrastructure. Investment in infrastructure contributed around 5% of the GDP in the tenth five-year plan as against 9% in the eleventh five-year plan. Further, US\$ 1 trillion investment in infrastructure was proposed by the India’s planning commission during the 12th five-year plan, with 40% of the funds coming from the private sector.



Government Initiatives

- Under Budget 2023-24:
 - Capital investment outlay for infrastructure is being increased by 33% to Rs.10 lakh crore (US\$ 122 billion), which would be 3.3 per cent of GDP and almost three times the outlay in 2019-20.

- In recent years, there has been a substantial increase in the pace of construction of national highways, from an average of 12 kilometres per day in 2014-15 to around 29 kilometres per day in 2021-22.
- As per the Union Budget 2023-24, a capital outlay of Rs. 2.40 lakh crore (US\$ 29 billion) has been provided for the Railways, which is the highest ever outlay and about 9 times the outlay made in 2013-14.
- Infrastructure Finance Secretariat is being established to enhance opportunities for private investment in infrastructure that will assist all stakeholders for more private investment in infrastructure, including railways, roads, urban infrastructure, and power.
- The Government has decided to continue 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).
- 100 critical transport infrastructure projects, for last and first mile connectivity for ports, coal, steel, fertilizer, and food grains sectors have been identified and will be taken up on priority with investment of Rs. 75,000 crore (US\$ 9 billion), including Rs. 15,000 crore (US\$ 1.8 billion) from private sources.
- 50 additional airports, heliports, water aerodromes and advance landing grounds will be revived for improving regional air connectivity.
- An Urban Infrastructure Development Fund (UIDF) will be established through use of priority sector lending shortfall, which will be managed by the National Housing Bank, and will be used by public agencies to create urban infrastructure in Tier 2 and Tier 3 cities.
- States will be encouraged to leverage resources from the grants of the 15th Finance Commission, as well as existing schemes, to adopt appropriate user charges while accessing the UIDF.

INVESTMENTS

- FDI in construction development (townships, housing, built-up infrastructure and construction development projects) and construction (infrastructure) activity sectors stood at US\$ 26.42 billion and US\$ 32.08 billion, respectively, between April 2000-September 2023.
- In January 2023, the Construction arm of Larsen & Toubro has secured orders for its power transmission & distribution and buildings & factories businesses to establish a 112.5MW Solar Power Plant in West Bengal and to construct a 600-bed super specialty hospital at Mumbai, respectively.
- Larsen & Toubro (L&T) to form L&T Green Energy Council, a think-tank comprising of eminent thought leaders, in a significant step towards building a global green energy business.
- In August 2023, Bharat Heavy Electricals Ltd. (BHEL) and Greenstat Hydrogen India Pvt. Ltd. (GHIPL) signed an MoU for 'Potential Collaboration Opportunities in Green Hydrogen and Derivatives in the Hydrogen Value Chain'. This MoU will help in contributing towards the country's 'National Hydrogen Mission' aimed at making India 'AatmaNirbhar' in this area.
- In December 2022, BHEL formed a consortium with Titagarh Wagons and is among five entities which have bid for the mega Rs. 58,000 crore (US\$ 7 billion) contract to manufacture 200 Vande Bharat trains and maintaining them for the next 35 years.
- In December 2022, Mr. Nitin Gadkari, Minister of Road Transport and Highways inaugurated and laid foundation stone of 8 National Highway projects of 226 km length worth Rs. 1800 crore (US\$ 217.4 million) at Igatpuri, Nashik, Maharashtra.
- In December 2022, Mr. Nitin Gadkari, Minister of Road Transport and Highways inaugurated 7 National Highway projects worth Rs. 2,444 crore (US\$ 295 million) with total length of 204 km in Rewa, Madhya Pradesh.

- In November 2022, Prime Ministry of India laid the foundation stone of various road projects worth over Rs. 2200 crore (US\$ 2.6 billion), namely Medak-Siddipet-Elkathurthy section of NH-765DG; Bodhan-Basar-Bhainsa section of NH-161BB; Sironcha to Mahadevpur Section of NH-353C in Telangana.
- In November 2022, Mr. Nitin Gadkari, Minister of Road Transport and Highways inaugurated the construction of 3.8 km long 4-lane elevated structure flyover at Ahmednagar, Maharashtra on National Highway-61 at a cost of Rs. 331.17 crore (US\$ 40 million).
- In October 2022, Prime Ministry of India laid the foundation of road and ropeway projects worth more than Rs. 3,400 crore (US\$ 410 million) in Mana, Uttarakhand.
- In October 2022, National Highways Infra Trust (NHAI InvIT), the infrastructure investment trust sponsored by National Highway Authority of India (NHAI) to support Government of India's National Monetization Pipeline, has raised a sum of Rs. 1,430 crore (US\$ 172.6 million) from domestic and international investors through placement of its units, for part funding its acquisition of three additional road projects from NHAI.
- As many as 52 critical infrastructure gap projects identified by MoPSW for connecting maritime ports and IWTs (Inland Waterway Terminals) to be taken up under PM Gati Shakti National Master Plan. Currently, DPR of total 56 projects (including 11 IWT projects) under this category with total of 1,215 km length are under bidding stage for the feasibility assessment of these projects, which is being carried out by NHAI.
- In August 2022, Mr. Nitin Gadkari, Minister of Road Transport and Highways laid foundation stone of six NH projects worth Rs. 2,300 crore (US\$ 287.89 million) in Indore, Madhya Pradesh.
- In June 2022 Mr. Nitin Gadkari, Minister of Road Transport and Highways inaugurated 15 National Highway projects in Patna and Hajipur in Bihar worth Rs. 13,585 crore (US\$ 1.75 billion)
- In March 2022, Mr. Nitin Gadkari, Minister of Road Transport and Highway inaugurated 19 National Highway projects in Haryana and Rajasthan totaling Rs. 1,407 crore (US\$ 183.9 million).
- The government expanded the 'National Infrastructure Pipeline (NIP)' to 9,335 projects. 217 projects worth Rs. 1.10 lakh crore (US\$ 15.09 billion) were completed as of 2020.

THE ROAD AHEAD

India must 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.

The government has also suggested an investment of \$750 billion to strengthen railway infrastructure and envisioned the Maritime India Vision 2030 which estimates massive investments in world-class infrastructure development at Indian ports.

Global investment and partnerships in infrastructure, such as the India-Japan forum for development in the Northeast are also indicative of more investments. These initiatives come at a momentous juncture as the country aims for self-reliance in future-ready and sustainable critical infrastructure.

India, it is estimated, 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 divide 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.

The residential sector has witnessed good sales, and launches have also shown signs of an uptick during 2022, total sales in the top-7 cities was projected to exceed 360,000 units in 2022.

Civil Aviation Ministry's "Vision 2040" report states that there will be 190-200 functioning airports in India by 2040. Delhi and Mumbai will have three international airports each, while top 31 Indian cities will have two operational airports each.

220 destinations (airports/heliports/water aerodromes) under UDAN are targeted to be completed by 2026 with 1000 routes to provide air connectivity to unconnected destinations in India.

102 critical projects under the Gati Shakti masterplan worth \$7.67 billion 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 because 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. India 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 Rs. 5,000,000 crore (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.

Note: Conversion rate used for November 2023 is Rs. 1 = US\$ 0.012

References: Media Reports, Press releases, National Infrastructure Pipeline, Union Budget 2023-24, Ministry of Commerce and Industry

(Source : <https://www.ibef.org/industry/infrastructure-sector-india>)

OUR BUSINESS

Some of the information in this section, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. Before deciding to invest in the Equity Shares, Shareholders should read this entire Draft Letter of Offer. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with investment in the Equity Shares, you should read “Risk Factors” on page 18 of this Draft Letter of offer, , for a discussion of the risks and uncertainties related to those statements, as well as “Financial Information” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 78 and 126 respectively of this Draft Letter of Offer, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Unless otherwise stated, the financial information used in this section is derived from our Restated Financial Statements.

Modern Engineering and Projects Limited (“**Company**” or “**Issuer**”) was incorporated as Singtom Tea Co. (1946) Limited under the Companies Act, 1913 at Calcutta on February 26, 1946. The name was changed to Modern Convertors Limited on May 18, 1976 vide a fresh Certificate of Incorporation issued by the Registrar of Companies, West Bengal. The name of the Company was once again changed to its current name Modern Engineering and Projects Limited on December 03, 2021 vide fresh Certificate of Incorporation issued by the Registrar of Companies, Kolkata, West Bengal. Our Registered Office has been shifted from the state of West Bengal to Maharashtra vide the Order of the Regional Director dated December 13, 2021 which was Registered with Registrar of Companies, Mumbai vide Certificate of Registration of Regional Director order for change of State dated April 28, 2022.

The current promoters of the Company, pursuant to a Share Purchase Agreement entered into with the erstwhile promoters/ members of the promoter group on February 03, 2021 acquired control of the Company after making an open offer to the public shareholders under the SEBI (SAST) Regulations, in the year 2021.

Our Company further altered its Object Clause to enable the Company to carry on the activities of infrastructure and construction business, on account of the experience of the new management in large scale infrastructure sector. The Equity Shares of our Company are listed on the BSE.

Our Business

Our Company’s business operations are in the Infrastructure Sector with key focus on infrastructure construction, engineering, and other allied activities. We offer competitive business solutions in the areas of transportation engineering, civil construction and other allied works under the Build, Operate and Transfer (BOT), Hybrid Annuity Mode (HAM) model, Engineering, Procurement and Construction (EPC).

Our range of services includes engineering design, planning and estimation of a project, market studies, feasibility report preparation, project management services, architectural and construction engineering services, project commissioning, operations and maintenance, and special advisory services. Leveraging our proficiency in providing end-to-end infra-engineering consultancy solutions for complex and challenging projects across diverse sectors, we equip our clients with the necessary tools for success and growth.

Our company is presently engaged in the construction of large-scale infrastructure. Our focus area includes Civil Construction. We offer a well-diversified portfolio of road construction projects that helps connect key cities and corridors in India. Leveraging technology, world-class equipment and a competent team helps drive operational efficiency for fulfilling our vision of creating last-mile connectivity to aid India’s development.

We are dedicated in providing innovative and sustainable solutions that address the unique needs and challenges of our clients. Our team of experts is committed to delivering exceptional results through efficient project management, cutting-edge technology, and a customer-centric approach are dedicated to providing innovative and sustainable solutions that address the unique needs and challenges of our clients. Our team of experts is committed to delivering exceptional results through efficient project management, cutting-edge technology, and a customer-centric approach

Financial and Operational Performance

Set out below is a summary of our Restated financial and operational performance, for the periods indicated.

Particulars*	As at and for the nine month period ended December 31, 2023 Unaudited, Reviewed	As at and for the financial year ended March 31,		
		2023	2022	2021
Revenue from operations (<i>₹ Lakhs</i>)	5,247.79	6,756.11	2,075.60	7.49
EBITDA (<i>₹ Lakhs</i>)	518.78	(156.40)	(366.29)	(6.62)
EBITDA Margin (%)	9.89	(2.31)	(17.65)	(88.38)
Profit for the year (<i>₹ Lakhs</i>)	201.59	(252.77)	(455.61)	(4.25)
Net Profit Margin (%)	3.84	(3.74)	(21.95)	(56.74)
RoCE (%)	-	(66.15)	(54.71)	(2.30)
RoEquity (%)	-	92.61	(573.37)	(2.77)
Borrowings (<i>₹ Lakhs</i>)	-	612.20	713.83	0.00
Current Ratio	-	0.65	1.19	23.94
Receivables Turnover Ratio	-	5.86	4.47	-

Our Business Strategy

1. Embracing Innovation and Technology

We embrace innovation and technology to develop cutting edge solutions that address our projects' needs and challenges more efficiently and sustainably.

2. Safety

We prioritize safety in our operations by implementing rigorous safety protocols and imparting training to our employees to ensure that we maintain a safe work environment for all the stakeholders.

3. Collaboration

We intend to enter into Joint Ventures or collaborations with other companies based on synergies and we intend to pursue more opportunities in the future and participate in the tendering processing for government projects. With this approval we intend to expand our footprint in the Indian market in a most efficient manner.

Capacity and Capacity Utilisation

Our business is project specific and not of the nature of a manufacturing concern currently with focus on infrastructure projects and infrastructure engineering with no specified installed capacity. Hence, capacity and capacity utilization is not applicable to us currently.

Our Major Customers

The following is the revenue breakup on restated basis of the top five and top ten customers of our Company for the Fiscal 2023 is as follows:

Particulars	Fiscal 2023	
	Amount	Percentage (%)
Top 2 customers	6756.11	100%

(*₹ in lacs*)

Plant and Machinery

We do not own any plant and machinery as on date of this Draft Letter of Offer:

Utilities:

Power

Our Company meets its power requirements at our registered office from the Brihanmumbai Electric Supply and Transport undertaking and project sites from Torrent Power Limited. The same is sufficient for our day to day functioning.

Water

Our Registered office and corporate office have adequate water supply arrangements for human consumption purpose.

Waste Management

Since we are in the development of infrastructure, we do not generate any waste or waste products.

Joint Ventures

We have the following joint ventures:

1. MEIPDL - MCL Joint Venture

We have entered into a joint venture with MEP Infrastructure Developers Limited for the eight laning of the existing 4 lane road from Km 539.202 to Km 563 section of NH 3 (new National Highway 848), a distance of 23.800 kilometres to be executed on Engineering, Procurement, Construction (EPC) to be executed on a Hybrid Annuity Mode in the state of Maharashtra. The project cost is estimated to be ₹1,18,287.00 lakhs.

2. Aquatech – MEPL JV

We have entered into a joint venture with Aquatech Solutions Private Limited for the execution of the Khopoli Underground Sewerage Scheme for the Khopoli Municipal Council, Maharashtra State for a total cost of ₹ 9153.17 lakhs plus GST. Aquatech Solutions has won this contract from Khopoli Municipal Council and has agreed to sublet 100% of the work to the Joint Venture. The project involves the construction of 39 km Underground Sewage network, pumping station and Sewage Treatment Plant of 13MLD Capacity. Our Company is required to pump in working capital up to Rs.1000 lakhs. The share of our Company in this Joint Venture is 50% and that of Aquatech Solutions Private Limited is 50%.

3. Aquatech – MEPL Nashik JV

We have entered into an agreement with Aquatech Solutions Private Limited and formed in the name and style of Aquatech - MEPL Nashik JV (in the form of AOP) for Joint development /execution of work of Design, Construction, Supply, Erection, Testing, Commissioning, Startup and Performance run of 3 Months followed up by Operation & Maintenance (O & M) of 60 Months for 11.5 MLD Capacity Sewage Treatment Plant (STP), 29.5 MLD Tertiary Treatment Plant and 1.65 MLD Treated water sump, pump house and allied electro mechanical works for reuse and recycle of tertiary treated STP Water. The cost of the project is ₹ 4620.26 Lakhs plus GST. The share of our Company in this Joint Venture is 50% and that of Aquatech Solutions Private Limited is 50%.

Subsidiary

We do not have any subsidiary currently.

Corporate Social Responsibility

We as a responsible corporate citizen are committed to take up different developmental projects, as part of our Corporate Social Responsibility (“CSR”) initiatives towards improving the quality of lives of the underprivileged sections of the society and other stakeholders. The provisions of Section 135 of the Companies Act, 2013 regarding Corporate Social Responsibility are not applicable to us.

Insurance

We have obtained certain policies such as standard fire and special perils policy etc. These policies insure our plant and machinery, stock, building, furniture, fittings, electrical installation, office equipment, any other office contents from earthquake, fire, shock, terrorism, etc. There can be no assurance that our insurance policies will be adequate to cover the losses which we may incur due to the occurrence of an accident or a mishap.

Marketing

The company currently operates without a formal marketing policy or a dedicated marketing team. This approach is rooted in the fact that our primary clientele predominantly consists of government contractors and other road construction firms. Given our established presence in this niche, there is currently no imperative for us to engage in extensive marketing efforts to secure additional business. Our existing business model thrives on long-standing relationships and partnerships within the government contracting and road construction sector. These connections have proven to be robust and consistent sources of work, rendering the need for an active marketing strategy redundant.

Human Resources

We believe that our employees are key contributors to our business success. We have developed a pool of skilled and experienced personnel. As of December 31, 2023, we had an employee base of 13 employees. The following table sets forth a breakdown of our employees by function-

Category	Number of employees
Management	2
HR& Administration	3
Accounts	1
Secretarial	1
Other	6
Total	13

INTELLECTUAL PROPERTY RIGHTS

Trademark

We do not have any registered trademark. Our logo is also not registered.

Competition

Our Industry being a large and global industry, we face competition from various domestic and international players. The industry which we cater to is highly competitive, unorganized and fragmented with many small and medium - sized companies and entities and we compete with organized as well as unorganised sector on the basis of availability of range of services. Further most of our competitors in the regional level are from the unorganized sector of the industry. We intend to continue competing vigorously to capture more market share and manage our growth in an optimal way.

Health Safety and Environment

We aim to comply with applicable health and safety regulations and other requirements in our operations. We have implemented work safety measures to ensure a safe working environment, such measures include general guidelines for health and safety at our offices and warehouses, accident reporting, wearing safety equipment and maintaining clean and orderly work locations. Our health, safety and environment policy is to:

- Manage and maintain health, safety and ergonomics at the workplace.
- Prevent incidents and occupational health hazards.
- Follow a documented emergency evacuation procedure and communication protocol.
- Have regular interaction with employees regarding matters affecting their health and safety.
- To ensure adequate ventilation and illumination for a safe and ergonomic workplace.
- Efficient use of water and energy.
- To review and revise policy regularly.

Our Immovable Properties

We own several land parcels in the state of Maharashtra which we have acquired for the purpose of project development. We carry out business operations from the following properties:

a) *Leasehold/Rental property:*

Sr. no.	Details of the Deed/Agreement	Particulars of the property, description and area	Consideration	Usage
1.	Leave and licence agreement dated April 07, 2021 for 5 years with Ms Manju Gupta	Unit No:103 and 104, 10 th Floor Fress Press House , Free Press Journal Marg, Nariman Point, Mumbai 400 021, Maharashtra admeasuring 3470 Sq.ft	Average monthly rent of ₹.8,97,863 per month for 24 months from April 2024 Security Deposit of ₹ 46,84,500	Registered Office
2.	Leave and licence agreement dated June 16, 2023 for 24 months with Mr. Shabir Jaffer Hussain	Flat No: 36, 6 th Floor, Anand Niwas Co-operative Housing Society, A Road, Churchgate. Mumbai- 400 020	Monthly rent of ₹ 2,25,000 for the first 12 months and ₹ 2,36,250 for the next 12 months. Security Deposit of ₹6,75,000	Housing accommodation for employees
3.	Leave and licence agreement dated April 27, 2023 for 5 years with effect from May 01, 2023 with Ms Aruna Sharma, Mr Arjun Sharma and Mrs Neeraj Ghei	Office No: 18, 1 st Floor, Atlanta, Nariman Point, Mumbai 400 021 ad measuring 3700 sq.ft plus 2 car parking spaces	Monthly rent of ₹8,50,000 with escalation of 5% every year plus security deposit of ₹25,50,000	Branch Office
4.	Leave and licence agreement dated April 24, 2023 for 36 months with Mr Babanrao Appasaheb Bhosale	Flat No:102, Monarch Building, Varsha Gandhi CHS, Gandhi Street Bandra (East), Near MIG Club, Kala Nagar, Mumbai – 400 051	Monthly rent of 1,60,000 per month with 5% escalation every year with a security deposit of ₹ 5,00,000	Guest House

OUR MANAGEMENT

Our Board of Directors

Our Articles of Association require us to have not less than three (3) and not more than 12 Directors. As on date of this Draft Letter of Offer, we have five (5) Directors on our Board, which includes, one Executive Director, two Non-Executive Directors of which one is also a woman director and two Independent Directors.

Set forth below are details regarding our Board as on the date of this Draft Letter of Offer:

Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality	Age (years)	Other Directorships
<p>Sitaram Dhulipala DIN: 03408989</p> <p>Date of Birth: July 01, 1959</p> <p>Designation: Managing Director</p> <p>Address: Plot No F-43, Panchavati Township, Opp Road Hari Villu, Manikonda Rajendra Nagar, Ragareddi Telangana - 500089</p> <p>Occupation: Professional</p> <p>Term: Appointed as Managing Director of the Company w.e.f. For a period of 3 years from December 20, 2023</p> <p>Date of Original Appointment: Director since August 06, 2022</p> <p>Nationality: Indian</p>	64	None
<p>Jashandeep Singh DIN: 023757390</p> <p>Date of Birth: June 22, 1986</p> <p>Designation: Non- Executive Director</p> <p>Address: House No. 27/C New Lal Bagh Colony Patiala Punjab 147001</p> <p>Occupation: Business</p> <p>Term: Appointed with effect from December 20, 2023 Liable to retire by rotation.</p> <p>Nationality: Indian</p>	37	<ol style="list-style-type: none"> 1. Jetra Infrastructure Private Limited 2. INT Infrastructure Private Limited
<p>Vaishali S Mulay DIN: 06444900</p> <p>Date of Birth: December 17, 1973</p> <p>Designation: Non-Executive Director</p> <p>Address: 3/904, Vasant Lawns, Pokharan Road No-2, Jupiter Hospital, Majiwada, Thane Maharashtra 400601</p>	50	None

Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality	Age (years)	Other Directorships
<p>Occupation: Business</p> <p>Term: Liable to retire by rotation</p> <p>Date of Original Appointment: Director since April 16, 2021</p> <p>Nationality: Indian</p>		
<p>Pandit P Sawant DIN: 06581946</p> <p>Date of Birth: 28/02/1957</p> <p>Designation: Non-Executive and Independent Director</p> <p>Address: Bldg No. 7 -192 Vijay Nagar Mahada Colony, Govt Colony Road, Bandra (East)Mumbai - 400051</p> <p>Occupation: Professional</p> <p>Term: For a period of 5 years from May 30, 2023</p> <p>Date of Original Appointment : Director since May 30, 2023</p> <p>Nationality: Indian</p>	67	<p>1. Kalamboli Roofings and Structural Private Limited</p> <p>2.Yathic Infrastructure Private Limited</p> <p>3.Eagle Infra Roadways Limited</p> <p>4.Ayurtej Arogyam Niwas Private Limited</p>
<p>Shivratan Agarwal DIN: 03496765</p> <p>Date of Birth: 08/11/1983</p> <p>Designation: Non-Executive and Independent Director</p> <p>Address: Room No. A/3, A Wing Shamail Complex Balaji Nagar, Bhayandar West Thane 401101</p> <p>Occupation: Professional</p> <p>Term: For a period of 5 years from February 13, 2024 subject to the Approval of Shareholders</p> <p>Date of Original Appointment : Director since February 13, 2024</p> <p>Nationality: Indian</p>	40	1. Ekansh Concepts Limited

Sitaram Dhulipala, aged 64 years, is the Managing Director of our Company. He is in the construction and infrastructure industry for the last 25 years with varied experience in Administration, Operation with excellent control over contract management and Business development and prior to that served in Government of India and Government of Andhra Pradesh

Jashandeep Singh, aged 37 years, is a Non- Executive Director of our Company. He is a graduate from Delhi University. He is a dedicated and highly motivated Business Owner / Director with an experience of 14 years in civil infrastructure and real estate.

Vaishali S Mulay, aged 50 is a Non-Executive Woman Director of our Company. She is a Graduate from Aurangabad University in Marketing and has an experience of more than 15 years in real estate sector, infrastructure, food & beverage sectors.

Pandit Sawant, aged 66 years is an independent director of our Company. He 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. He served as a Professor in various Ayurvedic colleges and acted as Dean (principle) of Dev Bhoomi Ayurvedic College, Dehradun. He was also a member of Board of Studies in Maharashtra University of health sciences, Nashik. He has been working to popularise and propagate Indian medicine (Ayurveda) in European countries. He is a founder member of Latvia India Cultural and Friendship Association (LICFA) and has served 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.

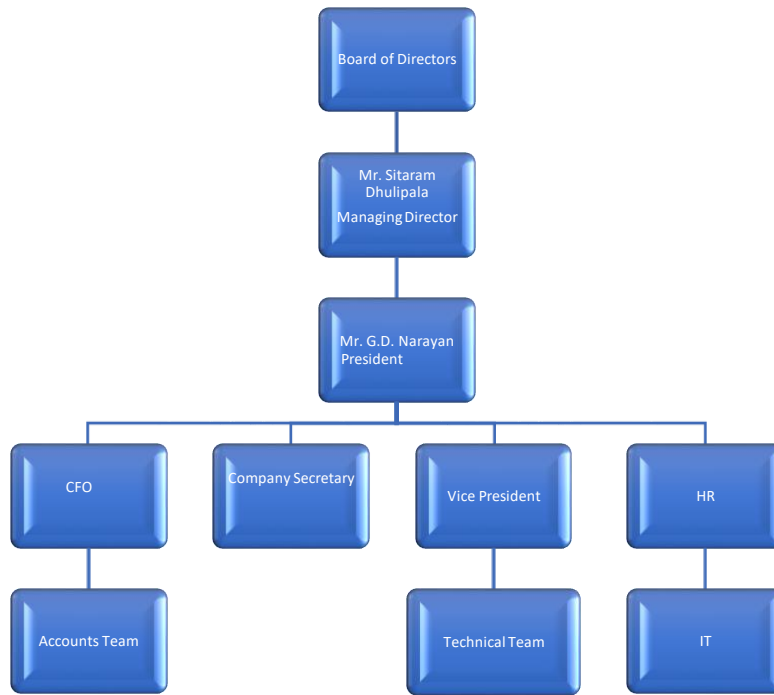
Shivratan Agarwal, aged 40 years is an independent director of our Company. He has more than 15 years of professional experience in the field of accounts, finance, statutory audit, internal audit, loan syndication, initial public offering (IPO), Direct and Indirect taxation, Implementation of SAP, handling bank stock audits and bank unit inspection on behalf of companies. He has designed & implemented internal controls in companies which have helped them to reduce its cost by optimum utilisation of the resources and detection of fraud. He has worked across companies as Chief Financial Officer. He has handled internal audit and concurrent audit of Banks. He has handled stock audits and unit inspection of various banks on behalf of. companies. He was a core team member of legal & financial due diligence team for advising various Asset Reconstruction Companies and banks in buying and selling of Non-Performing Assets (NPA). He has started his own practice in 2017 with the aim of providing quality services to clients. Currently he is handling forensic audit assignments for Resolution Professional and Banks. Further, he is also handling Statutory Audit of the Companies under IBC, 2016.

Confirmations

1. None of our Directors of our Company have held or currently hold directorship in any listed company whose shares have been or were suspended from being traded on any of the stock exchanges in the five years preceding the date of filing of this Draft Letter of Offer, during the term of his/ her directorship in such company.
2. Further, none of our Directors of our Company are or were associated in the capacity of a director with any listed company which has been delisted from any stock exchange(s) at any time in the past.

Management Organization Structure

The following is the Organisation Structure of our Company:



Corporate Governance

The provisions of the SEBI Listing Regulations with respect to corporate governance are not applicable to us.

We are in compliance with the requirements of the applicable regulations, Companies Act and the SEBI (ICDR) Regulations, in respect of corporate governance including constitution of our Board and Committees thereof. Our corporate governance framework is based on an effective independent Board, separation of the Board's supervisory role from the executive management team and constitution of the Board Committees, as required under law.

Our Board undertakes to take all necessary steps to continue to comply with all the requirements of the SEBI Listing Regulations and the Companies Act. Our Board functions either directly, or through various committees constituted to oversee specific operational areas.

Committees of our Board

Our Board has constituted following committees in accordance with the requirements of the Companies Act and SEBI Listing Regulations:

- a) Audit Committee;
- b) Stakeholders' Relationship Committee; and
- c) Nomination & Remuneration Committee;

Details of each of these committees are as follows:

a. Audit Committee

Our Audit Committee was last reconstituted by our Board of Directors in their meeting held on February 13, 2024 with the following members forming a part of the said Committee:

Sr. No.	Name of Member	Designation
1.	Dr. Pandit Sawant	Chairman
2.	Mr. Jashandeep Singh	Member
3.	Mr. Shivratn Agarwal	Member

The Company Secretary acts as the secretary of the Audit Committee.

The scope, functions and the terms of reference of our Audit Committee, is in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations which are as follows:

1. Review of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of Auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the Statutory Auditors;
4. Reviewing, with the management, the annual financial statements and Auditor's Report thereon before submission to the board for approval, with particular reference to:
 - a) matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
 - b) changes, if any, in accounting policies and practices and reasons for the same;
 - c) major accounting entries involving estimates based on the exercise of judgment by management;
 - d) significant adjustments made in the financial statements arising out of audit findings;
 - e) compliance with listing and other legal requirements relating to financial statements;
 - f) disclosure of any related party transactions; and
 - g) modified opinions in the draft audit report.
5. Reviewing, with the management, the quarterly financial results before submission to the Board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the Auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with Internal Auditors of any significant findings and follow up thereon;
15. Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

16. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of Chief Financial Officer (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc., of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;
21. To Review the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/ investments existing as on the date of coming into force of this provision; and
22. To mandatorily review the following information:
 - management discussion and analysis of financial condition and results of operations;
 - statement of significant related party transactions (as defined by the audit committee), submitted by management;
 - management letters / letters of internal control weaknesses issued by the statutory auditors;
 - internal audit reports relating to internal control weaknesses; and
 - the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
 - statement of deviations:
 - quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

As required under the SEBI Listing Regulations, the Audit Committee meets at least four times a year with maximum interval of 120 days between two meetings and the quorum for each meeting of the Audit Committee is two members or one third of the number of members of the Committee, whichever is greater, provided that there a minimum of two independent directors are present.

b. Stakeholders Relationship Committee

Our Stakeholders Relationship Committee was last reconstituted on December 19, 2023. The members of the said Committee are as follows:

Sr. No.	Name of Member	Designation
1.	Dr. Pandit Sawant	Chairman
2.	Mr. Jashandeep Singh	Member
3.	Mr. Sitaram Dhulipala	Member

The scope and function of the Stakeholders Relationship Committee is in accordance with Section 178 of the Companies Act, 2013 and the SEBI Listing Regulations and the terms of reference, powers and scope of the Stakeholders Relationship Committee of our Company include:

- 1) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
- 2) Review of measures taken for effective exercise of voting rights by shareholders;
- 3) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent; and

- 4) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

Nomination & Remuneration Committee

Our Nomination & Remuneration Committee was last reconstituted by our Board of Directors in their meeting held on February 13 2024 with the following members:

Sr. No.	Name of Member	Designation
1.	Dr. Pandit Sawant	Chairman
2.	Mr. Jashandeep Singh	Member
3.	Mr. Shivratn Agarwal	Member

The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 and SEBI Listing Regulations and the terms of reference, powers and role of our Nomination and Remuneration Committee are as follows:

- 1) 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;
- 2) Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- 3) Devising a policy on diversity of board of directors;
- 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;
- 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; and
- 6) Recommend to the Board, all remuneration, in whatever form, payable to senior management.

Additionally, our Company has constituted various operational committees such as the Rights Issue Committee.

Our Key Managerial Personnel

In addition to our Managing Director, whose details have been provided under paragraph above titled '*Brief Profile of our Directors*', set forth below are the details of our Key Managerial Personnel as on the date of filing of this Draft Letter of Offer:

Sanjay Jha, aged 28 years, is the Company Secretary and Compliance Officer of our Company. He holds a bachelor's degree in Commerce from Mumbai University and is a member of the Institute of Company Secretaries of India. He has over 4 years of experience in handling secretarial matters. He is responsible for handling secretarial matters of our Company and was appointed with effect from November 08, 2023

Senior Management Personnel

Mr. Durga Narayanarao Garimella aged 53 years being President of our company he is Qualified Civil Engineer having more than 35 years of experience in construction and infrastructure industry with varied experience in Administration, operation with excellent control over contact management and Business development and was designated as president with effect from February 13, 20204.

All our Key Managerial Personnel and Senior Management Personnel are permanent employees of our Company.

None of our Key Managerial Personnel and Senior Management Personnel are entitled to receive any termination or retirement benefits.

Relationship of Key Managerial Personnel and Senior Management Personnel with our Key Managerial Personnel

None of the key managerial personnel are related to each other and to the Directors of the Company. None of the senior management personnel are related to each other and to any of the Key Managerial Personnel or to the Directors of the Company

OUR PROMOTERS

Our Promoters are Jashandeep Singh, Vaishali S Mulay, Shashikant Bhoge and Jetra Infrastructure Private Limited. As on date of this Draft Letter of Offer, the Promoters of our Company hold, in aggregate of 19,42,211 Equity Shares constituting 62.85% of our issued, subscribed and paid-up equity share capital.

Our Company confirms that the permanent account number, bank account number and passport number in case of our Individual Promoters and the PAN Number and the address of the ROC where the company has been registered in case of our corporate promoter shall be submitted to the Stock Exchanges at the time of filing this Draft Letter of Offer.

Our Individual Promoters:

Jashandeep Singh and Vaishali S Mulay

For details of the educational qualifications, experience, other directorships, positions / posts held by our Individual Promoters, Jashandeep Singh and Vaishali S Mulay, please see the chapter titled “*Our Management*” on page 66 of this Draft Letter of Offer.

Shashikant Bhoge

Mr. Shashikant Bhoge, aged 47 has completed his Higher Secondary Certificate from Gyan Prakash Kanisht MahaVidyalaya and has over 8 years of experience in the infrastructure industry. As of date of this Draft Letter of Offer, Mr. Shashikant Bhoge is holding directorship in below mentioned companies:

- a. **Oscorp Construction Private Limited**
- b. **Oscorp Infrsolution Private Limited**
- c. **Oscorp Real Estate Development Private Limited**
- d. **Dependencia Hospitality Private Limited**
- e. **Oscorp Management Consultancy Private Limited**
- f. **Oscorp Hospitality Private Limited**
- g. **Proctech Solutions Private Limited**
- h. **Omega Weapons Private Limited**
- i. **J. K. Solutions Private Limited**
- j. **Dependencia Media Private Limited**
- k. **Oscorp Trade Services Private Limited**
- l. **Yog Woollenand Synthetics Industries Limited**
- m. **Tribalbox Agro Private Limited**

Corporate Promoter

Jetra Infrastructure Private Limited

Jetra Infrastructure Private Limited was incorporated on February 16, 2017 under the Companies Act, 2013 as a private limited company vide Certificate of Incorporation issued by Registrar of Companies, New Delhi and its CIN Number is U74999DL2017PTC313022 is the Company Identification The registered office is situated at Plot 431, Kh 1/5, Kakrola Housing Complex Dwarka South West, Delhi – 110 078.

The Authorized Equity Share Capital of the Company is ₹1,00,00,000/- (Rupees One Crores only) comprising of 10,00,000. Equity Shares. The Paid-up capital is 8,00,000 (Eight Lakhs) equity shares of face value of Rs.10.00/- (Rupees Ten) each aggregating to Rs.80,00,000 (Eighty Lakhs) The shares of the Company are not listed on any stock exchange.

The Company is in business of infrastructure development.

The Equity Shareholding Pattern of the Corporate Promoter is as under:

Name of the Shareholder	Number of Shares held	Percentage
Jashandeep Singh	7,92,000	99.00
Sukhdeep Singh	8,000	1.00
Total	8,00,000	100.00

The Board of Directors of the Corporate Promoter is as under:

Name of the Director	Designation
Jashandeep Singh	Director
Sukhdeep Singh	Director

Brief Financial Particulars for the last 3 years of the Corporate Promoter:

(Rs. In Lakhs)

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Issued and paid-up Equity Share Capital	80.00	80.00	80.00
Preference Share Capital	0.00	0.00	0.00
Reserves and Surplus (excluding revaluation reserves)	23.15	23.75	23.27
Sales / Turnover/ Other Income	0	12.03	356.00
Profit / (Loss) after Tax	-0.72	0.47	16.21
Basic and Diluted EPS per share (in ₹)	0.09	4.70	12.12

Confirmations from the Company:

- None of our Promoters or members of our Promoter Group have been declared as wilful defaulters by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past or are currently pending against them.
- Our Promoters have not been declared as a Fugitive Economic Offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
- None of our Promoters or Promoter Group entities have been debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority. Our Promoters and members of the Promoter Group are not and have never been promoters, directors or person in control of any other company, which is debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.
- Except as disclosed in the '*Outstanding Litigation and Material Developments - Disciplinary action against our Company by SEBI or any stock exchange in the last five Fiscals*' on page 142 of this Draft Letter of Offer, there is no litigation or legal action pending or taken by any ministry, department of the Government or statutory authority during the last 5 (five) years preceding the date of the Issue against our Promoters.

(The remainder of this page has intentionally been left blank)

RELATED PARTY TRANSACTIONS

For details of the related party transactions, during the last three Fiscals, as per the requirements under the relevant accounting standards and as reported in the Restated Financial Information, see section titled “*Financial Information*” at page 78 of this Draft Letter of Offer.

(The remainder of this page has intentionally been left blank)

DIVIDEND POLICY

The declaration and payment of dividends will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act. The dividend, if any, will depend on a number of factors, including but not limited, consolidated net operating profit after tax, working capital requirements, capital expenditure requirements, cash flow required to meet contingencies, outstanding borrowings, and applicable taxes payable by our Company. In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under loan or financing arrangements. Our Company is currently availing of or may enter into to finance our fund requirements for our business activities.

Dividends paid on Equity Shares:

We have not paid any dividends for the last 5 years. For details in relation to the risk involved, see “*Risk Factor No.18 – “We have not been paying dividends in the past and our ability to pay dividends in the future may be affected by any material adverse effect on our future earnings, financial condition or cash flows”*” on page 25 of this Draft Letter of Offer.

(The remainder of this page has intentionally been left blank)

SECTION V – FINANCIAL INFORMATION

RESTATED FINANCIAL INFORMATION

S. No.	Details	Page Number
1.	Restated Consolidated Audited Financial Statements as at and for the years ended March 31, 2023, March 31, 2022 and March 31, 2021.	79
2.	Unaudited Limited Reviewed Financial Statements for the nine month period ended December 31, 2023	120
2.	Consolidated Accounting Ratios	124
4.	Consolidated Statement of Capitalisation	125

(The remainder of this page has been intentionally left blank)

**Restated Consolidated Financial Statements as at and for the years ended March 31, 2023, March 31,
2022 and March 31, 2021**

Independent Auditor's Examination Report on Restated Financial Information.

The Board of Directors

Modern Engineering and Projects Limited
Formerly known as Modern Converters Limited
103/4 Plot -215, Free Press House,
Fl-10, Free Press Journal Marg,
Nariman Point, Mumbai - 400021

Dear Sirs/Madams,

1. We, S. K. Patodia and Associates LLP, Chartered Accountants ("we" or "us" or "our" or "Firm") have examined the attached Restated Financial Information of the Modern Engineering and Projects Limited and its joint operations (the "Company") comprising the Restated Statement of Assets and Liabilities as at March 31, 2023, 2022 and 2021, the Restated Statement of Profit and Loss (including other comprehensive income), the Restated Statement of Changes in Equity, the Restated Cash Flow Statement for the years ended March 31, 2023, 2022 and 2021, the Summary Statement of Significant Accounting Policies and other explanatory information (collectively, the "Restated Financial Information"), as approved by the Board of Directors of the Company at their meeting held on May 24, 2024 for the purpose of inclusion in the Draft Letter of Offer ("LOF"), in connection with its proposed Rights Issue of equity shares of face value ₹10 each ("proposed Rights Issue"), and have been prepared by the company in accordance with the requirements of:
 - a. Section 26 of Part I of Chapter III of the Companies Act, 2013, as amended (the "Act");
 - b. The relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018, as amended (the "ICDR Regulations"); and
 - c. The Guidance Note on Reports on Company Prospectus (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI") (the "Guidance Note").
 2. The Company's Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the Draft LOF to be filed with BSE Limited ("BSE" / "Stock Exchange") in connection with the proposed Rights Issue. The Restated Financial Information has been prepared by the Company on the basis of preparation stated in Note A to the Restated Financial Information. The responsibility of the Board of Directors of the Company includes designing, implementing and maintaining adequate internal controls relevant to the preparation and presentation of the Restated Financial Information. The Board of Directors is also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and Guidance Note.
 3. We have examined the Restated Financial Information taking into consideration:
 - a. The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated February 14, 2024 in connection with the proposed Rights Issue;
 - b. The Guidance Note. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
 - c. Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and
 - d. The requirements of Section 26 of the Act, the ICDR Regulations and the Guidance Note.
- Our work was performed solely to assist you in meeting your responsibilities in relation to you meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the proposed Rights Issue.
4. The Restated Financials Information has been compiled by the management from the audited financial statements of the Company as at and for the years ended March 31, 2023, 2022 and 2021, prepared in accordance with the Indian Accounting Standards as prescribed under Section 133 of the Act read with

the Companies (Indian Accounting Standards) Rules, 2015 as amended, and other accounting principles generally accepted in India and the circulars (referred to as “Ind AS”), which have been approved by the Board of Directors at their meeting held on May 24, 2024.

5. For the purpose of our examination, we have relied on:
 - a. the audited balance sheets of the Company as at, March 31, 2023, March 31, 2022 and March 31, 2021 and the related audited statement of profit and loss, cash flow statements and statement of changes in equity for the financial years ended on March 31, 2023, March 31, 2022 and March 31, 2021 prepared in accordance with accounting principles generally accepted in India at the relevant time and which have been approved by the Board of Directors. We have re-audited the financial statements of the Company for the financial years ended on March 31, 2023, March 31, 2022 and March 31, 2021 as per the requirements of SEBI Regulations, and issued a report dated May 24, 2024, which were audited by M/s. K K A B & Co. LLP, Chartered Accountants, M/s S A R A & Co., Chartered Accountants and M/s Ghosh & Ghosh, Chartered Accountants respectively.
6. Based on our examination and according to the information and explanations given to us and also as per the reliance placed on the Auditor’s Reports, we report that the Restated Financial Information:
 - a. has been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended March 31, 2023, 2022 and 2021 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed currently;
 - b. does not require any adjustments for the matters mentioned in Auditor’s Reports and do not contain any modifications requiring adjustments. However, those qualifications/ adverse remarks in the Companies (Auditor’s Report) Order, 2020 issued by the Central Government of India in terms of sub section (11) of section 143 of the Act which do not require any corrective adjustments in the Restated Financial Information have been disclosed in Note B of the Restated Financial Information; and
 - c. has been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
7. The Restated Financial Information does not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited financial statements mentioned in paragraph 5a above.
8. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should it be construed as a new opinion on the financial statements referred to herein.
9. We have no responsibility to update our reports for events and circumstances occurring after the date of the report.

10. Our report is intended solely for the use of the Board of Directors of the Company for inclusion in the Draft LOF to be filed with BSE, in connection with the proposed Rights Issue. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For S. K. Patodia & Associates LLP

Chartered Accountants

Firm Registration Number: 112723W/W100962

Dhiraj Lalpuria

Partner

Membership Number: 146268

UDIN : 24146268BKCSNI4570

Place : Mumbai

Date : May 24, 2024

Restated Balance Sheet

₹ in lakhs

	Particulars	Note	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
I	ASSETS				
1	Non-current Assets				
	(a) Property, Plant and Equipment	3	1,165.79	170.05	-
	(b) Right of use assets	3	196.88	269.13	22.92
	(c) Intangible assets	4	0.56	0.91	-
	(d) Financial Assets :				
	(i) Investments	5	-	-	0.00
	(ii) Other financial assets	6	63.24	62.22	3.99
	(e) Deferred tax assets (net)	7	76.75	22.66	3.36
	(f) Other non - current assets	8	-	41.90	-
	Total Non-Current Assets		1,503.22	566.88	30.27
2	Current assets				
	(a) Inventories		-	-	0.00
	(b) Financial Assets :				
	(i) Trade Receivables	9	1,379.44	928.09	-
	(ii) Cash and cash equivalents	10	148.87	40.82	15.55
	(iii) Bank Balances other than (ii) above	10	20.17	-	-
	(b) Current Tax Assets (Net)		-	-	-
	(c) Other current assets	11	525.37	543.21	286.72
	Total Current Assets		2,073.85	1,512.12	302.27
	TOTAL ASSETS		3,577.07	2,079.00	332.54
II	EQUITY AND LIABILITIES				
1	Equity				
	(a) Equity share capital	12	309.00	309.00	309.00
	(b) Other Equity	13	(706.56)	(457.34)	(1.73)
	Total Equity		(397.56)	(148.34)	307.27
2	Non-current liabilities				
	(a) Financial Liabilities				
	(i) Borrowings	14	612.20	713.83	-
	(ii) Lease Liabilities	15	182.70	242.34	12.65
	(b) Provisions	16	3.29	1.88	-
	Total Non Current Liabilities		798.19	958.05	12.65
3	Current liabilities				
	(a) Financial Liabilities				
	(i) Lease Liabilities	15	68.35	60.28	11.61
	(ii) Trade Payables	17			
	- Micro, Small and Medium Enterprises		9.28	7.83	-
	- Others		994.06	342.38	-
	(b) Other current liabilities	18	2,104.74	858.81	-
	(c) Provisions	19	0.01	0.00	-
	(d) Other Financial Liabilities	20	-	-	1.02
	Total Current Liabilities		3,176.44	1,269.29	12.63
	Total Liabilities		3,974.63	2,227.34	25.28
	TOTAL EQUITY AND LIABILITIES		3,577.07	2,079.00	332.54

The above Annexure should be read with the basis of preparation and Significant Accounting Policies appearing in Annexure V and Notes to the Restated Financial Information appearing in Annexure VI.

Significant accounting policies 1-2
The accompanying notes form an integral part of the financial statements. 3-45

As per our report of even date attached

For S K Patodia & Associates LLP
Chartered Accountants
FRN No. 112723W/W100962

For and on behalf of the Board of Directors

Dhiraj Lalpuria
Partner
Membership No: 146268

Sitaram Dhulipala
Managing Director
DIN: 03408989

Jashandeep Singh
Director
DIN: 02357390

Date : May 24, 2024
Place : Mumbai

Date : May 24, 2024
Place : Mumbai

Date : May 24, 2024
Place : Mumbai

Restated Statement of Profit and Loss

₹ in lakhs (Except earnings per share data)

	Particulars	Note	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
I	Income				
	Revenue from Operations	21	6,756.11	2,075.60	7.49
	Other Income	22	46.37	8.67	0.61
	Total Income		6,802.47	2,084.26	8.10
II	Expenses				
	Manufacturing and Operating Costs	23	6,100.91	1,947.86	-
	Change in Inventories	24	-	-	4.48
	Employee benefits expense	25	409.09	157.79	2.29
	Finance costs	26	55.46	53.00	0.40
	Depreciation and amortization expense	27	151.60	108.62	1.00
	Other expenses	28	393.47	291.90	7.56
	Total expenses		7,110.54	2,559.17	15.72
III	Profit / (Loss) before tax		(308.06)	(474.91)	(7.62)
IV	Tax expense				
	Current tax		-	-	-
	Deferred tax charge/(credit)		(55.29)	(19.30)	(3.36)
V	Profit/(Loss) for the Year		(252.77)	(455.61)	(4.25)
VI	Other Comprehensive Income				
	Items that will not be reclassified to profit or loss				
	Remeasurement of net defined benefit plans		4.76	-	-
	Tax Impact Charge/(credit) on Remeasurements of net defined benefit plans		(1.20)	-	-
	Tax expense for earlier years		-	-	(5.30)
	Other Comprehensive Income		3.56	-	(5.30)
VII	Total Comprehensive Income for the year (V + VI)		(249.22)	(455.61)	(9.55)
VIII	Earnings per share for profit attributable to equity shareholders				
	Earnings per share (Basic & Diluted) (Face value ₹ 10 per share)		(8.18)	(14.74)	(0.14)

The above Annexure should be read with the basis of preparation and Significant Accounting Policies appearing in Annexure V and Notes to the Restated Financial Information appearing in Annexure VI.

Significant accounting policies 1-2

The accompanying notes form an integral part of the financial statements. 3-45

As per our report of even date attached

For S K Patodia & Associates LLP
Chartered Accountants
FRN No. 112723W/W100962

For and on behalf of the Board of Directors

Dhiraj Lalpuria
Partner
Membership No: 146268

Sitaram Dhulipala
Managing Director
DIN: 03408989

Jashandeep Singh
Director
DIN: 02357390

Date : May 24, 2024
Place : Mumbai

Date : May 24, 2024
Place : Mumbai

Date : May 24, 2024
Place : Mumbai

Restated Statement of Cash Flows

₹ in lakhs

S. No	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
I	Cash flow from operating activities			
	Profit before tax from continuing operations	(308.06)	(474.91)	(7.62)
	Profit before tax	(308.06)	(474.91)	(7.62)
	Non-cash adjustment to reconcile profit before tax to net cash flows			
	Depreciation of property, plant and equipment including right of use assets	151.60	108.62	1.00
	Remeasurement of defined benefit obligations	4.76	-	-
	(Gain)/Loss on disposal of property, plant and equipment	0.35	-	-
	Deposit written off	-	-	1.28
	Movement in Other Comprehensive Income			(5.30)
	Finance Cost	55.46	53.00	0.40
	Interest income	(7.90)	(8.67)	(0.11)
	Dividend income	(0.37)	-	(0.08)
	Operating profit before working capital changes	(104.16)	(321.95)	(10.42)
	Movements in assets and liabilities :			
	Decrease / (increase) in inventories	-	0.00	4.48
	Decrease / (increase) in trade receivables	(451.35)	(928.09)	-
	Decrease / (increase) in loans and other financial assets	(21.20)	(58.22)	(5.27)
	Decrease / (increase) in other current assets	153.27	(231.24)	28.00
	Decrease / (increase) in other non-current assets	41.90	(41.90)	-
	Increase / (decrease) in trade payables	653.14	350.20	-
	Increase / (decrease) in provisions	1.42	1.88	-
	Increase / (decrease) in other current liabilities	1,245.93	858.81	-
	Increase / (decrease) in other financial liabilities	-	(1.02)	(0.15)
	Cash generated from / (used in) operations	1,518.94	(371.54)	16.63
	Income taxes paid (net of refunds)	(135.43)	(25.24)	(2.19)
	Net cash flow generated from / (used in) operating activities (A)	1,383.51	(396.78)	14.44
II	Cash flow from investing activities			
	Purchase of property, plant and equipment including right of use assets	(1,075.07)	(524.58)	(23.91)
	Purchase of intangible assets	-	(1.23)	-
	Interest received	7.90	8.67	0.11
	Dividends received	0.37	-	0.08
	Net cash flow generated from / (used in) investing activities (B)	(1,066.80)	(517.14)	(23.73)
III	Cash flow from financing activities			
	Proceeds / (repayment) from borrowings	(101.63)	713.83	-
	Movement in lease liability	(51.56)	278.36	24.26
	Finance Cost	(55.46)	(53.00)	(0.40)
	Net cash flow generated from / (used in) in financing activities (C)	(208.66)	939.19	23.85
	Net increase / (decrease) in cash and cash equivalents (A + B + C)	108.05	25.27	14.57
	Effects of exchange rate changes on cash and cash equivalents			
	Cash and cash equivalents at the beginning of the year	40.82	15.55	0.98
	Cash and cash equivalents at the end of the year	148.88	40.82	15.55

Note : The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

Significant accounting policies

1-2

The accompanying notes form an integral part of the financial statements.

3-45

As per our report of even date attached

For S K Patodia & Associates LLP
Chartered Accountants
FRN No. 112723W/W100962

For and on behalf of the Board of Directors

Dhiraj Lalpuria
Partner
Membership No: 146268

Sitaram Dhulipala
Managing Director
DIN: 03408989

Jashandeep Singh
Director
DIN: 02357390

Date : May 24, 2024
Place : Mumbai

Date : May 24, 2024
Place : Mumbai

Date : May 24, 2024
Place : Mumbai

Restated Statement of Changes in Equity

A. EQUITY SHARE CAPITAL

₹ in lakhs

Balance as at April 1, 2022	Changes in equity share due to prior period errors	Restated Balance as at April 1, 2022	Changes in equity share during the year	Balance as at March 31, 2023
309.00	-	309.00	-	309.00
Balance as at April 1, 2021	Changes in equity share due to prior period errors	Restated Balance as at April 1, 2021	Changes in equity share during the year	Balance as at March 31, 2022
309.00	-	309.00	-	309.00
Balance as at April 1, 2020	Changes in equity share due to prior period errors	Restated Balance as at April 1, 2020	Changes in equity share during the year	Balance as at March 31, 2021
309.00	-	309.00	-	309.00

B. OTHER EQUITY

₹ in lakhs

Particular	Reserves and Surplus				Total
	Capital Redemption Reserve	Retained Earnings	Other Comprehensive Income	General Reserve	
Balance as at April 1, 2020	3.00	(73.37)	-	78.19	7.82
Changes in accounting policy/prior period errors	-	-	-	-	-
Restated balance at the beginning of the reporting period	3.00	(73.37)	-	78.19	7.82
Profit for the year	-	(4.25)	-	-	(4.25)
Other Comprehensive Income for the year	-	-	(5.30)	-	(5.30)
Balance as at March 31, 2021	3.00	(77.62)	(5.30)	78.19	(1.73)
Balance as at April 1, 2021	3.00	(77.62)	(5.30)	78.19	(1.73)
Changes in accounting policy/prior period errors	-	-	-	-	-
Restated balance at the beginning of the reporting period	3.00	(77.62)	(5.30)	78.19	(1.73)
Profit for the year	-	(455.61)	-	-	(455.61)
Other Comprehensive Income for the year	-	-	-	-	-
Balance as at March 31, 2022	3.00	(533.23)	(5.30)	78.19	(457.34)
Balance as at April 1, 2022	3.00	(533.23)	(5.30)	78.19	(457.34)
Changes in accounting policy/prior period errors	-	-	-	-	-
Restated balance at the beginning of the reporting period	3.00	(533.23)	(5.30)	78.19	(457.34)
Profit for the period	-	(252.77)	-	-	(252.77)
Other Comprehensive Income for the period	-	-	3.56	-	3.56
Balance as at March 31, 2023	3.00	(786.01)	(1.74)	78.19	(706.56)

Modern Engineering and Projects Limited
(Formerly known as Modern Converters Limited)

Notes to Restated Financial Statements

A. Restatement Adjustments

Summarised below are the restatement adjustments made to the equity of the Audited financial statements of the company for the years ended March 31, 2023 and March 31, 2022 and March 31, 2021 and their consequential impact on the profit / (loss) of the company :

(i). Reconciliation of Net Profit between previous financials and restated financials for the years ended March 31, 2023 and March 31, 2022 and March 31, 2021

₹ in lakhs				
Particulars	Foot Note	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
A				
Net Profit After Tax for the year ended March 31, 2023 and March 31, 2022 and March 31, 2021 as per Audited Financial Statements adopted by the members		(264.88)	(299.31)	(5.00)
B				
Adjustments :				
Material / Other Restatement Adjustments				
Lease Related Adjustments				
Interest Income on lease	1(a)	5.57	4.54	0.06
Interest Expense on lease	1(b)	(23.75)	(17.07)	(0.40)
Rent paid set off against Lease Liability		2.94	13.76	0.00
Property Plant & Equipment Related Adjustments				
Depreciation on PPE	2(a)	(9.84)	(10.40)	-
Depreciation on Right of use assets	2(b)	(4.02)	(0.75)	(1.00)
Other Adjustments				
Revenue from Operations	3(a)	(23.78)	1,941.70	-
Other Income	3(b)	(122.65)	(2.90)	-
Employee Benefit Expense	3(c)	(6.85)	(54.01)	-
Manufacturing and Operating Costs	3(d)	96.77	(1,939.46)	-
Other Operating Expense	3(e)	58.78	(101.87)	(1.28)
Excess charge to profit now reversed		(0.21)	-	-
Provision for tax reversed		3.87	-	-
Total Restatement Adjustment		(23.17)	(166.47)	(2.61)
Tax impact on other Adjustments	3(f)	35.28	10.17	3.36
Total Impact of adjustments		12.11	(156.30)	0.75
D				
Net Profit as restated		(252.77)	(455.61)	(4.25)

Notes to Adjustments

1 Lease Related Adjustments

- a) In the financial Statements for the year ended March 31, 2023 and March 31, 2022 and March 31, 2021 interest income from lease hold property was not considered. For the purpose of this statement, the said amount has been appropriately adjusted and shown under the correct head in the respective financial year to which they relate.
- b) In the financial Statements for the year ended March 31, 2023 and March 31, 2022 and March 31, 2021, the interest cost of lease hold properties and improvements has not been amortised. For the purpose of this statement, the interest on cost of lease hold land and improvements has been amortised over the lease period in compliance with Ind AS 16 (Property, Plant & Equipment).

2 Property Plant & Equipment Related Adjustments

- a) In the financial Statements for the year ended March 31, 2023 and March 31, 2022 and March 31, 2021, Property, Plant & Equipment has not been depreciated on correct rates. For the purpose of this statement, the depreciation on Property, Plant & Equipment has been depreciated over the life of the asset in compliance with Ind AS 16 (Property, Plant & Equipment).
- b) In the financial Statements for the year ended March 31, 2023 and March 31, 2022 and March 31, 2021, Right to Use Assets has not been depreciated on correct rates. For the purpose of this statement, the depreciation on Right to Use Assets has been depreciated over the life of the asset in compliance with Ind AS 116 (Leases).

3 Other Adjustments

- a) In the financial Statements for the year ended March 31, 2023 and March 31, 2022 revenue from the Joint Operations was not considered. For the purpose of this statement, the said amount has been appropriately adjusted and shown under the correct head in the respective financial year to which they relate.
- b) In the financial Statements for the year ended March 31, 2023 and March 31, 2022 other income from the Joint Operations was not considered. For the purpose of this statement, the said amount has been appropriately adjusted and shown under the correct head in the respective financial year to which they relate.
- c) In the financial Statements for the year ended March 31, 2023 and March 31, 2022 employee benefit expense from the Joint Operations was not considered. For the purpose of this statement, the said amount has been appropriately adjusted and shown under the correct head in the respective financial year to which they relate.
- d) In the financial Statements for the year ended March 31, 2023 and March 31, 2022 Manufacturing and Operating expense from the Joint Operations was not considered. For the purpose of this statement, the said amount has been appropriately adjusted and shown under the correct head in the respective financial year to which they relate.

- e) In the financial Statements for the year ended March 31, 2023 and March 31, 2022 and March 31, 2021 other Operating expense from the Joint Operations was not considered. For the purpose of this statement, the said amount has been appropriately adjusted and shown under the correct head in the respective financial year to which they relate.
- f) The tax rate applicable for the respective years has been used to calculate the deferred tax impact on the adjustments made on account of restatement and IND AS conversion. For the purpose of this statement, the said amount has been appropriately adjusted and shown under the correct head in the respective financial year to which they relate.
- The Company has 1(one) Joint Arrangements classified as Joint operations as per Ind AS 111. For the purpose of this statement and in compliance with Ind AS 111, the company recognises its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the financial statements under the appropriate headings.
 - In the financial Statements for the year ended March 31, 2023 and March 31, 2022, the revenue and expenditure from Joint Operation were incorporated after considering 74% share. For the purpose of this statement, the said amount has been appropriately adjusted in the respective financial year to which they relate.

Appropriate adjustments have been made in the Restated Balance Sheet, Statement of Profit and Loss, Cash Flows and other disclosures, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited financial statements of the Company for the year ended March 31, 2023.

(ii) Reconciliation of Total Equity

₹ in lakhs

Particulars	Notes to Restated Adjustments	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Share Capital as per Audited Financial Statements adopted by the members	A	309.00	309.00	309.00
Other Equity as per Audited Financial Statements adopted by the members	B	(746.35)	(301.79)	(2.47)
Lease Related Adjustments				
Interest Income on lease	1(a)	10.17	4.60	0.06
Interest Expense on lease	1(b)	(41.23)	(17.47)	(0.40)
Rent paid set off against Lease Liability		16.70	13.76	0.00
Property Plant & Equipment Related Adjustments				
Depreciation on PPE	2(a)	(20.24)	(10.40)	-
Depreciation on Right of use assets	2(b)	(5.77)	(1.75)	(1.00)
Other Adjustments				
Revenue from Operations	3(a)	1,917.91	1,941.70	-
Other Income	3(b)	(125.55)	(2.90)	-
Employee Benefit Expense	3(c)	(60.86)	(54.01)	-
Manufacturing and Operating Costs	3(d)	(1,842.69)	(1,939.46)	-
Other Operating Expense	1(e)	(44.36)	(103.15)	(1.28)
Deferred Tax	1(f)	48.81	13.53	3.36
Loss in MEPIDL - MCL - JV incorrectly incorporated	1(g)	179.68	-	-
Excess charge to profit now reversed		(0.21)	-	-
Other comprehensive Income		3.56	-	-
Provision for tax reversed		3.87	-	-
Total impact of other adjustments	C	39.79	(155.55)	0.74
Total Equity as restated	(A+B+C)	(397.56)	(148.34)	307.27

Notes to Adjustments

1 Lease Related Adjustments

- a) In the financial Statements for the year ended March 31, 2023 and March 31, 2022 and March 31, 2021 interest income from lease hold property was not considered. For the purpose of this statement, the said amount has been appropriately adjusted and shown under the correct head in the respective financial year to which they relate.
- b) In the financial Statements for the year ended March 31, 2023 and March 31, 2022 and March 31, 2021, the interest cost of lease hold properties and improvements has not been amortised. For the purpose of this statement, the interest on cost of lease hold land and improvements has been amortised over the lease period in compliance with Ind AS 16 (Property, Plant & Equipment).

2 Property Plant & Equipment Related Adjustments

- a) In the financial Statements for the year ended March 31, 2023 and March 31, 2022 and March 31, 2021, Property, Plant & Equipment has not been depreciated on correct rates. For the purpose of this statement, the depreciation on Property, Plant & Equipment has been depreciated over the life of the asset in compliance with Ind AS 16 (Property, Plant & Equipment).
- b) In the financial Statements for the year ended March 31, 2023 and March 31, 2022 and March 31, 2021, Right to Use Assets has not been depreciated using correct rates. For the purpose of this statement, the depreciation on Right to Use Assets has been depreciated over the life of the asset in compliance with Ind AS 116 (Leases).

3 Other Adjustments

- a) In the financial Statements for the year ended March 31, 2023 and March 31, 2022 revenue from the Joint Operations was not considered. For the purpose of this statement, the said amount has been appropriately adjusted and shown under the correct head in the respective financial year to which they relate.
- b) In the financial Statements for the year ended March 31, 2023 and March 31, 2022 other income from the Joint Operations was not considered. For the purpose of this statement, the said amount has been appropriately adjusted and shown under the correct head in the respective financial year to which they relate.

- c) In the financial Statements for the year ended March 31, 2023 and March 31, 2022 employee benefit expense from the Joint Operations was not considered. For the purpose of this statement, the said amount has been appropriately adjusted and shown under the correct head in the respective financial year to which they relate.
- d) In the financial Statements for the year ended March 31, 2023 and March 31, 2022 Manufacturing and Operating expense from the Joint Operations was not considered. For the purpose of this statement, the said amount has been appropriately adjusted and shown under the correct head in the respective financial year to which they relate.
- e) In the financial Statements for the year ended March 31, 2023 and March 31, 2022 and March 31, 2021 other Operating expense from the Joint Operations was not considered. For the purpose of this statement, the said amount has been appropriately adjusted and shown under the correct head in the respective financial year to which they relate.
- f) The tax rate applicable for the respective years has been used to calculate the deferred tax impact on the adjustments made on account of restatement and IND AS conversion. For the purpose of this statement, the said amount has been appropriately adjusted and shown under the correct head in the respective financial year to which they relate.

B. Non Adjusting Events

1 Qualifications in Auditors' Report, which do not require any corrective adjustments in the Restated Financial Information

There are no audit qualifications in the auditor's report for the years ended March 31, 2023 and March 31, 2022 and March 31, 2021 respectively.

2 Emphasis of Matter (EOM) / Other Matter in Auditors' Report which do not require any corrective adjustments in the Restated Financial Information:

There are no EOM or Other Matters in the auditor's report for the years ended March 31, 2023 and March 31, 2022 and March 31, 2021 respectively.

3 Audit Qualifications in Annexure to Auditors' Report, which do not require any corrective adjustments in the Restated Financial Information

In addition to the audit opinion on the financial statements, the auditors are required to comment upon the matters included in the Companies (Auditor's Report) Order, 2020 / the Companies (Auditor's Report) Order, 2016 (together "the CARO") issued by the Central Government of India under sub-section (11) of Section 143 of Companies Act, 2013 on the financial statements as at and for the financial years ended March 31, 2023, March 31, 2022 And March 31, 2021 respectively. Certain statements/comments included in the CARO in the financial statements, which do not require any adjustments in the Restated Financial Information are reproduced below in respect of the financial statements presented.

For the year ended March 31, 2023

(i) Clause 3(iii)(a) of CARO 2020 Order

During the year the company has neither made investments in, nor provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.

(ii) Clause 3(iii)(f) of CARO 2020 Order

No loans were granted to related parties under Section 2(76), which are repayable on demand or where no schedule for repayment of principal and payment of interest has been stipulated by the Company.

(iii) Clause 3(vii)(b) of CARO 2020 Order

There are no statutory dues including Goods and Services Tax, provident fund, employees' state insurance, sales-tax, service tax, duty of customs, duty of excise, value added

Nature of the Statute	Nature of Dues	Amount (in ₹)	Period to which the amount relates	Forum Where Dispute is pending	Remarks, if any
Income Tax Act, 1961	Income Tax	2,66,080.00	AY 2016	Commissioner Income tax (Appeals)	-
Income Tax Act, 1961	Income Tax	5,25,100.00	AY 2016	Commissioner Income tax (Appeals)	-
Income Tax Act, 1961	Income Tax	26,22,291.00	AY 2015	Commissioner Income tax (Appeals)	-

For the year ended March 31, 2022

(i) Clause 3(iii)(a) of CARO 2020 Order

During the year the company has neither made investments in, nor provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.

(ii) Clause 3(vii)(b) of CARO 2020 Order

There are no statutory dues including Goods and Services Tax, provident fund, employees' state insurance, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues outstanding on account of any dispute, except the following income tax dues :-

Nature of the Statute	Nature of Dues	Amount (in ₹)	Period to which the amount relates	Forum Where Dispute is pending	Remarks, if any
Income Tax Act, 1961	Income Tax	2,66,080.00	AY 2016	Commissioner Income tax (Appeals)	-
Income Tax Act, 1961	Income Tax	5,25,100.00	AY 2016	Commissioner Income tax (Appeals)	-
Income Tax Act, 1961	Income Tax	26,22,291.00	AY2015	Commissioner Income tax (Appeals)	-

For the year ended March 31, 2021

(i) Clause 3(iii)(a) of CARO 2016 Order

During the year the company has neither made investments in, nor provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.

(ii) Clause 3(vii)(b) of CARO 2016 Order

There are no statutory dues including Goods and Services Tax, provident fund, employees' state insurance, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues outstanding on account of any dispute, except the following income tax dues :-

Nature of the Statute	Nature of Dues	Amount (in ₹)	Period to which the amount relates	Forum Where Dispute is pending	Remarks, if any
Income Tax Act, 1961	Income Tax	2,66,080.00	AY 2016	Commissioner Income tax (Appeals)	-
Income Tax Act, 1961	Income Tax	5,25,100.00	AY 2016	Commissioner Income tax (Appeals)	-
Income Tax Act, 1961	Income Tax	26,22,291.00	AY2015	Commissioner Income tax (Appeals)	-

Modern Engineering and Projects Limited
(Formerly known as Modern Converters Limited)

Notes to Restated Financial Statements

1 - Notes forming part of the Restated 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, Fl-10 Free Press Journal Marg Nariman Point Mumbai - 400021 and is listed on the Bombay Stock Exchange (BSE).

The Directors of the Company are Jashandeep Singh, Vaishali Sahebrao Mulay, Sitaram Dhulipala, Shivratan Krishnakumar Agarwal, 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.

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 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.

Modern Engineering and Projects Limited
(Formerly known as Modern Converters Limited)

Notes to Restated Financial Statements

3 Property, Plant and Equipment

₹ in lakhs

Particulars	Freehold Land	Leasehold Improvement	Electrical Installations & Equipment	Office Equipment	Furniture & Fixtures	Vehicles	Computers	Buildings	General Laboratory Equipment	Total	Right of Use Assets	Grand Total
Gross Carrying Amount :												
As at 1st April 2022	6.00	58.30	12.59	12.18	11.42	32.81	20.76	41.47	6.67	202.20	346.29	548.49
Additions	971.30	11.22	3.00	-	0.54	72.55	1.92	3.11	4.26	1,067.89	7.17	1,075.07
Disposals	-	-	-	-	-	-	0.98	-	-	0.98	-	0.98
As at 31st March 2023	977.30	69.52	15.58	12.18	11.96	105.36	21.70	44.59	10.93	1,269.12	353.46	1,622.58
Accumulated Depreciation :												
As at 1st April 2022	-	18.34	1.47	1.76	1.51	2.09	6.94	0.04	0.01	32.15	77.16	109.31
Depreciation charge for the year	-	24.85	3.20	4.70	2.57	19.67	9.40	5.07	2.35	71.81	79.43	151.24
Disposals	-	-	-	-	-	-	0.63	-	-	0.63	-	0.63
As at 31st March 2023	-	43.19	4.67	6.46	4.08	21.76	15.71	5.11	2.35	103.33	156.58	259.91
Net Carrying Amount :												
As at 31st March 2022	6.00	39.96	11.12	10.42	9.90	30.72	13.82	41.43	6.66	170.05	269.13	439.19
As at 31st March 2023	977.30	26.32	10.91	5.73	7.88	83.60	5.99	39.48	8.58	1,165.79	196.88	1,362.67

₹ in lakhs

Particulars	Freehold Land	Leasehold Improvement	Electrical Installations & Equipment	Office Equipment	Furniture & Fixtures	Vehicles	Computers	Buildings	General Laboratory Equipment	Total	Right of Use Assets	Grand Total
Gross Carrying Amount :												
As at 1st April 2021	-	-	-	-	-	-	-	-	-	-	23.91	23.91
Additions	6.00	58.30	12.59	12.18	11.42	32.81	20.76	41.47	6.67	202.20	322.38	524.58
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
As at 31st March 2022	6.00	58.30	12.59	12.18	11.42	32.81	20.76	41.47	6.67	202.20	346.29	548.49
Accumulated Depreciation :												
As at 1st April 2021	-	-	-	-	-	-	-	-	-	-	1.00	1.00
Depreciation charge for the year	-	18.34	1.47	1.76	1.51	2.09	6.94	0.04	0.01	32.15	76.16	108.31
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
As at 31st March 2022	-	18.34	1.47	1.76	1.51	2.09	6.94	0.04	0.01	32.15	77.16	109.31
Net Carrying Amount :												
As at 1st April 2021	-	-	-	-	-	-	-	-	-	-	22.92	22.92
As at 31st March 2022	6.00	39.96	11.12	10.42	9.90	30.72	13.82	41.43	6.66	170.05	269.13	439.19

₹ in lakhs

Particulars	Freehold Land	Leasehold Improvement	Electrical Installations & Equipment	Office Equipment	Furniture & Fixtures	Vehicles	Computers	Buildings	General Laboratory Equipment	Total	Right of Use Assets	Grand Total
Gross Carrying Amount :												
As at 1st April 2020	-	-	-	-	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-	-	-	-	23.91	23.91
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
As at 31st March 2021	-	-	-	-	-	-	-	-	-	-	23.91	23.91
Accumulated Depreciation :												
As at 1st April 2020	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation charge for the year	-	-	-	-	-	-	-	-	-	-	1.00	1.00
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
As at 31st March 2021	-	-	-	-	-	-	-	-	-	-	1.00	1.00
Net Carrying Amount :												
As at 1st April 2020	-	-	-	-	-	-	-	-	-	-	-	-
As at 31st March 2021	-	-	-	-	-	-	-	-	-	-	22.92	22.92

Modern Engineering and Projects Limited
(Formerly known as Modern Converters Limited)

Notes to Restated Financial Statements

4 Intangible assets

₹ in lakhs

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

₹ in lakhs

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

Modern Engineering and Projects Limited
(Formerly known as Modern Converters Limited)

Notes to Restated Financial Statements

5 Investments ₹ in lakhs

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Investment	-	-	0.00
Total	-	-	0.00

6 Other Financial Assets - Non Current ₹ in lakhs

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Non-current			
Considered good			
Security Deposits with Others	4.58	15.00	-
Security Deposits (Lease)	34.75	27.97	3.99
Other assets	23.92	19.24	-
Total	63.24	62.22	3.99

7 Deferred tax assets (net) ₹ in lakhs

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Deferred Tax Liabilities/ (Assets) arising on account of timing differences in:			
Property, Plant and Equipment including Intangible Assets - Depreciation	(53.04)	(65.67)	(5.77)
Unabsorbed Losses/Depreciation	65.77	11.69	3.02
Gratuity	0.83	0.47	-
Lease Liability	63.19	76.17	6.11
Deferred Tax Liabilities (net)	76.75	22.66	3.36

8 Other non - current assets ₹ in lakhs

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Capital advances	-	41.90	-
Total	-	41.90	-

Modern Engineering and Projects Limited
(Formerly known as Modern Converters Limited)

Notes to Restated Financial Statements

9 Trade receivables

₹ in lakhs

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Unsecured Considered Good	1,379.44	928.09	-
Unsecured Considered doubtful	-	-	-
Less: Allowance for bad and doubtful debts	-	-	-
Total	1,379.44	928.09	-

March 31, 2023

₹ in lakhs

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Trade receivables							
(i) Undisputed Trade receivables – considered good	-	1,379.44	-	-	-	-	1,379.44
(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	-	-	-	-	-	-	-
	-	1,379.44	-	-	-	-	1,379.44

March 31, 2022

₹ in lakhs

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Trade receivables							
(i) Undisputed Trade receivables – considered good	-	928.09	-	-	-	-	928.09
(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	-	-	-	-	-	-	-
	-	928.09	-	-	-	-	928.09

March 31, 2021

₹ in lakhs

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Trade receivables							
(i) Undisputed Trade receivables – considered good	-	-	-	-	-	-	-
(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	-	-	-	-	-	-	-
	-	-	-	-	-	-	-

Modern Engineering and Projects Limited
(Formerly known as Modern Converters Limited)

Notes to Restated Financial Statements

10 Cash and cash equivalents

₹ in lakhs

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
(A) Balances with Banks			
- In current accounts	145.89	39.19	13.68
Cash on hand	2.99	1.63	1.87
Total	148.87	40.82	15.55
(B) Bank Balances other than above			
(i) Fixed Deposits with maturity period of less than 3 months	20.17	-	-
Total	20.17	-	-

11 Other Current Assets

₹ in lakhs

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Loans & Advances to Body Corporates and Individuals	67.41	-	-
Advance to Vendor	42.94	385.11	127.90
Prepaid Salary	0.12	0.96	-
Tax Deducted at Source	135.43	25.24	2.19
Advance to suppliers	-	38.25	-
Advance against Security Deposit	19.76	24.87	1.63
Advance against Property	2.00	0.02	155.00
Balance with Customs	257.72	68.77	-
Total	525.37	543.21	286.72

Modern Engineering and Projects Limited
(Formerly known as Modern Converters Limited)

Notes to Restated Financial Statements

12 Equity Share capital

₹ in lakhs

a)	Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
	Authorised			
	Equity shares of ₹ 10 each 5,31,50,000 shares of ₹ 10 each (March 31, 2023 - 5,31,50,000 shares, March 31, 2022 - 5,31,50,000 shares & March 31, 2021 - 31,20,000 shares)	5,315.00	5,315.00	312.00
	Preference shares of ₹ 10 each 30,000 preference shares of ₹ 10 each (March 31, 2023 - Nil, March 31, 2022 - Nil & March 31, 2021 - 30,000 shares)	-	-	3.00
	Issued, subscribed and fully paid up			
	Equity shares, of ₹ 10 each 30,90,000 shares of ₹ 10 each (31st Mar 23 - 30,90,000 shares, 31st Mar 22 - 30,90,000 shares)	309.00	309.00	309.00
		309.00	309.00	309.00

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

	As at March 31, 2023		As at March 31, 2022		As at March 31, 2021	
	% of total shares in the class	Number of shares	% of total shares in the class	Number of shares	% of total shares in the class	Number of shares
Equity shares of ₹ 10 each fully paid-up held by						
Dikshit Kumar Choudhary	-	-	-	-	5.97%	1,84,450
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	8.78%	2,71,245
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	2,71,245	1,56,050	4,27,295	13.83%	13.83%
Jetra Infrastructure Private Limited	-	6,60,365	6,60,365	21.37%	21.37%
Manju Devi Chirimar	20,201	20,201	-	0.00%	100.00%
Rajeev Chirimar	19,560	19,560	-	0.00%	100.00%
Sangita Chirimar	3,300	3,300	-	0.00%	100.00%
Keshav Chirimar	2,800	2,800	-	0.00%	100.00%
Raghav Chirimar	1,700	1,700	-	0.00%	100.00%
Rajeev Chirimar HUF	4,450	4,450	-	0.00%	100.00%
Kemi Fiber Industries Pvt. Ltd.	11,000	11,000	-	0.00%	100.00%
Radio Supply Stores Pvt. Ltd.	4,000	4,000	-	0.00%	100.00%
Total	3,38,256	-	19,42,250	62.86%	-

March 31, 2021

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
Manju Devi Chirimar	20,201	-	20,201	0.65%	0.00%
Rajeev Chirimar	19,560	-	19,560	0.63%	0.00%
Sangita Chirimar	3,300	-	3,300	0.11%	0.00%
Keshav Chirimar	2,800	-	2,800	0.09%	0.00%
Raghav Chirimar	1,700	-	1,700	0.06%	0.00%
Rajeev Chirimar HUF	4,450	-	4,450	0.14%	0.00%
Kemi Fiber Industries Pvt. Ltd.	11,000	-	11,000	0.36%	0.00%
Radio Supply Stores Pvt. Ltd.	4,000	-	4,000	0.13%	0.00%
Total	67,011	-	67,011	2.17%	0.00%

(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.

Modern Engineering and Projects Limited
(Formerly known as Modern Converters Limited)

Notes to Restated Financial Statements

13 Other Equity

₹ in lakhs

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Capital Redemption Reserve	3.00	3.00	3.00
Retained Earnings	(786.01)	(533.23)	(77.62)
Other Comprehensive Income	(1.74)	(5.30)	(5.30)
General Reserve	78.19	78.19	78.19
Total	(706.56)	(457.34)	(1.73)

14 Non Current Financial Liabilities - Borrowings

₹ in lakhs

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Unsecured			
From Related Parties	611.78	713.83	-
Others	0.42	-	-
Total	612.20	713.83	-

15 Leases

₹ in lakhs

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Non-current			
Lease Liability	182.70	242.34	12.65
Total non-current Lease Liability	182.70	242.34	12.65
Current			
Lease Liability	68.35	60.28	11.61
Total current Lease Liability	68.35	60.28	11.61
Total	251.05	302.61	24.26

16 Non-current Provisions

₹ in lakhs

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Provision for Employee Benefits: Provision for Gratuity (refer Note 31)	3.29	1.88	-
Total	3.29	1.88	-

17 Trade payables

₹ in lakhs

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Due to micro enterprises and small enterprises*	9.28	7.83	-
Due to creditors other than micro enterprises and small enterprises	994.06	342.38	-
Total	1,003.34	350.20	-

March 31, 2023

₹ in lakhs

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Total outstanding dues of micro enterprises and small enterprises	-	7.18	-	-	7.18
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	967.65	26.41	-	-	994.06
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Total	967.65	33.59	-	-	1,001.24

Modern Engineering and Projects Limited
(Formerly known as Modern Converters Limited)

Notes to Restated Financial Statements

March 31, 2022

₹ in lakhs

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Total outstanding dues of micro enterprises and small enterprises	7.18	-	-	-	7.18
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	342.38	-	-	-	342.38
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Total	349.56	-	-	-	349.56

March 31, 2021

₹ in lakhs

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

*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.

₹ in lakhs

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
The Principal amount remaining unpaid to any supplier at the end of the year	7.18	7.18	Nil
Interest due remaining unpaid to any supplier at the end of the year	2.10	0.65	Nil
The amount of interest paid by buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of payment made to the supplier beyond the appointed day during the year.	Nil	Nil	Nil
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	Nil	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of each accounting year.	Nil	Nil	Nil
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23	Nil	Nil	Nil

Note: 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.

18 Other Current Liabilities

₹ in lakhs

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Towards Employees	55.60	23.94	-
Statutory Dues Payable*	53.70	32.37	-
Expenses Payable	1,046.75	802.35	-
Other Current Liabilities	948.68	0.16	-
Total	2,104.74	858.81	-

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

19 Current Provisions

₹ in lakhs

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Provision for Employee Benefits:			
Provision for Gratuity (refer Note 31)	0.01	0.00	-
Total	0.01	0.00	-

20 Other Financial liabilities

₹ in lakhs

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Audit Fees Payable	-	-	0.65
Preference Share Redemption	-	-	0.37
Total	-	-	1.02

Modern Engineering and Projects Limited
(Formerly known as Modern Converters Limited)

Notes to Restated Financial Statements

21 Revenue from Operations ₹ in lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Sale of Products	-	131.03	7.49
Sale of Services	6,756.11	1,944.57	-
Total	6,756.11	2,075.60	7.49

22 Other income ₹ in lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest income	2.32	4.13	0.05
Interest income on leases	5.57	4.54	0.06
Cost sharing	38.10	-	-
Dividend Income	0.37	-	0.08
Miscellaneous Income	-	-	0.43
Total	46.37	8.67	0.61

23 Manufacturing and Operating Costs ₹ in lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Consumables	4,584.95	1,041.02	-
Labour Charges	0.41	0.95	-
Hiring Charges	41.50	12.67	-
Surveying Fees	1.14	8.40	-
Work Order	1,472.92	1.76	-
Design Charges	-	883.06	-
Total	6,100.91	1,947.86	-

24 Changes in Inventories ₹ in lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening Stock			
Finished Products	-	-	4.48
Traded Goods	-	-	-
Less: Closing Stock			
Finished Products	-	-	-
Traded Goods	-	-	-
Decrease/(Increase)	-	-	4.48

25 Employee benefits expense ₹ in lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries and wages including bonus	386.54	149.55	2.29
Contribution to provident funds and other funds	11.47	5.98	-
Leave Encashment (refer Note 31)	3.17	-	-
Gratuity expense (refer Note 31)	6.18	1.88	-
Bonus to Employees	1.74	0.38	-
Total	409.09	157.79	2.29

Modern Engineering and Projects Limited
(Formerly known as Modern Converters Limited)

Notes to Restated Financial Statements

26 Finance costs

₹ in lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest expense on lease	54.01	52.36	0.40
Interest on delayed payment to MSME	1.45	0.65	-
Total	55.46	53.00	0.40

27 Depreciation and amortization expense

₹ in lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation on Property, Plant and Equipment	71.81	32.15	-
Amortization of Intangible assets	0.36	0.31	-
Depreciation on Right to Use Assets	79.43	76.16	1.00
Total	151.60	108.62	1.00

28 Other expenses

₹ in lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Repairs & Maintenance Others	5.75	-	-
Business Promotion	1.62	4.17	-
Mess Expenses	9.80	3.29	-
Insurance	19.61	19.62	-
Brokerage	0.58	1.14	-
Rent	23.72	1.06	1.33
Rates and Taxes	9.92	5.46	-
Auditors' Remuneration	5.40	1.50	0.12
Legal and Professional Expenses	86.83	143.40	-
Admin Expenses	21.91	12.67	-
Travelling & Conveyance	41.79	10.75	-
Electricity Expense	13.76	6.77	-
Advertising Expenses	-	0.00	0.16
Bad Debts	-	0.01	0.05
Bank Charges	0.06	-	0.00
Depository Expenses	-	-	0.39
Filing & Professional Fee	44.70	0.00	0.31
General Expenses	4.40	-	0.02
Listing Fee	-	-	3.54
Printing & Stationary	2.34	2.81	0.01
RTA Fees	-	-	0.26
Telephone Expenses	0.08	0.09	0.01
Website Expenses	-	-	0.08
Sundry Balance W/Off	-	-	1.28
Loss on Disposal	0.35	-	-
Miscellaneous Expenses	100.85	79.15	-
Total	393.47	291.90	7.56

27 (a)

Payment to auditors :	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
For statutory audit	5.40	1.50	0.12
For other services	-	-	-
Total payment to auditors	5.40	1.50	0.12

Modern Engineering and Projects Limited
(Formerly known as Modern Converters Limited)

Notes to restated financial statements

29 Interests in Joint Operations

The Company's share of interest in joint arrangement as at March 31, 2023 and March 31, 2022 and March 31, 2021 is set out below. The principal place of business of all these joint operations is in India.

Name	Principle activities	% of ownership interest		
		As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
1) MEIPDL-MCL-JV	Construction	74%	74%	0%

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.

Particulars	₹ in lakhs		
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
(i) Summarised Balance Sheet			
Total Assets	1,977.61	1,023.79	-
Total Liabilities	1,922.85	1,129.90	-
(ii) Summarised Statement of Profit and Loss			
Revenue from operations	6,747.75	1,943.82	-
Other Income	11.91	2.05	-
Total Expenses (Including taxes)	6,686.38	2,106.75	-

30 Related parties

Name of the Party	Nature of relationship
Jetra Infrastructure Private Limited	Company having significant influence

Modern Engineering and Projects Limited
(Formerly known as Modern Converters Limited)

Notes to restated financial statements

Key managerial personnel

Particulars	Nature of relationship
Mr. Yash Saraogi (upto September 21, 2021)	Managing Director
Mr. Pankaj Kumar Agarwal (upto April 16,2021)	Independent Director
Mrs Rashmi Dalima (upto September 21, 2021)	Independent Director
Mr. Jaipal Singh Barsi Parmar (upto September 27, 2022)	Independent Director
Mr Vaishali Sahebrao Mulay (w.e.f April 16, 2021)	Additional Director
Mr. Sukhdeep Singh (upto November 14, 2022)	Non-executive Director
Mr. Shashikant Gangadhar Bhoge (upto December 13, 2022)	Non-executive Director
Mr. Kishan Choudhary (upto February 10, 2022)	Chief Financial Officer
Jashandeep Singh (w.e.f September 21, 2021)	Managing Director
Jashandeep Singh (w.e.f December 19, 2023)	Non-executive Director
Subhash Chandra Bose (upto December 15, 2022)	Chief Financial Officer
Ms. Nidhi Kumari (upto July 25, 2022)	Company Secretary
Ms. Twinkle Agarwal (upto July 07, 2021)	Company Secretary
Mr. Suraj Samat (w.e.f. October 07, 2022)	Non Executive Director, Chairman
Mr. Sitaram Dhulipala (w.e.f August 06, 2022)	Whole-time Director
Mr. Sitaram Dhulipala (w.e.f December 20, 2023)	Managing Director
Mr. Siddhant Singh (w.e.f August 26, 2022)	Independent Director
Mr. Naresh Parbat Sasanwar (upto December 27, 2022)	Chief Financial Officer
Ms. Beena Khandelwal (w.e.f July 28, 2022)	Company Secretary

Details of transactions with related parties :

Particulars	₹ in lakhs		
	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Managerial remuneration			
Mr. Jashandeep Singh	29.95	14.97	-
Mr. Sitaram Dhulipala	19.57	-	-
Key Managerial remuneration			
Mr. Naresh Prabat Sasanwar	15.45	-	-
Ms. Beena Khandelawal	1.69	-	-
Mr. Subhash Chandra Bose	2.80	-	-
Mr. Sukhdeep Singh	14.22	-	-
Mr. Shashikant Gangadhar Bhoge	-	-	-
Ms. Nidhi Kumari	-	1.77	-
Ms. Twinkle Agarwal	-	1.20	2.29
Loan Taken			
Mr. Jashandeep Singh	-	4.92	-
Jetra Infrastructure Private Limited	-	347.00	-
Ms. Vaishali Sahebrao Mulay	-	250.00	-

Modern Engineering and Projects Limited
(Formerly known as *Modern Converters Limited*)

Notes to restated financial statements

Details of closing balances with related parties :

Particulars	₹ in lakhs		
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Managerial remuneration Payable			
Mr. Jashandeep Singh	9.91	2.19	-
Mr. Sitaram Dhulipala	7.42	-	-
Key Managerial remuneration Payable			
Mr. Naresh Prabat Sasanwar	4.69	-	-
Ms. Beena Khandelawal	0.19	-	-
Mr. Sukhdeep Singh Salary	2.21	-	-
Ms. Nidhi Agarwal	0.28	-	-
Mr. Shashikant Gangadhar Bhoge	0.29	-	-
Loan Repayable			
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.

31 Employee Benefit Obligations

(i) Defined contribution plan

Provident Fund

The contributions to the Provident Fund of the employees are made to a Government administered Provident Fund and there are no further obligations beyond making such contribution. Employer's Contribution to Provident Fund amounting to ₹ 6.71 Lakhs (March 31, 2022 - ₹ 1.63 lakhs, March 31, 2021 - ₹ Nil) has been recognized as an expense in the Statement of Profit and Loss.

(ii) Leave Encashment

The leave obligations cover the Company's liability for earned leave.

The amount of ₹ 3.17 lakhs (March 31, 2022 - Nil, March 31, 2021 - Nil) has been recognised in statement of profit and loss, since the company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the company does not expect all employee to take the full amount of accrued leave or require payment within the next 12 months.

Modern Engineering and Projects Limited
(Formerly known as *Modern Converters Limited*)

Notes to restated financial statements

(iii) Defined benefit plan

Gratuity

Every employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972 or company scheme whichever is beneficial. The same is payable at the time of separation from the company or retirement, whichever is earlier. The benefits vest after five years of continuous service.

Gratuity

The following table sets out the amount recognised in the balance sheet and the movements in the net defined benefit obligations over the year are as follows:

Particulars	₹ in lakhs		
	Present value of obligation	Fair value of Plan assets	Net amount
April 01, 2020	-	-	-
Current Service cost	-	-	-
Past Service Cost	-	-	-
Interest expense/(income)	-	-	-
Total amount recognised in profit and loss	-	-	-
Remeasurements			
Return on plan assets, excluding amounts included in interest expense / (income)	-	-	-
(Gain)/loss from change in financial assumptions	-	-	-
Experience (gains)/losses	-	-	-
Total amount recognised in other comprehensive income	-	-	-
Employer contributions	-	-	-
Benefit payments	-	-	-
March 31, 2021	-	-	-

Particulars	₹ in lakhs		
	Present value of obligation	Fair value of Plan assets	Net amount
April 01, 2021	-	-	-
Current Service cost	1.88	-	1.88
Past Service Cost	-	-	-
Interest expense/(income)	-	-	-
Total amount recognised in profit and loss	1.88	-	1.88
Remeasurements			
Return on plan assets, excluding amounts included in interest expense / (income)	-	-	-
(Gain)/loss from change in financial assumptions	-	-	-
Experience (gains)/losses	-	-	-
Total amount recognised in other comprehensive income	-	-	-
Employer contributions	-	-	-
Benefit payments	-	-	-
March 31, 2022	1.88	-	1.88

Modern Engineering and Projects Limited
(Formerly known as Modern Converters Limited)

Notes to restated financial statements

₹ in lakhs

Particulars	Present value of obligation	Fair value of Plan assets	Net amount
April 01, 2022	1.88	-	1.88
Current Service cost	6.06	-	6.06
Past Service Cost	-	-	-
Interest expense/(income)	0.12	-	0.12
Total amount recognised in profit and loss	6.18	-	6.18
Remeasurements			
Return on plan assets, excluding amounts included in interest expense / (income)	-	-	-
(Gain)/loss from change in financial assumptions	(0.33)	-	(0.33)
Experience (gains)/losses	(4.43)	-	(4.43)
Total amount recognised in other comprehensive income	(4.76)	-	(4.76)
Employer contributions	-	-	-
Benefit payments	-	-	-
March 31, 2023	3.30	-	3.30

The net liability disclosed above relates to funded plans are as follows

₹ in lakhs

Particulars	31-Mar-23	31-Mar-22	31-Mar-21
Present value of funded obligations	3.30	1.88	-
Fair value of plan assets	-	-	-
Deficit/(Surplus) of gratuity plan	3.30	1.88	-

Significant estimates- actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows

Particulars	Modern Engineering & Projects Limited			MEPIDL - MCL - JV		
	31-Mar-23	31-Mar-22	31-Mar-21	31-Mar-23	31-Mar-22	31-Mar-21
Discount rate	7.30%	6.41%	NA	7.20%	5.15%	NA
Salary growth rate (per annum)	15.00%	15.00%	NA	15.00%	15.00%	NA
Attrition rate	15.00%	15.00%	NA	30.00%	30.00%	NA
Retirement Age	60 years	60 years	NA	60 years	60 years	NA
Mortality Table	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate	NA	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate	NA

Modern Engineering and Projects Limited
(Formerly known as Modern Converters Limited)

Notes to restated financial statements

Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is as follows:

₹ in lakhs

Particulars	Impact on defined benefit obligation					
	Increase in assumption			Decrease in assumption		
	31-Mar-23	31-Mar-22	31-Mar-21	31-Mar-23	31-Mar-22	31-Mar-21
Modern Engineering & Projects Limited						
Discounting (1% movement)	(0.27)	(0.18)	NA	0.29	0.20	NA
Salary increase (1% movement)	0.25	0.18	NA	(0.24)	(0.17)	NA
Employee turnover (1% movement)	(0.17)	(0.13)	NA	0.19	0.15	NA
MEPIDL - MCL - JV						
Discounting (1% movement)	(0.03)	(0.01)	NA	0.04	0.01	NA
Salary increase (1% movement)	0.04	0.01	NA	(0.03)	(0.01)	NA
Employee turnover (1% movement)	(0.04)	(0.01)	NA	0.04	0.01	NA

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

Risk Exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below

Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.
Interest rate risk	A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision.
Asset Liability Matching Risk	The plan faces the ALM risk as to the matching cash flow. Entity has to manage pay-out based on pay as you go basis from own funds.
Mortality Risk	Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

32 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.

Modern Engineering and Projects Limited
(Formerly known as *Modern Converters Limited*)

Notes to restated financial statements

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

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

Trade and Other Receivables

Particulars	₹ in lakhs		
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
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	₹ in lakhs
	Carrying amount <12months
March 31, 2023	
Trade payables	994.06
Employee related liabilities	55.60
Total	1,049.66
March 31, 2022	
Trade payables	342.38
Employee related liabilities	23.94
Total	366.31
March 31, 2021.	
Trade payables	-
Employee related liabilities	-
Total	-

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.

Modern Engineering and Projects Limited
(Formerly known as *Modern Converters Limited*)

Notes to restated financial statements

(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	₹ in lakhs	
	USD converted to INR	Total
Financial Assets		
Trade Receivables	-	-
Net exposure for foreign currency (assets)	-	-
Financial Liabilities		
Trade payables	-	-
Net exposure to foreign currency (liabilities)	-	-

As at March 31, 2022

Particulars	₹ in lakhs	
	USD converted to INR	Total
Financial Assets		
Trade Receivables	-	-
Net exposure for foreign currency (assets)	-	-
Financial Liabilities		
Trade payables	-	-
Net exposure to foreign currency (liabilities)	-	-

As at March 31, 2021

Particulars	₹ in lakhs	
	USD converted to INR	Total
Financial Assets		
Trade Receivables	-	-
Net exposure for foreign currency (assets)	-	-
Financial Liabilities		
Trade payables	-	-
Net exposure to foreign currency (liabilities)	-	-

Modern Engineering and Projects Limited
(Formerly known as Modern Converters Limited)

Notes to restated financial statements

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	March 31, 2021.
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.

33 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

Particulars	Carrying amount		Fair Value Level
	Fair value through profit and loss	Amortised Cost	
₹ in lakhs			
<u>Financial assets</u>			
Non Current			
Investment	-	-	-
Current			
Trade receivable	-	1,379.44	-
Cash and cash equivalents	-	20.17	-
Other financial assets	-	525.37	-
Total Financial assets	-	1,924.98	-
<u>Financial Liabilities</u>			
Current			
Trade payable	-	342.38	-
Other financial liabilities	-	2,104.74	-
Total Financial Liabilities	-	2,447.11	-

Modern Engineering and Projects Limited
(Formerly known as Modern Converters Limited)

Notes to restated financial statements

(a) Financial instruments by category
March 31, 2022.

Particulars	Carrying amount		₹ in lakhs
	Fair value through profit and loss	Amortised Cost	Fair Value Level
<i>Financial assets</i>			
Non Current			
Investment	-	-	-
Current			
Trade receivable	-	928.09	-
Cash and cash equivalents	-	-	-
Other financial assets	-	543.21	-
Total Financial assets	-	1,471.30	-
<i>Financial Liabilities</i>			
Current			
Trade payable	-	350.20	-
Other financial liabilities	-	858.81	-
Total Financial Liabilities	-	1,209.01	-

(a) Financial instruments by category
March 31, 2021.

Particulars	Carrying amount		₹ in lakhs
	Fair value through profit and loss	Amortised Cost	Fair Value Level
<i>Financial assets</i>			
Non Current			
Investment	-	0.00	-
Current			
Trade receivable	-	-	-
Cash and cash equivalents	-	-	-
Other financial assets	-	286.72	-
Total Financial assets	-	286.72	-
<i>Financial Liabilities</i>			
Current			
Trade payable	-	-	-
Other financial liabilities	-	1.02	-
Total Financial Liabilities	-	1.02	-

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 and March 31, 2021 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

Modern Engineering and Projects Limited
(Formerly known as Modern Converters Limited)

Notes to restated financial statements

34 Leases

Operating lease

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	₹ in lakhs		
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Non current	182.70	242.34	12.65
Current	68.35	60.28	11.61
Total	251.05	302.61	24.26

(i) **Movement in Lease liabilities:**

Particulars	₹ in lakhs		
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Opening Balance	302.61	24.26	-
Add: Leases added during the year	7.17	322.38	23.91
Add: Finance cost accrued during the year	49.89	48.46	0.34
Less: Payment of Lease Liabilities	(109.24)	(92.03)	-
Closing Balance	250.44	303.07	24.26

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

Particulars	₹ in lakhs		
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Payable within one year	68.35	60.28	11.61
Payable later than one year and not later than five years	182.70	242.34	12.65
	251.05	302.61	24.26
(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.

Modern Engineering and Projects Limited
(Formerly known as Modern Converters Limited)

Notes to restated financial statements

35 Ratio Analysis and its elements

Ratio	Numerator	Denominator	March 31, 2023	March 31, 2022	March 31, 2021.	% change	% change	% change	Reason for variance	Reason for variance	Reason for variance
						(22-23)	(21-22)	(20-21)	(22-23)	(21-22)	(20-21)
Current ratio	Current Assets	Current Liabilities	0.65	1.19	23.94	-45.20%	-95.02%	-91.22%	During the year, advance from customers have significantly increased due to which current ratio has decreased.	The ratios have undergone significant changes as a result of the incorporation of MEPIDL - MCL - JV during FY 2022	Current Liabilities of the company have increased during the year
Debt equity ratio (in times)	Borrowings and Lease Liabilities	Total Equity	(2.17)	(6.85)	0.08	-68.31%	-8779.99%	0.00%	Though losses of the company has decreased but due to carried forward losses of the company, other equity has been significantly impacted.		NA
Debt service coverage ratio (in times)	Net Profit after Tax + Depreciation and Amortisation expense + Finance Cost (excluding interest on Lease Liabilities)	Finance Cost (excluding cost pertaining to lease liabilities) + Repayment of Borrowings	(0.74)	(2.53)	-	-70.97%	0.00%	0.00%	During the year, loss of the company has comparatively decreased due to which ratio has slightly improved.		NA
Return on Equity Ratio (in %)	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	92.61%	-573.37%	-2.77%	-116.15%	-673.37%	591.54%	Due to decrease in Net Loss during the year, the ratio has improved.		NA
Inventory Turnover Ratio (in times)	Cost of Goods Sold	Average Inventory	-	-	-	0.00%	0.00%	0.00%	During the year, there is no underlying inventory.	During the year, there is no underlying inventory.	During the year, cost of goods sold is Nil.

Modern Engineering and Projects Limited
(Formerly known as Modern Converters Limited)

Notes to restated financial statements

Ratio	Numerator	Denominator	March 31, 2023	March 31, 2022	March 31, 2021.	% change	% change	% change	Reason for variance	Reason for variance	Reason for variance	
						(22-23)	(21-22)	(20-21)	(22-23)	(21-22)	(20-21)	
Trade Receivables Turnover ratio (in times)	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	5.86	4.47	-	30.92%	0.00%	0.00%	During the year, revenue from operations have increased due to which net profit ratio has significantly changed.	The ratios have undergone significant changes as a result of the incorporation of MEPIDL - MCL - JV during FY 2022	NA	
Trade Payables Turnover ratio (in times)	Cost of Services	Average Trade Payables	9.13	11.38	-	-19.76%	0.00%	0.00%	NA		NA	
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	(6.13)	8.55	0.03	-171.69%	754.76%	-263.94%	Because of negative Working Capital, the ratio is negative though the losses of company have reduced during the year.		Due to improvement in companies usage of Working Capital, the ratio has improved during the year.	
Net Profit ratio	Net Profit	Net sales = Total sales - sales return	-3.74%	-21.95%	-56.79%	-82.96%	-121.95%	-29.48%	NA		Due to increase in Net Loss during the year, there is decrease in Net Profit Ratio during the current financial year.	
Return on Capital Employed (in %)	EBIT	Capital Employed = Tangible Net Worth + Total Debt	-66.15%	-54.71%	-2.30%	20.92%	2281.57%	-102.30%	During the year, losses of the company has comparatively decreased.		During the year, company has incurred losses leading to decrease in other equity	
Return on Investment	Interest (Finance Income)	Investment	NA	NA	NA	NA	NA	NA	NA		NA	NA

Modern Engineering and Projects Limited
(Formerly known as Modern Converters Limited)

Notes to restated financial statements

36 Earnings per share

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Loss attributable to the equity holders of the Company (in ₹ lakhs)	(252.77)	(455.61)	(4.25)
Weighted average number of equity shares (in ₹ lakhs)	30.90	30.90	30.90
Earnings per share (basic and diluted)	(8.18)	(14.74)	(0.14)
Face value per equity share (₹)	10.00	10.00	10.00

37 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	As at March 31, 2021
₹ in lakhs			
(a) Recognised in profit and loss			
Current tax			
–For the year – –	-	-	-
–Adjustment for earlier years	-	-	-
Deferred tax (credit) /charge for the year	(55.29)	(19.30)	(3.36)
Tax expense	(55.29)	(19.30)	(3.36)
(b) Recognised in other comprehensive income			
Deferred tax	-	-	-
Tax Expense	-	-	-
Total Tax Expense	(55.29)	(19.30)	(3.36)

(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	As at March 31, 2021
₹ in lakhs			
Loss before tax	(308.06)	(474.91)	(7.62)
Tax rate	25.17%	25.17%	25.17%
Computed tax expense	-	-	-
Tax effect of expenses that are not deductible in determining taxable profit:			
Depreciation	12.63	(59.90)	(5.77)
Expenses not deductible	1.55	0.47	3.02
Adjustment related to unabsorbed tax losses	54.08	8.67	-
Leases	(12.98)	70.06	6.11
Tax expense	55.29	19.30	3.36

Modern Engineering and Projects Limited
(Formerly known as Modern Converters Limited)

Notes to restated financial statements

(iii) **Deferred Tax:**

Particulars	₹ in lakhs		
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Deferred tax relates to the following:			
Timing differences in the carrying amount of property, plant and equipment	12.63	(59.90)	(5.77)
Timing differences due to unused tax losses	54.08	8.67	3.02
Timing differences in the provision for gratuity	0.36	0.47	-
Timing differences in the carrying amount of Lease	(12.98)	70.06	6.11
Timing differences due to remeasurement of defined benefit plans	1.20	-	-
Deferred Tax (Assets) / Liabilities–Net	55.29	19.30	3.36

Particulars	₹ in lakhs		
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Opening balance as at	(22.66)	(3.36)	-
Tax (income)/expense during the period recognised in profit or loss	(55.29)	(19.30)	(3.36)
Closing balance as at:	(77.95)	(22.66)	(3.36)

38 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.

39 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 does not have 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).
- (viii) The compliance of number of layers prescribed under clause 87 of the Companies Act read with Companies (Restriction on number of Layers) Rule, 2017 is not applicable to the Company.
- (ix) The Company is not declared wilful defaulter by bank or Financial Institutions or any lender during the Financial Year.
- (x) Since there are no borrowings during the Years from Banks or Financial Institutions, the Company has not submitted any Quarterly Returns or Statement of Current Assets with Banks or Financial Institutions.

Modern Engineering and Projects Limited
(Formerly known as Modern Converters Limited)

Notes to restated financial statements

40 Commitments and contingent liabilities

There are no contingent liabilities and commitments as of March 31, 2023, March 31, 2022 and March 31, 2021

41 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.

42 Material Developments

The Company has evaluated subsequent events from the balance sheet date to May 24, 2024, the date at which the financial statements were available to be issued and determined that there are no other material developments, except as follows:

- (i) Mr Shivratn Agarwal has been appointed as an independent director with effect from February 13, 2024.
- (ii) The Company has entered into a Joint Venture Agreement on February 13, 2024 with Aquatech Solutions Private Limited in the name and Style of Aquatech- MEPL Nashik JV for Jointly development / Execution of contract of The Nashik Municipal Corporation for "Design, Construction, Supply, Erection, Testing and Commissioning of 11.5 MLD STP, 29.5 MLD TTP & allied works, followed by O&M of 60 months.

43 The financial statements were adopted for the purpose of the proposed rights issue by the Company's Board of directors on May 24, 2024.

44 Previous year/ period figures

Previous year figures have been regrouped to confirm to current year presentation.

As per our attached report of even date attached

For S K Patodia & Associates LLP
Chartered Accountants
FRN No. 112723W/W100962

For and on behalf of the Board of Directors

Dhiraj Lalpuria
Partner
Membership No: 146268

Sitaram Dhulipala
Managing Director
DIN: 03408989

Jashandeep Singh
Director
DIN: 02357390

Date : May 24, 2024
Place : Mumbai

Date : May 24, 2024
Place : Mumbai

Date : May 24, 2024
Place : Mumbai

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2023

₹ in Lakhs (Except earnings per share data)

Sr.No	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		December 31, 2023	September 30, 2023	December 31, 2022	December 31, 2023	December 31, 2022	March 31, 2023
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income :						
	a) Revenue from operations	1,985.87	1,832.89	9.04	5,247.79	164.60	6,779.89
	b) Other Income	0.00	0.47	0.05	62.45	3.65	163.45
	Total Revenue	1,985.87	1,833.36	9.09	5,310.24	168.25	6,943.34
2	Expenses :						
	a) Operating Costs	1,685.79	1,369.43	1.47	4,098.06	1.47	6,197.68
	b) Employee benefits expense	130.19	132.47	19.81	382.73	96.81	402.24
	c) Finance Costs	9.70	36.68	7.93	61.61	23.79	31.71
	d) Depreciation & Amortization expense	64.90	91.87	29.39	210.24	83.42	137.73
	e) Other expenses	84.45	76.07	43.87	248.22	150.50	455.19
	Total Expenses	1,975.03	1,706.52	102.47	5,006.86	355.99	7,224.56
3	Profit/(Loss) Before Tax (1-2)	10.83	126.84	(93.38)	309.38	(187.74)	(281.22)
4	Exceptional items Income / (Expenses) :	-	-	-	-	-	-
5	Profit/(Loss) Before Tax (3-4)	10.83	126.84	(93.38)	309.38	(187.74)	(281.22)
6	Tax Expense	9.64	54.85	(5.06)	107.79	(10.60)	(16.34)
	a) Current Tax	-	39.85	-	83.06	3.87	3.87
	b) Deferred Tax	9.64	15.00	(5.06)	24.73	(14.47)	(20.21)
7	Profit/(Loss) for the period (5-6)	1.19	72.00	(88.32)	201.59	(177.13)	(264.88)
8	Other Comprehensive Income:						
	a) Items that will not be reclassified to profit or loss	-	-	-	-	-	-
	b) Tax impact relating to items that will not be reclassified to profit or loss	-	-	-	-	-	-
9	Total Comprehensive Income for the period (7+8)	1.19	72.00	(88.32)	201.59	(177.13)	(264.88)
10	Paid-up Equity Share Capital (Face Value of ₹ 10 per share)	309.00	309.00	309.00	309.00	309.00	309.00
11	Earnings per Share (EPS) *						
	a) Basic EPS (₹)	0.04	2.33	(2.86)	6.52	(5.73)	(8.57)
	b) Diluted EPS (₹)	0.04	2.33	(2.86)	6.52	(5.73)	(8.57)

* Not annualised

Notes to the Unaudited Financial Results for the quarter and nine months ended December 31, 2023

- The above financial results were reviewed by the Audit Committee and approved by the Board of Directors at the meeting held on February 13, 2024. The statutory auditors of the Company have reviewed the financial results for the quarter ended December 31, 2023 in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements)
- This statement has been prepared in accordance with Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.
- The Company is engaged in one type of business, i.e., the execution of contracts of various infrastructure projects including transportation engineering, civil construction etc. Therefore, no separate segment disclosure is required in terms of Ind AS 108 - Operating Segments.
- In the above results, "Other Income" for the nine months ended December 31, 2023 includes cost sharing received from "MEPIDL-MCL-JV", a joint venture of the Company of ₹ 60.45 lakhs after intercompany elimination.
- The Company has entered into a Joint Venture agreement, MEPIDL-MCL-JV (the joint venture), for construction of roads. This is classified as joint operations under the accounting standards applicable to the company, which require the company to follow equity method. The financial information includes total revenue of ₹ 5,081.52 lakhs (without intercompany elimination) and total profit before tax (net) of ₹ 559.61 lakhs (without intercompany elimination) for the quarter ended December 31, 2023, of the Joint Venture. The Company had not recognised its interest (74%) in assets, liabilities, revenues and expenses, relating to joint operations in Q3 of Financial year 2022-23.
- The Company has entered into Joint Venture agreement, Aquatech-MEPL-JV (the joint venture), for "Khopoli Underground Sewerage Scheme". This is classified as joint operations under the accounting standards applicable to the company, which require the company to follow equity method. The above financial information does not include the same due to said joint operations being in the preliminary stages of operation, and the amounts involved being immaterial.
- During the quarter, the Chief Financial Officer of the Company has resigned from the company on December 8, 2023. In accordance with the provisions of Section 203 (4) read with Rule 8 of Companies Act, 2013 if any casual vacancy is caused in the office of the Chief Financial Officer same needs to be filled up within 6 months from the date of such vacancy. The company is taking necessary steps to fill this vacancy and ensure compliance with all legal requirements.
- The above results are available on the Company's website www.mep.ltd and also on www.bseindia.com.
- Previous year/ period figures have been regrouped/ reclassified/ rearranged/ recast wherever necessary.

Place : Mumbai
Date : February 13, 2024



For and on the behalf of the Board of Directors


Sitaram Dhulipala
DIN: 03408989
Managing Director



S K Patodia & Associates LLP

CHARTERED ACCOUNTANTS

Independent Auditor's Review Report on Unaudited Financial Results of Modern Engineering and Projects Limited (formerly known as Modern Converters Limited) for the quarter and nine months ended December 31, 2023, pursuant to the Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

**TO THE BOARD OF DIRECTORS OF
MODERN ENGINEERING AND PROJECTS LIMITED
(FORMERLY KNOWN AS MODERN CONVERTERS LIMITED)**

1. We have reviewed the accompanying statement of Unaudited Financial Results of Modern Engineering and Projects Limited and its joint operations, ("the Company") for the quarter and nine months ended December 31, 2023 ("the Statement"), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. ("the Regulation")
2. This Statement, which is the responsibility of the Company's management and approved by the Board of Directors, has been prepared in accordance with recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), as prescribed under Section 133 of the Companies Act, 2013 read with relevant rules thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Other Matters

5. (a) The Financial Statements of the Company for the year ended March 31, 2023 were audited by another firm of Chartered Accountants, who issued an unmodified opinion vide their reports dated May 30, 2023.

(b) The Financial Results of the Company for the quarter and nine months ended December 31, 2022 were audited by another firm of Chartered Accountants, who issued an unmodified opinion vide their reports dated February 6, 2023.

Our conclusion is not modified with regards to these matters.



Registered Office : Sunil Patodia Tower, J.B. Nagar, Andheri East, Mumbai - 400 099
Tel.: +91 22 6707 9444 | Email : info@skpatodia.in | Website : www.skpatodia.in

(LLP Identification No : ACE - 4113)
(S K Patodia & Associates (a partnership firm) converted into S K Patodia & Associates LLP with effect from December 15, 2023)

Emphasis of Matter

6. (a) We draw attention to Note 6 of the Statement, with respect to one joint venture of the company which has not been considered in the Statement.

(b) We draw attention to Note 7 of the Statement, which describes the resignation of the Chief Financial Officer during the quarter ended December 31, 2023, and the provisions of Section 203 of Companies Act, 2013 read with rule 8 of Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014.

(c) During the period and as on date, the Company has not met the requirements prescribed under 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.

Our conclusion is not modified with regards to these matters.

For S K Patodia & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 112723W/W100962



Dhiraj Lalpuria

Partner

Membership Number: 146268

UDIN : 24146268BKCSFN2676



Place: Mumbai

Date: February 13, 2024

ACCOUNTING RATIOS AND CAPITALISATION STATEMENT

Accounting Ratios

The following table sets forth the accounting ratios as at March 31, 2023, March 31, 2022 and March 31, 2021:
(all amounts in ₹ Lakhs, unless stated otherwise)

Particulars	31.03.2023	31.03.2022	31.3.2021
Net Worth	(397.56)	(148.34)	307.27
Profit attributable to the owners of the equity	(252.77)	(455.61)	(4.25)
Number of the shares outstanding at the end of the year	30,90,000	30,90,000	30,90,000
Weighted Number of the shares outstanding at the end of the year			
- for basic earnings per share	30,90,000	30,90,000	30,90,000
- for diluted earnings per share	30,90,000	30,90,000	30,90,000
Basic earnings per share (B/D)	(8.18)	(14.74)	(0.14)
Restated diluted earnings per share (B/E)	(8.18)	(14.74)	(0.14)
Return on net worth (%) (B/A)	(63.58)	(307.13)	(1.38)
Net Asset Value per share			
- based on weighted average number of shares (A/D)	(12.87)	(4.80)	9.94
- assuming actual number of equity shares with fully diluted capital in prior years (A/E)	(12.87)	(4.80)	9.94
EBITDA	(156.46)	(366.29)	(6.62)
Face value	10	10	10

The formulae used in the computation of the above ratios are as follows:

Basic EPS	Profit and loss attributable to Equity shareholders of Company / Weighted average number of Equity shares outstanding at the end of the period
Diluted EPS	Profit and loss attributable to Equity shareholders of Company / Weighted average number of Equity shares outstanding at the end of the period as adjusted for treasury shares and for the effects of all dilutive potential equity shares
Return on Net Worth	Profit/(loss) after tax for the period as presented in the consolidated statement of profit and loss in the Financial Statements / Net Worth
Net Worth	Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation
Net Asset Value per Equity Share	Net Worth / Number of Equity Shares subscribed and fully paid outstanding as at the end of March 31, 2023
EBITDA	Profit/(loss) after tax for the period adjusted for income tax expense, finance costs, depreciation and amortisation expense, exceptional items, other income as presented in the Audited Consolidated Financial Statements

Statement of Capitalization

(In ₹ Lakhs)

Particulars		Pre-Issue as at March 31, 2023	As adjusted for the issue (Post Issue) *
Borrowings:			
Current borrowings	A	0.00	[•]
Non-current borrowings	B	612.20	[•]
Total borrowings	C=A+B	612.20	[•]
Shareholder's fund (Net worth)			[•]
Share Capital	D	309.00	[•]
Other Equity [^]	E	(706.56)	[•]
Total shareholder's fund (Net worth)	F=D+E	(397.56)	[•]
Non-current borrowing's/shareholder's fund (Net worth) ratio	B/F	(1.53)	[•]
Total borrowings /shareholders' funds (Net worth) ratio	C/F	(1.53)	[•]

**To be updated in the Letter of Offer*

^excludes non-controlling interest

Notes:

1. Non-current borrowings are considered as borrowings other than short term borrowings and include current maturities of long-term borrowings.
2. The amounts disclosed above are based on the restated consolidated Financial Statements of the Company for the year ended March 31, 2023.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following is intended to convey our management's perspective of our financial condition and operating performance as at and for the financial years ended March 31, 2023 and March 31, 2022 and as at and for the nine month periods ended December 31, 2023 and December 31, 2022 and should be read in conjunction with our Audited Consolidated Financial Statements and our June Financial Results, including the respective notes thereto, and the related auditors' reports thereon, included in "Financial Information" on page 78 of this Draft Letter of Offer. Unless otherwise stated, the financial information used in this section has been derived from our Restated Financial Statements and our December Financial results

Our Fiscal commences on April 1 and ends on March 31 of the immediately subsequent year, and references to a particular Fiscal are to the 12 months ended March 31 of that particular year. In this Letter of Offer, unless specified otherwise, any reference to the "the Company" or "our Company" refers to Mangalam Industrial Finance Limited, on a standalone basis, and a reference to "we", "us" or "our" is a reference to our Company together with our Subsidiaries, on a consolidated basis.

This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements. Given these uncertainties, prospective investors are cautioned not to place undue reliance on such forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, those discussed in "Risk Factors" and "Our Business" on pages 18 and 61, respectively of this Draft Letter of Offer, which discuss a number of factors and contingencies that could affect our financial condition and results of operations. Also see "Forward Looking Statements" on page 13 of this Draft Letter of Offer.

BUSINESS OVERVIEW

Our Company's business operations are in the Infrastructure Sector with key focus on infrastructure construction, engineering, and other allied activities. We offer competitive business solutions in the areas of transportation engineering, civil construction and other allied works under the Build, Operate and Transfer (BOT), Hybrid Annuity Mode (HAM) model, Engineering, Procurement and Construction (EPC).

Our range of services includes engineering design, planning and estimation of a project, market studies, feasibility report preparation, project management services, architectural and construction engineering services, project commissioning, operations and maintenance, and special advisory services. Leveraging our proficiency in providing end-to-end infra-engineering consultancy solutions for complex and challenging projects across diverse sectors, we equip our clients with the necessary tools for success and growth.

Our company is presently engaged in the construction of large-scale infrastructure. Our focus area includes Civil Construction. We offer a well-diversified portfolio of road construction projects that helps connect key cities and corridors in India. Leveraging technology, world-class equipment and a competent team helps drive operational efficiency for fulfilling our vision of creating last-mile connectivity to aid India's development.

We are dedicated in providing innovative and sustainable solutions that address the unique needs and challenges of our clients. Our team of experts is committed to delivering exceptional results through efficient project management, cutting-edge technology, and a customer-centric approach are dedicated to providing innovative and sustainable solutions that address the unique needs and challenges of our clients. Our team of experts is committed to delivering exceptional results through efficient project management, cutting-edge technology, and a customer-centric approach

OUR STRATEGY

1. Embracing Innovation and Technology

We embrace innovation and technology to develop cutting edge solutions that address our projects' needs and challenges more efficiently and sustainably.

2. Prioritising Safety

We prioritize safety in our operations by implementing rigorous safety protocols and imparting training to our employees to ensure that we maintain a safe work environment for all the stakeholders.

3. Entering into Joint Ventures and Collaborations

We intend to enter into Joint Ventures or collaborations with other companies based on synergies and we intend to pursue more opportunities in the future and participate in the tendering processing for government projects. With this approval we intend to expand our footprint in the Indian market in a most efficient manner.

To achieve these goals, we seek to increase business from existing and new clients, to provide safety, security, modern product handling machines, and continue to invest in infrastructure and employees.

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our financial condition and results of operations are affected by numerous factors and uncertainties, including those discussed in the section titled ‘Risk Factors’ on page 18 of this Draft Letter of Offer. The following is a discussion of certain factors that have had, and we expect will continue to have, a significant effect on our financial condition and results of operations:

- adverse effect of competition on our market share and profits;
- tenant vacancy and oversupply which can affect rental income and property value;
- large capital expenditure on software and other robotic facilities which can affect profitability
- fire, flooding, power outages, damages and spoilages which can cause stock losses and liability issues
- our ability to:
 - manage our growth effectively;
 - manage our credit risk;
 - manage our quality of services;
 - hire and retain senior management personnel and other skilled manpower;
 - manage cost of compliance with labor laws or other regulatory developments;
 - manage our operating costs;
 - successfully implement our business strategies and expansion plans;
 - maintain effective internal controls;
- changes in general, political, social and economic conditions in India and elsewhere;
- general levels of GDP growth, and growth in employment and personal disposable income; and
- economic uncertainties, fiscal crises or instability in India.

SIGNIFICANT ACCOUNTING POLICIES

The accounting policies have been applied consistently to the periods presented in the Financial Statements. For details of our significant accounting policies, please refer section titled “Restated Financial Information” on page 78 of this Draft Letter of Offer.

CHANGE IN ACCOUNTING POLICIES IN PREVIOUS 3 YEARS

Except as mentioned in the Notes to the Accounts in the chapter “Restated Financial Information” on page 78 of this Draft Letter of Offer has been no change in accounting policies in last 3 years.

RESERVATIONS, QUALIFICATIONS AND ADVERSE REMARKS

The Audit Report issued by our Statutory Auditors has no reservations, qualifications and adverse remarks.

Comparison of Historical Results of Operations

Nine month period ended December 31, 2023 compared with Nine month period ended December 31, 2022

Particulars	Nine Month period ended 31.12.2023		Nine month period ended 31.12.2022	
	₹ in Lakhs	% of total income	₹ in Lakhs	% of total income
Income				
Revenue from operations	5,247.79	98.82	164.60	97.83
Other Income	62.45	1.18	3.65	2.17
Total Income	5,310.24	100.00	168.25	100.00
Expenses				
Operating Costs	4,098.06	77.17	1.47	0.87
Employee Benefit Expenses	382.73	7.21	96.81	57.54
Finance Cost	61.61	1.16	23.79	14.14
Depreciation and amortization expense	210.24	3.96	83.42	49.58
Other Expenses	248.22	4.67	150.50	89.45
Total Expenses	5000.86	94.17	355.99	211.58
Profit / (Loss) before exceptional items and Tax	309.38	5.83	(187.74)	(111.58)
Exceptional Items	0.00		0.00	0.00
Profit / (Loss) before tax	309.38	5.83	(187.74)	(111.58)
Tax Expenses				
Current Tax	107.79	2.03	(10.60)	(6.30)
Deferred Tax	83.06	1.56	3.87	2.30
Profit / (Loss) After Tax	201.59	3.80	(177.13)	(105.28)
Other Comprehensive Income/(Loss)	0.00	0	0.00	0.00
Total Comprehensive Income / (Loss) for the Year	201.59	3.80	(177.13)	(105.28)
Earnings per Share (Basic) (in Rs.)	6.52		(5.73)	
Earnings per Share (Diluted) (in Rs)	6.52		(5.73)	

Total Revenue

Our total revenue for the nine month period ended December 31, 2023 was ₹ 5,310.24 lakhs as compared to ₹ 168.25 lakhs for the corresponding nine month period ended December 31, 2022, an increase of ₹ 5,141.99 lakhs or 3056.16% This was due to an increase in revenue from operations and other income.

Revenue from Operations

Our revenue from operations for the for the nine month period ended December 31, 2023 was ₹5,247.79 lakhs as compared to ₹ 164.60 lakhs for the corresponding nine month period ended December 31, 2022, an increase of ₹ 5,083.19 lakhs or 3088.20%. This was due to an increase in revenue from operations due to the execution of new projects .

Other Income

Our Other Income for the nine month period ended December 31, 2023 was ₹62.45 lakhs as compared to ₹ 3.65 lakhs for the corresponding nine month period ended December 31, 2022, an increase of ₹ 58.80 lakhs or 1610.95%

Total Expenses

Our total expenses for the nine month period ended December 31, 2023 was ₹5000.86 lakhs as compared to ₹ 355.99 lakhs for the corresponding nine month period ended December 31, 2022, an increase of ₹ 4,644.87 lakhs or 1,304.78% This was because of an increase in operating costs, employee benefit expenses, finance costs and other expenses

Operating Costs

Operating Costs for the nine month period ended December 31, 2023 was ₹ 4,098.06 lakhs as compared to ₹ 1.47 lakhs for the corresponding nine month period ended December 31, 2022, an increase of ₹ 4,096.59 lakhs. This was due to an increase in the consumption of all raw materials and other developmental expenses due to the increase in our operations and revenue from operations.

Employee benefit Expenses

Our employee benefit expenses for the nine month period ended December 31, 2023 was ₹ 382.73 lakhs as compared to ₹ 96.81 lakhs for the corresponding nine month period ended December 31, 2022, an increase of ₹ 285.92 lakhs or 295.34 % . This was because of increase in salaries and wages on account of recruiting more employees. More employees were recruited due to the increased scale of operations.

Finance Costs

Our finance costs for the nine month period ended December 31, 2023 was ₹ 61.61 lakhs as compared to ₹ 23.79 lakhs for the corresponding nine month period ended December 31, 2022, an increase of ₹ 37.82 lakhs or 158.98 %. This was because our company availed more loans during this period.

Depreciation and Amortization

Our depreciation and amortization expenses for the nine month period ended December 31, 2023 was ₹ 210.24 lakhs as compared to ₹ 83.42 lakhs for the corresponding nine month period ended December 31, 2022, an increase of ₹ 126.82 lakhs or 152.03%. There has been due to the addition of more machinery for our increased scale of operations.

Other Expenses

Our Other Expenses for the nine month period ended December 31, 2023 was ₹ 248.22 lakhs as compared to ₹ 150.50 lakhs for the corresponding nine month period ended December 31, 2022, an increase of ₹ 97.72 lakhs or 64.93%. There has been due to an increase in the other expenses due to the increase in our scale of operations.

Profit Before tax

Because of the reasons stated above, our profit before tax was for the nine month period ended December 31, 2023 was ₹ 309.38 lakhs as compared to a loss of ₹ (187.74) lakhs for the corresponding nine month period ended December 31, 2022, an increase of ₹ 497.12 lakhs or 264.79%.

Tax Expenses

Our tax expenses for the nine month period ended December 31, 2023 was ₹ 24.73 lakhs as compared to ₹ (14.47) lakhs for the corresponding nine month period ended December 31, 2022, an increase of ₹ 39.20 lakhs.

Profit After Tax

For the reasons stated above, our profit after tax for the nine month period ended December 31, 2023 was ₹201.59 lakhs as compared to a loss of ₹ (177.13) lakhs for the corresponding nine month period ended December 31, 2022, an increase of ₹ 378.72 lakhs .

RESULTS OF OPERATIONS

The following table sets out selected data from the Restated Financial Statements for Financial Year 2023 and Financial Year 2022, together with the percentage that each line item represents of our total revenue for the periods presented.

Particulars	FY 2023		FY 2022	
	₹ in Lakhs	% of total income	₹ in Lakhs	% of total income
Income				
Revenue from operations	6,756.11	99.32	2,075.60	99.58
Other Income	46.37	0.68	8.67	0.42
Total Income	6,802.47	100.00	2,084.26	100.00
Expenses				
Operating Costs	6,100.91	89.69	1,947.86	93.46
Change in Inventory	-		-	
Employee Benefit Expenses	409.09	6.01	157.79	7.57
Finance Cost	55.46	0.82	53.00	2.54
Depreciation and amortization expense	151.60	2.48	108.62	5.21
Other Expenses	393.47	5.78	291.90	14.00
Total Expenses	7,110.54	104.52	2,559.17	122.78
Profit / (Loss) before exceptional items and Tax	(308.06)	(4.53)	(474.91)	(22.78)
Exceptional Items	0.00	0.00	0.00	0.00
Restated Profit /(Loss) before tax	(308.06)	(4.53)	(474.91)	(22.78)
Tax Expense				
Current Tax	0.00	0.00	0.00	0.00
Deferred Tax	(55.29)	(0.81)	(19.30)	(0.93)
Profit / (Loss) After Tax	(252.77)	(3.72)	(455.61)	(21.86)
Other Comprehensive Income/(Loss)	3.56	0.05	0.00	0.00
Total Comprehensive Income /(Loss)for the Year	(249.22)	(3.66)	(455.61)	(21.86)
Earnings per Share (Basic) (in Rs.)	(8.18)		(14.74)	
Earnings per Share (Diluted) (in Rs)	(8.18)		(14.74)	

Total income

Revenue from operations

Our revenue from operations comprises of revenue primarily from sale of services.

Other Income

Other income comprises of interest income, cost sharing and dividend income

Expenses

Our expenses consist of operating costs, employee benefit expense, finance cost, depreciation and amortisation expenses and other expenses.

Operating Costs

Our Operating Costs includes cost of consumables, hire charges, labour charges and Work Orders

Employee benefit expenses

Employee benefit expense consists of salaries and wages and employee benefit expenses

Finance Costs

Finance Costs consists of interest expense on lease

Depreciation and amortisation expenses

Depreciation and amortization expenses consist of depreciation on tangible and intangible assets owned by our company.

Other expenses

Other expenses include repairs and maintenance, mess expenses, business promotion, insurance, brokerage, rent, rates and taxes, auditors' remuneration, legal expenses, administrative expenses, travelling expenses, electricity, advertising, bad debts, bank charges, filing and professional fees, listing expenses, printing and stationery, telephone and other miscellaneous expenses.

Tax expenses

Tax expense comprises of current tax and deferred tax. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with applicable tax rates and the provisions of applicable tax laws. Deferred tax liability or credit is recognized based on the difference between taxable profit and book profit due to the effect of timing differences and treatment of expenses. Our deferred tax is measured based on the applicable tax rates and tax laws that have been enacted or substantively enacted by the relevant balance sheet date.

Comparison of Historical Results of Operations

Financial Year 2023 compared to Financial Year 2022

Total Revenue

The total revenue for Financial year ended March 31, 2023 increased from ₹ 2,084.26 lakhs during the financial year ended March 31, 2022 to ₹6,802.47 lakhs during the financial year ended March 31, 2023, an increase of ₹ 4718.21 lakhs or 226.38 %. This increase was due to an increase in revenue from services and other income during the financial year ended March 2023.

Revenue from operations

Our revenue from operations increased from ₹ 2,075.60 lakhs during the financial year ended March 31, 2022 to ₹ 6,756.11 lakhs in financial year ended March 31, 2023, an increase of ₹ 4,680.51 lakhs or 225.50%. This increase was due to an increase in revenue from services.

Other income

Other income increased from ₹8.67 lakhs to ₹ 46.37 lakhs, an increase of ₹37.70 lakhs or 435.57%, This was due to an increase in cost sharing.

Expenses

Out total expenses increased from ₹ 2,559.17 lakhs for the financial year ended March 31, 2022 to ₹ 7,110.54 lakhs for the financial year ended March 31, 2023 which was an increase of ₹ 4,551.37 lakhs or 177.85 %. This was due to an increase in operating costs, employee cost, depreciation and amortisation and increase in other expenses.

Operating Costs

Our cost of material consumed increased from ₹1,947.86 lakhs for the financial year ended March 31, 2022 to ₹6100.91 lakhs for the financial year ended March 31, 2023 which was an increase of ₹ 4,153.05 lakhs or 213.21%. This was due to an increase in the consumables and work orders in the current year as compared to the previous year.

Employee benefit expenses

Employee benefits expense for the year ended March 31 2023 was ₹ 409.09 lakhs as compared to ₹ 157.79 lakhs for the year ended March 31, 2022. This was an increase of ₹ 251.30 lakhs or 159.26 % over the previous year. This was due to an increase in salaries, wages and other employee benefits.

Finance Costs

Finance costs for the year ended March 31, 2023 was ₹55.46 lakhs as compared to ₹ 53.00 lakhs for the year ended March 31, 2022, an increase of ₹2.46 lakhs or 4.64% This was due to a reduction in interest expense on lease

Depreciation and Amortisation Expense

Depreciation and amortization expense for the year ended March 31, 2023 was ₹ 151.60 lakhs as compared to ₹ 108.60 Lakhs for the year ended March 31, 2022 an increase of ₹ 43.00 lakhs or 39.13 %. This was due to an increase in our tangible and intangible assets/

Other expenses

Other expenses for the year ended March 31, 2023 ₹ 393.47 lakhs as compared to ₹ 291.90 Lakhs for the year ended March 31, 2022, an increase of ₹ 101.57 lakhs or 34.80 %. This was due to an increase in rent, filing and professional fees and miscellaneous expenditure.

Profit/(Loss) before Tax

The loss before tax for the year ended March 31, 2023 was ₹ ((308.06) lakhs as compared to ₹ (474.91) for the year ended March 31, 2022, a reduction in losses of ₹ 166.85 Lakhs or 35.13%. This was due to an increase in revenue from operations and a marginal increase in expenses.

Taxation

Total tax expense for the year ended March 31, 2023 was ₹ (55.29) lakhs as compared to ₹ (19.30) lakhs for the year ended March 31, 2022.

Profit/Loss after Tax

As a result of the aforesaid, Our Company made a net loss the year for the year ended March 31, 2023 of ₹ (252.77) lakhs as compared to ₹ (455.11) lakhs for the financial year ended March 31, 2022.

RESULTS OF OPERATIONS

The following table sets out selected data from the Restated Financial Statements for Financial Year 2022 and Financial Year 2021, together with the percentage that each line item represents of our total revenue for the periods presented.

(₹ in Lakhs)

Particulars	FY 2022		FY 2021	
	₹ in Lakhs	% of total income	₹ in Lakhs	% of total income
Income				
Revenue from operations	2,075.60	99.58	7.49	92.47
Other Income	8.67	0.42	0.61	7.53
Total Income	2,084.26	100.00	8.10	100.00
Expenses				
Operating Costs	1,947.86	93.46	0	0
Change in Inventory	0	0	4.48	55.31
Employee Benefit Expenses	157.79	7.57	2.29	28.27
Finance Cost	53.00	2.54	0.40	5.19
Depreciation and amortization expense	108.62	5.21	1.00	12.35
Other Expenses	291.90	14.00	7.56	93.33
Total Expenses	2,559.17	122.78	15.72	194.44
Profit / (Loss) before exceptional items and Tax	(474.91)	(22.78)	(7.62)	(94.44)
Exceptional Items	0.00	0.00	0.00	0.00
Restated Profit /(Loss) before tax	(474.91)	(22.78)	(7.62)	(94.44)
Tax Expense				
Current Tax	0.00	0.00	0.00	0.00
Deferred Tax	(19.30)	(0.81)	(3.36)	(41.60)
Profit / (Loss) After Tax	(455.61)	(3.72)	(4.25)	(52.72)

Particulars	FY 2022		FY 2021	
	₹ in Lakhs	% of total income	₹ in Lakhs	% of total income
Other Comprehensive Income/(Loss)	0.00	0.05	(5.30)	(65.43)
Total Comprehensive Income /(Loss)for the Year	(465.61)	(3.66)	(9.55)	(118.15)
Earnings per Share (Basic) (in Rs.)	(14.74)		(0.14)	
Earnings per Share (Diluted) (in Rs)	(14.74)		(0.14)	

Comparison of Historical Results of Operations

Financial Year 2022 compared to Financial Year 2021

Total Revenue

The total revenue for Financial year ended March 31, 2022 increased from ₹ 8.10 lakhs during the financial year ended March 31, 2021 to ₹ 2,084.26 an increase of ₹ 2076.16 lakhs. The company was taken over by the new management in the May 2021 and hence there was a change in the line of business activity. The scale of operations also increased. There was change in the objects clause and in the registered office from the state of West Bengal to Maharashtra. Hence the results are not comparable.

Revenue from operations

Our revenue from operations increased from 7.49 lakhs during the financial year ended March 31, 2021 to ₹ 2,075.60 in financial year ended March 31, 2022, an increase of ₹ 2,068.11 lakhs . The results are not comparable due to a change in the line of activity on account of the change in management.

Other income

Other income increased from ₹0.61 lakhs to ₹ 8.67 lakhs, an increase of ₹ 7.54 lakhs This increase was due to an increase in other income.

Expenses

Out total expenses increased from ₹ 15.72 Lakhs for the financial year ended March 31, 2021 to ₹ 2,559.17 lakhs for the financial year ended March 31, 2022 which was an increase of ₹2,543.45 lakhs . This was due to an increase in operating costs, employee costs, finance cost, depreciation and amortization and other expenses which were incurred due to the change in the line of activity, increased scale of operations all on account of change in management.

Operating Costs

Our operating costs increased from ₹ Nil lakhs for the financial year ended March 31, 2021 to ₹1,947.86 lakhs for the financial year ended March 31, 2022 which was an increase of ₹1,947.86 lakhs.

Employee benefit expenses

Employee benefits expense for the year ended March 31 2022 was ₹157.79 lakhs compared to ₹ 2.29 lakhs for the year ended March 31, 2021. This was an increase of ₹ 155.50 lakhs due to the increase in the number of employees and the consequent in the salaries and wages and other employee benefits.

Finance Costs

Finance costs for the year ended March 31, 2022 was ₹53.00 lakhs as compared to ₹ 0.40 lakhs for the year ended March 31, 2021, an increase of ₹ 52.60 lakhs. This was due to an increase in the loans availed by the Company which was required for the increased scale of activities.

Depreciation and Amortisation Expense

Depreciation and amortization expense for the year ended March 31, 2022 was ₹108.62 lakhs as compared to ₹ 1.00 Lakh for the year ended March 31, 2021, an increase of ₹ 108.84 lakhs . This was due to acquisition of more tangible and intangible assets due to the change in line of activity.

Other expenses

Other expenses for the year ended March 31, 2022 was ₹ 291.90 lakhs as compared to ₹ 7.56 Lakhs for the year ended March 31, 2021, an increase of ₹ 284.34 lakhs over the previous year. This was due to the reasons stated above.

Profit/(Loss) before Tax

Due to the reasons stated above, the loss before tax for the year ended March 31, 2022 was ₹ (474.91) lakhs as compared to ₹ 7.62 lakhs for the year ended March 31, 2021, an increase of ₹ 467.29 lakhs .

Taxation

Total tax expense for the year ended March 31, 2022 was ₹ (19.30) lakhs as compared to ₹ (3.36) lakhs for the year ended March 31, 2021.

Profit/Loss after Tax

As a result of the aforesaid, Our Company made a net loss for the year for the year ended March 31, 2022 of ₹ (455.61) lakhs as compared to ₹ (4.25) lakhs for the financial year ended March 31, 2021.

CASH FLOWS

The following table sets forth certain information relating to our cash flows:

Particulars	(₹ in Lakhs)		
	March 31, 2023	March 31, 2022	March 31, 2021
Net Cash Flow generated from/ (used in) Operating Activities (A)	1,383.51	(396.78)	14.44
Net Cash Flow generated from / (used) in Investing Activities (B)	(1,066.80)	(517.14)	(23.73)
Net Cash Flow generated from / (used) in Financing Activities (C)	(208.66)	939.19	23.85
Net increase / (Decrease) in Cash & Cash Equivalents (A+B+C)	108.05	25.27	14.57
Cash and cash equivalents at the beginning of the year/period	40.82	15.55	0.98
Cash and cash equivalents at year/ period end	148.88	40.82	15.55

Cash generated from Operating Activities

Net cash generated from operating activities for the year ended March 31, 2023 was ₹ 1,383.51 lakhs as compared to the profit/(loss) before tax of ₹ (308.06) lakhs for the same period. This difference is primarily on account of adjustments for depreciation, Finance Cost, Dividend and interest, increase in trade receivables, increase in loans and other financial assets, decreases in other current asset and other non current assets, and an increase in other financial asset, trade payables and short term provisions.

Net cash used in operating activities for the year ended March 31, 2022 was ₹ (396.78) lakhs as compared to the profit/(loss) before tax of ₹(488.09) lakhs the same period. This difference is primarily on account of adjustments for depreciation, Finance Cost and interest, increase in inventories, trade receivables, increase in

loans and other financial assets, decreases in other current asset and other non current assets, and an increase in other financial asset, trade payables and short term provisions.

Net cash generated in operating activities for the year ended March 31, 2021 was ₹14.44 lakhs as compared to the profit/(loss) before tax of ₹(7.63) lakhs the same period. This difference is primarily on account adjustments for depreciation, Finance Cost, dividend income and interest income, increase in inventories, increase in loans and other financial assets, and an increase in other financial liabilities.

Net Cash used in Investing Activities

Net cash used in investing activities for the year ended March 31, 2023 was ₹ (1066.80) lakhs. This was on account of purchase of property..

Net cash used in investing activities for the year ended March 31, 2022 was ₹ (517.14) lakhs. This was on account of profit of purchase of property and other intangible assets.

Net cash used in investing activities for the year ended March 31, 2021 was ₹ (23.73) lakhs. This was on account of profit of purchase of property.

Net Cash flow used in Financing Activities

Net cash flows used in financing activities for the year ended March 31, 2023 was ₹ (208.66) lakhs. This was on account of repayment of long term borrowings, movement in lease liabilities and finance costs thereon.

Net cash flows generated in financing activities for the year ended March 31, 2022 was ₹ 939.19 lakhs. This was on account of availing fresh borrowings.

Net cash flows used in financing activities for the year ended March 31, 2021 was ₹23.85 lakhs. This was on account of movement of lease liability.

Contingent Liabilities

There were no contingent liabilities as on March 31, 2023.

Off-Balance Sheet Arrangements

We do not have any other off-balance sheet arrangements or other relationships with unconsolidated entities, such as special purpose vehicles, that have been established for the purposes of facilitating off-balance sheet arrangements.

QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

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, loans and investments. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of counterparty to which the Company grants credit terms in the normal course of business.

The Company limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The Company does not expect any losses from non-performance by these counter-parties, and does not have any significant concentration of exposures to specific industry sectors or specific country risks.

Interest Rate Risk: The Company has loan facilities on floating interest rate, which exposes the Company to risk of changes in interest rates. The Company's Treasury Department monitors the interest rate movement and manages the interest rate risk by evaluating interest rate swaps etc. based on the market / risk perception.

Liquidity risk: Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

Market risk : Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates, foreign currency exchange rates and commodity prices) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short term and long-term debt. The Company is exposed to market risk primarily related to commodity prices and the market value of its investments.

Foreign Currency risk

The company is not exposed to significant foreign currency risk at the respective reporting dates.

RELATED PARTY TRANSACTIONS

For details of our related party transactions, see “Restated Financial Information - Related Party Transactions” on page 104 of this Draft Letter of Offer.

Qualitative Disclosure about Market Risk

Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations

Other than as described in the section titled “Risk Factors” and chapter titled “Management’s Discussion and Analysis of Financial Conditions and Results of Operations” on page 18 and page 126 respectively of this Draft Letter of Offer, to our knowledge there are no known trends or uncertainties that have or are expected to have a material adverse impact on our income from continuing operations.

Unusual or Infrequent Events or Transactions

Except as described elsewhere in this Draft Letter of Offer, there have been no unusual or infrequent events or transactions including unusual trends on account of business activity, unusual items of income, change of accounting policies and discretionary reduction of expenses.

Significant economic/regulatory changes

Government policies governing the sector in which we operate as well as the overall growth of the Indian economy has a significant bearing on our operations. Except as disclosed in this Draft Letter of Offer, to our knowledge, there are no significant regulatory changes that materially affected or are likely to affect our income from continuing operations.

Major changes in these factors can significantly impact income from continuing operations.

There are no significant economic changes that materially affected our Company’s operations or are likely to affect income except as mentioned in the section titled “Risk Factors” on page 18 of this Draft Letter of Offer.

Expected future changes in relationship between costs and revenues, in case of events such as future increase in labour or material costs or prices that will cause a material change are known

Other than as described in the section titled “Risk Factors” and chapter titled “Management’s Discussion and Analysis of Financial Conditions and Results of Operations” on page 18 and 126 respectively, and elsewhere in this Draft Letter of Offer, there are no known factors to our knowledge which would have a material adverse impact on the relationship between costs and income of our Company. Our Company’s future costs and revenues will be determined by demand/supply situation and government policies.

The extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased sales prices

The increase in revenue is by and large linked to increase in volume of all the activities carried out by the Company.

Competitive Conditions

We expect competition in the sector from existing and potential competitors to vary. However, on account of our core strengths we will be able to stay competitive. For further details, kindly refer the chapter titled “Our Business” on page 61 of this Draft Letter of Offer.

Total Turnover of Each Major Business Segment

We are operating only in one segment which is Infrastructure development.

New Product or Business Segment

Except as disclosed in “Our Business” on page 61 of this Draft Letter of Offer, we have not announced and do not expect to announce in the near future any new products or business segments.

Seasonality of Business

Our Company’s business is not seasonal in nature.

Significant dependence on a Single or Few Suppliers or Customers

Other than as described in this Draft Letter of Offer, to our knowledge, there is no significant dependence on a single or few customers or suppliers.

Significant Developments since last balance sheet date

To our knowledge no circumstances have arisen since December 31, 2023, the date of the last financial information disclosed in this Draft Letter of Offer which materially and adversely affect or are likely to affect, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 months.

FINANCIAL INDEBTEDNESS

Set forth below is a brief summary of all the borrowings of our Company together with a brief description of certain significant terms of such financing arrangements. As on December 31, 2023, our total secured borrowings was ₹ Nil lakhs and our total unsecured borrowings was ₹ 597 lakhs.

SECURED BORROWINGS BY OUR COMPANY

Category of borrowing	Outstanding amount as on December 31, 2023 (₹ in Lakhs)
NIL	

UNSECURED BORROWINGS

Sr. No.	Name of the Lender	Name of the Borrower	Nature of Borrowing and date of the Sanction Letter / Document	Purpose	Amount Sanctioned	Amount Outstanding as on the date of this certificate	Repayment Date / Schedule	Interest Rate (%)	Pre-payment penalty
					(₹ in Lakhs)				
1.	Jetra Infrastructure Private Limited	Modern Engineering and Projects Limited	Unsecured Loan	Working Capital Requirement	347.00	347.00	NA	N A	NA
2.	Vaishali Sahebrao Mulay	Modern Engineering and Projects Limited	Unsecured Loan	Working Capital Requirement	250.00	250.00	NA	NA	NA
Total amount outstanding as on the date of this Draft Letter of Offer.						597.00			

MARKET PRICE INFORMATION

Our Company's Equity Shares have been listed and traded on BSE

- a. Year is a Financial Year;
- b. Average price is the average of the daily closing prices of the Equity Shares for the year, or the month, as the case may be;
- c. High price is the maximum of the daily high prices and low price is the minimum of the daily low prices of the Equity Shares, as the case may be, for the year, or the month, as the case may be; and
- d. In case of two days with the same high / low / closing price, the date with higher volume has been considered.

Stock Market Data of the Equity Shares

The high, low and average market closing prices recorded on the Stock Exchanges during the last three years and the number of Equity Shares traded on these days are stated below:

Financial Year	High	Date of High	Number of shares traded on date of High	Total volume traded on date of High (in ₹)	Low	Date of Low	Number of shares traded on date of low	Total Volume traded on date of Low (in ₹)	Average Price for the Year
2024	97.37	27/03/2024	7661	740679	27.45	08/09/2023	5	137	64.29
2023	26.15	16/01/2023	10	261	21.65	04/04/2022	10	216	23.85
2022	20.65	10/03/2022	10	206	11.55	20/04/2021	21	242	15.70

(Source: www.bseindia.com)

Notes: High, low and average prices are based on the daily closing prices.

In case of two days with the same high or low price, the date with the high volume has been considered.

Market Prices for the last one month

The total number of days trading during the past one months, from April 01, 2024 to April 30, 2024 was 19 days
The average volume of Equity Shares traded on BSE was 9,396 shares per day.

The high and low prices and volume of Equity Shares traded on the respective date on BSE during the last ten months preceding the date of this Letter of Offer are as follows:

Month (2024-25)	High	Date of High	Number of shares traded on date of High	Total volume traded on date of High (in ₹)	Low	Date of Low	Number of shares traded on date of low	Total Volume traded on date of Low (in ₹)	Average Price for the month
April 2024	128.31	30/04/24	1	128	97.91	02/04/24	222	21738	113.30

(Source: www.bseindia.com)

In the event the high or low or closing price of the Equity Shares are the same on more than one day, the day on which there has been higher volume of trading has been considered for the purposes of this chapter.

The Board of our Company has approved the Issue at their meeting held on February 13, 2024. The high and low prices of our Company's shares as quoted on BSE on February 14, 2024, the day on which the trading happened immediately following the date of the Board meeting is as follows:

Date	Volume (in ₹)	Highest Price (in ₹)	Lowest Price (in ₹)
14.02.2024		No Trading	

(Source: www.bseindia.com)

(The remainder of this page has been intentionally left blank)

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as disclosed below, there are no outstanding litigations with respect to the (i) issues of moral turpitude or criminal liability on the part of our Company; (ii) material violations of statutory regulations by our Company; (iii) economic offences where proceedings have been initiated against our Company; and (iv) any pending matters including civil litigation and tax proceedings, which if they result in an adverse outcome, would materially and adversely affect our operations or our financial position.

In terms of the Materiality Policy adopted by our Company, any outstanding litigations, involving our Company, whose total monetary impact is equivalent to or exceeds the lower of the following.

- a. 2% of turnover, as per the last audited financial statements of our Company; (i.e. Rs. 135.60 Lakhs)
- b. 2% of net worth, as per the last audited financial statements of our Company, except in case the arithmetic value of the net worth is negative; and hence not applicable
- c. 5% of the average of absolute value of profit or loss after tax, as per the last three audited consolidated financial statements of our Company (i.e. Rs. 9.49 Lakhs)

All the outstanding litigation civil proceedings involving our Company whose monetary impact is equivalent to or in excess of Rs.9.49 lakhs have been disclosed in this section.

A. LITIGATION INVOLVING OUR COMPANY

I. Litigation against our Company:

- a. **Litigation Involving Criminal Laws: NIL**
- b. **Litigation Involving Civil Laws: NIL**
- c. **Litigation Involving Actions by Statutory/Regulatory Authorities:**

1. Case No. MAT/1984 of 2023 has been filed as a Mandamus Writ Petition by Income Tax Officer Ward 4(1), Kolkata against Modern Engineering and Projects Limited and 6 others before the Hon'ble High Court of Calcutta, Appellate Jurisdiction, under Section 148 of the Income Tax Act, 1961. The Case has been filed towards escaping the A.Y. 2016-17 for not filing Income Tax Return and for the same Notice was issued on 19th May 2021. The learned Senior Advocate for the Appellant was indisposed, hence the matter was adjourned and listed for June 18, 2024.

d. **Litigation Involving Tax Liabilities: NIL**

- i. **Direct Tax Liabilities: NIL**
- ii. **Indirect Tax Liabilities: NIL**

e. **Other Pending Material Litigations: NIL**

II. Litigation filed by our Company

- a. **Litigation Involving Criminal Laws: NIL**
- b. **Litigation Involving Civil Laws: NIL**
- c. **Litigation Involving Actions by Statutory/Regulatory Authorities: NIL**
- d. **Litigation Involving Tax Liabilities: NIL**
 - i. **Direct Tax Liabilities: NIL**
 - ii. **Indirect Tax Liabilities: NIL**
- e. **Other Pending Material Litigations: NIL**

B. LITIGATION INVOLVING DIRECTORS OF OUR COMPANY

I. Litigation against the Directors of our Company

- a. **Litigation Involving Criminal Laws: NIL**
- b. **Litigation Involving Civil Laws: NIL**

- c. **Litigation Involving Actions by Statutory/Regulatory Authorities: NIL**
- d. **Litigation Involving Tax Liabilities:**
 - i. **Direct Tax Liabilities: NIL**
 - ii. **Indirect Tax Liabilities: NIL**
- e. **Other Material Pending Litigation: NIL**

II. Litigation by The Directors of our Company

- a. **Litigation Involving Criminal Laws:**
 - 1. Case No. 4028 of 2024, Criminal Writ Petition has been filed by Mr. Pandit Purbhajirao Sawant against The State of Maharashtra before the Hon'ble High Court of Bombay, under Article 226 and 227 of The Constitution of India and Section 482 of the Code of Criminal Procedure, 1973 in the matter of F.I.R. bearing Crime No. 0288 registered for offences punishable under section 498-A, 323, 500, 504, 506, read with 34 of the Indian Penal Code, 1960. The matter is at Pre-Admission Stage and yet to get listed for hearing.
- b. **Litigation Involving Civil Laws: NIL**
- c. **Litigation Involving Actions by Statutory/Regulatory Authorities: NIL**
- d. **Litigation Involving Tax Liabilities: NIL**
 - i. **Direct Tax Liabilities: NIL**
 - ii. **Indirect Tax Liabilities: NIL**
- e. **Other Material Pending Litigation: NIL**

C. LITIGATION INVOLVING PROMOTER OF OUR COMPANY

I. Litigation against the Promoter of our Company

- a. **Litigation Involving Criminal Laws: NIL**
- b. **Litigation Involving Civil Laws: NIL**
- c. **Litigation Involving Actions by Statutory/Regulatory Authorities: NIL**
- d. **Litigation Involving Tax Liabilities: NIL**

Direct Tax Liabilities:

- 1. The Demand Notice No. ITBA PNL/S/156/2023-24/1054062746(1) and Penalty Order dated June 30, 2023, issued by the Income Tax Department under section 156 and 270A of the Income Tax Act, 1961, to **INT Infrastructure Private Limited** (where Jashandeep Singh, the Promoter of our Company is a Director of INT Infrastructure Private Limited), imposed a penalty of Rs. 2,94,41,418/- (Rupees Two Crores Ninety-Four Lakhs Forty-One Thousand and Four Hundred and Eighteen Only) for the assessment year 2021-22 for claiming certain purchases which was disallowed, as substantial purchases were made from suppliers who are either Non-Filer(s) or filed Non-Business ITR (ITR 1, 2) and also reflected a substantially lower turnover in the ITR. Our Promoter had preferred an appeal dated November 7, 2023 before the Joint Commissioner of Income Tax (Appeals) under section 246A of the Income Tax Act, 1961 disputing the raised amount. The matter is currently pending.
- 2. The Demand Notice no. ITBA/PNL/S/156/2023-24/1053859752(1) and Penalty Order dated June 22, 2023, issued by the Income Tax Department under section 156 and 271AAC of Income Tax Act, 1961, to **INT Infrastructure Private Limited** (where Jashandeep Singh, the Promoter of our Company is a director of INT Infrastructure Private Limited), imposed a Penalty of Rs. 10,58,235/- (Rupees Ten Lakhs and Fifty-Eight Thousand Two Hundred and Thirty-Five Only) for the assessment year 2021-22 for claiming certain purchases as expenses, for which no explanation was provided by INT Infrastructure Private Limited for source of said expenditure is not satisfactory. Our Promoter had preferred an appeal dated November 7, 2023 before the Joint Commissioner of Income Tax (Appeals) under section 246A of the Income Tax Act, 1961 disputing the raised amount. The matter is currently pending.

3. The Show Cause Notice dated December 12, 2022, and Assessment Order dated December 27, 2022 issued by Income Tax Department under section 142(1) and 143(3) read with section 144B of the Income Tax Act, 1961, to **INT Infrastructure Private Limited** (where Jashandeep Singh, the Promoter of our Company is a director of INT Infrastructure Private Limited), raised a quantum demand and as on March 27, 2024 demand of Rs. 1,02,41,570/- (Rupees One Crores Two Lakhs Forty-One Thousand Five Hundred and Seventy Only) is outstanding for the assessment year 2021-22. The said Demand was raised by disallowing certain purchases as substantial purchases were claimed as expenses which are done through suppliers who are either Non-Filer(s) or filed Non-Business ITR (ITR 1, 2) and also reflected a substantially lower turnover in ITR. Our Promoter had preferred an appeal dated November 7, 2023, before the Joint Commissioner of Income-tax (Appeals) disputing the raised amount. The matter is currently pending.
4. The Demand Notice No. ITBA/PNL/S/156/2023-24/1054026906(1) dated June 28, 2023, issued by Income Tax Department under section 156 of the Income Tax Act, 1961, to **Jetra Consulting** (where Jashandeep Singh, Promoter of our Company is a proprietor of Jetra Consulting), imposed a penalty of Rs. 5,23,71,940/- (Rupees Five Crores Twenty-Three Lakhs Seventy-One Thousand Nine Hundred and Forty only) for the Assessment year 2021-22 for claiming certain purchases which was disallowed, as the said purchases was made from suppliers who are either Non-Filer(s) or filed Non-Business ITR (ITR 1, 2) and also reflected a substantially lower turnover in ITR. Our Promoter had preferred an appeal dated November 7, 2023, before the Joint Commissioner of Income-tax (Appeals) under section 256A of the Income Tax Act, 1961 disputing the raised amount. The matter is heard and order is awaited.
5. The Demand Notice No. ITBA/AST/S/156/2022- 23/1047908908(1) dated December 9, 2022, issued by Income Tax Department under section 156 of the Income Tax Act, 1961, to **Jetra Consulting** (where Jashandeep Singh, Promoter of our Company is a proprietor), raised a quantum demand and as on March 27, 2024 Demand of Rs. 1,66,57,459/- (Rupees One Crore Sixty-Six Lakhs Fifty-Seven Thousand Four Hundred and Fifty-Nine Only) for the assessment year 2021-22. The said Demand was raised by disallowing certain purchases as substantial purchases were claimed as expenses which are done through suppliers who are either Non-Filer(s) or filed Non-Business ITR (ITR 1, 2) and also reflected a substantially lower turnover in ITR. Our Promoter had preferred an appeal dated November 7, 2023 before the Joint Commissioner of Income Tax (Appeals) under section 246A of the Income Tax Act, 1961 disputing the raised amount. The matter is heard and order is awaited.

e. **Indirect Tax Liabilities: NIL**

f. **Other Pending Material Litigations: NIL**

II. Litigation by the Promoter of our Company

a. **Litigation Involving Criminal Laws: NIL**

b. **Litigation Involving Civil Laws: NIL**

c. **Litigation Involving Actions by Statutory/Regulatory Authorities: NIL**

d. **Litigation Involving Tax Liabilities: NIL**

i. **Direct Tax Liabilities: NIL**

ii. **Indirect Tax Liabilities: NIL**

e. **Other Pending Material Litigations: NIL**

D. LITIGATION INVOLVING GROUP COMPANIES OF OUR COMPANY

I. Litigation against Group Companies of our Company

a. **Litigation Involving Criminal Laws: NIL**

b. **Litigation Involving Civil Laws: NIL**

c. **Litigation Involving Actions by Statutory/Regulatory Authorities: NIL**

d. Litigation Involving Tax Liabilities: NIL

i. Direct Tax Liabilities: NIL

ii. Indirect Tax Liabilities: NIL

e. Other Pending Material Litigations: NIL

II. Litigation by Group Companies of our Company

a. Litigation Involving Criminal Laws: NIL

b. Litigation Involving Civil Laws: NIL

c. Litigation Involving Actions by Statutory/Regulatory Authorities: NIL

d. Litigation Involving Tax Liabilities: NIL

i. Direct Tax Liabilities: NIL

ii. Indirect Tax Liabilities: NIL

e. Other Pending Material Litigations: NIL

E. OUTSTANDING DUES TO SMALL SCALE UNDERTAKING OR ANY OTHER CREDITORS:

As of December 31st 2023, our Company has 1 material creditor to whom a total amount of Rs. 26.41 lakhs /- (Rupees Twenty-Six Lakhs Forty One Thousand One Hundred Twenty Four Only) is outstanding. There are no dues to any small scale undertaking.

MATERIAL DEVELOPMENTS

Except as stated below and in this Draft Letter of Offer, to our knowledge, no circumstances have arisen since December 31, 2023, which materially and adversely affect or are likely to affect our operations, performance, prospects or profitability, or the value of our assets or our ability to pay material liabilities.

1. Mr Shivratán Agarwal has been appointed as an independent director with effect from February 13, 2024.
2. Company has entered into a Joint Venture Agreement on February 13, 2024 with Aqautech Solutions Private Limited in the name and Style of **Aquatech- MEPL Nashik JV** for Jointly development / Execution of contract of The Nashik Municipal Corporation for "Design, Construction, Supply, Erection, Testing and Commissioning of 11.5 MLD STP, 29.5 MLD TTP & allied works, followed by O&M of 60 months.

(The remainder of this page has been intentionally left blank)

GOVERNMENT AND OTHER APPROVALS

We are not required to obtain any licenses or approvals from any government or regulatory authority pertaining to objects of the Issue. For further details, please refer to the chapter titled “Objects of the Issue” beginning on page 46 of this Draft Letter of Offer.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

The Board of Directors at its meeting held on February 13, 2024 have authorised this Issue pursuant to Section 62(1)(a) of the Companies Act, 2013.

Our Board of Directors / Rights Issue Committee has, at its meeting held on [●], determined the Issue Price as ₹[●] per Rights Equity Share and the Rights Entitlement as [●] Rights Equity Share for every [●] Equity Share held on the Record Date.

The Draft Letter of Offer was approved by the Board of Directors in their meeting on May 24, 2024.

Our Company has received 'in-principle' approval letter from BSE vide letter dated [●] for listing of the Rights Equity Shares to be allotted pursuant to Regulation 28(1) of SEBI Listing Regulations. Our Company will also make applications to BSE Limited to obtain their trading approval for the Rights Entitlements as required under the SEBI Rights Issue Circulars.

Our Company has been allotted the ISIN [●] for the Rights Entitlements to be credited to the respective Demat accounts of the Equity Shareholders of our Company. For details, see "*Terms of the Issue*" on page 154 of this Draft Letter of Offer.

Prohibition by SEBI or other Governmental Authorities

Our Company, our Promoters, our Directors, the members of our Promoter Group and persons in control of the Promoter and the Company have not been prohibited from accessing the capital market or debarred from buying or selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any jurisdiction or any authority/court as on date of this Draft Letter of Offer.

Further, our Promoter and our Directors are not promoter or director of any other company which is debarred from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI. None of our Directors or Promoters are associated with the securities market in any manner. There is no outstanding action initiated against them by SEBI in the five years preceding the date of filing of this Draft Letter of Offer.

Neither our Promoter nor our Directors have been declared as fugitive economic offender under Section 12 of Fugitive Economic Offenders Act, 2018 (17 of 2018).

Prohibition by RBI

Neither our Company, nor our Promoter and Directors have been categorized or identified as willful defaulters or a fraudulent borrower by any bank or financial institution or consortium thereof, in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India. There are no violations of securities laws committed by them in the past or are currently pending against any of them.

Compliance with Companies (Significant Beneficial Ownership) Rules, 2018

Our Company, our Promoters and the members of our Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018, to the extent it may be applicable to them as on date of this Draft Letter of Offer.

Eligibility for the Issue

Our Company is a listed company, incorporated under the Companies Act, 1913. The Equity Shares of our Company are presently listed on the BSE. We are eligible to undertake the Issue in terms of Chapter III of SEBI ICDR Regulations. Pursuant to Clauses (3) of Part B of Schedule VI to the SEBI ICDR Regulations, our Company is required to make disclosures in accordance with Part B-1 of Schedule VI to the SEBI ICDR Regulations.

Our Company is in compliance with the provisions specified in Clause (1) of Part B of Schedule VI of the SEBI ICDR Regulations as explained below:

- (1) Our Company has been regular in making periodical disclosures to the BSE under the requirements of the SEBI (LODR) Regulations, 2015.
- (2) The reports, statements and information referred to above are available on the website of BSE.
- (3) Our Company has an investor grievance-handling mechanism which includes meeting of the Stakeholders' Relationship Committee at least once every year and as and when required, appropriate delegation of power by our Board as regards share transfer and clearly laid down systems and procedures for timely and satisfactory redressal of investor grievances.

However, there has been a takeover of our Company under the SEBI (SAST) Regulations, 2011 and three years have not been completed since the completion of the open offer process under the SEBI (SAST) Regulations.

As our Company satisfy all the conditions specified in Clause (1) of Part B of Schedule VI of SEBI ICDR Regulations, However due to takeover of our company under SEBI (SAST) Regulation, 2011 and three years have not been completed since the Completion of open offer process under SEBI (SAST) Regulations our Company fall under Clause (3) of Part B of Schedule VI of SEBI ICDR Regulation which mandatorily required Company to give disclosures in this Draft Letter of Offer in terms of Part B-1 of Schedule VI of SEBI ICDR Regulations.

Compliance with Regulations 61 and 62 of the SEBI ICDR Regulations

Our Company is in compliance with the conditions specified in Regulations 61 and 62 of the SEBI ICDR Regulations, to the extent applicable. Further, in relation to compliance with Regulation 62(1)(a) of the SEBI ICDR Regulations, our Company undertakes to make an application to the Stock Exchanges for listing of the Rights Equity Shares to be issued pursuant to the Issue. BSE being the only stock exchange where the Company's shares are listed, the Designated Stock Exchange for the purposes of the Issue is BSE.

Disclaimer Clause of SEBI

The Draft Letter of Offer has not been filed with SEBI in terms of SEBI ICDR Regulations as the size of the issue is less than ₹5000 lakhs.

Disclaimer from our Company, our Directors

Our Company and our Directors accept no responsibility for statements made otherwise than in this Draft Letter of Offer or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website www.mep.ltd.

All information shall be made available by our Company to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at bidding centers or elsewhere.

Investors will be required to confirm and will be deemed to have represented to our Company, our directors and the officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company and the Directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

No information which is extraneous to the information disclosed in this Letter of Offer or otherwise shall be given by our Company or any member of the Issue management team or the syndicate to any particular section of investors or to any research analyst in any manner whatsoever, including at road shows, presentations, in research or sales reports or at bidding centre.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this Draft Letter of Offer. You must not rely on any unauthorized information or representations. This Draft Letter of Offer is an offer to sell only the Rights Equity Shares and the Rights Entitlement, but only under

circumstances and in the applicable jurisdictions. Unless otherwise specified, the information contained in this Draft Letter of Offer is current only as at its date.

Disclaimer in respect of Jurisdiction

This Draft Letter of Offer has been prepared under the provisions of Indian law and the applicable rules and regulations thereunder. Any disputes arising out of the Issue will be subject to the jurisdiction of the appropriate court(s) in Mumbai, Maharashtra only.

Disclaimer Clause of BSE

As required, a copy of the Draft Letter of Offer has been submitted to BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of the Draft Letter of Offer, has been included in the Letter of Offer prior to the filing with the Stock Exchange.

Designated Stock Exchange

BSE being the only stock exchange where the Company's shares are listed, the Designated Stock Exchange for the purposes of the Issue is BSE.

Selling Restrictions

This Draft Letter of Offer is solely for the use of the person who has received it from our Company or from the Registrar. This Draft Letter of Offer is not to be reproduced or distributed to any other person.

The distribution of this Draft Letter of Offer/ Letter of Offer, Abridged Letter of Offer, Application Form and the Rights Entitlement Letter and the issue of Rights Entitlements and Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Draft Letter of Offer/ Letter of Offer, Abridged Letter of Offer Application Form and the Rights Entitlement Letter may come are required to inform themselves about and observe such restrictions. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders of our Company and will dispatch the Draft Letter of Offer/ Letter of Offer, Abridged Letter of Offer Application Form and the Rights Entitlement Letter only to Eligible Equity Shareholders who have provided an Indian address to our Company.

No action has been or will be taken to permit the Issue in any jurisdiction, or the possession, circulation, or distribution of the Draft Letter of Offer, Abridged Letter of Offer or any other material relating to our Company, the Equity Shares or Rights Entitlement in any jurisdiction, where action would be required for that purpose, except that this Draft Letter of Offer has been filed with the Stock Exchange.

Accordingly, the Rights Entitlement or Equity Shares may not be offered or sold, directly or indirectly, and this Draft Letter of Offer or any offering materials or advertisements in connection with the Issue or Rights Entitlement may not be distributed or published in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Draft Letter of Offer / Letter of Offer will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer.

This Draft Letter of Offer and its accompanying documents are being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose. If this Letter of Offer is received by any person in any jurisdiction where to do so would or might contravene local securities laws or regulation, or by their agent or nominee, they must not seek to subscribe to the Equity Shares or the Rights Entitlement referred to in this Letter of Offer. Investors are advised to consult their legal counsel prior to applying for the Rights Entitlement and Equity Shares or accepting any provisional allotment of Equity Shares, or making any offer, sale, resale, pledge or other transfer of the Equity Shares or Rights Entitlement.

Listing

Our Company will apply to BSE for final approval for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under the Issue will trade after the listing thereof.

NO OFFER IN THE UNITED STATES

THE RIGHTS ENTITLEMENTS AND THE EQUITY SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR ANY U.S. STATE SECURITIES LAWS AND MAY NOT BE OFFERED, SOLD, RESOLD OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES, EXCEPT IN A TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT. THE RIGHTS ENTITLEMENTS AND EQUITY SHARES REFERRED TO IN THE DRAFT LETTER OF OFFER ARE BEING OFFERED IN INDIA, BUT NOT IN THE UNITED STATES. THE OFFERING TO WHICH THE DRAFT LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY EQUITY SHARES OR RIGHTS ENTITLEMENTS FOR SALE IN THE UNITED STATES OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES. ACCORDINGLY, THE DRAFT LETTER OF OFFER SHOULD NOT BE FORWARDED TO OR TRANSMITTED IN OR INTO THE UNITED STATES AT ANY TIME.

Neither our Company, nor any person acting on behalf of our Company, will accept a subscription or renunciation from any person, or the agent of any person, who appears to be, or who our Company, or any person acting on behalf of our Company, has reason to believe is, in the United States when the buy order is made. Envelopes containing an Application Form should not be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer under this Draft Letter of Offer. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders and this Draft Letter of Offer / Letter of Offer/ Abridged Letter of Offer, Application Form and the Rights Entitlement Letter will be dispatched to the Eligible Equity Shareholders who have provided an Indian address to our Company. Any person who acquires the Rights Entitlements and the Equity Shares will be deemed to have declared, represented, warranted and agreed, by accepting the delivery of the Draft Letter of Offer, (i) that it is not and that, at the time of subscribing for the Equity Shares or the Rights Entitlements, it will not be, in the United States when the buy order is made; and (ii) is authorised to acquire the Rights Entitlements and the Equity Shares in compliance with all applicable laws, rules and regulations.

Our Company reserves the right to treat as invalid any Application Form which: (i) appears to our Company or its agents to have been executed in or dispatched from the United States of America; (ii) does not include the relevant certification set out in the Application Form headed “Overseas Shareholders” to the effect that the person accepting and/or renouncing the Application Form does not have a registered address (and is not otherwise located) in the United States, and such person is complying with laws of the jurisdictions applicable to such person in connection with the Issue, among others; (iii) where our Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements; or (iv) where a registered Indian address is not provided, and our Company shall not be bound to allot or issue any Equity Shares or Rights Entitlement in respect of any such Application Form.

None of the Rights Entitlements or the Equity Shares have been, or will be, registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”), or any state securities laws in the United States. Accordingly, the Rights Entitlements and Equity Shares are being offered and sold only outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales are made.

NO OFFER IN ANY JURISDICTION OUTSIDE INDIA

NO OFFER OR INVITATION TO PURCHASE RIGHTS ENTITLEMENTS OR RIGHTS EQUITY SHARES IS BEING MADE IN ANY JURISDICTION OUTSIDE OF INDIA, INCLUDING, BUT NOT LIMITED TO AUSTRALIA, BAHRAIN, CANADA, THE EUROPEAN ECONOMIC AREA, GHANA, HONG KONG, INDONESIA, JAPAN, KENYA, KUWAIT, MALAYSIA, NEW ZEALAND, SULTANATE OF OMAN, PEOPLE'S REPUBLIC OF CHINA, QATAR, SINGAPORE, SOUTH AFRICA,

SWITZERLAND, THAILAND, THE UNITED ARAB EMIRATES, THE UNITED KINGDOM AND THE UNITED STATES. THE OFFERING TO WHICH THIS DRAFT LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY RIGHTS EQUITY SHARES OR RIGHTS ENTITLEMENT FOR SALE IN ANY JURISDICTION OUTSIDE INDIA OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES. ACCORDINGLY, THIS LETTER OF OFFER SHOULD NOT BE FORWARDED TO OR TRANSMITTED IN OR INTO ANY OTHER JURISDICTION AT ANY TIME.

Filing

This Draft Letter of Offer is being filed with the BSE as per the provisions of the SEBI ICDR Regulations. SEBI vide the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020 has amended Regulation 3(b) of the SEBI ICDR Regulations as per which the threshold of filing of Draft Letter of Offer with SEBI for rights issues has been increased from Rupees ten crores to Rupees fifty crores. Since the size of this Issue falls below this threshold, the Draft Letter of Offer has been filed with Stock Exchange and not with SEBI. However, the Letter of Offer will be submitted to SEBI for information and dissemination and will be filed with the Stock Exchange.

Mechanism for Redressal of Investor Grievances

Our Company has adequate arrangements for redressal of investor grievances in compliance with the SEBI Listing Regulations. We have been registered with the SEBI Complaints Redress System (SCORES) as required by the SEBI Circular no. CIR/ OIAE/2/2011 dated June 3, 2011. Consequently, investor grievances are tracked online by our Company.

Our Company has a Stakeholders Relationship Committee which meets as and when required. Its terms of reference include considering and resolving grievances of Shareholders in relation to transfer of shares and effective exercise of voting rights. Purva Share registry (India) Private Limited is our Registrar and Share Transfer Agent of our Issue. All investor grievances received by us have been handled by the Registrar and Share Transfer Agent in consultation with the Company Secretary and Compliance Officer.

Investor complaints received by our Company are typically disposed of within 15 days from the receipt of the complaint.

Investor Grievances arising out of this Issue

Investors may contact the Registrar to the Issue or our Company Secretary for any pre-Issue or post-Issue related matters. All grievances relating to the ASBA process may be addressed to the Registrar, with a copy to the SCSBs (in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), e-mail address of the sole/first holder, folio number or demat account number, number of Rights Equity Shares applied for, amount blocked (in case of ASBA process), ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip (in case of ASBA process). For details on the ASBA process, see “*Terms of the Issue*” at Page 154 of this Draft Letter of Offer. The contact details of our Registrar to the Issue and our Company Secretary are as follows:

Registrar to the Issue

Purva Share registry (India) Private Limited

Unit No. 9, Ground Floor, Shiv Shakti Industrial Estate,
J. R. Boricha Marg, Near Lodha Excelus, Lower Parel East,
Mumbai – 400011, Maharashtra,

Contact Details: +91 22 4961 4132 / 3199 8810

Email Address: newissue@purvashare.com;

Website: www.purvashare.com;

Contact Person: Ms. Deepali Dhuri;

SEBI Registration Number: INR000001112

Investors may contact the Company Secretary and Compliance Officer at the below mentioned address for any pre-Issue/post-Issue related matters such as non-receipt of Letters of Allotment / share certificates / demat credit /Refund Orders etc.

Mr Sanjay Jha is the Company Secretary and Compliance Officer of our Company. His contact details are:
103/4, Plot 215,
Free Press House, FL-10
Free Press Journal Marg,
Nariman Point,
Mumbai 400 021, Maharashtra
Tel: + 91 22 6666 6007
Email cs@mep.ltd

Consents and Expert Opinion

Consents in writing of: our Directors, Company Secretary and Compliance Officer, legal advisor to the Issue and the Registrar to the Issue to act in their respective capacities, have been obtained and such consents have not been withdrawn up to the date of this Draft Letter of Offer.

Our Company has received written consent dated May 24, 2024 from the Statutory Auditors to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations in this Draft Letter of Offer as an “Expert” as defined under Section 2(38) of the Companies Act, 2013 to the extent and in its capacity as an independent Statutory Auditor and in respect of its (i) Restated Audit Report dated May 24, 2024 on our Financial Statements for the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021, and (ii) Statement of Special Tax Benefits dated May 24, 2024 in this Draft Letter of Offer and such consent has not been withdrawn as on the date of this Draft Letter of Offer. However, the term “Expert” shall not be construed to mean an “Expert” as defined under the Securities Act, 1933.

TERMS OF THE ISSUE

This section is for the information of the Investors proposing to apply in this Issue. Investors should carefully read the provisions contained in this Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form, before submitting the Application Form. Our Company is not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Letter of Offer. Investors are advised to make their independent investigation and ensure that the Application Form is accurately filled up in accordance with instructions provided therein and the Letter of Offer. Unless otherwise permitted under the SEBI ICDR Regulations read with the SEBI Circulars SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 (“SEBI – Rights Issue Circular”), all investors (including renounees) shall make an application for a rights issue only through ASBA facility.

OVERVIEW

The Issue and the Rights Equity Shares proposed to be issued on a rights basis, are subject to the terms and conditions contained in this Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer, the Application Form and the Rights Entitlement Letter, the Memorandum of Association and the Articles of Association of our Company, the provisions of Companies Act, the terms and conditions as may be incorporated in the FEMA, the SEBI ICDR Regulations, the SEBI Listing Regulations and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, approvals, if any, from the SEBI, the RBI or other regulatory authorities, the terms of Listing Agreements entered into by our Company with the Stock Exchange and terms and conditions as stipulated in the Allotment Advice.

Important:

I. DISPATCH AND AVAILABILITY OF ISSUE MATERIALS:

In accordance with the SEBI (ICDR) Regulations, and the ASBA Circular, our Company will send/dispatch at least three days before the Issue Opening Date, the Abridged Letter of Offer, the Rights Entitlement Letter, Application Form and other issue material (**‘Issue Materials’**) only to the Eligible Equity Shareholders who have provided an India address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlement or Rights Equity Shares is permitted under laws of such jurisdictions and does not result in and may not be construed as, a public offering in such jurisdictions. In case the Eligible Equity Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case the Eligible Equity Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the India addresses provided by them.

Further, the Letter of Offer will be sent/dispatched, by the Registrar to the Issue on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses and have made a request in this regard.

Investors can also access the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) on the websites of:

- a) Our Company at www.mep.ltd;
- b) the Registrar to the Issue at www.purvashare.com;
- c) the Stock Exchange at www.bseindia.com.

Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar at www.purvashare.com by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of our Company (i.e., www.mep.ltd.com).

Further, our Company will undertake all adequate steps to reach out to the Eligible Equity Shareholders who have provided their Indian address through other means, as may be feasible.

Please note that neither our Company nor the Registrar shall be responsible for not sending the physical copies of Issue materials, including the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form or delay in the receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form attributable to non-availability of the e-mail

addresses of Eligible Equity Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in the transit. Resident Eligible Equity Shareholders, who are holding Equity Shares in physical form as on the Record Date, can obtain details of their respective Rights Entitlements from the website of the Registrar by entering their Folio Number.

The distribution of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the issue of Rights Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. No action has been, or will be, taken to permit this Issue in any jurisdiction where action would be required for that purpose, except that the Letter of Offer is being filed with SEBI and the Stock Exchange. Accordingly, the Rights Entitlements and Rights Equity Shares may not be offered or sold, directly or indirectly, and the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form or any Issue related materials or advertisements in connection with this Issue may not be distributed, in any jurisdiction, except in accordance with and as permitted under the legal requirements applicable in such jurisdiction. Receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone in any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorised or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form must be treated as sent for information only and should not be acted upon for making an Application and should not be copied or re-distributed.

Accordingly, persons receiving a copy of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form should not, in connection with the issue of the Rights Equity Shares or the Rights Entitlements, distribute or send the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form in or into any jurisdiction where to do so, would, or might, contravene local securities laws or regulations or would subject our Company or its affiliates to any filing or registration requirement (other than in India). If the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to make an Application or acquire the Rights Entitlements referred to in the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form. Any person who makes an application to acquire Rights Entitlements and the Rights Equity Shares offered in the Issue will be deemed to have declared, represented and warranted that such person is authorised to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in such person's jurisdiction and India, without requirement for our Company or our affiliates to make any filing or registration (other than in India).

Our Company is undertaking this Issue on a rights basis to the Eligible Equity Shareholders and will send the Letter of Offer, Abridged Letter of Offer, the Application Form and other applicable Issue materials primarily to email addresses of Eligible Equity Shareholders who have provided a valid e-mail address and an Indian address to our Company.

The Letter of Offer will be provided, primarily through e-mail, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company and who make a request in this regard.

II. PROCESS OF MAKING AN APPLICATION IN THE ISSUE

In accordance with Regulation 76 of the SEBI ICDR Regulations, the SEBI Rights Issue Circulars and the ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA.

The Application Form can be used by the Eligible Equity Shareholders as well as the Renounees, to make Applications in this Issue basis the Rights Entitlement credited in their respective demat accounts or demat suspense account, as applicable. For further details on the Rights Entitlements and demat suspense account, please see "*Terms of Issue—Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders*" on page 165 of this Draft Letter of Offer.

Please note that one single Application Form shall be used by Investors to make Applications for all Rights Entitlements available in a particular demat account or entire respective portion of the Rights Entitlements in the demat suspense account in case of resident Eligible Equity Shareholders holding shares in physical form as at

Record Date and applying in this Issue, as applicable. In case of Investors who have provided details of demat account in accordance with the SEBI ICDR Regulations, such Investors will have to apply for the Rights Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account.

Investors may apply for the Rights Equity Shares by submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors are also advised to ensure that the Application Form is correctly filled up stating therein:

- i) the ASBA Account (in case of Application through ASBA process) in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB; or
- ii) the requisite internet banking.

Applicants should note that they should very carefully fill-in their depository account details and PAN in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Please note that incorrect depository account details or PAN or Application Forms without depository account details shall be treated as incomplete and shall be rejected. For details, please see “*Terms of Issue—Grounds for Technical Rejection*” on page 161 of this Draft Letter of Offer. Our Company, the Registrar and the SCSBs shall not be liable for any incomplete or incorrect demat details provided by the Applicants.

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that SCSBs shall accept such applications only if all details required for making the application as per the SEBI ICDR Regulations are specified in the plain paper application and that Eligible Equity Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, - please see “*Terms of Issue—Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process*” on page 157 of this Draft Letter of Offer.

Options available to the Eligible Equity Shareholders

The Rights Entitlement Letter will clearly indicate the number of Rights Equity Shares that the Eligible Equity Shareholder is entitled to.

If the Eligible Equity Shareholder applies in this Issue, then such Eligible Equity Shareholder can:

- i) apply for its Rights Equity Shares to the full extent of its Rights Entitlements; or
- ii) apply for its Rights Equity Shares to the extent of part of its Rights Entitlements (without renouncing the other part); or
- iii) apply for Rights Equity Shares to the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements; or
- iv) apply for its Rights Equity Shares to the full extent of its Rights Entitlements and apply for Additional Rights Equity Shares; or
- v) renounce its Rights Entitlements in full.

Making of an Application through the ASBA process

An Investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with SCSBs, prior to making the Application. Investors desiring to make an Application in this Issue through ASBA process, may submit the Application Form in physical mode to the Designated Branches of the SCSB or online/ electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors should ensure that they have correctly submitted the Application Form and have provided an authorisation to the SCSB, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Money mentioned in the Application Form, as the case may be, at the time of submission of the Application.

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>.

Please note that subject to SCSBs complying with the requirements of the SEBI circular bearing reference number CIR/CFD/DIL/13/2012 dated September 25, 2012, within the periods stipulated therein, Applications may be submitted at the Designated Branches of the SCSBs. Further, in terms of the SEBI circular bearing reference number CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making Applications by SCSBs on their own account using ASBA facility, each such SCSB should have a separate account in its own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making an Application in this Issue and clear demarcated funds should be available in such account for such an Application.

Our Company and the respective directors, employees, affiliates, associates and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc., in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.

Investors applying through the ASBA facility should carefully read the provisions applicable to such Applications before making their Application through the ASBA process.

Do's for Investors applying through ASBA:

- a. Ensure that the necessary details are filled in the Application Form including the details of the ASBA Account.
- b. Ensure that the details about your Depository Participant, PAN and beneficiary account are correct and the beneficiary account is activated as the Rights Equity Shares will be Allotted in the dematerialised form only.
- c. Ensure that the Applications are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the Application.
- d. Ensure that there are sufficient funds (equal to {number of Rights Equity Shares (including Additional Rights Equity Shares) applied for} X {Application Money of Equity Shares}) available in ASBA Account mentioned in the Application Form before submitting the Application to the respective Designated Branch of the SCSB.
- e. Ensure that you have authorised the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the Application Form, in the ASBA Account, of which details are provided in the Application Form and have signed the same.
- f. Ensure that you have a bank account with SCSBs providing ASBA facility in your location and the Application is made through that SCSB providing ASBA facility in such location.
- g. Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the Application Form in physical form or plain paper Application.

- h. Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Application Form and the Rights Entitlement Letter.
- i. Ensure that your PAN is linked with Aadhaar and you are in compliance with CBDT notification dated Feb 13, 2020 read with press release dated June 25, 2021 and September 17, 2021.

Don'ts for Investors applying through ASBA:

- a. Do not apply if you are not eligible to participate in the Issue under the securities laws applicable to your jurisdiction.
- b. Do not submit the Application Form after you have submitted a plain paper Application to a Designated Branch of the SCSB or vice versa.
- c. Do not send your physical Application to the Registrar, a branch of the SCSB which is not a Designated Branch of the SCSB or our Company; instead submit the same to a Designated Branch of the SCSB only.
- d. Do not instruct the SCSBs to unblock the funds blocked under the ASBA process upon making the Application.
- e. Do not submit Application Form using third party ASBA account.

Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process

An Eligible Equity Shareholder in India who is eligible to apply under the ASBA process may make an Application to subscribe to this Issue on plain paper in case of non-receipt of Application Form as detailed above. In such cases of non-receipt of the Application Form through physical delivery (where applicable) and the Eligible Equity Shareholder not being in a position to obtain it from any other source may make an Application to subscribe to this Issue on plain paper with the same details as per the Application Form that is available on the website of the Registrar or the Stock Exchange. An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for authorising such SCSB to block Application Money in the said bank account maintained with the same SCSB. Applications on plain paper will not be accepted from any Eligible Equity Shareholder who has not provided an Indian address.

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that SCSBs shall accept such applications only if all details required for making the application as per the SEBI ICDR Regulations are specified in the plain paper application. If an Eligible Equity Shareholder makes an Application both in an Application Form as well as on plain paper, both applications are liable to be rejected.

Please note that in terms of Regulation 78 of the SEBI ICDR Regulations, the Eligible Equity Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilise the Application Form for any purpose including renunciation even if it is received subsequently.

The Application on plain paper, duly signed by the Eligible Equity Shareholder including joint holders, in the same order and as per specimen recorded with his/her bank, must reach the office of the Designated Branch of the SCSB before the Issue Closing Date and should contain the following particulars:

1. Name of our Company, being Modern Engineering and Projects Limited;
2. Name and address of the Eligible Equity Shareholder including joint holders (in the same order and as per specimen recorded with our Company or the Depository);
3. Folio number (in case of Eligible Equity Shareholders who hold Equity Shares in physical form as at Record Date)/DP and Client ID;

4. Except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Rights Equity Shares applied for pursuant to this Issue;
5. Number of Equity Shares held as at Record Date;
6. Allotment option – only dematerialised form;
7. Number of Rights Equity Shares entitled to;
8. Number of Rights Equity Shares applied for within the Rights Entitlements;
9. Number of Additional Rights Equity Shares applied for, if any (applicable only if entire Rights Entitlements have been applied for);
10. Total number of Rights Equity Shares applied for;
11. Total amount paid at the rate of ₹[●] per Rights Equity Share;
12. Details of the ASBA Account such as the SCSB account number, name, address and branch of the relevant SCSB;
13. In case of non-resident Eligible Equity Shareholders making an application with an Indian address, details of the NRE / FCNR/ NRO account such as the account number, name, address and branch of the SCSB with which the account is maintained;
14. Authorisation to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;
15. Signature of the Eligible Equity Shareholder (in case of joint holders, to appear in the same sequence and order as they appear in the records of the SCSB);
16. An approval obtained from any regulatory authority, if required, shall be obtained by the Eligible Equity Shareholders and a copy of such approval from any regulatory authority, as may be required, shall be sent to the Registrar at @purvashare.com; and
17. All such Eligible Equity Shareholders shall be deemed to have made the representations, warranties and agreements set forth in “Restrictions on Purchases and Resales” on page 181 and shall include the following:

“I/ We hereby make representations, warranties and agreements set forth in “Restrictions on Purchases and Resales” on page 181 of this Draft Letter of Offer.

I/ We acknowledge that the Company, its affiliates and others will rely upon the truth and accuracy of the representations, warranties and agreements set forth therein.”

In cases where Multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense account, as applicable, including cases where an Investor submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected.

Investors are requested to strictly adhere to these instructions. Failure to do so could result in an Application being rejected, with our Company and the Registrar not having any liability to the Investor. The plain paper Application format will be available on the website of the Registrar at www.purvashare.com.

Our Company and the Registrar shall not be responsible if the Applications are not uploaded by the SCSB or funds are not blocked in the Investors’ ASBA Accounts on or before the Issue Closing Date.

Making of an Application by Eligible Equity Shareholders holding Equity Shares in physical form

Please note that in accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialised form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as at Record Date and desirous of subscribing to Rights Equity Shares in this Issue are advised to furnish the details of their demat account to the Registrar or our Company at least two clear Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements in their respective demat accounts at least one day before the Issue Closing Date.

Prior to the Issue Opening Date, the Rights Entitlements of those Eligible Equity Shareholders, among others, who hold Equity Shares in physical form, and whose demat account details are not available with our Company or the Registrar, shall be credited in a demat suspense account opened by our Company.

Eligible Equity Shareholders, who hold Equity Shares in physical form as at Record Date and who have opened their demat accounts after the Record Date, shall adhere to following procedure for participating in this Issue:

- a) The Eligible Equity Shareholders shall send a letter to the Registrar containing the name(s), address, e-mail address, contact details and the details of their demat account along with copy of self-attested PAN and self-attested client master sheet of their demat account either by e-mail, post, speed post, courier, or hand delivery so as to reach to the Registrar no later than two clear Working Days prior to the Issue Closing Date;
- b) The Registrar shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders to their demat accounts at least one day before the Issue Closing Date;
- c) The remaining procedure for Application shall be same as set out in “*Terms of Issue—Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process*” on page 157 of this Draft Letter of Offer.

Resident Eligible Equity Shareholders who hold Equity Shares in physical form as at the Record Date will not be allowed to renounce their Rights Entitlements in the Issue. However, such Eligible Equity Shareholders, where the dematerialised Rights Entitlements are transferred from the suspense demat account to the respective demat accounts within prescribed timelines, can apply for Additional Rights Equity Shares while submitting the Application through ASBA process.

Application for Additional Rights Equity Shares

Investors are eligible to apply for Additional Rights Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Equity Shares under applicable law and they have applied for all the Rights Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Where the number of Additional Rights Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalised in consultation with the Designated Stock Exchange. Applications for Additional Rights Equity Shares shall be considered, and Allotment shall be made in accordance with the SEBI ICDR Regulations and in the manner as set out in “*Terms of Issue—Basis of Allotment*” on page 173 of this Draft Letter of Offer.

Eligible Equity Shareholders who renounce their Rights Entitlements cannot apply for Additional Rights Equity Shares. Non-resident Renouncees who are not Eligible Equity Shareholders cannot apply for Additional Rights Equity Shares.

Additional general instructions for Investors in relation to making of an Application

- a) Please read the Draft Letter of Offer carefully to understand the Application process and applicable settlement process.
- b) Please read the instructions on the Application Form sent to you. Application should be complete in all respects. The Application Form found incomplete with regards to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of this Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form are liable to be rejected. The Application Form must be filled in English.

- c) In case of non-receipt of Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under “*Terms of Issue—Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process*” on page 157 of this Draft Letter of Offer.
- d) Applications should be submitted to the Designated Branch of the SCSB or made online/electronic through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. Please note that on the Issue Closing Date, Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchange.
- e) Applications should not be submitted to the Bankers to the Issue, our Company or the Registrar.
- f) All Applicants, and in the case of Application in joint names, each of the joint Applicants, should mention their PAN allotted under the Income-tax Act, irrespective of the amount of the Application. Except for Applications on behalf of the Central or the State Government, the residents of Sikkim and the officials appointed by the courts, Applications without PAN will be considered incomplete and are liable to be rejected. With effect from August 16, 2010, the demat accounts for Investors for which PAN details have not been verified shall be “suspended for credit” and no Allotment and credit of Rights Equity Shares pursuant to this Issue shall be made into the accounts of such Investors.
- g) Ensure that the demographic details such as address, PAN, DP ID, Client ID, bank account details and occupation (“**Demographic Details**”) are updated, true and correct, in all respects. Investors applying under this Issue should note that on the basis of name of the Investors, DP ID and Client ID provided by them in the Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Therefore, Investors applying under this Issue should carefully fill in their Depository Account details in the Application. These Demographic Details would be used for all correspondence with such Investors including mailing of the letters intimating unblocking of bank account of the respective Investor and/or refund. The Demographic Details given by the Investors in the Application Form would not be used for any other purposes by the Registrar. Hence, Investors are advised to update their Demographic Details as provided to their Depository Participants. The Allotment Advice and the intimation on unblocking of ASBA Account or refund (if any) would be mailed to the address of the Investor as per the Indian address provided to our Company or the Registrar or Demographic Details received from the Depositories. The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Rights Equity Shares are not Allotted to such Investor. Please note that any such delay shall be at the sole risk of the Investors and none of our Company, the SCSBs, or the Registrar shall be liable to compensate the Investor for any losses caused due to any such delay or be liable to pay any interest for such delay. In case no corresponding record is available with the Depositories that match three parameters, (a) names of the Investors (including the order of names of joint holders), (b) DP ID, and (c) Client ID, then such Application Forms are liable to be rejected.
- h) By signing the Application Forms, Investors would be deemed to have authorised the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.
- i) For physical Applications through ASBA at Designated Branches of SCSB, signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in any such language or thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Investors must sign the Application as per the specimen signature recorded with the SCSB.
- j) Investors should provide correct DP ID and Client ID/ Folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) while submitting the Application. Such DP ID and Client ID/ Folio number should match the demat account details in the records available with Company and/or Registrar, failing which such Application is liable to be rejected. The investor will be solely responsible for any error or inaccurate detail provided in the Application. Our Company, SCSBs or the Registrar will not be liable for any such rejections.
- k) In case of joint holders and physical Applications through ASBA process, all joint holders must sign the relevant part of the Application Form in the same order and as per the specimen signature(s) recorded

with the SCSB. In case of joint Applicants, reference, if any, will be made in the first Applicant's name and all communication will be addressed to the first Applicant.

- l) All communication in connection with Application for the Rights Equity Shares, including any change in contact details of the Eligible Equity Shareholders should be addressed to the Registrar prior to the date of Allotment in this Issue quoting the name of the first/sole Applicant, folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as at Record Date)/DP ID and Client ID and Application Form number, as applicable. In case of any change in contact details of the Eligible Equity Shareholders, the Eligible Equity Shareholders should also send the intimation for such change to the respective depository participant, or to our Company or the Registrar in case of Eligible Equity Shareholders holding Equity Shares in physical form.
- m) Investors are required to ensure that the number of Rights Equity Shares applied by them do not exceed the prescribed limits under the applicable law.
- n) Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction.
- o) Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.
- p) Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application.
- q) Do not pay the Application Money in cash, by money order, pay order or postal order.
- r) Do not submit multiple Applications.
- s) An Applicant being an OCB is required not to be under the adverse notice of RBI and in order to apply for this issue as an incorporated non-resident must do so in accordance with the FDI Circular 2020 and FEMA Rules.
- t) Ensure that your PAN is linked with Aadhaar and you are in compliance with CBDT notification dated Feb 13, 2020 and press release dated June 25, 2021 and September 17, 2021.

Grounds for Technical Rejection

Applications made in this Issue are liable to be rejected on the following grounds:

- a) DP ID and Client ID mentioned in Application does not match with the DP ID and Client ID records available with the Registrar.
- b) Details of PAN mentioned in the Application does not match with the PAN records available with the Registrar.
- c) Sending an Application to our Company, Registrar, to a branch of a SCSB which is not a Designated Branch of the SCSB.
- d) Insufficient funds are available in the ASBA Account with the SCSB for blocking the Application Money.
- e) Funds in the ASBA Account whose details are mentioned in the Application Form having been frozen pursuant to regulatory orders.
- f) Account holder not signing the Application or declaration mentioned therein.
- g) Submission of more than one Application Form for Rights Entitlements available in a particular demat account.
- h) Multiple Application Forms, including cases where an Investor submits Application Forms along with a

plain paper Application.

- i) Submitting the GIR number instead of the PAN (except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts).
- j) Applications by persons not competent to contract under the Indian Contract Act, 1872, except Applications by minors having valid demat accounts as per the Demographic Details provided by the Depositories.
- k) Applications by SCSB on own account, other than through an ASBA Account in its own name with any other SCSB.
- l) Application Forms which are not submitted by the Investors within the time periods prescribed in the Application Form and this Draft Letter of Offer.
- m) Physical Application Forms not duly signed by the sole or joint Investors, as applicable.
- n) Application Forms accompanied by stock invest, outstation cheques, post-dated cheques, money order, postal order or outstation demand drafts.
- o) If an Investor is (a) debarred by SEBI; or (b) if SEBI has revoked the order or has provided any interim relief then failure to attach a copy of such SEBI order allowing the Investor to subscribe to their Rights Entitlements.
- p) Applications which: (i) appear to our Company or its agents to have been executed in, electronically transmitted from or dispatched from jurisdictions where the offer and sale of the Rights Equity Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is outside the United States, and is eligible to subscribe for the Rights Equity Shares under applicable securities laws and is complying with laws of jurisdictions applicable to such person in connection with this Issue; and our Company shall not be bound to issue or allot any Rights Equity Shares in respect of any such Application Form.
- q) Applications which have evidence of being executed or made in contravention of applicable securities laws.
- r) Application from Investors that are residing in U.S. address as per the depository records.

Multiple Applications

In case where multiple Applications are made using same demat account, such Applications shall be liable to be rejected. A separate Application can be made in respect of Rights Entitlements in each demat account of the Investors and such Applications shall not be treated as multiple applications. Similarly, a separate Application can be made against Equity Shares held in dematerialised form and Equity Shares held in physical form, and such Applications shall not be treated as multiple applications. Further supplementary Applications in relation to further Rights Equity Shares with/without using Additional Rights Entitlement will not be treated as multiple application. A separate Application can be made in respect of each scheme of a mutual fund registered with SEBI and such Applications shall not be treated as multiple applications. For details, please see “*Terms of Issue—Procedure for Applications by Mutual Funds*” on page 164 of this Draft Letter of Offer.

In cases where Multiple Application Forms are submitted, including cases where (a) an Investor submits Application Forms along with a plain paper Application or (b) multiple plain paper Applications (c) or multiple applications on through ASBA, such Applications shall be treated as multiple applications and are liable to be rejected, other than multiple applications submitted by any of our Promoters or members of our Promoter Group to meet the minimum subscription requirements applicable to this Issue as described in “*Capital Structure*” on page 41 of this Draft Letter of Offer.

Procedure for Applications by certain categories of Investors

Procedure for Applications by FPIs

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, i.e., the individual holding of an FPI (including its investor group (which means multiple entities registered as foreign portfolio investors and directly and indirectly having common ownership of more than 50% of common control)) shall be below 10% of our post-Issue Equity Share capital. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants that may be issued by our Company, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and RBI in this regard and our Company and the investor will also be required to comply with applicable reporting requirements. Further, the aggregate limit of all FPIs investments is up to the sectoral cap applicable to the sector in which our Company operates (i.e., 100% under automatic route).

FPIs are permitted to participate in this Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. FPIs who wish to participate in the Issue are advised to use the Application Form for non-residents. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons registered as Category I FPI under the SEBI FPI Regulations; (ii) such offshore derivative instruments are issued only to persons who are eligible for registration as Category I FPIs (where an entity has an investment manager who is from the Financial Action Task Force member country, the investment manager shall not be required to be registered as a Category I FPI); (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) compliance with other conditions as may be prescribed by SEBI.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to, inter alia, the following conditions:

- a) such offshore derivative instruments are transferred only to persons in accordance with the SEBI FPI Regulations; and
- b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre – approved by the FPI.

Procedure for Applications by AIFs, FVCIs, VCFs and FDI route

The SEBI VCF Regulations and the SEBI FVCI Regulations prescribe, among other things, the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among other things, the investment restrictions on AIFs.

As per the SEBI VCF Regulations and SEBI FVCI Regulations, VCFs and FVCIs are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by VCFs or FVCIs will not be accepted in this Issue. Further, venture capital funds registered as Category I AIFs, as defined in the SEBI AIF Regulations, are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, will not be accepted in this Issue. Other categories of AIFs are permitted to apply in this Issue subject to compliance with the SEBI AIF Regulations. Such AIFs having bank accounts with SCSBs that are providing ASBA in cities / centres where such AIFs are located are mandatorily required to make use of the ASBA facility. Otherwise, applications of such AIFs are liable for rejection.

No investment under the FDI route (i.e., any investment which would result in the investor holding 10% or more of the fully diluted paid-up equity share capital of our Company or any FDI investment for which an approval from the government was taken in the past) will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval from the government. It will be the sole responsibility of the investors to ensure that the necessary approval or the pre-existing approval from the government is valid in order to make any investment in the Issue. Our Company will not be responsible for any Allotments made by relying on such approvals.

Procedure for Applications by NRIs

Investments by NRIs are governed by the FEMA Rules. Applications will not be accepted from NRIs that are ineligible to participate in this Issue under applicable securities laws.

As per the FEMA Rules, an NRI or Overseas Citizen of India (“OCI”) may purchase or sell capital instruments of a listed Indian company on repatriation basis, on a recognised stock exchange in India, subject to the conditions, inter alia, that the total holding by any individual NRI or OCI will not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together will not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants. The aggregate ceiling of 10% may be raised to 24%, if a special resolution to that effect is passed by the general body of the Indian company.

Further, in accordance with press note 3 of 2020, the FDI Circular 2020 has been amended to state that all investments by entities incorporated in a country which shares land border with India or where beneficial owner of an investment into India is situated in or is a citizen of any such country (“**Restricted Investors**”), will require prior approval of the Government of India. It is not clear from the press note whether or not an issue of the Rights Equity Shares to Restricted Investors will also require prior approval of the Government of India and each Investor should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval has been obtained, the Investor shall intimate our Company and the Registrar about such approval within the Issue Period.

Procedure for Applications by Mutual Funds

A separate application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such applications shall not be treated as multiple applications. The applications made by asset management companies or custodians of a mutual fund should clearly indicate the name of the concerned scheme for which the application is being made.

Procedure for Applications by Systemically Important Non-Banking Financial Companies (“NBFC-SI”)

In case of an application made by NBFC-SI registered with RBI, (a) the certificate of registration issued by RBI under Section 45IA of RBI Act, 1934 and (b) net worth certificate from its statutory auditors or any independent chartered accountant based on the last audited financial statements is required to be attached to the application.

Last date for Application

The last date for submission of the duly filled in the Application Form or a plain paper Application is [●], 2024, i.e., Issue Closing Date. Our Board or any committee thereof may extend the said date for such period as it may determine from time to time, subject to the Issue Period not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).

If the Application Form is not submitted with an SCSB, uploaded with the Stock Exchange and the Application Money is not blocked with the SCSB, on or before the Issue Closing Date or such date as may be extended by our Board or any committee thereof, the invitation to offer contained in this Draft Letter of Offer shall be deemed to have been declined and our Board or any committee thereof shall be at liberty to dispose of the Equity Shares hereby offered, as set out in “*Terms of Issue—Basis of Allotment*” on page 173 of this Draft Letter of Offer.

Please note that on the Issue Closing Date, Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchange.

Please ensure that the Application Form and necessary details are filled in. In place of Application number, Investors can mention the reference number of the e-mail received from Registrar informing about their Rights Entitlement or last eight digits of the demat account. Alternatively, SCSBs may mention their internal reference number in place of application number.

Withdrawal of Application

An Investor who has applied in this Issue may withdraw their Application at any time during Issue Period by approaching the SCSB where application is submitted. However, no Investor, whether applying through ASBA facility, may withdraw their Application post the Issue Closing Date.

Disposal of Application and Application Money

No acknowledgment will be issued for the Application Money received by our Company. However, the Designated Branches of the SCSBs receiving the Application Form will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each Application Form.

Our Board reserves its full, unqualified and absolute right to accept or reject any Application, in whole or in part, and in either case without assigning any reason thereto.

In case an Application is rejected in full, the whole of the Application Money will be unblocked in the respective ASBA Accounts, in case of Applications through ASBA. Wherever an Application is rejected in part, the balance of Application Money, if any, after adjusting any money due on Rights Equity Shares Allotted, will be refunded / unblocked in the respective bank accounts from which Application Money was received / ASBA Accounts of the Investor within a period of 4 days from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law.

For further instructions, please read the Application Form carefully.

III. CREDIT OF RIGHTS ENTITLEMENTS IN DEMAT ACCOUNTS OF ELIGIBLE EQUITY SHAREHOLDERS

Rights Entitlements

As your name appears as a beneficial owner in respect of the issued and paid-up Equity Shares held in dematerialised form or appears in the register of members of our Company as an Eligible Equity Shareholder in respect of our Equity Shares held in physical form, as at the Record Date, you may be entitled to subscribe to the number of Rights Equity Shares as set out in the Rights Entitlement Letter.

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar (www.purvashare.com) by entering their DP ID and Client ID or folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as at Record Date) and PAN. The link for the same shall also be available on the website of our Company (i.e., www.mep.ltd).

In this regard, our Company has made necessary arrangements with NSDL and CDSL for crediting of the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders in a dematerialised form. A separate ISIN for the Rights Entitlements has also been generated which is [●]. The said ISIN shall remain frozen (for debit) until the Issue Opening Date. The said ISIN shall be suspended for transfer by the Depositories post the Issue Closing Date.

Additionally, our Company will submit the details of the total Rights Entitlements credited to the demat accounts of the Eligible Equity Shareholders and the demat suspense account to the Stock Exchange after completing the corporate action. The details of the Rights Entitlements with respect to each Eligible Equity Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar after keying in their respective details along with other security control measures implemented thereat.

Rights Entitlements shall be credited to the respective demat accounts of Eligible Equity Shareholders before the Issue Opening Date only in dematerialised form. Further, if no Application is made by the Eligible Equity Shareholders of Rights Entitlements on or before Issue Closing Date, such Rights Entitlements shall lapse and shall be extinguished after the Issue Closing Date. No Rights Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the premium paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required to make an Application to apply for Rights Equity Shares offered under Rights Issue for subscribing to the Rights Equity Shares offered under Issue.

If Eligible Equity Shareholders holding Equity Shares in physical form as at Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account

details to our Company or the Registrar not later than two clear Working Days prior to the Issue Closing Date, to enable the credit of the Rights Entitlements by way of transfer from the demat suspense account to their respective demat accounts, at least one day before the Issue Closing Date. Such Eligible Equity Shareholders holding shares in physical form can update the details of their respective demat accounts on the website of the Registrar www.purvashare.com. Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts.

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Equity Shares shall be made in dematerialised form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense account (namely, “[●] RE Suspense Account”) opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in the account of the IEPF authority; or (b) the demat accounts of the Eligible Equity Shareholder which are frozen or the Equity Shares which are lying in the unclaimed suspense account (including those pursuant to Regulation 39 of the SEBI Listing Regulations) or details of which are unavailable with our Company or with the Registrar on the Record Date; or (c) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as at Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or (d) credit of the Rights Entitlements returned/reversed/failed; or (e) the ownership of the Equity Shares currently under dispute, including any court proceedings, if any; or (f) non-institutional equity shareholders in the United States.

Eligible Equity Shareholders are requested to provide relevant details (such as copies of self-attested PAN and client master sheet of demat account etc., details/ records confirming the legal and beneficial ownership of their respective Equity Shares) to our Company or the Registrar not later than two clear Working Days prior to the Issue Closing Date, i.e., by [●], 2024 to enable the credit of their Rights Entitlements by way of transfer from the demat suspense account to their demat account at least one day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to our Company or the Registrar account is active to facilitate the aforementioned transfer.

IV. RENUNCIATION AND TRADING OF RIGHTS ENTITLEMENT

Renouncees

All rights and obligations of the Eligible Equity Shareholders in relation to Applications and refunds pertaining to this Issue shall apply to the Renouncee(s) as well.

Renunciation of Rights Entitlements

This Issue includes a right exercisable by Eligible Equity Shareholders to renounce the Rights Entitlements credited to their respective demat account either in full or in part.

The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and vice versa shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favour of an Eligible Equity Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

The renunciation of Rights Entitlements credited in your demat account can be made either by sale of such Rights Entitlements, using the secondary market platform of the Stock Exchange or through an off-market transfer. In accordance with SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020 read with SEBI circular SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020, the Eligible Equity Shareholders, who hold Equity Shares in physical form as at Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, will not be able to renounce their Rights Entitlements.

Procedure for Renunciation of Rights Entitlements

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part (a) by using the secondary market platform of the Stock Exchange (the “**On Market Renunciation**”); or (b) through an off-market transfer (the “**Off Market Renunciation**”), during the Renunciation Period. The Investors should have the demat Rights Entitlements credited / lying in his/her own demat account prior to the renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

Investors may be subject to adverse foreign, state or local tax or legal consequences as a result of trading in the Rights Entitlements. Investors who intend to trade in the Rights Entitlements should consult their tax advisor or stock-broker regarding any cost, applicable taxes, charges and expenses (including brokerage) that may be levied for trading in Rights Entitlements.

Please note that the Rights Entitlements which are neither renounced nor subscribed by the Investors on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.

Payment Schedule of Rights Equity Shares

₹[●] per Rights Equity Share (including premium of ₹[●] per Rights Equity Share) shall be payable on Application.

Our Company accepts no responsibility to bear or pay any cost, applicable taxes, charges and expenses (including brokerage), and such costs will be incurred solely by the Investors.

a) On Market Renunciation

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by trading/selling them on the secondary market platform of the Stock Exchange through a registered stock-broker in the same manner as the existing Equity Shares.

In this regard, in terms of provisions of the SEBI ICDR Regulations and the SEBI Rights Issue Circulars, the Rights Entitlements credited to the respective demat accounts of the Eligible Equity Shareholders shall be admitted for trading on the Stock Exchange under ISIN: [●] subject to requisite approvals. Prior to the Issue Opening Date, our Company will obtain the approval from the Stock Exchange for trading of Rights Entitlements. No assurance can be given regarding the active or sustained On Market Renunciation or the price at which the Rights Entitlements will trade. The details for trading in Rights Entitlements will be as specified by the Stock Exchange from time to time.

The Rights Entitlements are tradable in dematerialised form only. The market lot for trading of Rights Entitlements is 1 (one) Rights Entitlements.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., from [●] to [●]2024 (both days inclusive).

The Investors holding the Rights Entitlements who desire to sell their Rights Entitlements will have to do so through their registered stock-brokers by quoting the ISIN: [●] band indicating the details of the Rights Entitlements they intend to trade. The Investors can place order for sale of Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The On Market Renunciation shall take place electronically on secondary market platform of BSE under automatic order matching mechanism and on ‘T+1 rolling settlement basis’, where ‘T’ refers to the date of trading. The transactions will be settled on trade-for-trade basis. Upon execution of the order, the stock-broker will issue a contract note in accordance with the requirements of the Stock Exchange and the SEBI.

b) Off Market Renunciation

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by way of an off-market transfer through a depository participant. The Rights Entitlements can be transferred in dematerialised form only.

Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounees on or prior to the Issue Closing Date to enable Renounees to subscribe to the Rights Equity Shares in the Issue.

The Investors holding the Rights Entitlements who desire to transfer their Rights Entitlements will have to do so through their depository participant by issuing a delivery instruction slip quoting the ISIN: [●], the details of the buyer and the details of the Rights Entitlements they intend to transfer. The buyer of the Rights Entitlements (unless already having given a standing receipt instruction) has to issue a receipt instruction slip to their depository participant. The Investors can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants.

The detailed rules for transfer of Rights Entitlements through off-market transfer shall be as specified by the NSDL and CDSL from time to time.

V. MODE OF PAYMENT

All payments against the Application Forms shall be made only through ASBA facility. The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility.

In case of Application through the ASBA facility, the Investor agrees to block the entire amount payable on Application with the submission of the Application Form, by authorising the SCSB to block an amount, equivalent to the amount payable on Application, in the Investor's ASBA Account. The SCSB may reject the application at the time of acceptance of Application Form if the ASBA Account, details of which have been provided by the Investor in the Application Form does not have sufficient funds equivalent to the amount payable on Application mentioned in the Application Form. Subsequent to the acceptance of the Application by the SCSB, our Company would have a right to reject the Application on technical grounds as set forth in this Draft Letter of Offer.

After verifying that sufficient funds are available in the ASBA Account details of which are provided in the Application Form, the SCSB shall block an amount equivalent to the Application Money mentioned in the Application Form until the Transfer Date. On the Transfer Date, upon receipt of intimation from the Registrar, of the receipt of minimum subscription and pursuant to the finalisation of the Basis of Allotment as approved by the Designated Stock Exchange, the SCSBs shall transfer such amount as per the Registrar's instruction from the ASBA Account into the Allotment Account(s) which shall be a separate bank account maintained by our Company, other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013. The balance amount remaining after the finalisation of the Basis of Allotment on the Transfer Date shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB.

In terms of RBI Circular DBOD No. FSC BC 42/24.47.00/2003- 04 dated November 5, 2003, the stock invest scheme has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

Mode of payment for Resident Investors

All payments on the Application Forms shall be made only through ASBA facility. Applicants are requested to strictly adhere to these instructions.

Mode of payment for Non-Resident Investors

As regards the Application by non-resident Investors, payment must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA Rules and requirements prescribed by RBI and subject to the following:

1. In case where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Rights Equity Shares can be remitted outside India, subject to tax, as applicable according to the Income-Tax Act. However, please note that conditions applicable at the time of original investment in our Company by the Eligible Equity Shareholder including repatriation shall not change and remain the same for subscription in the Issue or subscription pursuant to renunciation in the Issue.

2. Subject to the above, in case Rights Equity Shares are Allotted on a non-repatriation basis, the dividend and sale proceeds of the Rights Equity Shares cannot be remitted outside India.
3. In case of an Application Form received from non-residents, Allotment, refunds and other distribution, if any, will be made in accordance with the guidelines and rules prescribed by RBI as applicable at the time of making such Allotment, remittance and subject to necessary approvals.
4. Application Forms received from non-residents/ NRIs, or persons of Indian origin residing abroad for Allotment of Rights Equity Shares shall, amongst other things, be subject to conditions, as may be imposed from time to time by RBI under FEMA, in respect of matters including Refund of Application Money and Allotment.
5. In the case of NRIs who remit their Application Money from funds held in FCNR/NRE Accounts, refunds and other disbursements, if any shall be credited to such account.
6. Non-resident Renounees who are not Eligible Equity Shareholders must submit regulatory approval for applying for Additional Rights Equity Shares.

VI. BASIS FOR THIS ISSUE AND TERMS OF THIS ISSUE

The Rights Equity Shares are being offered for subscription to the Eligible Equity Shareholders whose names appear as beneficial owners as per the list to be furnished by the Depositories in respect of our Equity Shares held in dematerialised form and on the register of members of our Company in respect of our Equity Shares held in physical form at the close of business hours on the Record Date.

For principal terms of Issue such as face value, Issue Price, Rights Entitlement ratio, please see “*The Issue*” on page 35 of this Draft Letter of Offer.

Fractional Entitlements

The Rights Equity Shares are being offered on a rights basis to Eligible Equity Shareholders in the ratio of [●] Equity Share for every [●] Equity Shares held on the Record Date. For Equity Shares being offered on a rights basis under this Issue, if the shareholding of any of the Eligible Equity Shareholders is less than [●] Equity Shares or not in the multiple of [●] the fractional entitlement of such Eligible Equity Shareholders shall be ignored in the computation of the Rights Entitlement. However, the Eligible Equity Shareholders whose fractional entitlements are being ignored, will be given preferential consideration for the allotment of one additional Equity Share each if they apply for additional Equity Shares over and above their Rights Entitlement, if any.

Further, the Eligible Equity Shareholders holding less than [●] Equity Shares shall have ‘zero’ entitlement in the Issue. Such Eligible Equity Shareholders are entitled to apply for additional Equity Shares and will be given preference in the allotment of one additional Equity Share if, such Eligible Equity Shareholders apply for the additional Equity Shares. However, they cannot renounce the same in favour of third parties and the application forms shall be non-negotiable.

Ranking

The Rights Equity Shares to be issued and Allotted pursuant to this Issue shall be subject to the provisions of this Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association, the provisions of the Companies Act, 2013, FEMA, the SEBI ICDR Regulations, the SEBI Listing Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, the terms of the Listing Agreements entered into by our Company with the Stock Exchange and the terms and conditions as stipulated in the Allotment advice. The Rights Equity Shares to be issued and Allotted under this Issue shall, upon being fully paid-up rank *pari passu* with the existing Equity Shares, in all respects including dividends.

Listing and trading of the Rights Equity Shares to be issued pursuant to this Issue

Subject to receipt of the listing and trading approvals, the Rights Equity Shares proposed to be issued on a rights basis shall be listed and admitted for trading on the Stock Exchange. Unless otherwise permitted by the SEBI ICDR Regulations, the Rights Equity Shares Allotted pursuant to this Issue will be listed as soon as practicable and all steps for completion of necessary formalities for listing and commencement of trading in the Rights Equity Shares will be taken within such period prescribed under the SEBI ICDR Regulations. Our Company has received in-principle approval from the BSE through letter bearing reference number [●] dated [●]. Our Company will apply to the Stock Exchange for final approvals for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under this Issue will trade after the listing thereof.

The existing Equity Shares are listed and traded on BSE (Scrip Code:539762) under the ISIN: [INE250S01015]. The Rights Equity Shares shall be credited to a temporary ISIN which will be frozen until the receipt of the final listing/ trading approvals from the Stock Exchange. Upon receipt of such listing and trading approvals, the Rights Equity Shares shall be debited from such temporary ISIN and credited to the existing ISIN for the Rights Equity Shares and thereafter be available for trading under the existing ISIN as fully paid-up Equity Shares of our Company and the temporary ISIN shall be permanently deactivated in the depository system of CDSL and NSDL.

The listing and trading of the Rights Equity Shares issued pursuant to this Issue shall be based on the current regulatory framework then applicable. Accordingly, any change in the regulatory regime would affect the listing and trading schedule.

In case our Company fails to obtain listing or trading permission from the Stock Exchange, our Company shall refund through verifiable means/unblock the respective ASBA Accounts, the entire monies received/blocked within four days of receipt of intimation from the Stock Exchange, rejecting the application for listing of the Rights Equity Shares, and if any such money is not refunded/ unblocked within four days after our Company becomes liable to repay it, our Company and every director of our Company who is an officer-in-default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at rates prescribed under applicable law.

Subscription to this Issue by our Promoters and members of our Promoter Group

Two of our promoters intend to subscribe to their entitlement in full, one promoter partially and one promoter does not intend to subscribe to his entire entitlement.

Rights of Holders of Rights Equity Shares

Subject to applicable laws, Equity Shareholders who have been Allotted Rights Equity Shares pursuant to the Issue shall have the following rights:

- a) The right to receive dividend, if declared;
- b) The right to receive surplus on liquidation;
- c) The right to receive offers for rights shares and be allotted bonus shares, if announced;
- d) The right to free transferability of Rights Equity Shares;

- e) The right to attend general meetings of our Company and exercise voting powers in accordance with law, unless prohibited / restricted by law and as disclosed in this Draft Letter of Offer; and
- f) Such other rights as may be available to a shareholder of a listed public company under the Companies Act, 2013, the Memorandum of Association and the Articles of Association.

VII. GENERAL TERMS OF THE ISSUE

Market Lot

The Rights Equity Shares shall be tradable only in dematerialised form. The market lot for the Rights Equity Shares in dematerialised mode is one Equity Share.

Joint Holders

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as the joint holders with the benefit of survivorship subject to the provisions contained in our Articles of Association. In case of Equity Shares held by joint holders, the Application submitted in physical mode to the Designated Branch of the SCSBs would be required to be signed by all the joint holders (in the same order as appearing in the records of the Depository) to be considered as valid for allotment of the Rights Equity Shares offered in this Issue.

Nomination

Nomination facility is available in respect of the Rights Equity Shares in accordance with the provisions of the Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debenture) Rules, 2014.

Since the Allotment is in dematerialised form, there is no need to make a separate nomination for the Equity Shares to be Allotted in this Issue. Nominations registered with the respective DPs of the Investors would prevail. Any Investor holding Equity Shares in dematerialised form and desirous of changing the existing nomination is requested to inform its Depository Participant.

Arrangements for Disposal of Odd Lots

The Rights Equity Shares shall be traded in dematerialised form only and, therefore, the marketable lot shall be one Rights Equity Share and hence, no arrangements for disposal of odd lots are required.

Notices

In accordance with the SEBI ICDR Regulations and the SEBI Rights Issue Circulars, the Letter of Offer, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other applicable Issue material will be sent/ dispatched only to the Eligible Equity Shareholders who have provided Indian address. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be physically dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

All notices to the Eligible Equity Shareholders required to be given by our Company shall be published in one English language national daily newspaper with wide circulation, one Hindi language national daily newspaper with wide circulation and one Marathi language daily newspaper with wide circulation (Marathi being the regional language of Mumbai, where our Registered Office is located).

This Draft Letter of Offer, the Abridged Letter of Offer and the Application Form shall also be submitted with the Stock Exchange for making the same available on their websites.

Offer to Non-Resident Eligible Equity Shareholders/Investors

As per Rule 7 of the FEMA Rules, RBI has given general permission to a person resident outside India and having investment in an Indian company to make investment in rights equity shares issued by such company subject to certain conditions. Further, as per the Master Direction on Foreign Investment in India dated January 4, 2018 issued by RBI, non-residents may, amongst other things, subject to the conditions set out therein (i) subscribe for additional shares over and above their rights entitlements; (ii) renounce the shares offered to them either in full or part thereof in favour of a person named by them; or (iii) apply for the shares renounced in their favour. Applications received from NRIs and non-residents for allotment of Rights Equity Shares shall be, amongst other things, subject to the conditions imposed from time to time by RBI under FEMA in the matter of Application, refund of Application Money, Allotment of Rights Equity Shares and issue of Rights Entitlement Letters/ letters of Allotment/Allotment advice. If a non-resident or NRI Investor has specific approval from RBI or any other governmental authority, in connection with his shareholding in our Company, such person should enclose a copy of such approval with the Application details and send it to the Registrar at (www.purvashare.com). It will be the sole responsibility of the investors to ensure that the necessary approval from the RBI or the governmental authority is valid in order to make any investment in the Issue and our Company will not be responsible for any such allotments made by relying on such approvals.

The Abridged Letter of Offer, the Rights Entitlement Letter and Application Form shall be sent only to the Indian addresses of the non-resident Eligible Equity Shareholders on a reasonable efforts basis, who have provided an Indian address to our Company and located in jurisdictions where the offer and sale of the Rights Equity Shares may be permitted under laws of such jurisdictions, Eligible Equity Shareholders can access the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) from the websites of the Registrar, our Company and the Stock Exchange. Further, Application Forms will be made available at Registered Office of our Company for the non-resident Indian Applicants. Our Board may at its absolute discretion, agree to such terms and conditions as may be stipulated by RBI while approving the Allotment. The Rights Equity Shares purchased by non-residents shall be subject to the same conditions including restrictions in regard to the repatriation as are applicable to the original Equity Shares against which Rights Equity Shares are issued on rights basis.

In case of change of status of holders, i.e., from resident to non-resident, a new demat account must be opened. Any Application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected at the sole discretion of our Company.

Please also note that pursuant to Circular No. 14 dated September 16, 2003 issued by RBI, OCBs have been derecognised as an eligible class of investors and RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Investor being an OCB is required not to be under the adverse notice of RBI and to obtain prior approval from RBI for applying in this Issue as an incorporated non-resident must do so in accordance with the FDI Circular 2020 and FEMA Rules.

The non-resident Eligible Equity Shareholders can update their Indian address in the records maintained by the Registrar and our Company by submitting their respective copies of self-attested proof of address, passport, etc. by email to cs@mep.ltd

ALLOTMENT OF THE RIGHTS EQUITY SHARES IN DEMATERIALIZED FORM

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR IN THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH OUR EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE. FOR DETAILS, PLEASE SEE “ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS” ON PAGE 174 OF THIS DRAFT LETTER OF OFFER

VIII. ISSUE SCHEDULE

LAST DATE FOR CREDIT OF RIGHTS ENTITLEMENTS	[●]
ISSUE OPENING DATE	[●]
LAST DATE FOR ON MARKET RENUNCIATION OF RIGHTS ENTITLEMENTS #	[●]
ISSUE CLOSING DATE*	[●]
FINALISATION OF BASIS OF ALLOTMENT (ON OR ABOUT)	[●]
DATE OF ALLOTMENT (ON OR ABOUT)	[●]
DATE OF CREDIT (ON OR ABOUT)	[●]
DATE OF LISTING (ON OR ABOUT)	[●]

Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.

* Our Board or a duly authorised committee thereof will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as at Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two clear Working Days prior to the Issue Closing Date, i.e., [●], to enable the credit of the Rights Entitlements by way of transfer from the demat suspense account to their respective demat accounts, at least one day before the Issue Closing Date, i.e., [●]. If demat account details are not provided by the Eligible Equity Shareholders holding Equity Shares in physical form to the Registrar or our Company by the date mentioned above, such shareholders will not be allotted any Rights Equity Shares nor such Rights Equity Shares be kept in suspense account on behalf of such shareholder in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to our Company or the Registrar, is active to facilitate the aforementioned transfer. Eligible Equity Shareholders holding Equity Shares in physical form can update the details of their demat accounts on the website of the Registrar (i.e., www.purvashare.com). Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts. Eligible Equity Shareholders can obtain the details of their Rights Entitlements from the website of the Registrar (i.e., www.purvashare.com) by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of our Company.

IX. BASIS OF ALLOTMENT

Subject to the provisions contained in the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, the Articles of Association and the approval of the Designated Stock Exchange, our Board will proceed to Allot the Rights Equity Shares in the following order of priority:

- a) Full Allotment to those Eligible Equity Shareholders who have applied for their Rights Entitlements of Rights Equity Shares either in full or in part and also to the Renouncee(s) who has or have applied for Rights Equity Shares renounced in their favour, in full or in part.
- b) Eligible Equity Shareholders whose fractional entitlements are being ignored and Eligible Equity Shareholders with zero entitlement, would be given preference in allotment of one Additional Rights Equity Share each if they apply for Additional Rights Equity Shares. Allotment under this head shall be considered if there are any unsubscribed Rights Equity Shares after allotment under (a) above. If number of Rights Equity Shares required for Allotment under this head are more than the number of Rights Equity Shares available after Allotment under (a) above, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange and will not be a preferential allotment.
- c) Allotment to the Eligible Equity Shareholders who having applied for all the Rights Equity Shares offered to them as part of this Issue, have also applied for Additional Rights Equity Shares. The Allotment of such Additional Rights Equity Shares will be made as far as possible on an equitable basis having due regard to

the number of Equity Shares held by them on the Record Date, provided there are any unsubscribed Rights Equity Shares after making full Allotment in (a) and (b) above. The Allotment of such Rights Equity Shares will be at the sole discretion of our Board or its Rights Issue Committee in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.

- d) Allotment to Renouncees who having applied for all the Rights Equity Shares renounced in their favour, have applied for Additional Rights Equity Shares provided there is surplus available after making full Allotment under (a), (b) and (c) above. The Allotment of such Rights Equity Shares will be made on a proportionate basis in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
- e) Allotment to any other person, subject to applicable laws, that our Board may deem fit, provided there is surplus available after making Allotment under (a), (b), (c) and (d) above, and the decision of our Board in this regard shall be final and binding.

After taking into account Allotment to be made under (a) to (e) above, if there is any unsubscribed portion, the same shall be deemed to be 'unsubscribed'.

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall send to the Controlling Branches, a list of the Investors who have been allocated Rights Equity Shares in this Issue, along with:

1. The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for this Issue, for each successful Application;
2. The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
3. The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

Further, the list of Applicants eligible for refund with corresponding amount will also be shared with Banker to the Issue to refund such Applicants.

X. ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS

Our Company will send/ dispatch Allotment advice, refund intimations or demat credit of securities and/or letters of regret, only to the Eligible Equity Shareholders who have provided Indian address. In case such Eligible Equity Shareholders have provided their valid e-mail address, Allotment advice, refund intimations or demat credit of securities and/or letters of regret will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Allotment advice, refund intimations or demat credit of securities and/or letters of regret will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them along with crediting the Allotted Rights Equity Shares to the respective beneficiary accounts (only in dematerialised mode) or in a demat suspense account (in respect of Eligible Equity Shareholders holding Equity Shares in physical form on the Allotment Date) or issue instructions for unblocking the funds in the respective ASBA Accounts, if any, within a period of 15 (Fifteen) days from the Issue Closing Date. In case of failure to do so, our Company and our Directors who are "officers in default" shall pay interest at 15% p.a. and such other rate as specified under applicable law from the expiry of such 15 (Fifteen) days' period.

The Rights Entitlements will be credited in the dematerialised form using electronic credit under the depository system and the Allotment advice shall be sent, through a mail, to the Indian mail address provided to our Company or at the address recorded with the Depository.

In the case of non-resident Investors who remit their Application Money from funds held in the NRE or the FCNR Accounts, unblocking refunds and/or payment of interest or dividend and other disbursements, if any, shall be credited to such accounts.

Where an Applicant has applied for Additional Rights Equity Shares in the Issue and is Allotted a lesser number of Rights Equity Shares than applied for, the excess Application Money paid/blocked shall be unblocked. The unblocking of ASBA funds / refund of monies shall be completed be within such period as prescribed under the

SEBI ICDR Regulations. In the event that there is a delay in making refunds beyond such period as prescribed under applicable law, our Company shall pay the requisite interest at such rate as prescribed under applicable law.

XI. PAYMENT OF REFUND

Mode of making refunds

The payment of refund, if any, including in the event of oversubscription or failure to list or otherwise would be done through any of the following modes.

- a) Unblocking amounts blocked using ASBA facility.
- b) **NACH** – National Automated Clearing House is a consolidated system of electronic clearing service. Payment of refund would be done through NACH for Applicants having an account at one of the centres specified by RBI, where such facility has been made available. This would be subject to availability of complete bank account details including a Magnetic Ink Character Recognition (“**MICR**”) code wherever applicable from the depository. The payment of refund through NACH is mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where Applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS.
- c) **National Electronic Fund Transfer (“NEFT”)** – Payment of refund shall be undertaken through NEFT wherever the Investors’ bank has been assigned the Indian Financial System Code (“**IFSC Code**”), which can be linked to a MICR, allotted to that particular bank branch. IFSC Code will be obtained from the website of RBI as at a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Investors have registered their nine digit MICR number and their bank account number with the Registrar, to our Company or with the Depository Participant while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the Investors through this method.
- d) **Direct Credit** – Investors having bank accounts with the Bankers to the Issue shall be eligible to receive refunds through direct credit. Charges, if any, levied by the relevant bank(s) for the same would be borne by our Company.
- e) **RTGS** – If the refund amount exceeds ₹2,00,000, the Investors have the option to receive refund through RTGS. Such eligible Investors who indicate their preference to receive refund through RTGS are required to provide the IFSC Code in the Application Form. In the event the same is not provided, refund shall be made through NACH or any other eligible mode. Charges, if any, levied by the Refund Bank(s) for the same would be borne by our Company. Charges, if any, levied by the Investor’s bank receiving the credit would be borne by the Investor.
- f) For all other Investors, the refund orders will be dispatched through speed post or registered post subject to applicable laws. Such refunds will be made by cheques, pay orders or demand drafts drawn in favour of the sole/first Investor and payable at par.
- g) Credit of refunds to Investors in any other electronic manner, permissible by SEBI from time to time.

Refund payment to non-residents

The Application Money will be unblocked in the ASBA Account of the non-resident Applicants, details of which were provided in the Application Form.

XII. ALLOTMENT ADVICE OR DEMAT CREDIT OF SECURITIES

The demat credit of securities to the respective beneficiary accounts will be credited within 15 days from the Issue Closing Date or such other timeline in accordance with applicable laws.

Receipt of the Rights Equity Shares in Dematerialised Form

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR UNDER THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO (A) THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE, OR (B) THE DEPOSITORY ACCOUNT, DETAILS OF WHICH HAVE BEEN PROVIDED TO OUR COMPANY OR THE REGISTRAR AT LEAST TWO CLEAR WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE BY THE ELIGIBLE EQUITY SHAREHOLDER HOLDING EQUITY SHARES IN PHYSICAL FORM AS AT THE RECORD DATE.

Investors shall be Allotted the Rights Equity Shares in dematerialised (electronic) form. Our Company has signed two agreements with the respective Depositories and the Registrar to the Issue, which enables the Investors to hold and trade in the securities issued by our Company in a dematerialised form, instead of holding the Equity Shares in the form of physical certificates:

- a) Tripartite agreement dated June 14, 2023 amongst our Company, NSDL and the Registrar to the Issue;
- and
- b) Tripartite agreement dated June 26, 2023 amongst our Company, CDSL and the Registrar to the Issue.

INVESTORS MAY PLEASE NOTE THAT THE RIGHTS EQUITY SHARES CAN BE TRADED ON THE STOCK EXCHANGES ONLY IN DEMATERIALIZED FORM

The procedure for availing the facility for Allotment of Rights Equity Shares in this Issue in the dematerialised form is as under:

1. Open a beneficiary account with any depository participant (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in the records of our Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as registered in the records of our Company). In case of Investors having various folios in our Company with different joint holders, the Investors will have to open separate accounts for such holdings. Those Investors who have already opened such beneficiary account(s) need not adhere to this step.
2. It should be ensured that the depository account is in the name(s) of the Investors and the names are in the same order as in the records of our Company or the Depositories.
3. The responsibility for correctness of information filled in the Application Form vis-a-vis such information with the Investor's depository participant, would rest with the Investor. Investors should ensure that the names of the Investors and the order in which they appear in Application Form should be the same as registered with the Investor's depository participant.
4. If incomplete or incorrect beneficiary account details are given in the Application Form, the Investor will not get any Rights Equity Shares and the Application Form will be rejected.
5. The Rights Equity Shares will be allotted to Applicants only in dematerialised form and would be directly credited to the beneficiary account as given in the Application Form after verification or demat suspense account (pending receipt of demat account details for resident Eligible Equity Shareholders holding Equity Shares in physical form/ with Investor Education and Protection Fund (IEPF) authority/ in suspense, etc.). Allotment advice, refund order (if any) would be sent through physical dispatch, by the Registrar but the Applicant's depository participant will provide to him the confirmation of the credit of such Rights Equity Shares to the Applicant's depository account.
6. Non-transferable Allotment advice/ refund intimation will be directly sent to the Investors by the Registrar, through physical dispatch.
7. Renounees will also have to provide the necessary details about their beneficiary account for Allotment of Rights Equity Shares in this Issue. In case these details are incomplete or incorrect, the Application is

liable to be rejected.

XIII. IMPERSONATION

Attention of the Investors is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who –

- a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”

The liability prescribed under Section 447 of the Companies Act, 2013 for fraud involving an amount of at least ₹10 lakhs or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹0.1 crore or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹ 50 lakhs or with both.

XIV. UTILISATION OF ISSUE PROCEEDS

Our Board declares that:

- A. All monies received out of this Issue shall be transferred to a separate bank account;
- B. Details of all monies utilised out of this Issue referred to under (A) above shall be disclosed, and continue to be disclosed until the time any part of the Issue Proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and
- C. Details of all unutilised monies out of this Issue referred to under (A) above, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilised monies have been invested.

UNDERTAKINGS BY OUR COMPANY

Our Company undertakes the following:

1. The complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily.
2. All steps for completion of the necessary formalities for listing and commencement of trading at all Stock Exchange where the Equity Shares are to be listed will be taken by our Board within the period prescribed by SEBI.
3. The funds required for unblocking to unsuccessful Applicants as per the mode(s) disclosed shall be made available to the Registrar by our Company.
4. Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the Applicant within 15 days of the Issue Closing Date, giving details of the banks where refunds shall be credited along with amount and expected date of electronic credit of refund.

5. In case of unblocking of the Application Money for unsuccessful Applicants or part of the Application Money in case of proportionate Allotment, a suitable communication shall be sent to the Applicants.
6. Adequate arrangements shall be made to collect all ASBA Applications.
7. As of the date of this Draft Letter of Offer, our Company had not issued any outstanding compulsorily convertible debt instruments. Further, except as disclosed in this Draft Letter of Offer, our Company has not issued any outstanding convertible debt instruments.
8. Our Company shall comply with such disclosure and accounting norms specified by SEBI from time to time.

XV. INVESTOR GRIEVANCES, COMMUNICATION AND IMPORTANT LINKS

1. Please read this Draft Letter of Offer carefully before taking any action. The instructions contained in the Application Form, Abridged Letter of Offer and the Rights Entitlement Letter are an integral part of the conditions of this Draft Letter of Offer and must be carefully followed; otherwise the Application is liable to be rejected.
2. All enquiries in connection with this Draft Letter of Offer must be addressed (quoting the registered folio number in case of Eligible Equity Shareholders who hold Equity Shares in physical form as at Record Date or the DP ID and Client ID number, the Application Form number and the name of the first Eligible Equity Shareholder as mentioned on the Application Form and superscribed “**MODERN ENGINEERING AND PROJECTS LIMITED– Rights Issue**” on the envelope and postmarked in India) to the Registrar at the following address:

Purva Sharegistry (India) Private Limited

Unit No. 9, Ground Floor, Shiv Shakti Industrial Estate,
 J. R. Boricha Marg, Near Lodha Excelus, Lower Parel East,
 Mumbai – 400011, Maharashtra,
 Tel No: +91 22 4961 4132 / 3199 8810
 Email: newissue@purvashare.com
 Website: www.purvashare.com
 Contact Person: Ms Deepali Dhuri
SEBI Registration Number: INR000001112

3. In accordance with SEBI Rights Issue Circulars, frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors will be available on the website of the Registrar (www.purvashare.com). Further, helpline number provided by the Registrar for guidance on the Application process and resolution of difficulties is +91 810 811 4949
4. The Investors can visit following links for the below-mentioned purposes:
 - a) Frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors: www.purvashare.com
 - b) Updation of Indian address/ e-mail address/ phone or mobile number in the records maintained by the Registrar or our Company: www.purvashare.com
 - c) Updation of demat account details by Eligible Equity Shareholders holding shares in physical form: www.purvashare.com
 - d) Submission of self-attested PAN, client master sheet and demat account details by non- resident Eligible Equity Shareholders: <https://www.purvashare.com>

This Issue will remain open for a minimum 7 (Seven) days. However, our Board / Right issue Committee will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 (Thirty) days from the Issue Opening Date (inclusive of the Issue Closing Date).

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991, prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, 1991, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Accordingly, the process for foreign direct investment (“**FDI**”) and approval from the Government of India will not be handled by the concerned ministries or departments, in consultation with the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly known as the Department of Industrial Policy and Promotion) (“**DPIIT**”), Ministry of Finance, Department of Economic Affairs through the FDI Circular 2020 (defined below).

The DPIIT issued the Consolidated FDI Policy Circular of 2020 (“**FDI Circular 2020**”), which, with effect from October 15, 2020, consolidated and superseded all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as at October 15, 2020. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Circular 2020 will be valid until the DPIIT issues an updated circular. The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases which are notified by RBI as amendments to FEMA. In case of any conflict, the relevant notification under the FEMA Rules will prevail. The payment of inward remittance and reporting requirements are stipulated under the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 issued by RBI.

On October 17, 2019, Ministry of Finance, Department of Economic Affairs, had notified the FEMA Rules, which had replaced the Foreign Exchange Management (Transfer and Issue of Security by a Person Resident Outside India) Regulations 2017. Foreign investment in this Offer shall be on the basis of the FEMA Rules. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020 issued on December 8, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank or fund in India.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of RBI, provided that (i) the activities of the investee company falls under the automatic route as provided in the FDI Policy and FEMA and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and RBI.

Please also note that pursuant to Circular no. 14 dated September 16, 2003 issued by RBI, Overseas Corporate Bodies (“OCBs”) have been derecognised as an eligible class of investors and RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Investor being an OCB is required not to be under the adverse notice of RBI and in order to apply for this issue as an incorporated non-resident must do so in accordance with the FDI Circular 2020 and FEMA Rules. Further, while investing in the Issue, the Investors are deemed to have obtained the necessary approvals, as required, under applicable laws and the obligation to obtain such approvals shall be upon the Investors. Our Company shall not be under an obligation to obtain any approval under any of the applicable laws on behalf of the Investors and shall not be liable in case of failure on part of the Investors to obtain such approvals.

The above information is given for the benefit of the Applicants / Investors. Our Company is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Rights Equity Shares applied for do not exceed the applicable limits under laws or regulations.

RESTRICTIONS ON PURCHASES AND RESALES

Eligibility and Restrictions

General

No action has been taken or will be taken to permit an offering of the Rights Entitlements or the Rights Equity Shares to occur in any jurisdiction, or the possession, circulation, or distribution of the Letter of Offer or any other Issue Material in any jurisdiction where action for such purpose is required, except that the Letter of Offer will be filed with the Stock Exchange and submitted to the SEBI for information and dissemination.

The Rights Entitlement and the Rights Equity Shares may not be offered or sold, directly or indirectly, and the Letter of Offer and any other Issue Materials may not be distributed, in whole or in part, in or into: (i) the United States, or (ii) any jurisdiction other than India except in accordance with the legal requirements applicable in such jurisdiction.

Receipt of the Letter of Offer or any other Issue Materials (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone: (i) in the United States or (ii) any jurisdiction in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorised or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, the Letter of Offer and any other Issue Materials must be treated as sent for information only and should not be acted upon for subscription to Rights Equity Shares and should not be copied or re-distributed. Accordingly, persons receiving a copy of the Letter of Offer and any other Issue Materials should not distribute or send the Letter of Offer or any such documents in or into any jurisdiction where to do so would or might contravene local securities laws or regulations or would subject our Company or its affiliates to any filing or registration requirement (other than in India). If the Letter of Offer or any other Issue Material is received by any person in any such jurisdiction or the United States, they must not seek to subscribe to the Rights Equity Shares.

Investors are advised to consult their legal counsel prior to accepting any provisional allotment of Rights Equity Shares, applying for excess Rights Equity Shares or making any offer, sale, resale, pledge or other transfer of the Rights Entitlements or the Rights Equity Shares. Rights Entitlements may not be transferred or sold to any person outside India except in accordance with applicable law.

The Letter of Offer is, and the other Issue Materials will be, supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose.

Each person who exercises the Rights Entitlements and subscribes for the Rights Equity Shares, or who purchases the Rights Entitlements or the Rights Equity Shares shall do so in accordance with the restrictions set out above and below.

Australia

The Letter of Offer does not constitute a prospectus or other disclosure document under the Corporations Act 2001 (Cth) (“**Australian Corporations Act**”) and does not purport to include the information required of a disclosure document under the Australian Corporations Act. The Letter of Offer is not a disclosure document under Chapter 6D of the Corporations Act of Australia and it has not been lodged with the Australian Securities and Investments Commission (“**ASIC**”) and no steps have been taken to lodge it as such with ASIC. It is not required to, and does not, contain all the information which would be required in a disclosure document.

Any offer in Australia of the Rights Entitlements and Equity Shares under the Letter of Offer may only be made to persons who are “sophisticated investors” (within the meaning of section 708(8) of the Australian Corporations Act), to “professional investors” (within the meaning of section 708(11) of the Australian Corporations Act) or otherwise pursuant to one or more exemptions under section 708 of the Australian Corporations Act so that it is lawful to offer the Rights Entitlements and Equity Shares in Australia without disclosure to investors under Part 6D.2 of the Australian Corporations Act.

If you are acting on behalf of, or acting as agent or nominee for, an Australian resident and you are a recipient of the Letter of Offer, and any offers made under the Letter of Offer, you represent to the Issuer that you will not provide the Letter of Offer or communicate any offers made under the Letter of Offer to, or make any applications

or receive any offers for Rights Entitlements or the Equity Shares for, any Australian residents unless they are a “sophisticated investor” or a “professional investor” as defined by section 708 of the Australian Corporations Act.

Any offer of the Rights Entitlements or the Equity Shares for on-sale that is received in Australia within 12 months after their issue by our Company, or within 12 months after their sale by a selling security holder under the Issue, as applicable, is likely to need prospectus disclosure to investors under Part 6D.2 of the Australian Corporations Act, unless such offer for on-sale in Australia is conducted in reliance on a prospectus disclosure exemption under section 708 of the Australian Corporations Act or otherwise. Any persons acquiring the Rights Entitlements and the Equity Shares should observe such Australian on-sale restrictions.

Bahrain

The Letter of Offer and the Rights Entitlements and the Rights Equity Shares that are offered pursuant to the Letter of Offer have not been registered, filed, approved or licensed by the Central Bank of Bahrain (“CBB”), the Bahrain Bourse, the Ministry of Industry, Commerce and Tourism (“MOICT”) or any other relevant licensing authorities in the Kingdom of Bahrain.

The CBB, the Bahrain Bourse and the MOICT of the Kingdom of Bahrain takes no responsibility for the accuracy of the statements and information contained in the Letter of Offer, nor shall they have any liability to any person, investor or otherwise for any loss or damage resulting from reliance on any statements or information contained herein. The Letter of Offer is only intended for Accredited Investors as defined by the CBB. We have not made and will not make any invitation to the public in the Kingdom of Bahrain to subscribe to the Rights Equity Shares and the Letter of Offer will not be issued to, passed to, or made available to the public generally in the Kingdom of Bahrain. All marketing and offering of the Rights Equity Shares shall be made outside the Kingdom of Bahrain. The CBB has not reviewed, nor has it approved the Letter of Offer and any related offering documents or the marketing thereof in the Kingdom of Bahrain. The CBB is not and will not be responsible for the performance of Rights Equity Shares.

British Virgin Islands

No offer or invitation to subscribe for the Rights Entitlements and the Rights Equity Shares has been or will be made to the public in the British Virgin Islands.

China

No action has been taken by our Company which would permit an offering of Rights Entitlements or the Rights Equity Shares or the distribution of the Letter of Offer in the People's Republic of China (“**PRC**”). The Letter of Offer may not be circulated or distributed in the PRC and the Rights Entitlements and the Rights Equity Shares may not be offered or sold, and will not be offered or sold to any person for re-offering or resale directly or indirectly to, or for the benefit of, legal or natural persons of the PRC except pursuant to applicable laws and regulations of the PRC. Further, no legal or natural persons of the PRC may directly or indirectly purchase any of the Rights Entitlements and the Equity Shares or any beneficial interest therein without obtaining all prior PRC’s governmental approvals that are required, whether statutorily or otherwise. Persons who come into possession of the Letter of Offer are required to observe these restrictions. For the purpose of this paragraph, PRC does not include Taiwan and the special administrative regions of Hong Kong and Macau.

Cayman Islands

No offer or invitation to subscribe for the Rights Entitlements and the Rights Equity Shares may be made to the public in the Cayman Islands.

European Economic Area

In relation to each Member State of the European Economic Area (each a “**Relevant State**”), an offer to the public of any Rights Entitlement or Rights Equity Shares may not be made in that Relevant State, except if the Rights Entitlement or Rights Equity Shares are offered to the public in that Relevant State at any time under the following exemptions under the Prospectus Regulation (EU) 2017/1129 (and any amendment thereto) (the “**Prospectus Regulation**”):

- a) to any legal entity that is a qualified investor, as defined in the Prospectus Regulation;

- b) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation); or
- c) in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Rights Entitlement or Rights Equity Shares shall result in a requirement for the publication by our Company of a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement of a prospectus pursuant to Article 23 of the Prospectus Regulation. The Letter of Offer is not a prospectus for the purposes of the Prospectus Regulation.

For the purposes of this subsection, the expression an “offer to the public” in relation to any Rights Entitlement or Rights Equity Shares in any Relevant State means a communication to persons in any form and by any means presenting sufficient information on the terms of the Issue so as to enable an investor to decide to purchase or subscribe for the Rights Entitlement or Rights Equity Shares.

Hong Kong

The Rights Entitlements and the Equity Shares may not be offered or sold in Hong Kong by means of any document other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32, Laws of Hong Kong), or (ii) to “professional investors” within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder, or (iii) in other circumstances which do not result in the document being a “prospectus” within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32, Laws of Hong Kong) and no advertisement, invitation or document relating to the Rights Entitlements and the Equity Shares may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to the Rights Entitlements and the Equity Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder.

Japan

The Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Law No. 25 of 1948 as amended) (the “**FIEA**”) and disclosure under the FIEA has not been and will not be made with respect to the Rights Entitlements and the Rights Equity Shares. No Rights Entitlements or Rights Equity Shares are, directly or indirectly, being offered or sold, and may not, directly or indirectly, be offered or sold in Japan or to, or for the benefit of, any resident of Japan as defined in the first sentence of Article 6, Paragraph 1, Item 5 of the Foreign Exchange and Foreign Trade Contract Act of Japan (Law No. 228 of 1949, as amended) (“**Japanese Resident**”) or to others for re-offering or re-sale, directly or indirectly in Japan or to, or for the benefit of, any Japanese Resident except (i) pursuant to an exemption from the registration requirements of the FIEA and (ii) in compliance with any other relevant laws, regulations and governmental guidelines of Japan.

If an offeree does not fall under a “qualified institutional investor” (tekikaku kikan toshika), as defined in Article 10, Paragraph 1 of the Cabinet Office Ordinance Concerning Definition Provided in Article 2 of the Financial Instruments and Exchange Act (Ordinance of the Ministry of Finance No. 14 of 1993, as amended) (the “Qualified Institutional Investor”), the Rights Entitlements and Equity Shares will be offered in Japan by a private placement to a small number of investors (shoninzu muke kanyu), as provided under Article 23-13, Paragraph 4 of the FIEA, and accordingly, the filing of a securities registration statement for a public offering pursuant to Article 4, Paragraph 1 of the FIEA has not been made.

If an offeree is a Qualified Institutional Investor, the Rights Entitlements and the Equity Shares will be offered in Japan by a private placement to the Qualified Institutional Investor (tekikaku kikan toshikamuke kanyu), as provided under Article 23-13, Paragraph 1 of the FIEA, and accordingly, the filing of a securities registration statement for a public offering pursuant to Article 4, Paragraph 1 of the FIEA has not been made. Any Qualified Institutional Investor purchasing Rights Equity Share agree that it will not, directly or indirectly, resell, assign, transfer, or otherwise dispose of the Rights Equity Shares to any Japanese Resident other than to another Qualified Institutional Investor.

Kuwait

The Letter of Offer and does not constitute an offer to sell, or the solicitation of an offer to subscribe for or buy, the Rights Entitlements or the Equity Shares in the State of Kuwait. The Rights Entitlements and the Equity Shares have not been licensed for offering, promotion, marketing, advertisement or sale in the State of Kuwait by the Capital Markets Authority or any other relevant Kuwaiti government agency. The offering, promotion, marketing, advertisement or sale of the Rights Entitlements and the Equity Shares in State of Kuwait on the basis of a private placement or public offering is, therefore, prohibited in accordance with Law No. 7 of 2010 and the Executive Bylaws for Law No. 7 of 2010, as amended, which govern the issue, offer, marketing and sale of financial services/products in the State of Kuwait. No private or public offering of the Rights Entitlements or the Equity Shares is or will be made in the State of Kuwait, and no agreement relating to the sale of the Rights Entitlements or the Equity Shares will be concluded in the State of Kuwait and no marketing or solicitation or inducement activities are being used to offer or market the Rights Entitlements or the Equity Shares in the State of Kuwait.

Mauritius

The Rights Entitlements and the Rights Equity Shares may not be offered or sold, directly or indirectly, to the public in Mauritius. Neither the Letter of Offer nor any offering material or information contained herein relating to the offer of the Rights Entitlements and the Rights Equity Shares may be released or issued to the public in Mauritius or used in connection with any such offer. The Letter of Offer does not constitute an offer to sell the Rights Entitlements and the Rights Equity Shares to the public in Mauritius and is not a prospectus as defined under the Companies Act 2001.

Singapore

The Letter of Offer has not been and will not be registered as a prospectus with the Monetary Authority of Singapore under the Securities and Futures Act (Chapter 289) of Singapore (“SFA”). The offer of Rights Entitlements and Rights Equity Shares pursuant to the Rights Entitlements to Eligible Equity Shareholders in Singapore is made in reliance on the offering exemption under Section 273(1)(cd) of the SFA.

Eligible Equity Shareholders in Singapore may apply for additional Rights Equity Shares over and above their Rights Entitlements only (i) if they are an “institutional investor” within the meaning of Section 274 of the SFA and in accordance with the conditions of an exemption invoked under Section 274, (ii) if they are a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA, or (iii) pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where any additional Rights Equity Shares over and above their Rights Entitlements are purchased under Section 275 of the SFA by a relevant person which is: (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor, shares, debentures and units of shares and debentures of that corporation or the beneficiaries’ rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired such Rights Equity Shares pursuant to an offer made under Section 275 except: (1) to an institutional investor under Section 274 of the SFA or to a relevant person defined in Section 275(2) of the SFA, or to any person pursuant to an offer that is made on terms that such shares, debentures and units of shares and debentures of that corporation or such rights or interest in that trust are acquired at a consideration of not less than SGP\$ 200,000 (or its equivalent in a foreign currency) for each transaction, whether such amount is to be paid for in cash or by exchange of securities or other assets, and further for a corporation, in accordance with the conditions specified in Section 275 of the SFA; (2) where no consideration is or will be given for the transfer; or (3) where the transfer is by operation of law.

In connection with Section 309B of the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the “CMP Regulations 2018”), our Company has determined, and hereby notifies all relevant persons (as defined in Section 309(A)(1) of the SFA) that the Rights Entitlements and the Rights Equity Shares are ‘prescribed capital markets products’ (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

United Kingdom

No Rights Entitlement or Rights Equity Shares may be offered in the Issue to the public in the United Kingdom prior to the publication of a prospectus in relation to the Rights Entitlement and Rights Equity Shares which is to be treated as if it had been approved by the Financial Conduct Authority in accordance with the transitional provisions in Article 74 (transitional provisions) of the Prospectus (Amendment etc.) (EU Exit) Regulations 2019/1234, except that our Company may make an offer to the public in the United Kingdom of Rights Entitlement and Rights Equity Shares at any time:

- a) to any legal entity which is a qualified investor as defined under Article 2 of the UK Prospectus Regulation;
- b) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the UK Prospectus Regulation); or
- c) in any other circumstances falling within Article 1(4) of the UK Prospectus Regulation,

provided that no such offer of Rights Entitlement or Rights Equity Shares shall result in a requirement for the publication by our Company of a prospectus pursuant to Article 3 of the UK Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation. For the purposes of this provision, the expression an “offer to the public” in relation to any Rights Entitlement or Rights Equity Shares in means a communication to persons in any form and by any means presenting sufficient information on the terms of the Issue so as to enable an investor to decide to purchase or subscribe for the Rights Entitlement or Rights Equity Shares and the expression “UK Prospectus Regulation” means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018.

Except for each person who is not a qualified investor as defined in the UK Prospectus Regulation and who has notified our Company of such fact in writing and has received the consent of our Company in writing to subscribe for or purchase Rights Equity Shares, each person in the United Kingdom who acquires Rights Equity Shares shall be deemed to have represented and warranted that it is a qualified investor as defined in the UK Prospectus Regulation.

In addition, the Letter of Offer may not be distributed or circulated to any person in the United Kingdom other than to (i) persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “**Financial Promotion Order**”); and (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Financial Promotion Order (each such person being referred to as a “**Relevant Person**”). If you are not a Relevant Person, you should not take any action on the basis of the Letter of Offer and you should not act or rely on it or any of its contents. Except for each person who is not a Relevant Person and who has notified our Company of such fact in writing and has received the consent of our Company in writing to subscribe for or purchase Rights Equity Shares, each person in the United Kingdom who acquires Rights Equity Shares shall be deemed to have represented and warranted that it is a Relevant Person.

United Arab Emirates (excluding the Dubai International Financial Centre)

The Letter of Offer has not been, and is not intended to be, approved by the UAE Central Bank, the UAE Ministry of Economy, the Emirates Securities and Commodities Authority or any other authority in the United Arab Emirates (the “UAE”) or any other authority in any of the free zones established and operating in the UAE. The Rights Entitlements and the Rights Equity Shares have not been and will not be offered, sold or publicly promoted or advertised in the UAE in a manner which constitutes a public offering in the UAE in compliance with any laws applicable in the UAE governing the issue, offering and sale of such securities. The Letter of Offer is strictly private and confidential and is being distributed to a limited number of investors and must not be provided to any other person other than the original recipient and may not be used or reproduced for any other purpose.

Dubai International Financial Centre

The Rights Entitlement and the Rights Equity Shares offered in the Issue are not being offered to any persons in the Dubai International Financial Centre except on that basis that an offer is: (i) an “Exempt Offer” in accordance with the Markets Rules (MKT) (the “**Markets Rules**”) adopted by the Dubai Financial Services Authority (the

“DFSA”); and (ii) made only to persons who meet the Professional Client criteria set out in Rule 2.3.3 of the DFSA Conduct of Business Module of the DFSA rulebook and are not natural Persons. The Letter of Offer must not be delivered to, or relied on by, any other person. The DFSA has not approved the Letter of Offer nor taken steps to verify the information set out in it and has no responsibility for it. Capitalised terms not otherwise defined in this subsection have the meaning given to those terms in the Markets Rules.

The Equity Shares may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the Rights Equity Shares offered in the Offer should conduct their own due diligence on the Equity Shares. If you do not understand the contents of the Letter of Offer, you should consult an authorised financial adviser.

United States

The Rights Entitlements and the Rights Equity Shares have not been, and will not be, registered under the Securities Act or the securities laws of any state of the United States and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and any applicable state securities laws. The Rights Entitlements and the Rights Equity Shares are only being offered and sold outside the United States in offshore transactions, as defined in and in compliance with Regulation S. Neither the receipt of the Letter of Offer nor any of its accompanying documents constitutes an offer of the Rights Entitlements or the Rights Equity Shares to any Eligible Equity Shareholder other than the Eligible Equity Shareholders who has received the Letter of Offer and its accompanying documents directly from our Company.

Representations, Warranties and Agreements by Purchasers

In addition to the applicable representations, warranties and agreements set forth above, each purchaser, by accepting the delivery of the Letter of Offer and its accompanying documents, submitting an Application Form for the exercise of any Rights Entitlements and subscription for any Rights Equity Shares and accepting delivery of any Rights Entitlements or any Rights Equity Shares, will be deemed to have represented, warranted, acknowledged and agreed as follows on behalf of itself and, if it is acquiring the Rights Entitlements or the Rights Equity Shares as a fiduciary or agent for one or more investor accounts, on behalf of each owner of such account (such person being the “purchaser”, which term shall include the owners of the investor accounts on whose behalf the person acts as fiduciary or agent):

1. The purchaser has the full power and authority to make the representations, warranties, acknowledgements, undertakings and agreements contained herein and to exercise the Rights Entitlements and subscribe for the Rights Equity Shares, and, if the purchaser is exercising the Rights Entitlements and acquiring the Rights Equity Shares as a fiduciary or agent for one or more investor accounts, the purchaser has the full power and authority to make the representations, warranties, acknowledgements, undertakings and agreements contained herein and to exercise the Rights Entitlements and subscribe for the Rights Equity Shares on behalf of each owner of such account.
2. If any Rights Entitlements were bought by the purchaser or otherwise transferred to the purchaser by a third party (other than our Company), the purchaser was in India at the time of such purchase or transfer.
3. The purchaser is aware and understands (and each account for which it is acting has been advised and understands) that an investment in the Rights Entitlements and the Rights Equity Shares involves a considerable degree of risk and that the Rights Entitlements and the Rights Equity Shares are a speculative investment.
4. The purchaser acquiring the Rights Equity Shares for one or more managed accounts, represents and warrants that the purchaser has been authorized in writing, by each such managed account to acquire the Rights Equity Shares for each managed account and make the representations, warranties, acknowledgements, undertakings and agreements herein for and on behalf of each such account, reading the reference herein to ‘the purchaser’ to include such accounts.
5. The purchaser is eligible to invest in India under applicable law, including the FEMA Rules and any notifications, circulars or clarifications issued thereunder, and have not been prohibited by SEBI, RBI or any other regulatory authority, statutory authority or otherwise, from buying, selling or dealing in securities or otherwise accessing capital markets in India. Further, the purchaser is eligible to invest in and hold the Rights Equity Shares in accordance with the FDI Policy, read along with the press note 3 of 2020 dated

April 17, 2020 issued by the Department for Promotion of Industry and Internal Trade, Government of India and the related amendments to the FEMA Rules wherein if the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, foreign direct investments can only be made through the Government approval route, as prescribed in the FEMA Rules.

6. The purchaser is investing in the Rights Equity Shares to be issued pursuant to the Issue in accordance with applicable laws and by participating in the Issue, the purchaser is not in violation of any applicable law, including but not limited to the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 and the Companies Act, 2013, each as amended and/or substituted from time to time.
7. The purchaser understands (and each account for which it is acting has been advised and understands) that no action has been or will be taken to permit an offering of the Rights Entitlements or the Rights Equity Shares in any jurisdiction (other than the filing of the Letter of Offer with the Stock Exchange and its submission with the SEBI for information and dissemination); and it will not offer, resell, pledge or otherwise transfer any of the Rights Entitlements (except in India) or the Rights Equity Shares which it may acquire, or any beneficial interests therein, in any jurisdiction or in any circumstances in which such offer or sale is not authorised or to any person to whom it is unlawful to make such offer, sale, solicitation or invitation except under circumstances that will result in compliance with any applicable laws and/or regulations.
8. The purchaser (or any account for which it is acting) is an Eligible Equity Shareholder and has received an invitation from our Company, addressed to it and inviting it to participate in the Issue.
9. None of the purchaser, any of its affiliates or any person acting on its or their behalf has taken or will take, directly or indirectly, any action designed to, or which might be expected to, cause or result in the stabilization or manipulation of the price of any security of our Company to facilitate the sale or resale of the Rights Entitlements or the Rights Equity Shares pursuant to the Issue.
10. Prior to making any investment decision to exercise the Rights Entitlements and subscribe for the Rights Equity Shares, the purchaser (i) will have consulted with its own legal, regulatory, tax, business, investment, financial and accounting advisers in each jurisdiction in connection herewith to the extent it has deemed necessary; (ii) will have carefully read and reviewed a copy of the Letter of Offer and its accompanying documents; (iii) will have possessed and carefully read and reviewed all information relating to us and the Rights Entitlements and the Rights Equity Shares which it believes is necessary or appropriate for the purpose of making its investment decision, including, without limitation, the Exchange Information (as defined below); (iv) will have conducted its own due diligence on our Company and the Issue, and will have made its own investment decisions based upon its own judgement, due diligence and advice from such advisers as it has deemed necessary and will not have relied upon any recommendation, promise, representation or warranty of or view expressed by or on behalf of our Company (including any research reports) (other than, with respect to our Company and any information contained in the Letter of Offer); and (v) will have made its own determination that any investment decision to exercise the Rights Entitlements and subscribe for the Rights Equity Shares is suitable and appropriate, both in the nature and number of Rights Equity Shares being subscribed.
11. Without limiting the generality of the foregoing, the purchaser acknowledges that the Equity Shares are listed on BSE Limited and our Company is therefore required to publish certain business, financial and other information in accordance with the rules and practices of BSE Limited (which includes, but is not limited to, a description of the nature of our Company's business and our Company's most recent financial results, and similar statements for preceding years together with the information on its website and its press releases, announcements, investor education presentations, annual reports, collectively constitutes the "Exchange Information"), and that it has had access to such information without undue difficulty and has reviewed such Exchange Information as it has deemed necessary; and (ii) none of our Company, any of its affiliates has made any representations or recommendations to it, express or implied, with respect to our Company, the Rights Entitlements, the Rights Equity Shares or the accuracy, completeness or adequacy of the Exchange Information.

12. The purchaser acknowledges that any information that it has received or will receive relating to or in connection with the Issue, and the Rights Entitlements or the Rights Equity Shares, including the Letter of Offer and the Exchange Information, has been prepared solely by our Company.
13. The purchaser acknowledges that no written or oral information relating to the Issue, and the Rights Entitlements or the Rights Equity Shares has been or will be provided by our Company.
14. The purchaser understands that its receipt of the Rights Entitlements and any subscription it may make for the Rights Equity Shares will be subject to and based upon all the terms, conditions, representations, warranties, acknowledgements, undertakings and agreements and other information contained in the Letter of Offer and the Application Form. The purchaser understands that none of our Company, the Registrar or any other person acting on behalf of us will accept subscriptions from any person, or the agent of any person, who appears to be, or who we, the Registrar or any other person acting on behalf of us have reason to believe is in the United States or is ineligible to participate in the Issue under applicable securities laws.
15. The purchaser is aware that the Rights Entitlements and the Equity Shares have not been and will not be registered under the Securities Act or the securities law of any state of the United States and that the offer of the Rights Entitlements and the offer and sale of the Rights Equity Shares to the purchaser was made in accordance with Regulation S.
16. The purchaser was outside the United States at the time the offer of the Rights Entitlements and Rights Equity Shares was made to it and the purchaser was outside the United States when the purchaser's buy order for the Rights Equity Shares was originated.
17. The purchaser did not accept the Rights Entitlements or subscribe to the Rights Equity Shares as a result of any "directed selling efforts" (as defined in Regulation S).
18. The purchaser subscribed to the Rights Equity Shares for investment purposes and not with a view to the distribution or resale thereof. If, in the future, the purchaser decides to offer, sell, pledge or otherwise transfer any of the Rights Equity Shares, the purchaser shall only offer, sell, pledge or otherwise transfer such Rights Equity Shares: (i) outside the United States in a transaction complying with Rule 903 or Rule 904 of Regulation S and in accordance with all applicable laws of any other jurisdiction, including India or (ii) in the United States pursuant to an exemption from the registration requirements of the Securities Act and applicable state securities laws.
19. The purchaser is, and the persons, if any, for whose account it is acquiring the Rights Entitlements and the Rights Equity Shares are, entitled to subscribe for, and authorized to consummate the purchase of, the Rights Equity Shares in compliance with all applicable laws and regulations. If the purchaser is outside India:
 - a. the purchaser, and each account for which it is acting, satisfies: (i) all suitability standards for investments in the Rights Entitlements and the Rights Equity Shares imposed by all jurisdictions applicable to it, and (ii) is eligible to subscribe, and is subscribing, for the Rights Equity Shares and Rights Entitlements in compliance with applicable securities and other laws of all jurisdictions of residence; and
 - b. the sale of the Rights Equity Shares to it will not require any filing or registration by, or qualification of, our Company with any court or administrative, governmental or regulatory agency or body, under the laws of any jurisdiction which apply to the purchaser or such persons.
20. Except for the sale of Rights Equity Shares on the Stock Exchange, the purchaser agrees, upon a proposed transfer of the Rights Equity Shares, to notify any purchaser of such Equity Shares or the executing broker, as applicable, of any transfer restrictions that are applicable to the Rights Equity Shares being sold.
21. The purchaser is a highly sophisticated investor and has such knowledge and experience in financial, business and international investment matters and is capable of independently evaluating the merits and risks (including for tax, legal, regulatory, accounting and other financial purposes) of an investment in the Rights Entitlements and the Rights Equity Shares. It, or any account for which it is acting, has the financial ability to bear the economic risk of investment in the Rights Entitlements and the Rights Equity Shares, has adequate means of providing for its current and contingent needs, has no need for liquidity with respect

to any investment it (or such account for which it is acting) may make in the Rights Entitlements and the Rights Equity Shares, and is able to sustain a complete loss in connection therewith and it will not look to our Company for all or part of any such loss or losses it may suffer.

22. Each of the aforementioned representations, warranties, acknowledgements and agreements shall continue to be true and accurate at all times up to and including the Allotment, listing and trading of the Rights Equity Shares. The purchaser shall hold our Company harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of its representations, warranties, acknowledgements and agreements set forth above and elsewhere in the Letter of Offer. The indemnity set forth in this paragraph shall survive the resale of the Rights Equity Shares.
23. The purchaser acknowledges that our Company and its affiliates and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and agreements which are given to our Company, and are irrevocable.

The purchaser agrees that any dispute arising in connection with the Issue will be governed by and construed in accordance with the laws of Republic of India, and the courts in Mumbai, Maharashtra, India shall have sole and exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Letter of Offer and other Issue Materials.

SECTION VIII: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Letter of Offer) which are or may be deemed material have been entered or are to be entered into by our Company. Copies of the documents for inspection referred to hereunder, would be available for inspection at the registered office of the Company till the issue closing date on working days and working hours between 11:00 A.M. to 5:00 P.M. and also shall be available on the website of the Company at www.mep.ltd from the date of this Draft Letter of Offer until the Issue Closing Date.

Additionally, any person intending to inspect the abovementioned contracts and documents electronically, may do so, by writing an email to www.mep.ltd

1. Material Contracts for the Issue

- (i) Registrar Agreement dated May 21, 2024 entered into amongst our Company and the Registrar to the Issue.
- (ii) Escrow Agreement dated [●] amongst our Company, the Registrar to the Issue and the Bankers to the Issue/ Refund Bank.

2. Material Documents

- (i) Certified true copies of the Certificate of Incorporation, the Memorandum of Association and the Articles of Association of our Company as amended from time to time.
- (ii) Resolution of the Board of Directors dated February 14, 2024 in relation to the approval of this Issue.
- (iii) Resolution passed by our Rights Issue Committee dated [●] finalizing the terms of the Issue including Record Date and the Rights Entitlement ratio.
- (iv) Resolution of the Board of Directors dated May 24, 2024 approving and adopting the Draft Letter of Offer.
- (v) Resolution of the Board of Directors dated [●] approving and adopting the Letter of Offer.
- (vi) Consent of our Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory and Peer Review Auditor, Legal Advisor, the Registrar to the Issue, Banker to the Issue/ Refund Bank for inclusion of their names in the Draft Letter of Offer in their respective capacities.
- (vii) Copies of Annual Reports of our Company for Financial years 2023, 2022 and 2021 and unaudited limited reviewed financial results for the nine-month period ended December 31, 2023.
- (viii) Restated Audit reports dated May 24, 2024 of the Statutory Auditor, on our Company's Audited Financial Statements, included in this Draft Letter of Offer.
- (ix) Statement of Tax Benefits dated May 24, 2024 from the Statutory Auditor included in this Draft Letter of Offer.
- (x) Tripartite Agreement dated June 14, 2023 between our Company, NSDL and the Registrar to the Issue.
- (xi) Tripartite Agreement dated June 26, 2023 between our Company, CDSL and the Registrar to the Issue.
- (xii) In principle listing approval dated [●] issued by BSE Limited.

Any of the contracts or documents mentioned in this Draft Letter of Offer may be amended or modified at any time if so, required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

I hereby certify that no statement made in this Letter of Offer contravenes any of the provisions of the Companies Act, the SEBI Act, or the rules made thereunder or regulations issued thereunder, as the case may be. I further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Letter of Offer are true and correct.

Sd/-

Sitaram Dhulipala
(Managing Director)

Sd/-

Jashandeep Singh
(Non- Executive Director)

Sd/-

Vaishali Mulay
(Non-executive Director)

Sd/-

Pandit Sawant
(Independent Director)

Sd/-

Shivratan Agarwal
(Independent Director)

Place: Mumbai

Date: May 24, 2024
