SEPC
Engineering the Future

May 22, 2025

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor,
Bandra Kurla Complex,
Mumbai 400051
NSE SYMBOL: SEPC

BSE Limited
14th Floor, PJ Towers,
Dalal Street,
Mumbai 400001
Scrip Code: 532945

Dear Sir/Madam,

Sub: Outcome of the meeting of the Rights Issue Committee of SEPC Limited (the "Company") under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We refer to our intimation dated May 13, 2025 wherein the Rights Issue Committee of the Board of Directors of the Company had approved the terms of the proposed rights issue of partly paid-up equity shares of the Company and the Record date.

In pursuance to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we would like to inform that Rights Issue Committee at its meeting held today i.e. 22.05.2025 has approved the Letter of offer for the proposed Rights Issue. The Rights Issue Committee also approved the Abridged Letter of Offer, the Application Form and the Rights Entitlement Letter.

Further, we wish to inform you that in terms of SEBI Master Circular bearing reference number SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, the Company has made necessary arrangement with NSDL and CDSL for the credit of Rights Entitlements in dematerialized form in the Demat account of the eligible equity shareholders as on the Record Date which was fixed by the Company. The ISIN of such Rights Entitlement is **INE964H20055**.

We hereby confirm and undertake that the Rights Entitlement of the eligible equity shareholders as on the Record Date shall be credited prior to the issue opening date, in the respective Demat account of the eligible equity shareholders under the aforementioned ISIN.

We are enclosing herewith the Letter of Offer dated 22.05.2025 for your kind reference.

Engineering the Future

The meeting of the Rights Issue Committee commenced at 7.15 PM and ended at 7.45 P.M

Thanking you,

Yours faithfully,
For **SEPC Limited**

THIRUPPATHI SRIRAMAN

Digitally signed by THIRUPPATHI SRIRAMAN
Date: 2025.05.22 19:47:48 +05'30'

T Sriraman
Company Secretary & Compliance Officer
Encl: Letter of Offer, Abridged Letter of Offer, Rights Entitlement Letter, Application form.

Please scan this code to view the Letter of Offer

Letter of Offer
Dated: May 22, 2025
For Eligible Shareholders only

SEPC LIMITED

Our Company was incorporated on June 12, 2000 under the Companies Act, 1956 in the name and style 'Shriram EPC Limited'. A certificate of commencement of business was granted to our Company on June 30, 2000 by the Registrar of Companies, Tamil Nadu. Pursuant to the provisions of Section 391 to 394 of the Companies Act and pursuant to an order dated July 22, 2005 of the High Court of Madras, Shriram Engineering Construction Company Limited was merged with our Company with effect from April 1, 2004, since both companies were in the same line of business, namely, construction engineering. Subsequently, the name of our Company was changed to SEPC Limited pursuant to a certificate of incorporation dated February 12, 2021 issued by Registrar of Companies, Chennai. For details, in respect of change in the Registered Office of our Company, please see the chapter titled "*General Information*" on page 90 of this Letter of Offer.

Registered Office: 3rd Floor, Bascon Futura SV, No. 10/1 Venkatanarayana Road, T. Nagar, Thygarayanagar South NDS.O, Chennai – 600 017, Tamil Nadu, India;
Tel: +91 44 4900 5555;
Corporate Office: 4th Floor, Bascon Futura SV, 10/1 Venkatanarayana Road, Parthasarathy Puram, T.Nagar, Chennai – 600 017, Tamil Nadu, India;
Tel: +91 +91 44 4900 5555
Fax: N.A. **E-mail:** info@sepc.in; **Website:** www.sepc.in;
Contact Person: Thiruppathi Sriraman, Company Secretary and Compliance Officer; **Corporate Identification Number:** L74210TN2000PLC045167

OUR PROMOTER - MARK A B CAPITAL INVESTMENT LLC

FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF SEPC LIMITED (THE "COMPANY" OR THE "ISSUER") ONLY

WE HEREBY CONFIRM THAT NONE OF OUR PROMOTERS OR DIRECTORS IS A WILFUL DEFAULTER AS ON DATE OF THIS LETTER OF OFFER

ISSUE OF UPTO 35,00,00,000 PARTLY PAID -UP EQUITY SHARES* OF FACE VALUE ₹ 10 EACH ("RIGHTS EQUITY SHARES") OF OUR COMPANY FOR CASH AT A PRICE OF ₹ 10 PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF NIL PER EQUITY SHARE) (THE "ISSUE PRICE"), AGGREGATING UPTO ₹ 35,000 LAKHS* ON A RIGHTS BASIS TO THE EXISTING EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF ELEVEN (11) RIGHTS EQUITY SHARES FOR EVERY FIFTY (50) FULLY PAID-UP EQUITY SHARES HELD BY THE EXISTING EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON FRIDAY, MAY 23, 2025 (THE "ISSUE"). THE ISSUE PRICE FOR THE RIGHTS EQUITY SHARES IS ONE (01) TIME OF THE VALUE OF THE EQUITY SHARES. FOR FURTHER DETAILS, PLEASE REFER TO THE CHAPTER TITLED "TERMS OF THE ISSUE" ON PAGE 264 OF THIS LETTER OF OFFER.

Assuming full subscription. Subject to finalisation of the Basis of Allotment.

PAYEMNT METHOD*

Amount Payable per Rights Equity Share i.e. Issue Price	Face value (₹)	Premium (₹)	Total
On Application	5.00	5.00	10.00
On First and Final Call (as determined by our Board in consultation with Rights Issue Committee)	5.00	5.00	10.00

*For details on the payment method, please refer to the chapter titled "*Terms of the Issue*" on page 264 of this Letter of Offer.

GENERAL RISKS

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 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 Letter of Offer. Specific attention of the investors is invited to the section titled "*Risk Factors*" on page 24 of this Letter of Offer.

OUR COMPANY'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this 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 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 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**") and National Stock Exchange of India Limited ("**NSE**") (together, the "**Stock Exchanges**"). Our Company has received 'in-principle' approvals from BSE and NSE for listing the Rights Equity Shares to be allotted pursuant to this Issue vide their letters dated February 20, 2025 and February 24, 2025, respectively. For the purpose of this Issue, the Designated Stock Exchange is BSE.

LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
SUMEDHA FISCAL SERVICES LIMITED 6A Geetanjali, 6th Floor, 8B Middleton Street, Kolkata – 700 071, West Bengal, India. **Telephone:** +91 332 229 8936 / 6813 5900 **Facsimile:** N.A. **Email id:** rightsissue_mb@sumedhafiscal.com **Website:** www.sumedhafiscal.com **Investor grievance:** mb_compliance@sumedhafiscal.com **Contact Person:** Ajay K Laddha **SEBI Registration Number:** INM000008753 **Validity of Registration:** Permanent	**CAMEO CORPORATE SERVICES LIMITED** No. 01, Club House Road, Mount Road, Chennai- 600 002, Tamil Nadu, India. **Telephone**: +91 44 4002 0700/ 2846 0390 **Facsimile**: N.A. **Email**: rights@cameoindia.com **Website**: www.cameoindia.com **Online Investor Portal**: https://wisdom.cameoindia.com **Investor Grievance Email id**: investor@cameoindia.com **Contact Person**: K. Sreepriya **SEBI Registration No.**: INR000003753 **Validity of Registration:** Permanent

ISSUE PROGRAMME

ISSUE OPENS ON	LAST DATE FOR ON MARKET RENUNCIATION*	ISSUE CLOSES ON**
MONDAY, JUNE 09, 2025	TUESDAY, JUNE 17, 2025	MONDAY, JUNE 23, 2025

**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 authorized 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.*

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TABLE OF CONTENTS

SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Letter of Offer uses certain definitions and abbreviations set forth below, which you should consider when reading the information contained herein. The following list of certain capitalized terms used in this Letter of Offer is intended for the convenience of the reader/prospective investor only and is not exhaustive.

Unless otherwise specified, the capitalized terms used in this Letter of Offer shall have the meaning as defined hereunder. References to any legislations, acts, regulation, rules, guidelines, circulars, notifications, policies or clarifications shall be deemed to include all amendments, supplements or re-enactments and modifications thereto notified from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under such provision.

Provided that terms used in the sections/ chapters titled "Industry Overview", "Summary of this Letter of Offer", "Financial Information", "Statement of Special Tax Benefits", "Outstanding Litigation and Material Developments" and "Issue Related Information" on pages 126, 20, 165, 121, 247 and 264 respectively, shall, unless indicated otherwise, have the meanings ascribed to such terms in the respective sections/ chapters.

General Terms

Term	Description
"Company", "our Company", "the Company", "the Issuer" or "SEPC"	SEPC Limited, a public limited company incorporated under the Companies Act, 1956, having its registered office at 3rd Floor, Bascon Futura SV, No. 10/1 Venkatanarayana Road, T. Nagar, Thygarayanagar South NDS.O, Chennai – 600 017, Tamil Nadu, India.
"we", "us", or "our"	Unless the context otherwise indicates or implies, refers to our Company and our Subsidiaries.

Company Related Terms

Term	Description
"Annual Consolidated Audited Financial Statements"	The consolidated audited financial statements of our Company and its Subsidiaries, prepared as per Ind AS for Fiscal 2024 and Fiscal 2023 prepared in line with Ind AS notified under the Companies Act, 2013, as amended read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
"Articles" / "Articles of Association" / "AoA"	Articles / Articles of Association of our Company, as amended from time to time.
"Audit Committee"	The committee of the Board of Directors constituted as our Company's audit committee in accordance with Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("**SEBI Listing Regulations**") and Section 177 of the Companies Act, 2013. For details, see "*Our Management and Organisational Structure*" on page 161 of this Letter of Offer.
"Auditor" / "Statutory Auditor"/ "Peer Review Auditor"	Statutory and peer review auditor of our Company, namely, M/s. M S K A & Associates, Chartered Accountants.
"Board" / "Board of Directors"	Board of directors of our Company or a duly constituted committee thereof.
"Chief Financial Officer / CFO"	Chandrasekharan Sivaprakasam Ramalingam, the Chief Financial Officer of our Company.
"Company Secretary and Compliance Officer"	Thiruppathi Sriraman, the Company Secretary and Compliance Officer of our Company.
"Corporate Office"	Corporate office of our Company situated at 4th Floor, Bascon Futura SV, 10/1 Venkatanarayana Road, Parthasarathy Puram, T.Nagar, Chennai – 600 017, Tamil Nadu, India.
"Compulsorily Convertible Debentures"/ "CCDs"	1,75,00,000 CCD of ₹ 100/- each, issued by our Company to its lenders in lieu of existing debt of our Company with yield, which will be convertible into Equity shares at a future date for an aggregate amount up to ₹ 17,500 lakhs, in accordance with the Resolution Plan. Central Bank of India and Asset Reconstruction

Term	Description
	Company (India) Limited have *vide* their letters dated November 18, 2024 and mail dated November 14,2024, respectively, requested for conversion of 37,68,000 and 33,15,000 CCDs into Equity Shares of our Company. Our Board of Directors pursuant to a resolution passed in the meeting held on November 28, 2024 approving conversion of 37,68,000 Compulsorily Convertible Debentures into 1,40,96,521 equity shares of face value of ₹ 10 each of the Company, and allot 1,40,96,521 Equity Shares and 1,24,01,796 Equity Shares to Central Bank of India and Asset Reconstruction Company (India) Limited, respectively. As on date of this Letter of Offer, our Company has applied for listing approval from the Stock Exchanges for the aforementioned equity shares, and is awaiting approval for the same.
"Corporate Promoter" or "Promoter"	Mark A B Capital Investment LLC is the Promoter of our Company.
"Corporate Social Responsibility Committee/ CSR Committee"	The committee of the Board of directors constituted as our Company's corporate social responsibility committee in accordance with Section 135 of the Companies Act, 2013. For details, see "*Our Management and Organisational Structure*" on page 161 of this Letter of Offer
"Director(s)"	The director(s) on the Board of our Company, unless otherwise specified, as described in the chapter titled "*Our Management and Organisational Structure*" on page 161 of this Letter of Offer
"Equity Shareholder"	A holder of Equity Shares
"Equity Shares"	Equity shares of our Company of face value of ₹ 10 each, unless otherwise specified in context thereof.
"Executive Directors"	Executive Directors of our Company.
"Independent Director(s)"	The Independent Director(s) of our Company, in terms of Section 2(47) and Section 149(6) of the Companies Act, 2013.
"Joint Ventures" / "Joint Operations"	Shriram EPC Eurotek Environmental Private Limited, Sepc DRS ITPL JV, Mokul Shriram EPC JV and Larsen & Toubro Shriram EPC JV. The joint ventures are unincorporated in nature and have been formed through a contractual arrangement between our Company and the joint venture partners.
"Key Management Personnel" / "KMP"	Key Management Personnel of our Company in terms of the Companies Act, 2013 and the SEBI ICDR Regulations as described in the subsection titled "*Our Management – Key Managerial Personnel*" on page 163 of this Letter of Offer.
Limited Reviewed Financial Information or Limited Reviewed Financial Statements or Limited Reviewed Consolidated Financial Information or Limited Reviewed Consolidated Financial Statements	The limited reviewed unaudited consolidated financial results of our Company and its Subsidiaries for the nine-month period ended December 31, 2024, prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards 34 'Interim Financial Reporting' prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. For details, see "*Financial Information*" on page 165 of this Letter of Offer.
"Memorandum of Association" / "MoA"	Memorandum of Association of our Company, as amended from time to time.
"Nomination and Remuneration Committee"	The committee of the Board of directors reconstituted as our Company's Nomination and Remuneration Committee in accordance with Regulation 19 of the SEBI Listing Regulations and Section 178 of the Companies Act, 2013. For details, see "*Our Management and Organisational Structure*" on page 161 of this Letter of Offer.
"Non-Convertible Debentures" or "NCD"	1,75,00,000 NCD of ₹ 100/- each of our Company issued to the lenders in lieu of their existing debt, for an aggregate amount up to ₹ 17,500 lakhs, in accordance with the Resolution Plan
"Non-Executive and Independent Director"	Non-Executive and Independent Directors of our Company, unless otherwise specified.
"Non-executive Directors"	Non-executive Directors of our Company.
"Promoter Group"	Individuals and entities forming part of the promoter and promoter group in accordance with SEBI ICDR Regulations. As on date of this Letter of Offer, Mark

Term	Description
	AB Capital Investment India Private Limited and Mark AB Welfare Trust forms part of our promoter and promoter group. Mark AB Capital Investment India Private Limited does not hold any shareholding in our Company.
"Registered Office"	The Registered Office of our Company located at 3rd Floor, Bascon Futura SV, No. 10/1 Venkatanarayana Road, T. Nagar, Thygarayanagar South NDS.O, Chennai – 600 017, Tamil Nadu, India.
"Registrar of Companies"/ "RoC"	Registrar of Companies, Tamil Nadu at Chennai having its office at Block No. 6, B Wing, 2nd Floor, Shastri Bhawan 26, Haddows Road, Chennai - 600 034, Tamil Nadu, India.
"Resolution Plan"	Resolution plan dated August 6, 2021, as amended, submitted by our Company before the consortium of lenders and approved by the consortium of lenders on March 25, 2022, in accordance with the Reserve Bank of India (Prudential Framework for Resolution of Stressed Assets) Directions 2019. The resolution plan was also approved by the Board of Directors in their meeting dated January 24, 2022 and by the Shareholders through postal ballot.
"Rights Issue Committee"	The committee of our Board constituted for purposes of the Issue and incidental matters thereof.
Senior Management	Senior management of our Company determined in accordance with Regulation 2(1)(bbbb) of the SEBI ICDR Regulations. For details, see "*Our Management and Organisational Structure*" on page 161 of this Letter of Offer.
"Shareholders/ Equity Shareholders"	The Equity Shareholders of our Company, from time to time.
"Stakeholders' Relationship Committee"	The committee of the Board of Directors constituted as our Company's Stakeholders' Relationship Committee in accordance with Regulation 20 of the SEBI Listing Regulations. For details, see "*Our Management and Organisational Structure*" on page 161 of this Letter of Offer.
"Subsidiary(ies)"	SEPC FZE (*formerly known as Shriram EPC FZE*) is the subsidiary of our Company and Shriram EPC Arkans LLC is the step down subsidiary of our Company. A company under the name and style of 'SEPC ARABIA LIMITED ONE PERSON COMPANY' has been incorporated under the laws of Saudi Arabia for the purpose of exploiting the market potential in Saudi Arabia, however our Company is yet to make an investment of SAR 300000 in order to make the said company a wholly-owned subsidiary of our Company.
Materiality Policy	Policy on determination of materiality of events adopted by our Company in accordance with Regulation 30 of the SEBI Listing Regulations.

Issue Related Terms

Term	Description
2009 ASBA Circular	The SEBI circular SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009
2011 ASBA Circular	The SEBI circular CIR/CFD/DIL/1/2011 dated April 29, 2011
Abridged Letter of Offer	Abridged letter of offer to be sent to the Eligible Equity Shareholders with respect to the Issue in accordance with the provisions of the SEBI ICDR Regulations and the Companies Act.
Allot/Allotment/Allotted	Allotment of Rights Equity Shares pursuant to the Issue.
Allotment Account	The account to be opened with the Banker(s) to the Issue, into which the Application Money lying to the credit of the escrow account(s) 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 Advice	Note, 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) who are Allotted Rights Equity Shares pursuant to the Allotment.
Applicant(s) / Investor(s)	Eligible Equity Shareholder(s) and/or Renouncee(s) who 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 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 (including online application form available for submission of application though the website of the SCSBs (if made available by such SCSBs) under the ASBA process) used by an Applicant to make an application for the Allotment of Rights Equity Shares in this Issue.
Application Money	Aggregate amount payable in respect of the Rights Equity Shares applied for in the Issue at the Issue Price.
Application Supported by Blocked Amount/ASBA	Application (whether physical or electronic) used by ASBA Applicants to make an Application authorizing a SCSB to block the Application Money in the ASBA Account
ASBA Account	Account maintained with a SCSB and specified in the Application Form or plain paper application, as the case may be, for blocking the amount mentioned in the Application Form or the plain paper application, in case of Eligible Equity Shareholders, as the case may be.
ASBA Applicant / ASBA Investor	As per the SEBI Master Circular, all investors (including renouncee) shall make an application for a rights issue only through ASBA facility.
ASBA Bid	A Bid made by an ASBA Bidder including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations.
Banker to the Issue	The Escrow Collection Bank and the Refund Bank to the Issue, being Axis Bank Limited.
Basis of Allotment	The basis on which the Rights Equity Shares will be Allotted to successful applicants in the Issue and which is described in "*Terms of the Issue*" on page 264.
Call(s)	Call notice(s) sent by the Company to each of the holders of the Rights Equity Shares as on the Call Record Date, for making a payment of Call Money
Call Money	Aggregate amount payable in respect of the Rights Equity Shares at the time of the Call(s), being, ₹ 5/- per Equity Share, i.e. 50% of the Issue Price in respect of First and Final Call
Call Record Date	The date fixed by the Company for the purpose of determining the names of the holders of partly paid-up Rights Equity Shares for the purpose of issuing the Call(s)
Consolidated Certificate	The certificate that would be issued for Rights Equity Shares Allotted to each folio in case of Eligible Equity Shareholders who hold Equity Shares in physical form.
Controlling Branches/ Controlling Branches of the SCSBs	Such branches of SCSBs which coordinate Bids under the Issue with the LM, the Registrar and the Stock Exchange, a list of which is available on the website of SEBI at http://www.sebi.gov.in.
Demographic Details	Details of Investors including the Investor's address, name of the Investor's father/ husband, investor status, occupation and bank account details, where applicable.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms submitted by ASBA Bidders, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35, updated from time to time, or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	BSE Limited
Depository(ies)	NSDL and CDSL or any other depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 as amended from time to time read with the Depositories Act, 1996.
Draft Letter of Offer/DLoF/DLOF	The draft letter of offer dated December 23, 2024 filed with SEBI and the Stock Exchanges.
Escrow Account	One or more no-lien and non-interest-bearing accounts to be opened with the Escrow Collection Bank for the purposes of collecting the Application Money from resident investors–eligible equity shareholders as on record date making an Application through the ASBA facility.

Term	Description
Escrow Collection Bank	Bank which is a clearing member and registered with SEBI as banker to an issue and with whom Escrow Account(s) will be opened, in this case being Axis Bank Limited.
Eligible Equity Shareholders	Existing Equity Shareholders as on the Record Date. Please note that the investors eligible to participate in the Issue exclude certain overseas shareholders. For further details, see "*Notice to Investors*" on page 13.
First and Final Call	₹ 5/- per Equity Share
Issue / Rights Issue	Issue of up to 35,00,00,000 partly paid-up Equity Shares* of face value of ₹ 10 each of our Company for cash at a price of ₹ 10/- per Rights Equity Share (including a premium of Nil per Rights Equity Share) aggregating up to ₹ 35,000 lakhs* on a rights basis to the Eligible Equity Shareholders of our Company in the ratio of Eleven (11) Rights Equity Shares for every Fifty (50) fully paid-up Equity Shares held by the Eligible Equity Shareholders of our Company on the Record Date, i.e., Friday, May 23, 2025. **Assuming full subscription. Subject to finalisation of the Basis of Allotment.*
Issue Agreement	Issue Agreement dated December 20, 2024 between our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Closing Date	Monday, June 23, 2025
Issue Opening Date	Monday, June 09, 2025
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 Applications, in accordance with the SEBI ICDR Regulations.
Issue Material	Collectively, the Abridged Letter of Offer, the Common Application Form and Rights Entitlement Letter.
Issue Price	₹ 10/- per Rights Equity Share that will have to be paid at the time of application and one via full and final call determined, from time to time at its sole discretion, by our Board or its Rights Issue Committee
Issue Proceeds	Gross proceeds of the Issue.
Issue Size	Amount aggregating up to ₹ 35,000 lakhs.
Lead Manager	Sumedha Fiscal Services Limited
Letter of Offer/LOF	The final letter of offer dated May 22, 2025 filed with the Stock Exchanges and SEBI, after incorporating observations received on the Draft Letter of Offer, including any addenda or corrigenda thereto.
Monitoring Agency	Monitoring Agency appointed for the purpose of the Issue namely Infomerics Valuation and Rating Private Limited
Monitoring Agency Agreement	Agreement dated March 28, 2025 entered into between our Company and the Monitoring Agency in relation to monitoring of Issue Proceeds.
Net Proceeds	Proceeds of the Issue less our Company's share of Issue related expenses. For further information about the Issue related expenses, see "*Objects of the Issue*" on page 108 of this Letter of Offer.
Non-ASBA Investor/ Non-ASBA Applicant	Investors other than ASBA Investors who apply in the Issue otherwise than through the ASBA process comprising Eligible Equity Shareholders holding Equity Shares in physical form or who intend to renounce their Rights Entitlement in part or full and Renouncees.
Non-Institutional Bidders or NIIs	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 renunciation of Rights Entitlements undertaken by the Investor by transferring them through off market transfer through a depository participant in accordance with the SEBI Master Circular and the circulars issued by the Depositories, from time to time, and other applicable laws.
On Market Renunciation	The renunciation 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 Master Circular and the circulars issued by the Stock Exchanges, from time to time, and other applicable laws, on Tuesday, June 17, 2025.
Payment Schedule	Payment schedule under which **50%** of the Issue Price is payable on Application, i.e., ₹ 5/- per Rights Equity Share, and the balance unpaid capital constituting 50%

Term	Description
	of the Issue Price, i.e., ₹ 5/- will have to be paid, on full and final call, as determined from time to time, at its sole discretion, by our Board or its Rights Issue Committee.
QIBs or Qualified Institutional Buyers	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, being Friday, May 23, 2025.
Refund Bank	The Banker to the Issue with whom the Refund Account(s) will be opened, in this case being Axis Bank Limited.
"Registrar to the Company" / "Registrar to the Issue"	Cameo Corporate Services Limited
Registrar Agreement	Agreement dated December 20, 2024 entered into among our Company and the Registrar in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Renouncee(s)	Person(s) who has/have acquired the Rights Entitlement 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 Tuesday, June 17, 2025 in case of On Market Renunciation. 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 Renouncee on or prior to the Issue Closing Date.
Retail Individual Bidders(s)/Retail Individual Investor(s)/ RII(s)/RIB(s)	An individual Investor (including an HUF applying through Karta) who has applied for Rights Equity Shares and whose Application Money is not more than ₹ 200,000 in the Issue as defined under Regulation 2(1)(vv) of the SEBI ICDR Regulations.
RE ISIN	ISIN for Rights Entitlement i,e, INE964H20055
Rights Entitlement	The 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 in the ratio of Eleven (11) Rights Equity Shares for every Fifty (50) fully paid-up Equity Shares held by the Eligible Equity Shareholders of our Company on the Record Date, i.e., Friday, May 23, 2025. The Rights Entitlements with a separate ISIN: INE964H20055 will be credited to your demat account before the date of opening of the Issue, against the equity shares held by the Equity Shareholders as on the record date.
Rights Entitlement Letter	Letter including details of Rights Entitlements of the Eligible Equity Shareholders.
Rights Equity Shares	Equity Shares of our Company to be Allotted pursuant to this Issue.
Rights Issue Account Agreement	Agreement to be entered into by and among our Company, the Registrar to the Issue, the Lead Manager and the Bankers 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.
SEBI Master Circular	Master circular dated November 11, 2024 issued by the Securities and Exchange Board of India in order to enable the stakeholders to have access to all circulars/directions issued under the relevant provisions of the SEBI ICDR Regulations, 2018 at one place. The SEBI circular, bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 has been rescinded pursuant to the SEBI Master Circular.
Self-Certified Syndicate Banks" or "SCSBs	The banks registered with SEBI, offering services (i) in relation to ASBA (other than through UPI mechanism), a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 or https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35, as applicable, or such other website as updated from time to time, and (ii) in relation to ASBA (through UPI mechanism), a list of which is available on

Term	Description
	the website of SEBI at https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as updated from time to time
Stock Exchanges	Stock Exchange where the Equity Shares are presently listed, being BSE and NSE.
Transfer Date	The date on which the amount held in the escrow account(s) and the amount blocked in the ASBA Account will be transferred to the Allotment Account, upon finalization of the Basis of Allotment, in consultation with the Designated Stock Exchange.
Wilful Defaulter and Fraudulent Borrower	A wilful defaulter or a fraudulent borrower, as defined under the SEBI ICDR Regulations
Working Day	All days other than second and fourth Saturday of the month, Sunday or a public holiday, on which commercial banks in Mumbai are open for business; provided however, with reference to (a) announcement of Price Band; and (b) Bid/Issue Period, Term Description the term Working Day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and (c) the time period between the Bid/Issue Closing Date and the listing of the Equity Shares on the Stock Exchange. "Working Day" shall mean all trading days of the Stock Exchange, excluding Sundays and bank holidays, as per the circulars issued by SEBI.

Business and Industry related Terms or Abbreviations

Term	Description
BOOT	Built operate own and transfer
BOQ	Bills of Quantities
BOT	Built operate transfer
EPC	Engineering, Procurement and Construction
GDP	Gross Domestic Product
GW	Gigawatt
HDPE	High Density Polyethylene
ISO	International Organization for Standardization
Km	Kilometre
MMT	Million Metric Tonnes
MCGM	Municipal Corporation of Greater Mumbai
NHAI	National Highways Authority of India
NHPC Limited	National Hydroelectric Power Corporation Limited
OCI	Other Comprehensive Income
sq.ft.	Square feet
sq.km.	Square kilometre
TBM	Tunnel Boring Machine
WDV	Written Down Value

Conventional and General Terms or Abbreviations

Term	Description
A/c	Account
AGM	Annual General Meeting
AIF	Alternative Investment Fund, as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
CLRA	Contract Labour (Regulation and Abolition) Act, 1970

Term	Description
Companies Act, 2013 / Companies Act	Companies Act, 2013 along with rules made thereunder
Companies Act 1956	Companies Act, 1956, and the rules thereunder (without reference to the provisions thereof that have ceased to have effect upon the notification of the Notified Sections)
CS	Company Secretary
CSR	Corporate Social Responsibility
Depository(ies)	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
Depositories Act	The Depositories Act, 1996
DIN	Director Identification Number
DP ID	Depository Participant's Identification Number
EBITDA	Earnings before Interest, Tax, Depreciation and Amortisation
EGM	Extraordinary General Meeting
EPF Act	Employees' Provident Fund and Miscellaneous Provisions Act, 1952
EPS	Earnings per share
ESI Act	Employees' State Insurance Act, 1948
FCNR Account	Foreign Currency Non Resident (Bank) account established in accordance with the FEMA
FEMA	The Foreign Exchange Management Act, 1999 read with rules and regulations thereunder
FEMA Regulations	The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017
Financial Year/Fiscal	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year
FPIs	A foreign portfolio investor who has been registered pursuant to the SEBI FPI Regulations, provided that any FII who holds a valid certificate of registration shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI
GDP	Gross Domestic Product
GoI / Government	The Government of India
GST	Goods and Services Tax
HUF(s)	Hindu Undivided Family(ies)
ICAI	Institute of Chartered Accountants of India
ICSI	The Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
IFSC	Indian Financial System Code
Income Tax Act / IT Act	Income Tax Act, 1961
Ind AS	The Indian Accounting Standards referred to in the Companies (Indian Accounting Standard) Rules, 2015, as amended
Indian GAAP	Generally Accepted Accounting Principles in India
Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time
Insolvency Code	Insolvency and Bankruptcy Code, 2016, as amended from time to time
INR or ₹ or Rs.	Indian Rupee, the official currency of the Republic of India.
ISIN	International Securities Identification Number
IT	Information Technology
MCA	The Ministry of Corporate Affairs, GoI
Mn / mn	Million
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996

Term	Description
N.A. or NA	Not Applicable
NAV	Net Asset Value
Notified Sections	The sections of the Companies Act, 2013 that have been notified by the MCA and are currently in effect.
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB	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 was eligible to undertake transactions pursuant to general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Issue.
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
Payment of Bonus Act	Payment of Bonus Act, 1965
Payment of Gratuity Act	Payment of Gratuity Act, 1972
RBI	The Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934
Regulation S	Regulation S under the Securities Act
R&D	Research and Development
SCRA	Securities Contract (Regulation) Act, 1956
SCRR	The Securities Contracts (Regulation) Rules, 1957
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, as amended
SEBI Act	The Securities and Exchange Board of India Act, 1992, as amended
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012, as amended
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as amended
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, since repealed and replaced by the SEBI (AIF) Regulations
SIPCOT	State Industries Promotion Corporation of Tamil Nadu
Securities Act	The United States Securities Act of 1933.
STT	Securities Transaction Tax
State Government	The Government of a State in India
Trademarks Act	Trademarks Act, 1999, as amended
TDS	Tax Deducted at Source
US$/ USD/ US Dollar	United States Dollar, the official currency of the United States of America
USA/ U.S./ US	United States of America, its territories and possessions, any state of the United States of America and the District of Columbia
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
VAT	Value Added Tax
VCFs	Venture Capital Funds as defined in and registered with the SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as the case may be
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 the Draft Letter of Offer, this Letter of Offer, the Abridged Letter of Offer, Application Form and Rights Entitlement Letter and the issue of Rights Entitlement (collectively "**Issue Material**") 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 Draft Letter of Offer, this Letter of Offer, the Abridged Letter of Offer or Application Form 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 electronically dispatch through email and physical dispatch through speed post the Draft Letter of Offer, this Letter of Offer / Abridged Letter of Offer and Application Form and Rights Entitlement Letter only to Eligible Equity Shareholders who have a registered address in India or who have provided an Indian address to our Company. Further, the Draft Letter of Offer, this Letter of Offer will be provided, through email and speed post, 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 Draft Letter of Offer, this Letter of Offer, the Abridged Letter of Offer and the Application Form from the websites of the Registrar, our Company, the Lead Manager, SEBI and the Stock Exchanges.

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 Draft Letter of Offer, this Letter of Offer, the Abridged Letter of Offer 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 Draft Letter of Offer, this Letter of Offer or the Abridged Letter of Offer will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, in those circumstances, the Draft Letter of Offer, this Letter of Offer and the Abridged Letter of Offer 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 Draft Letter of Offer, this Letter of Offer or the Abridged Letter of Offer or Application Form should not, in connection with the issue of the Rights Equity Shares or the Rights Entitlements, distribute or send the Draft Letter of Offer, this Letter of Offer or the Abridged Letter of Offer to any person outside India where to do so, would or might contravene local securities laws or regulations. If the Draft Letter of Offer, this Letter of Offer or the Abridged Letter of Offer or Application Form 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 Draft Letter of Offer, this Letter of Offer, the Abridged Letter of Offer or the Application Form.

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, the Lead Manager 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 the Draft Letter of Offer, this 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 the Draft Letter of Offer, this Letter of Offer or the date of such information.

Neither the delivery of the Draft Letter of Offer, this Letter of Offer, the Abridged Letter of Offer, Application Form and Rights Entitlement Letter 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 Draft Letter of Offer, this Letter of Offer and the Abridged Letter of Offer and the Application Form and Rights Entitlement Letter or the date of such information.

THE CONTENTS OF THIS 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, NEITHER OUR COMPANY NOR THE LEAD MANAGER IS 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 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 Draft Letter of Offer / this Letter of Offer / Abridged Letter of Offer and the enclosed Application Form and Rights Entitlement Letters 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 Draft Letter of Offer / this Letter of Offer / Abridged Letter of Offer and Application Form and Rights Entitlement Letter 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.

The Rights Entitlements and the Equity Shares have not been approved or disapproved by the US Securities and Exchange Commission (the "**US SEC**"), any state securities commission in the United States or any other US regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Rights Entitlements, the Equity Shares or the accuracy or adequacy of this Letter of Offer. Any representation to the contrary is a criminal offence in the United States.

The above information is given for the benefit of the Applicants / Investors. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this 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.

THIS DOCUMENT IS SOLELY FOR THE USE OF THE PERSON WHO RECEIVED IT FROM OUR COMPANY OR FROM LEAD MANAGER OR FROM THE REGISTRAR. THIS DOCUMENT IS NOT

TO BE REPRODUCED OR DISTRIBUTED TO ANY OTHER PERSON.

ENFORCEMENT OF CIVIL LIABILITIES

The Company is a Public Limited (Listed) Company under the laws of India and except for Abdulla Mohammad Ibrahim Hassan Abdulla, who is a resident of United Arab Emirates, all the Directors and all Executive Officers are residents of India. It may not be possible or may be difficult for investors to affect service of process upon the Company or these other persons outside India or to enforce against them in courts in India, judgments obtained in courts outside India. India is not a party to any international treaty in relation to the automatic recognition or enforcement of foreign judgments.

However, recognition and enforcement of foreign judgments is provided for under Sections 13, 14 and 44A of the Code of Civil Procedure, 1908, as amended (the "**Civil Procedure Code**"). Section 44A of the Civil Procedure Code provides that where a certified copy of a decree of any superior court (within the meaning of that section) in any country or territory outside India which the Government of India has by notification declared to be a reciprocating territory, is filed before a district court in India, such decree may be executed in India as if the decree has been rendered by a district court in India. Section 44A of the Civil Procedure Code is applicable only to monetary decrees or judgments not being in the nature of amounts payable in respect of taxes or other charges of a similar nature or in respect of fines or other penalties. Section 44A of the Civil Procedure Code does not apply to arbitration awards even if such awards are enforceable as a decree or judgment. Among others, the United Kingdom, Singapore, Hong Kong and the United Arab Emirates have been declared by the Government of India to be reciprocating territories within the meaning of Section 44A of the Civil Procedure Code.

The United States has not been declared by the Government of India to be a reciprocating territory for the purposes of Section 44A of the Civil Procedure Code. Under Section 14 of the Civil Procedure Code, an Indian court shall, on production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction unless the contrary appears on the record; but such presumption may be displaced by proving want of jurisdiction.

A judgment of a court in any non-reciprocating territory, such as the United States, may be enforced in India only by a suit upon the judgment subject to Section 13 of the Civil Procedure Code, and not by proceedings in execution. Section 13 of the Civil Procedure Code, which is the statutory basis for the recognition of foreign judgments (other than arbitration awards), states that a foreign judgment shall be conclusive as to any matter directly adjudicated upon between the same parties or between parties under whom they or any of them claim litigating under the same title except where:

- The judgment has not been pronounced by a court of competent jurisdiction;
- The judgment has not been given on the merits of the case;
- The judgment appears on the face of the proceedings to be founded on an incorrect view of international law or a refusal to recognize the law of India in cases where such law is applicable;
- The proceedings in which the judgment was obtained are opposed to natural justice;
- The judgment has been obtained by fraud; and/or
- The judgment sustains a claim founded on a breach of any law in force in India.

A suit to enforce a foreign judgment must be brought in India within three years from the date of the judgment in the same manner as any other suit filed to enforce a civil liability in India. It is unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. In addition, it is unlikely that an Indian court would enforce foreign judgments if it considered the amount of damages awarded as excessive or inconsistent with public policy or if the judgments are in breach of or contrary to Indian law. A party seeking to enforce a foreign judgment in India is required to obtain prior approval from the Reserve Bank of India to repatriate any amount recovered pursuant to execution of such judgment. Any judgment in a foreign currency would be converted into Rupees on the date of such judgment and not on the date of payment and any such amount may be subject to income tax in accordance with applicable laws. The Company cannot predict whether a suit brought in an Indian court will be disposed of in a timely manner or be subject to considerable delays.

PRESENTATION OF FINANCIAL INFORMATION

Certain Conventions

All references to "India" contained in this 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 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 Letter of Offer is in Indian Standard Time ("**IST**"). Unless indicated otherwise, all references to a year in this 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 Letter of Offer are to the page numbers of this Letter of Offer.

Financial Data

Unless stated otherwise or the context otherwise requires, the financial information and financial ratios in this Letter of Offer has been derived from our Financial Statements. For details, please see "*Financial Information*" on page 165. Our Company's financial year commences on April 01 and ends on March 31 of the next year. Accordingly, all references to a particular financial year, unless stated otherwise, are to the twelve (12) month period ended on March 31 of that year.

The GoI has adopted the Indian accounting standards ("**Ind AS**"), which are converged with the International Financial Reporting Standards of the International Accounting Standards Board ("**IFRS**") and notified under Section 133 of the Companies Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended (the "**Ind AS Rules**"). The Financial Statements of our Company have been prepared in accordance with Ind AS and recognition and measurement principles laid down in Ind AS 34 prescribed under the Section 133 of the Companies Act 2013 and Regulation 33 of SEBI Listing Regulations. Our Company publishes its financial statements in Indian Rupees. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Letter of Offer should accordingly be limited.

In this 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 this 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 1,000,000.

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 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 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 and the SEBI ICDR Regulations. Any reliance by persons not familiar with these accounting principles and regulations on our financial disclosures presented in this Letter of Offer should accordingly be limited. For further information, see "*Financial Information*" on page 165.

Certain figures contained in this Letter of Offer, including financial information, have been subject to rounded 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 Letter of Offer rounded-off to such number of decimal points as provided in such respective sources. In this 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.” 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;
- “Euro” or “€” are to Euros, the official currency of the European Union;
- "AED", are to United Arab Emirates dirham the official currency of United Arab Emirates; and
- “OMR”, are to Omani Rial, the official currency of Sultanate of Oman.

Our Company has presented certain numerical information in this Letter of Offer in “lakh” or “Lac” units. One lakh represents 1,00,000 and one million represents 1,000,000. 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 Letter of Offer, unless otherwise indicated, have been calculated based on our Restated Consolidated Financial Information.

Exchange Rates

This 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	Exchange rate as on			
	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
1 USD	85.62	83.38	82.22	75.80
1 Euro	89.08	89.95	89.61	84.66
1 AED	23.29	22.71	22.38	20.60
1 OMR	222.19	216.83	213.40	196.94

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

Industry and Market Data

Unless stated otherwise, industry and market data used in this 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. 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. Accordingly, investment decisions should not be based solely on such information. 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 24, this Letter of Offer.

The extent to which the market and industry data used in this 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 Letter of Offer contains certain "forward-looking statements". Forward looking statements appear throughout this 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*". 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 Letter of Offer that are not historical facts. These forward-looking statements contained in this 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:

- There have been instances in the past of default in payment of dues to our lenders. Further, our Company has implemented a resolution plan with its lenders under the Reserve Bank of India (Prudential Framework for Resolution of Stressed Assets) Directions 2019, involving change of management. In the event of any further defaults in making repayment of its loans or payment of interest by our Company, it may impact its continued business operation and financial condition;

- Projects included in our Order Book and our future projects may be delayed, modified or cancelled for reasons beyond our control which may materially and adversely affect our business, prospects, reputation, profitability, financial condition and results of operation;

- We derive majority of our revenue from our water and sewer segment and our financial condition would be materially and adversely affected if we fail to obtain new contracts or our current contracts are terminated;

- Our Statutory Auditor has included matter of uncertainties, emphasis of matters and qualifications, in the limited review report issued for the nine month period ended December 31, 2024 and in the audit report issued for the Financial Years ended March 31, 2024 and March 31, 2023; and

- We are dependent on and derive a substantial portion of our revenue from a limited number of customers. Cancellation by customers or delay or reduction in their orders could have a material adverse effect on our business, results of operations and financial condition.

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*" beginning on pages 24, 143 and 233, respectively, of this 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 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, our Directors, our Promoters, the LM, the Syndicate Member(s) nor 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 and the Lead Manager will ensure that investors are informed of material developments from the date of this Letter of Offer until the time of receipt of the listing and trading permissions from the Stock Exchanges.

SUMMARY OF THIS LETTER OF OFFER

The following is a general summary of the terms of this Issue, and should be read in conjunction with and is qualified by the more detailed information appearing in this Letter of Offer, including the sections titled "*Risk Factors*", "*The Issue*", "*Capital Structure*", "*Objects of the Issue*", "*Our Business*", "*Industry*", "*Outstanding Litigations and Defaults*" and "*Terms of the Issue*" on pages 24, 88, 96, 108, 143, 126, 247 and 264 respectively.

1. Summary of Industry

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 $26 trillion economy. The government's focus on building infrastructure of the future has been evident given the slew of initiatives launched recently. The "Smart Cities Mission" and "Housing for All" programmes have benefited from these initiatives. Saudi Arabia seeks to spend up to US$ 100 billion in India in energy, petrochemicals, refinery, infrastructure, agriculture, minerals, and mining.
[Source: www.ibef.org]

2. Summary of Business

We are engaged in Engineering Procurement and Construction (EPC Contractor) business with the experience of executing turnkey contracts in Engineering, Procurement, and Construction (EPC) areas and providing end-to-end solutions offering multi-disciplinary services and project management solutions. SEPC Limited ("**SEPC**") is focused on providing turnkey solutions in the following business areas:

1. **Infrastructure**
   a. Water & Sewer
   b. Road

2. **Industrial EPC**
   a. Process Plants
   b. Steel Plants
   c. EPC under deep shaft Mining
   d. Power Plants

Revenue from Infrastructure and Industrial EPC for the nine months period ended December 31, 2024 is ₹46,888.91 lakhs and ₹ 1,095.69 lakhs respectively. For further details, please refer to the chapter titled "*Our Business*" at page 143 of this Letter of Offer.

3. Objects of the Issue

The Net Proceeds are proposed to be used in the manner set out in the following table:

(₹ in lakhs)

Sr. No.	Particulars	Estimated Amount*
1.	Funding for Payment of Non-Convertible Debentures including redemption and interest	14,000.00
2.	Repayment/Pre-payment, in full or part, of certain borrowings availed by the Company	1,500.00
3.	Funding for increasing the additional Margin of Non- Fund Based Limits	1,500.00
4.	To augment the existing and incremental working capital requirement of our Company	16,000.00
5.	General Corporate Purposes*	1,500.00
Net proceeds from the Issue**		**34,500.00**

** Subject to the finalization of the Basis of Allotment and the Allotment. The amount is subject to adjustment upon finalization of Issue related expenses, however, in no event, shall general corporate purposes exceed 25% of the Gross Proceeds.*
*** Assuming full subscription in the Issue and subject to finalization of the Basis of Allotment and to be adjusted per the Rights Entitlement ratio.*

For further details, please see chapter titled "*Objects of the Issue*" beginning on page 108 of this Letter of Offer.

4. **Our Promoters**

The Promoter of our Company is Mark A B Capital Investment LLC ("**Mark LLC**"). Mark LLC was incorporated in 2007 under the Laws of United Arab Emirates. The registered office of Mark LLC is located at 902, Grosvenor Business Tower, Barsha Heights, Al Barsha, Dubai, United Arab Emirates.

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

Our Promoter and members of our Promoter Group have, *vide* their letters each dated December 17, 2024 and December 20, 2024 (the "**Subscription Letters**"), informed us that they may renounce their Rights Entitlement in favour of third parties. Accordingly, the minimum subscription criteria provided under Regulation 86 (1) of the SEBI ICDR Regulations shall apply to this Issue. In accordance with Regulation 86 of the SEBI ICDR Regulations, if our Company does not receive minimum subscription of at least 90% of the Equity Shares being offered under this Issue, on an aggregate basis, our Company shall refund the entire subscription amount received within 4 (four) days from the Issue Closing Date in accordance with the SEBI Master Circular. If there is a delay in making refunds beyond such period as prescribed by applicable laws, our Company will pay interest for the delayed period at rate as prescribed under the applicable laws. For risks relating to the same, please refer to "*Risk Factors – Risk Factor 20 - If our Company does not receive the minimum subscription of 90% of the total Issue Size, the Issue may fail*" on page 54 of this Letter of Offer.

6. **Summary of Outstanding Litigation**

A summary of the pending tax proceedings and other material litigations involving our Company is provided below:

Name of entity	**Proceedings involving issues of moral turpitude or criminal liability**	**Civil proceedings where the amount involved is equivalent to or in excess of the Materiality Threshold**	**Proceedings before regulatory authorities involving material violations of statutory regulations**	**Matters involving economic offences where proceedings have been initiated**	**Other pending matters which, if they result in an adverse outcome, would materially and adversely affect the operations or the financial position**	**Aggregate amount involved (₹ in lakhs)***
By the Company and Subsidiary	Nil	8	Nil	Nil	Nil	33,746
Against the Company and Subsidiary	Nil	7	9	Nil	Nil	33,174.32

**To the extent quantifiable*

7. **Risk Factors**

- There have been instances in the past of default in payment of dues to our lenders. Further, our Company has implemented a resolution plan with its lenders under the Reserve Bank of India (Prudential Framework for Resolution of Stressed Assets) Directions 2019, involving change of management. In the event of any further defaults in making repayment of its loans or payment of interest by our Company, it may impact its continued business operation and financial condition.
- Projects included in our Order Book and our future projects may be delayed, modified or cancelled for reasons beyond our control which may materially and adversely affect our business, prospects, reputation, profitability, financial condition and results of operation.

- As on December 31, 2024, March 31, 2024 and March 31, 2023, ₹ 40,719.61 lakhs, ₹ 516,19.76 lakhs and ₹ 31,516.40 lakhs constituting 84.86%, 92.02% and 83.19 %, respectively of our revenue was derived from our water and sewer segment and our financial condition would be materially and adversely affected if we fail to obtain new contracts or our current contracts are terminated.
- Our business operations are susceptible to risks relating to liquidity difficulties and cash crunch, which may lead to defaults in future. The same is due to high trade receivables on account of majority of our Order Book comprising of Government Contracts. While, we have experienced a decline in trade receivables on account of completion of some of our ongoing projects, however, we cannot assure you that we shall not experience an increase in the trade receivables in the future or that such increase will not have an impact on our business and financial condition.
- We have not made any alternate arrangements for meeting our capital requirements for the Objects of the Issue. Further, we have not identified any alternate source of financing the 'Objects of the Issue'. Any shortfall in raising / meeting the same could adversely affect our growth plans, operations and financial performance.
- Our Statutory Auditor has included matter of uncertainties, emphasis of matters and qualifications, in the limited review report issued for the nine month period ended December 31, 2024 and in the audit report issued for the Financial Years ended March 31, 2024 and March 31, 2023.
- We are dependent on and derive a substantial portion of our revenue from a limited number of customers. Our top ten customers contributed to ₹ 45,092.21 lakhs, ₹ 52,496.81 lakhs and ₹ 31,712.89 lakhs during the nine month period ended December 31, 2024, Fiscal 2024 and Fiscal 2023, respectively, which constituted 93.97%, 93.58% and 83.71% of our revenue from operations during the said period. Cancellation by customers or delay or reduction in their orders could have a material adverse effect on our business, results of operations and financial condition.
- We derive a major portion of our revenue from Government Customers, which exposes us to risks inherent in doing business with them and may adversely affect our business, results of operations and financial condition.
- We earned ₹ 47,762.98 lakhs, ₹ 52,274.43 lakhs and ₹ 37,661.66 lakhs from Government Customers during the nine month period ended December 31, 2024 and the Financial Years ended March 31, 2024, March 31, 2023 and March 31, 2022, respectively, constituting 99.54%, 92.24% and 99.41% of our revenue from operations for the said period. Any decline in the revenue earned from our Government Customers may adversely affect our business, results of operations and financial condition.
- We are exposed to risks emanating from material uncertainty related to going concern.

Please see the chapter titled "*Risk Factors*" beginning on page 24 of this Letter of Offer.

8. Summary of Contingent Liabilities

Following are the details for the nine-month period ended December 31, 2024 and as per the Audited Financial Information as at and for the Financial Years ended on March 31, 2024:

(₹ in lakhs)

S. No.	Particulars	Nine month period ended December 31, 2024	Financial Year 2024	Financial Year 2023
1.	Claims against the company not acknowledged as debts	6,873.00	10,036.55	10,188.40
2.	Central Excise, Service tax and customs duties demand contested in Appeals, not provided for	779.77	779.77	408.00
3.	Disputed VAT/ Central Sales tax demands contested in Appeals, not provided for	2,660.02	2,038.04	3,166.00
4.	Income tax demands contested in appeals not provided for	--	-	-
5.	Bank Guarantees Outstanding	35,623.62	37,613.23	33,636.06
	Total	**45,936.42**	**50,467.59**	**47,398.46**

For further details regarding our contingent liabilities for nine - month period ended December 31, 2024 and the Fiscal 2024, see "*Financial Information*" at page 165 of this Letter of Offer.

9. Summary of Related Party Transactions

Following are the details for the nine-month period ended December 31, 2024 and as per the Audited Financial Information as at and for the Financial Years ended on March 31, 2024:

Description and Nature of Transaction	Name of the Related Party	Relation of the related party	Nine month Period ended December 31,2024	For the Year Ended March 31, 2024	For the Year Ended 31 March 2023
Transfer of Advances / Receivables – Receipt of funds	SVL Ltd	Promoter (till 23rd September 2022)	-	-	7,433.87
Amount Invested as Equity – Equity Subscription received from Promoter	Mark A B Investment LLC (effective from 24th September 2022)	Promoter (from 24th September 2022)	-	-	35,000.00
Unsecured loans – Received from Promoter	MARK AB Capital Investment India Private Limited	Subsidiary of Promoter (from 24th September 2022)	416.79	4,000.00	900.00
Compensation of Key Management Personnel – Payment of compensation to KMP	Compensation paid	Key Management Personnel	163.28	161.61	318.12
Loan paid to Key Management Personnel – Payment of Loan to KMP	Loan paid to KMP	Key Management Personnel	-	35.00	-
Company's share in Loss of integrated joint ventures – Company`s share of Loss from JV	Larsen & Toubro Limited Shriram EPC JV-	JV Partner for 10% stake	-	-	10.36
Progressive Billings / Revenue – Share of Revenue from JV	Shriram EPC Eurotech Environmental Private Limited JV	JV Partner for 82.14% stake	103.17	34.13	121.00
Progressive Billings / Revenue – Share of Revenue from JV	SEPC DRS ITPL JV	JV Partner for 98% stake	572.29	301.35	102.00

For further details regarding our related party transactions for nine month period ended December 31, 2024 and the Fiscal 2024, see "*Financial Information*" at page 165 of this Letter of Offer.

10. Issue of equity shares made in last one year for consideration other than cash

Our Company has not made any issuances of Equity Shares in the last one year for consideration other than cash.

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 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 of us 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 126, 143 and 233 of this 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 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 18 of this 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 Consolidated Financial Information and the Limited Review 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 Letter of Offer, any discrepancies in any table between total and sums of the amount listed are due to rounding off.

In this section, unless the context requires otherwise, any reference to "we", "us" or "our" refers to SEPC Limited.

The risk factors are classified as under for the sake of better clarity and increased understanding.

INTERNAL RISK FACTORS

BUSINESS RELATED RISKS

1. ***There have been instances in the past of default in payment of dues to our lenders. Further, our Company has implemented a resolution plan with its lenders under the Reserve Bank of India (Prudential Framework for Resolution of Stressed Assets) Directions 2019, involving change of management. In the event of any further defaults in making repayment of its loans or payment of interest by our Company, it may impact its continued business operation and financial condition.***

There have been instances of defaults in payment of dues to our lenders prior to implementation of the resolution plan with its lenders under the Reserve Bank of India (Prudential Framework for Resolution of Stressed Assets) Directions 2019 (the "**Resolution Plan**"). The details of the defaults committed by our Company during the preceding three Financial Years have been provided below:

(₹ in lakhs)

S. No	Name of the Lender	FY 2022	FY 2023
Term Loan			
1	Central Bank of India – Principal	4,101	---
	Central Bank of India – Interest	2,346	24.00
2	IFCI Factors – Principal	254	
	IFCI Factors – Interest	137	14.44
3	ACRE – Principal	2,900	
4	Bank of Maharashtra – Principal	160	
5.	Bank of Maharashtra - Interest	--	4.00
Cash Credit			
1	Punjab National Bank	9,945	52.00
2	Bank of India	1,259	11.00
3	Yes Bank	361	6.00
4	State Bank Of India	1,911	95.00
5	Indian Bank	3,917	12.00
6	IndusInd Bank	703	18.00
7	IDBI Bank	1,242	48.00
8	ICICI Bank	100	2.00
9	Federal Bank	720	11.00
10	DBS Bank India Ltd	913	22.00
11	Central Bank of India	2,598	43.00
12	Bank Of Baroda	610	15.00
13	ARCIL (SIB)	528	25.00
14	Union Bank	246	9.00
15	IFCI Factors	140	4.00
16	Axis Bank	1,659	12.00
17	Bank of Maharashtra	329	10.00

Our Company has not defaulted in repayment of loans during the Financial Year ended March 31, 2024 and the nine -month period ended December 31, 2024.

Following are the details of delayed payments made (with delay in number of days from the date of balance sheet date) by our Company in repayment of loans due for the preceding three Financial Years

(₹ in lakhs)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Amount	Delay in days	Amount	Delay in days
Term Loan	42	1-82	9,898	1 - 547
Cash Credit	395	1-214	27,181	1 - 766

Our Company has not delayed in repayment of its loans or interest due thereon, during the Financial Year ended March 31, 2024 and the nine-month period ended December 31, 2024.

History and Rationale of Resolution Plan

During the Financial Year 2019, the operations of our Company had come under severe strain due to various external and internal reasons. On August 31, 2019, the first default was recorded, which resulted in the discussions for the need of managing the stressed assets. After careful consideration, our Company in its commitment to improve its operations, had opted for the process of resolution of stressed assets as per the Reserve Bank of India (Prudential Framework for Resolution of Stressed Assets) Directions 2019 ("**Direction**"). After a series of discussion with our lenders having an aggregate non-performing exposure of ₹ 90,716.00 lakhs and canvasing the structure of our Company post the implementation of the Resolution Framework, to ensure the business of our Company continues to operate, as a going concern, the protection of the interest of the public shareholders at large and the realisation of the lenders money, all the lenders signed the inter creditor agreement dated November 28, 2019, which resulted in the formulation of Resolution Plan, with change in control and management under the Direction which was accepted by all the lenders on March 25, 2022 ("**Resolution Plan**").

After careful consideration and series of workings at various levels, Mark A B Capital Investment LLC was identified as the strategic investor in our Company. The consortium of Banks with Punjab National Bank as the lead Bank, undertook an independent evaluation of the ability (with respect to financial and business knowledge of erection, procurement and construction segment) of Mark A B Capital Investment LLC to become the strategic investor in our Company. Once the lenders were satisfied with the credibility of Mark A B Capital Investment LLC, the Resolution Plan was approved by the lenders.

The process of strategic investment was started with the approval of all our lenders and in accordance with the Direction. The Resolution Plan was approved with certain pre conditions:

(i) Mark A B Capital Investment LLC would infuse ₹ 35,000 lakhs, by way of issue of Equity Shares on a preferential basis by our Company, for a 26.48% stake in our Company to undertake change in management, in accordance with the Direction;
(ii) Lenders to allow utilization of vacancy in non-fund based facilities and fund based limits already sanctioned and available to our Company, post the implementation of the plan;
(iii) Banks to allow holding on operations till the implementation of the Resolution Plan;
(iv) Mark AB Capital LLC, would become the promoter of our Company, consequently SVL Limited would be reclassified as a public shareholder;
(v) Corporate Guarantee of SVL limited and SVL Trust to be replaced with the Corporate Guarantee of the Mark A B Capital Investment LLC /its affiliates;
(vi) Conversion of ₹ 17,500 Lakhs of debt into compulsory convertible debenture ("**CCD**") with a yield of 4 % *per annum* and convertible after fourteen (14) years; and
(vii) Conversion of ₹ 17,500 Lakhs of debt into Non-Convertible Debenture ("**NCD**") with a yield of 4 % per annum and redeemable in instalments over fourteen (14) years.

Key Highlights of the Resolution Plan

Fund Infusions / Investment by Mark A B Capital Investment LLC

The Resolution Plan provided for infusion of ₹ 35,000 lakhs by our Promoter and change of management of our Company. Accordingly, our Promoter, Mark A B Capital Investment LLC, offered infusion of ₹ 35,000 lakhs, by way of issue of Equity Shares on a preferential basis by our Company, for a 26.48% stake in our Company. As of date of this Letter of Offer, our Promoter has invested ₹ 35,000 lakhs in our Company by subscribing to 35,00,00,000 of our Company pursuant to a preferential issue of Equity Shares of our Company in accordance with the Resolution Plan. The said issuance has been made in accordance with the resolution plan, which was approved by the Board of Directors in their meeting dated January 24, 2022 and by the Shareholders through postal ballot.

In accordance with the Resolution Plan, all Equity Shares (including Equity Shares pledged in favour of the lenders) held by our Erstwhile Promoter, SVL Limited were to be transferred to a trust formed by Mark A B Capital Investment LLC under the Indian Trusts Act, 1882. Pursuant to such transfer the trust would re-create pledge over the Equity Shares, which are under pledge in favour of the lenders to secure the loans availed. Mark AB Welfare Trust, the trust formed by our Promoter, in accordance with the Resolution Plan, acquired and created pledge on 9,58,49,462 Equity Shares of our Company from SVL Limited during the Financial Year 2023. Further, for acquiring the remaining shareholding of SVL Limited aggregating to 18,35,41,894 Equity Shares representing 13.38% of the paid-up Equity Share Capital of our Company, it had made an exemption application dated December 6, 2023 for seeking exemption from SEBI under the Section 11(5) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, from undertaking an open offer subsequent to acquisition of Equity Shares in accordance with the Resolution Plan. Subsequent to filing the exemption application Mark AB Welfare Trust has acquired 5,00,00,000 Equity Shares from SVL Limited during the Financial Year 2024. Pursuant to an order dated April 26, 2024 passed by the Securities and Exchange Board of India, Mark AB Welfare Trust had received an exemption from the obligations of an open offer and for acquiring the remaining shareholding of SVL Limited. Accordingly, SVL Limited had transferred its entire shareholding aggregating to 11,35,41,894 Equity Shares to Mark AB Welfare Trust. Thereafter, Mark AB Welfare Trust has pledged a total of 18,01,46,496 Equity Shares aggregating to 12.78% of its total shareholding, in favour of the lenders of the Company.

Debt Restructuring

- In accordance with the Resolution Plan, the reduction of lenders' liabilities shall be done in the following manner:

    a) Repayment of overdue to the lenders.
    b) Conversion of ₹ 35,000 lakhs loan facilities into Compulsorily Convertible Debentures ("**CCD**") of ₹ 17,500 lakhs and Non-Convertible Debentures ("**NCD**") of ₹ 17,500 lakhs.
    c) The residual surplus out of the infusion of ₹ 35,000 Lakhs made by our Promoter, to be utilized for prepayment of debt in proportion to the outstanding loans;
    d) The residual debt post above transactions, amounting to ₹ 18,277 lakhs shall be repaid in the following manner. The present status of the following terms is also provided below:
        - Repayment of residual term loan of ₹ 2,572 lakhs in six (6) years (FY 2020-21 to FY 2026-27) : Lenders have sanctioned the revised repayment schedule in compliance with the Resolution Plan, i.e., additional six years;
        - Interest on term loans shall be serviced post implementation of resolution plan without any moratorium: Interest on term loan is being serviced without any moratorium in compliance with Resolution Plan.
        - Interest on Bank Debt to be paid at the rate of 9% *per annum* from October 01, 2020: All Lenders have issued revised sanctioned letters with an interest at the rate of 9% p.a. with effect from October 1, 2020 in compliance with Resolution Plan.
        - ACRE Term Loan of ₹ 140 lakhs (part of residual term loan) shall carry no interest: Assets Care & Reconstruction Enterprise Limited has issued a revised sanction letter stating that the term loan shall carry 'nil' interest.
        - COVID-19 funding of ₹ 192 lakhs (part of residual term loan) by Bank of Maharashtra (BOM) to be paid as per original schedule: our Company has repaid the entire loan which was availed from Bank of Maharashtra.
        - Balance residual debt of ₹ 15,705 lakhs being cash credit shall carry an interest of 9% *per annum*: all lenders have sanctioned interest at the rate of 9% p.a. with effect from October 1, 2020 in compliance with Resolution Plan.
    e) Mark A B Capital Investment LLC was required to provide additional ₹ 5,000 lakhs non-fund based limits to our Company.
    f) The equity and debt infusion by Mark A B Capital Investment LLC would have the following effect on the outstanding debt:
        - The proceeds will be used to clear overdue up to resolution plan implementation date;
        - The surplus available from the infusion, post clearance of over dues shall be used to down pay and reduce the residual debt, post conversion of debt into CCD and NCD;
        - Post conversion of CCD and NCD, the residual surplus post clearance of over dues, surplus available from the infusion shall be used to prepay the balance debt.
        - Corporate financial guarantee of Mark A B Capital Investment LLC and MARK AB Capital Investment India Private Limited to be provided. The Corporate Guarantee of SVL Limited and SVL trust to continue for 18 months from the date on which the resolution plan was implemented and the same shall be released, if there is no default, as defined in the Direction. New guarantee shall override all existing undertakings / guarantees executed till date by SVL Limited and SVL Trust.

Present Position

Our Company has issued and allotted (i) 1,75,00,000 CCD of ₹ 100/- each, to its lenders in lieu of existing debt of our Company with yield, which will be convertible into Equity shares at a future date for an aggregate amount up to ₹ 17,500 lakhs; and (ii) 1,75,00,000 NCD of ₹ 100/- each to the lenders in lieu of their existing debt, for an aggregate amount up to ₹ 17,500 lakhs.

The details of the debenture holders who were allotted CCDs in accordance with the Resolution Plan have been provided below:

S. No	Name of the holder	Face value	No of Debentures	Amount lakhs
1	Punjab National Bank	100	18,40,000	1,840
2	Axis Bank Limited	100	4,19,000	419
3	IDBI Bank Limited	100	13,24,000	1,324
4	Central Bank of India*	100	37,68,000	3,768
5	Indian Bank	100	4,02,000	402
6	Bank of India	100	2,25,000	225
7	Federal Bank Limited	100	4,02,000	402
8	DBS Bank Limited	100	8,31,000	831
9	Bank of Baroda	100	5,60,000	560
10	Asset Reconstruction Company (India) Limited*	100	5,57,000	557
11	Bank of Maharashtra	100	5,54,000	554
12	Union Bank of India	100	5,03,000	503
13	Assets Care & Reconstruction Enterprise Limited	100	33,15,000	3,315
14	IFCI Factors Limited	100	2,24,000	224
15	IndusInd Bank	100	6,54,000	654
16	Yes Bank Limited	100	2,62,000	262
17	State Bank of India	100	15,08,000	1,508
18	ICICI Bank Limited	100	1,51,000	151
	Total		**1,74,99,000**	**17,499**

Note : Conversion price and Conversion ratio will be determined at the then prevailing rules in force i.e., on December 31, 2035

**Central Bank of India and Asset Reconstruction Company (India) Limited have vide their letters dated November 18, 2024 and mail dated November 14,2024, respectively, requested for conversion of 37,68,000 and 33,15,000 CCDs into Equity Shares of our Company. Our Board of Directors pursuant to a resolution passed in the meeting held on November 28, 2024 approving conversion of 37,68,000 Compulsorily Convertible Debentures into 1,40,96,521 equity shares of face value of ₹ 10 each of the Company, and allot 1,40,96,521 Equity Shares and 1,24,01,796 Equity Shares to Central Bank of India and Asset Reconstruction Company (India) Limited, respectively. As on date of this Letter of Offer, our Company has applied for listing approval from the Stock Exchanges for the aforementioned equity shares, and is awaiting approval for the same*

In addition to the above, our *erstwhile* Promoter, SVL Limited has been classified as 'Public', pursuant to letter each dated February 2, 2023 received from BSE and NSE, respectively. Additionally, the Board of Directors of our Company have been reconstituted in accordance with the Resolution Plan.

In compliance with the terms of the Resolution Plan our Company has repaid an amount of ₹ 35,000 lakhs to our lenders. After implementation of resolution plan there are no defaults to lenders. A break up of the repayment done by our Company to its lenders amounting to ₹ 35,000 lakhs has been provided below:

(₹ in lakhs)

S. No	Lender Name	Amount of repayment
1	Punjab National Bank	8,100
2	Axis Bank Limited	2,147
3	IDBI Bank Limited	1,678
4	Central Bank of India	8,021
5	Indian Bank	1,645
6	Bank of India	1,414
7	Federal Bank Limited	665
8	DBS Bank Limited	1,042
9	Bank of Baroda	619
10	Asset Reconstruction Company (India) Limited	632
11	Bank of Maharashtra	884
12	Union Bank of India	546
13	Assets Care & Reconstruction Enterprise Limited	3,547

S. No	Lender Name	Amount of repayment
14	IFCI Factors Limited	611
15	IndusInd Bank	797
16	Yes Bank Limited	320
17	State Bank of India	2,145
18	ICICI Bank Limited	185
Total		**35,000**

Our Company proposes to utilize an estimated amount of ₹ 14,000 Lakhs from the Net Proceeds towards payment of Non-Convertible Debentures including redemption and Interest during the remaining tenor of Non-Convertible Debentures (NCD) i.e., till 2035. The Company may also utilise the funds for early redemption of Non-Convertible Debentures in the event of certain NCD Holders choose to redeem early.

While the ability of our Company to service loans has considerably increased after implementation of the resolution plan without any default to lenders. On the occurrence of defaults if any, our lenders may initiate recovery proceedings including insolvency petitions against us and demand immediate repayment of loans from our Company, which could adversely affect our business, operations and results of operations.

2. ***Projects included in our Order Book and our future projects may be delayed, modified or cancelled for reasons beyond our control which may materially and adversely affect our business, prospects, reputation, profitability, financial condition and results of operation.***

Our Order Book sets forth our expected revenues from uncompleted portions of the contracts received. However, project delays, modifications in the scope or cancellations may occur from time to time due to either a client's or our default, incidents of force majeure or legal impediments. For example, in some of our projects, we or our clients are obligated to take certain actions, such as acquiring land, securing right of way, securing forest clearances, securing required licenses, authorizations or permits, making advance payments or opening of letters of credit or moving existing utilities, which may be delayed due to our client's non-performance, our own breaches or force majeure factors.

In an engineering procurement and construction project ("**EPC**"), we may incur significant additional costs due to project delays and our counterparties may seek liquidated damages due to our failure to complete the required milestones or even terminate the construction contract totally or refuse to grant us any extension. The schedule of completion may need to be reset and we may not be able to recognize revenue if the required percentage of completion is not achieved in the specified timeframe. As at December 31, 2024 our Order Book was ₹ 73,910.75 lakhs. Our "Order Book" comprises anticipated revenues from the unexecuted portions of existing contracts (which are accepted contracts for which all preconditions have been met). The following table summarizes our Order Book by division as at December 31, 2024.

Particulars by Division	Outstanding as at December 31, 2024 (in ₹ lakhs)	Percentage of Total Order Book
Water & Sewer	71,597.13	96.87
Road	38.90	0.05
Process Plants	2,274.72	3.08
Total	**73,910.75**	**100.00**

Our Statutory Auditor has highlighted certain projects in the Audited Financial Statements, execution of which has been delayed in the past:

Details of delayed projects commented by auditors		Contract start date	Contract value	Expected completion date(initial)	Proposed completion date*	Balance order value Rs crores	Year of Award	Period of completion
1	Ammonia Project*	January 10, 2011	51,130.00	NA	NA	83	2009	36 months

	Details of delayed projects commented by auditors	Contract start date	Contract value	Expected completion date(initial)	Proposed completion date*	Balance order value Rs crores	Year of Award	Period of completion
2	Kerala Water Authority (KWA)-Kozhikode(R1)**	May 10, 2012	7,527.91	NA	NA	34	2012	18 months
3	Kerala Water Authority (KWA)-Kozhikode(R2)**	May 10, 2012	9231.02	NA	NA	47	2012	18 months

**Ammonia Project client under liquidation and we have made claim for the amount recoverable on the liquidator. Since the client does not have any other financial loan liability, we have a fair chance of recovering the full amount due on sale of assets by the liquidator.*
***Drinking Water Project in Kozhikode (R1 and R2) are stalled by the client (Kerala Water Authority) on account of stay of operations at the site by the National Green Tribunal. Our Company is in the process of pre closing the contract due to impossibility of performance.*

In EPC projects, the average completion period is three (3) years, and the profit is booked on the basis of percentage of completion. Hence our anticipated revenue is equivalent to the balance order book of the ongoing projects. Further, since we book revenue on the basis of completion at various stages, therefore there is no revenue booked on completion of the order.

Cost borne/payable by company on account of delay in projects: Since we majorly deal with Government related projects, which are susceptible to delay in completion. In case of delay of projects beyond the average completion/estimated time, our Company has to bear all the overhead costs such as bank guarantee extensions, material escalation costs (if any), salary of the workers and other employee costs associated with the same, insurance etc. However at the time of bidding for the projects we always take an estimate of 12 to 18 months of delay in hand while bidding for the projects, hence in cases where the project completion is delayed, the cost borne by us gets covered.

Given below is the anticipated revenue of our Company, based on the ongoing projects of our Company:

Particulars	Anticipated Revenue (in ₹ lakhs)	Percentage
Water & Sewer	71,597.13	96.87
Road	38.90	0.05
Process Plants	2,274.72	3.08
Total	**73,910.75**	**100.00**

The aforementioned table summarizes the projected revenue which our Company shall book post completion of the ongoing projects.

As a result, our future earnings may be different from the amount in the order book. Our contracts may be amended, delayed or cancelled before work commences or during the course of construction. Due to unexpected changes in a project's scope and schedule, we cannot predict with certainty when or if expected revenues as reflected in the order book will be achieved. In addition, even where a project proceeds as scheduled, it is possible that contracting parties may default and fail to pay amounts owed or receivables due to us. If any or all of these risks materialize, our business, prospects, reputation, profitability, financial condition and results of operation may be materially and adversely affected.

3. ***As on December 31, 2024, March 31, 2024 and March 31, 2023, ₹ 40,719.61 lakhs, ₹ 516,19.76 lakhs and ₹ 31,516.40 lakhs constituting 84.86%, 92.02% and 83.19 %, respectively of our revenue was derived from our water and sewer segment and our financial condition would be materially and adversely affected if we fail to obtain new contracts or our current contracts are terminated.***

We are significantly dependent upon the water and sewer segment of our business. The revenue break-up and Order Book value in respect of our water and sewer business segment for the nine month period ended December 31, 2024 and the Financial Years 2024 and 2023 has been provided below:

Particulars	Nine month period ended December 31, 2024		Financial Year 2024		Financial Year 2023	
	Total revenue earned (₹ in lakhs)	**% of total revenue**	**Total revenue earned (₹ in lakhs)**	**% of total revenue**	**Total revenue earned (₹ in lakhs)**	**% of total revenue**
Revenues generated from water and sewer segment	40,719.61	84.86%	51,619.76	92.02%	31,516.40	83.19
Revenue generated from other segments	7,264.15	15.14%	4,478.51	7.98%	6,368.26	16.81

We bid for projects on an ongoing basis and projects are typically awarded by the Government of India / State Governments, Govt Undertakings following a competitive bidding process and satisfaction of prescribed qualification criteria. There have been instances in the past, wherein bids made by us for projects were rejected on account of a favourable position held by our competitors or our inability to meet the pricing *vis a vis* the competitors. There can be no assurance that we would be able to meet such criteria in the future, whether independently or together with other joint venture partners. 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. A break-up of the number of the new contracts received by our Company in the nine- month period ended December 31, 2024 and the Financial Years 2024 and 2023 has been provided below:

Financial year/ Period	Number of new contracts received during the period	Percentage of Order Book value in the Financial Year (in%)
Nine month period ended December 30, 2024	3	19.75%
2024	1	32.26%
2023	2	29.22%

Our Company has executed various water and sewerage projects and has developed an expertise to handle turnkey engineering projects with strict adherence to deadlines and quality standards. The water and sewer business consists of the following:

- Drinking water projects
- Sewerage Treatment projects
- Rehabilitation projects

Drinking water projects generally consists of identifying water source, constructing treatment plant, laying pipes to carry water from source to treatment plant and to overhead tank and to individual houses. Sewerage treatment projects typically involves, collection of sewerage from individual houses through pipes, construction of sewerage treatment plant, laying common pipeline to carry the sewerage collected through to nearby water source to discharge the treated sewerage water. Rehabilitation projects are generally carried out in places where normal sewerage treatment project cannot be carried out. These projects involve using special imported resins pumped into the existing pipeline to form a layer and using mechanical pressure solidified resin is pushed in to form as a new pipe over the existing dilapidated pipe. Finally, the old pipe is removed and sewerage is made to pass through the newly laid resin based pipes.

The details of the top ten ongoing and completed projects undertaken in the water and sewage segment as on December 31, 2024 30, 2024, based on the aggregate order value has been provided below:

S No	Details of the project	Nature of Work	Amount of the project -Contract value (₹ in lakhs)	Completed/ Ongoing	Year of award of the contract	Contract start date	Expected completion date	Cost incurred till date (₹ in lakhs)	Balance outstanding (₹ in lakhs)	Delayed or on time
1	Bihar Urban Infrastructure Development Corporation Ltd - Gaya, Bihar	Work of Improvement of Water Supply System in Gaya Municipal Corporation (GWSP1) under contract package GA/WS/01	35,200	Ongoing	2017	October 12, 2017	September 30, 2025	28,394.34	--	Delayed
2	Drinking Water & Sanitation Division - Govindpur, Jharkhand	Construction of Intake Well with Gangway 257 M long, RCC Riser for Rising Main, Supplying and laying Raw Water rising main, Clear Water rising main & Distribution Main, Elevated Service Reservoir 17 Nos., SUMP, Site Development, Approach Road, Supplying and Installation of VT & Centrifugal pump motor, Staff Quarter, House Connection and Five years operation & maintenance with allied works etc. all complete job for Remaining work of Multi Villages Scheme Govindpur & Nirsa Block North Zone rural water Supply Scheme Under DW&S Div-No-1 Dhanbad on turnkey basis." Under DMFT Head for the year 2023-24	35,005	Ongoing	2023	March 11, 2023	June 30, 2026	11,751.36	--	Delayed
3	Drinking Water & Sanitation Division - Choupran, Jharkhand	Detailed Survey, Designing and Drawing, Construction of RCC Intake Well cum Pump House, RCC Gangway 110 M long and 4.50 M wise, Railway Crossing, National Highway Crossing, RCC Riser for Rising Main, Supplying and laying Raw Water Rising Main, Supplying and Installation of VT Pump Motor and Five Years O&M with allied works etc. all complete job for MAIN-GRID(PART-A), CHOUPARAN NORTH & SOUTH (PART-B) & PART BARH (PART-C	23,200	Ongoing	2023	March 29, 2024	November 5, 2025	8,475.72	5,568.71	Delayed
4	Drinking Water & Sanitation Division - Tandwa, Jharkhand	Augmentation and Strengthening of Dhanbad Water Supply Scheme Phase 1 under Dhanbad Municipal Corporation	21,100	Ongoing	2018	November 28 2018	March 31, 2025	18,998.20	--	Delayed

S No	Details of the project	Nature of Work	Amount of the project -Contract value (₹ in lakhs)	Completed/ Ongoing	Year of award of the contract	Contract start date	Expected completion date	Cost incurred till date (₹ in lakhs)	Balance outstanding (₹ in lakhs)	Delayed or on time
5	Jharkhand Urban Infrastructure Development Company Ltd- Dhanbad, Jharkhand	Tandwa fully coverage block rural pipe water supply scheme under D.W. & S Division, Chatra on turnkey basis	14,200	Ongoing	2018	December 4, 2018	June 30, 2026	13,251.32	147.93	Delayed
6	Irrigation Division, Bhabua & Mohania- Bihar	Detailed Survey and Investigation, Planning and design , supplying all materials, Labour , Equipment and Machineries, Construction , Execution and installation , Commissioning ,providing drinking water to Bhabua and Mohania under Jal Jeevan –Hariyali Abhiyan on turnkey key basis.	15,500	Ongoing	2024	September 15, 2024	September 14, 2025	6,218.40	--	Delayed
7	Chennai Metro Water Supply & sewerage Board - Chennai, Tamil Nadu	Providing Comprehensive Water Supply Scheme to Karambakkm, Nolambur & Injambakkm Corporation of Chennai.	12,700	Completed	2013	August 12, 2013	August 11, 2015	12,322.08	85.04	Delayed
8	UP Jal Nigam - Uttar Pradesh	Investigation & Conditional assessment followed by Rehabilitation of the Old Trunk Sewer in Varanasi by Trenchless Technology	9,300	Completed	2015	May 2, 2015	March 21, 2020	9,132.15	947.55	Delayed
9	GMR Chhattisgarh Thermal Power Plant - Chhattisgarh	Design, Engineering, Supply, Erection, Testing and Commissioning of Raw Water Intake Package for 2X685MW GMR Chhattisgarh Thermal Power Plant, Raipur, Chhattisgarh, India.	6,500	Completed	2010	October 2, 2010	September 30, 2013	6,352.09	445.64	Delayed
10	Gujarat Water Supply & Sewerage Board - Gujarat	Design, Build & Operate Contract for Pipeline Network (Distribution & Risingmain), RCC ESR, U/G Sump & PH incl. Post Completion Operation & Maintenance for 5 Years for BK-4 Phase-IIIA (Bhapi H/W) W.S. Project of Tharad Taluka of Banaskantha District based on Narmada Main Canal Tapping Point M/5A(Ch.443274m) Under, Sujlam-Suflam Programme. For GWSSB	5,900	Completed	2009	February 15, 2009	March 18, 2016	5,162.44	--	Delayed

The water and sewage segment is dependent upon availability of water. India has about 18 percent of the world's population but only 4 percent of the world's water resources (NITI Aayog Report, 2017), making it among the most water stressed in the world. *(Source: https://www.nextias.com/ca/editorial-analysis/11-03-2024/water-crisis-in-india)* Accordingly, in the event, India faces a major water scarcity or a draught, our business and operations will be significantly impacted. A recent study conducted by Anna University and IIT-Madras revealed alarming projections about Chennai's water supply. According to the study, the gap between the city's water demand and supply is expected to widen significantly by 2030, reaching 466 million litres per day (MLD). This disparity is worsened by factors such as population growth, urbanization, and unpredictable rainfall patterns. The study highlighted the urgent need for integrated and resilient water management techniques to address this impending crisis. It emphasized that by 2030, Chennai's water demand is projected to be around 2,365 MLD, with a shortfall of 466 MLD in water supply. Another study by IIT-Madras suggested that by 2030, the city's water demand is expected to double due to climate change and population increase. This study proposed the use of tertiary treated wastewater to alleviate the pressure on freshwater sources. The findings were published in the Journal of Water Infrastructure by the International Water Association. They revealed a growing disparity between limited water sources and ever-increasing demand in Chennai. Looking ahead, the study predicts that Chennai will receive a water supply of 1,988 MLD by 2040 and 2,049 MLD by 2050. However, the unmet demand is anticipated to rise to 717.5 MLD by 2040 and a significant 962 MLD by 2050, as stated by P.V. Razi Sadath, one of the researchers involved in the study. *(Source: https://www.timesnownews.com/chennai/chennai-water-supply-to-be-interrupted-in-these-areas-on-march-15-16-check-timings-article-108489405)* In the event the southern states or other states in which we offer our services, face a water crisis, the tenders for water and sewage treatment may also decline on account of limited availability of water. 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.

4. ***Our business operations are susceptible to risks relating to liquidity difficulties and cash crunch, which may lead to defaults in future. The same is due to high trade receivables on account of majority of our Order Book comprising of Government Contracts. While, we have experienced a decline in trade receivables on account of completion of some of our ongoing projects, however, we cannot assure you that we shall not experience an increase in the trade receivables in the future or that such increase will not have an impact on our business and financial condition.***

A significant portion of our business is derived from infrastructure projects, including water and sewerage systems, road construction, mine development, integrated steel plants, conventional thermal power plants, co-generation facilities, and renewable energy projects such as wind turbines and biomass plants. Our contractual agreements with clients have payment terms linked to various project milestones. Typically, our trade receivables are structured in such a way approximately 55% of payments for material supplies are paid within 90 days, while the remaining amount is tied to milestone achievements, including a portion retained as security. Trade receivables for service invoices are settled upon service completion as per contractual terms, typically received within 90 days after deducting applicable taxes, royalties, and retention amounts.

Project execution is subject to unforeseen delays and risks, which may impact the timely recovery of trade receivables linked to upcoming milestones. Delays in project execution or contract termination can result in deferred or unrecoverable payments leading to risks relating to liquidity difficulties and cash crunch, which may lead to defaults in future. In Fiscal 2023, our trade receivable days stood at 234 days, which significantly reduced to 149 days in Fiscal 2024 and was further reduced to 145 days in December 31, 2024, following the implementation of a resolution plan on September 30, 2022. In Fiscal 2023, our trade payable days stood at 235 days, which significantly reduced to 143 days in Fiscal 2024 and was further increased to 209 days in December 31, 2024. Additionally, all contracts include a retention clause, wherein 5% to 10% of the invoice value is withheld from the initial invoice until project commissioning. These retained amounts are payable after the expiry of the Defect Liability Period (DLP), typically one year post-commissioning, or earlier upon commissioning of the project against a bank guarantee of equivalent value. Our trade receivables are highly dependent on project execution progress. Any delays or contract terminations can cause fluctuations, significantly impacting our business, financial performance, and overall operational results.

5. ***We have not made any alternate arrangements for meeting our capital requirements for the Objects of the Issue. Further, we have not identified any alternate source of financing the 'Objects of the Issue'. Any shortfall in raising / meeting the same could adversely affect our growth plans, operations and financial***

performance.

As on date, we have not made any alternate arrangements for meeting our capital requirements for the Objects of the Issue. We meet our capital requirements through our bank finance, unsecured loans, owned funds and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our capital requirements, which in turn will negatively affect our financial condition and results of operations. Further, we have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this issue or any shortfall in the issue proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details, please refer to the chapter titled "*Objects of the Issue*" beginning on page 108 of this Letter of Offer.

In case of any shortfall of the proceeds raised from this Issue, there can be no assurance that we will be able to raise the funds through other sources to meet our obligations of meeting equity contribution towards the objects of the Issue. In case of shortfall in the proceeds of this Issue which are to be utilized for meeting the objects of the Issue, the shortfall will be met by such means as are available to our Company at such future time and at the discretion of the management, including by way of cash available with us or by any other means permissible under law. We cannot assure that we will be able to arrange for adequate cash or will be able to procure further loans to meet the funding requirements. Any failure to meet the additional funding requirements will have a material adverse effect on the implementation of the objects of the Issue. We may also be required to adhere to certain restrictive covenants as regards raising of finance for the units from means other than those sanctioned under our present financing documents. Any failure or delay on our part to raise funds from the Issue or any shortfall in the Issue proceeds and subsequent inability of our Company to source alternate means of finance may delay the implementation of our project and could adversely affect our growth plans.

6. ***Our Statutory Auditor has included matter of uncertainties, emphasis of matters and qualifications, in the limited review report issued for the nine month period ended December 31, 2024 and in the audit report issued for the Financial Years ended March 31, 2024 and March 31, 2023.***

Our Statutory auditor has included the following remarks in the limited review report issued for the nine month period ended December 31, 2024 and in the audit report issued for the Financial Years ended March 31, 2024 and March 31, 2023:

Extract from the limited review report issued for the nine -month period ended December 31, 2024:

i) *The carrying value of Deferred Tax Asset (DTA) as on December 31, 2024, include an amount of Rs. 29,836.98 Lakhs (December 31, 2023 Rs.31,112.13 lakhs and March 31, 2024 Rs.30,870.91 lakhs), which was recognized on carried forward business losses of Rs. 85,385.13 Lakhs (December 31, 2023 Rs.89,034.26 lakhs and March 31, 2024 Rs.88,343.94 lakhs). Due to non-availability of sufficient appropriate audit evidence to corroborate management's assessment that sufficient taxable profits will be available in the future against which such carried forward business losses can be utilised as required by Ind AS 12: "Income taxes", we are unable to comment on adjustments, if any, that may be required to the carrying value of the aforesaid DTA as on December 31, 2024. (Refer Note 06 of the Statement).*

ii) *Non-Current Contract Assets include overdue balances of Rs.6,959.44 Lakhs as on December 31, 2024 (December 31, 2023 Rs. 7,351.90 lakhs and March 31, 2024 Rs.6,959.44 Lakhs) [net of provisions amounting to Rs.926.98. Lakhs (December 31, 2023 Rs 926.98 lakhs and March 31, 2024 Rs.926.98 lakhs)] and Non-Current Trade Receivables include overdue balances Rs.432.55 Lakhs as on December 31, 2024 (December 31 2023 Rs. 575.21 lakhs and March 31, 2024 Rs.575.21 lakhs) [net of provisions amounting to Rs. 82.99 Lakhs (December 31, 2023 Rs. 82.99 lakhs and March 31, 2024: Rs.82.99 lakhs)], relating to dues on projects which have been stalled due to delays in obtaining approvals from the regulatory authorities. Due to the non-availability of sufficient appropriate audit evidence to corroborate management's assessment of the recoverability of the said balances on these projects, we are unable to comment on the carrying value of these non- current Contract Assets and non-current Trade Receivables and the consequential impact if any, on the Statement of the Company for the quarter and period ended December 31, 2024. (Refer Note 03 of the Statement).*

Extract from the audit report on the audited consolidated financial statements for the year ended March 31, 2024:

i. *The carrying value of the Deferred Tax Asset (DTA) balance includes an amount of Rs. 30,870.91 Lakhs as on March 31, 2024 which was recognized in regard to the unabsorbed business losses of Rs.88,343.94 lakhs. Due to the non-availability of sufficient appropriate audit evidence to corroborate management's assessment that sufficient taxable profits will be available in the future against which such unabsorbed business losses can be utilised as required by Ind AS 12: Income taxes, we are unable to comment on any adjustments that may be required to the carrying value of the aforesaid DTA on the Statement for the quarter and year ended March 31, 2024. (Refer Note 41(B) of the Consolidated Financial Statements).*

ii. *Non-Current Contract Assets include overdue balances of Rs. 6,959.44 lakhs (net of provisions amounting to Rs. 926.98 lakhs) and Non-Current Trade Receivables include Rs. 575.21 lakhs (net of provisions amounting to Rs. 82.99 lakhs) as on March 31, 2024, relating to dues on projects which have been stalled due to delays in obtaining approvals from the regulatory authorities. Due to the non-availability of sufficient appropriate audit evidence to corroborate management's assessment of the recoverability of the said balances, we are unable to comment on the carrying value of these non-current Contract Assets and Trade Receivables, and the consequential impact if any, on the Statement for the quarter and year ended March 31, 2024. (Refer Note 8.1 and Note 11.1 of the Consolidated Financial Statements).*

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

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified in the operating effectiveness of the Group's internal financial controls with reference to consolidated financial statements as at March 31,2024:

a) Provisioning of expected credit loss against non-current contract assets and trade receivables which are outstanding for a substantial period of time, which could potentially result in the group not recognizing a provision against the said assets.

b) Assessment of future taxable profits which could result in recognition of excess deferred tax asset which the group may not be able to utilize for set-off against sufficient future taxable profits

Extract from the audit report on the audited consolidated financial statements for the year ended March 31, 2023:

1) *The carrying value of Deferred Tax Asset (DTA) include an amount of Rs. 33,289.92 Lakhs (March 31, 2022: Rs. 39,645 Lakhs) which is recognized on unabsorbed business losses. Due to unavailability of sufficient appropriate audit evidence to corroborate management's assessment that sufficient taxable profits will be available in the future against which such unabsorbed business losses can be utilised as required by Ind AS 12 on Income taxes, we are unable to ascertain the extent to which the deferred tax asset can be utilized. (Refer Note 43B of the consolidated financial statements).*

2) *Contract Assets (Non-Current) include Rs. 7,351.90 Lakhs (Net of provisions amounting to Rs. 926.98 Lakhs) (March 31, 2022: Rs. 3,956.02 Lakhs) and Trade Receivables (Non-Current) include Rs. 575.21 Lakhs (Ne of provisions amounting to Rs. 82.99 Lakhs) relating to dues on projects which are not progressing on account of statutory delays faced by the customer. In the absence of positive development in this matter till date, there is uncertainty on the amount that would be recoverable by the Company. Further, we do not have sufficient appropriate audit evidence to corroborate management's assessment of recoverability of the said amounts. Accordingly, we are unable to comment on the carrying value of above-mentioned Contract Asset (Non-Current) and Trade Receivables (Non-Current) and the impact if any, on account of non-provisioning of the said balances on the consolidated financial statements. (Refer to Note 8.1 and Note 11.1 of the Consolidated Financial Statements)*

Emphasis of Matter

"We draw attention to the following matters in the Notes to the Consolidated financial statements:

a) *Note 42.1(i) of the Consolidated financial statements, which describes the implementation of Resolution Plan entered into with the lenders dated June 22, 2022, wherein interest waiver, and the difference between the carrying amounts of the facilities before restructuring and the fair values of the new facilities* *has been recognized as income and disclosed under Exceptional items in the statement of profit and loss in accordance with INDAS 109 - Financial Instruments.*

b) *Note 42.1(ii) to the Consolidated financial statements, which states that the management has written off an amount of Rs. 5,819.69 Lakhs towards amounts due on account of work performed on a contract entered into with a customer which was subsequently wrongfully terminated before the completion of the contract due to certain issues at the contract site. Legal disputes / arbitration proceedings have been initiated during the period in respect of projects with the customers*."

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

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified in the operating effectiveness of the Company's internal financial controls with reference to consolidated financial statements as at March 31, 2023

a) Provisioning of expected credit loss against contract assets and receivables which are outstanding for a substantial period of time, which could potentially result in the Company not recognizing a provision for the said assets.

b) Assessment of future taxable profits which could result in recognition of excess deferred tax asset which the Company may not be able to utilize for set-off against sufficient taxable profits. A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control with reference to consolidated financial statements, such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis.

The qualifications added by the Statutory Auditor in the Audited Financial Statements and the Limited Review Financial Statements relate to the carrying value of deferred tax asset. The qualifications have been added on account of non-availability of sufficient evidence to corroborate our internal assessment of availability of sufficient taxable profits in the future against which such carried forward business losses can be utilised. As our Company earned profits in FY 23, FY 24 and in the nine month period ended December 31 24, a need for adjustment to the carrying value of the DTA does not arise. Therefore, our Company does not foresee any impact of the audit qualifications on the financial statements of the Company.

Further, the Statutory Auditor has also added a qualification on recoverability of amounts due from projects stalled due to delays in obtaining approvals from regulatory authorities. These projects could not be completed by the client due to reasons beyond their control and as per the contract arrangements executed with them, the amounts spent on the projects are to be reimbursed by the client. One of the client is the Government authority and the other client is under liquidation and not having any financial creditors. Therefore, our Company is of the view that the entire amount is recoverable and there will be no impact of the qualifications on the financial statements of our Company.

Emphasis of matter in FY 2023 relates to recognition of interest waiver and the difference between the carrying amounts of the facilities before restructuring and the fair values of the new facilities has been recognized as income and disclosed under Exceptional items in the statement of profit and loss to the tune of ₹ 19,634.82 lakhs. The Statutory Auditor has drawn the attention of the Shareholders, on account of placement of the matter as an exception item, and therefore our Company does not foresee the above having any impact on the financial statements.

There can be no assurance that any similar remarks, or matters of emphasis will not form part of our financial statements for the future fiscal periods, which could subject us to additional liabilities due to which our reputation and financial condition may be adversely affected. For further details, please refer to "*Financial Information*" on page 165 of the Letter of Offer.

7. ***We are dependent on and derive a substantial portion of our revenue from a limited number of customers. Our top ten customers contributed to ₹ 45,092.21 lakhs, ₹ 52,496.81 lakhs and ₹ 31,712.89 lakhs during the nine month period ended December 31, 2024, Fiscal 2024 and Fiscal 2023, respectively, which constituted 93.97%, 93.58% and 83.71% of our revenue from operations during the said period. Cancellation by customers or delay or reduction in their orders could have a material adverse effect on our business, results of operations and financial condition.***

We are dependent on a limited number of private and public customers and projects. Our revenue from operations are concentrated with, and we are dependent on, a limited number of customers and projects. The table set forth below provides our consolidated revenue from operations from our top twenty customers, top ten customers and our largest customer and such revenue as a percentage of our operations in the nine month period ended December 31, 2024 and the Financial Years 2024 and 2023:

Revenue from Operations	Nine month period ended December 31, 2024		Fiscal 2024		Fiscal 2023	
	(in ₹ lakhs)	% of revenue from operations	(in ₹ lakhs)	% of revenue from operations	(in ₹ lakhs)	% of revenue from operations
Top Twenty Customers	47,790.92	99.60%	55,152.02	98.31%	36,803.35	97.14
Top ten Customers	45,092.21	93.97%	52,496.81	93.58%	31,712.89	83.71
Largest Customer	10,153.35	21.16%	13,281.65	23.68%	9,496.91	25.07

A break up of the revenue earned from our top five customers in the preceding nine month period ended December 31, 2024 and the Financial Years 2024 and 2023 have been provided below:

Name of customers	December 31, 2024	% of total revenue	FY 24	% of total revenue	FY 23	% of total revenue
Bihar Urban Infrastructure Development Corporation Ltd - Gaya, Bihar	-		13,281.65	21.87%	9,496.91	23.81%
Drinking Water & Sanitation Division - Tandwa, Jharkhand	7,197.88	13.84%	8,392.84	13.82%	2,497.13	6.26%
Drinking Water & Sanitation Division - Choupran , Jharkhand	5,482.27	10.54%	5,547.82	9.14%	-	
Drinking Water & Sanitation Division - Govindpur , Jharkhand	10,153.35	19.53%	4,800.28	7.91%	-	
Drinking Water & Sanitation Division - Margamunda, Jharkhand			4,165.60	6.86%	-	
Ministry of Road Transport and Highways- Kanker to Bedma Section Road Project,Chattisgarh	6,261.10	12.04%	-		3,744.63	9.39%
Irrigation Diviison – Babua and Mohania – Bihar	6,909.33	13.29%				
Drinking Water & Sanitation Division – Dhanbad	-		-		3,252.76	8.15%
Jharkhand Urban Infrastructure Development Company Ltd- Dhanbad, Jharkhand	-		-		4,129.65	10.35%

If we are unable to expand our sales volumes to new or existing customers, maintain our relationships with our key customers or diversify our customer base, we may experience material fluctuations or decline in our revenue and reduction in our operating margins, as a result of which our business, results of operations and financial condition could be materially and adversely affected. In addition, cancellation by customers or delay or reduction in their orders could have a material adverse effect on our business, results of operations and financial condition.

Further, where anticipated orders fail to materialize can result in incurrence of overhead cost thereby increasing our costs relating to maintaining our skilled manpower and reduction of our margins, which may adversely affect our profitability and liquidity. All of these factors could have an adverse impact on our business. For further details, please see "*Our Business - Details of Landmark Projects executed by our Company*" on page 155 of this Letter of Offer.

8. ***We derive a major portion of our revenue from Government Customers, which exposes us to risks inherent in doing business with them and may adversely affect our business, results of operations and financial***

condition.

We are an ISO 9001-2015 QMS DAkkS, ISO 9001-2015 QMS NABCB, ISO 45001-2018 DAkkS & ISO 14001-2015 EMS DAkkS certified Engineering Procurement Construction and Commissioning Company engaged in the business of executing turnkey contracts in engineering, procurement, construction and Commissioning ("**EPC**") and providing end-to-end solutions offering multi-disciplinary services and project management solutions. We also undertake Annual Maintenance Contracts (**AMC's**). We have a clientele comprising of various Central and State Government agencies such as Ahmedabad Urban Development Authority (AUDA), Kerala Water Authority (KWA), Gujarat Water Supply & Sewerage Board (GWSSB), Ahmedabad Municipal Corporation (AMC), Gujarat Water supply & Sewerage Board (GWSSB), Tamil Nadu Water and Drainage Board (TWAD), Karnataka Urban Infrastructure Development Finance Corporation (KUIDF), Bangalore Water Supply & Sewerage Board (BWSSB), Chennai Metro Water Supply & Sewerage Board, Durgapur Steel Plant, Bokaro Steel Plant, SAIL IISCO, Rourkela Steel Plant, Vizag Steel Plant, Hutti Gold Mines Ltd., Kerala Feeds Limited, etc.

A bulk of our business is procured from projects undertaken by us in the infrastructure sector including water and sewerage projects, road projects, mine development projects, projects which involve, setting up of integrated steel plants, conventional thermal power plant, co-generation plants, renewable energy like wind turbines, bio mass *etc*. Our projects are subject to unforeseeable delays and risks. The delays may arise on account of a change in the Central and/or State Governments, changes in policies impacting the public at large, scaling back of Government policies or initiatives, changes in governmental or external budgetary allocation, or insufficiency of funds, withdrawal of sanction by multi-lateral agencies any of which can materially and adversely affect our business, financial condition and results of operations.

Some of the key risks are as follows:

Exposure to governmental clients and PSUs: As on December 31, 2024, contracts and/or orders awarded by the Central and State Governments and PSUs in India constituted major portion of our Order Book in India. Central and State Government policies on environment-related issues may result in foreclosure of contracts. There have been instances in the past wherein the contracts awarded to us were terminated by our clients on account of non-compliance with Central and State Government policies.

Risks related to early termination of the contracts: The infrastructure contracts awarded by the Central and/or State Governments may provide the client with the right to terminate the contract for convenience, without any reason, at any time after providing us with notice, as per the time prescribed in the contract. There have been instances in the past wherein the projects undertaken by our Company were terminated by the concerned authority without attributing any reason to our Company. Our Company has in the past invoked the arbitration clause of the contract executed with the client and challenged such wrongful termination. We cannot assure you that we will be able to recover the remaining amount or any amount for any such terminated project in the future.

Performance guarantee risk: Further, performance guarantees and guarantees for advances are also common and are typically unconditional and payable on demand and may be invoked by the client without reason unless injunctions are obtained by the company. Since the majority of our projects are contracts with the Central and State Governments or public sector undertakings, we are susceptible to such termination or invocation. There have been instances in the past wherein the performance guarantee provided by our Company was invoked by our clients, which have been challenged by us by invoking the arbitration clause of the contract executed with the client. For instance, our Company invoked an arbitration clause against National Mineral Development Corporation ("**NMDC**") in respect of contract value for ₹ 27,499 lakhs and made a claim of ₹ 8,486.62 lakhs including illegal encashment of bank guarantee for ₹ 2,625.01 lakhs before the sole arbitrator. NMDC filed their statement of defense with counter claim of ₹ 16,807.78 lakhs, and the arbitration is currently pending. In the event that a contract is so terminated or invoked without cause, our financial condition and operations will be adversely affected.

Delay in payments: Further, payments from the Central, State and Local Governmental authorities or the PSUs in India may be subject to several delays due to regulatory scrutiny and long procedural formalities, including any audit by the Comptroller and Auditor General of India. If payments under our contracts with the Central, State and Local Governmental authorities in India are delayed, our working capital requirements would be adversely affected, resulting in additional finance costs and increase in our realization cycle. There have been instances in the past wherein there have been significant delays in receiving payments from our clients. Any delay in payments from the central, state and local governmental authorities in India may adversely affect our financial condition and results of operations. The ageing of the outstanding debts for the preceding three years has been provided below:

(₹ in lakhs)

Particulars	Nine month period ended December 31, 2024	FY 24	FY 23
Not due	7,922.77	12,063.46	4,590.99
Upto 6 months	6,890.65	2,314.59	2,361.98
6 months to 1 year	311.47	1,250.01	1,925.39
1-2 year	2,576.90	3,609.84	4,942.79
2-3 years	2,845.11	1,948.87	5,050.61
More than 3 years	3,879.32	1,696.56	5,369.34
Total	**24,426.22**	**22,883.33**	**24,241.10**

Given that we derive a significant portion of our revenue from Central and State Governments as well as government controlled entities, we are exposed to additional risks including:

- stricter regulatory requirements which may increase our compliance costs;
- delays in project implementation and key initiatives where we have invested significant costs;
- delays in payment due to the time taken to complete internal processes of such entities and agencies;
- the tender process may be cumbersome and subject to multiple levels of scrutiny resulting into significant delays and/or renegotiation of the terms of the bid or lowering the price for services included in the tender;
- political and economic factors such as pending elections, changes in leadership among key governmental decision makers, changes or delays in the implementation of government policies, changes in law, revisions in tax policies and reduced tax revenues can affect the number and terms of new government contracts signed;
- any disinvestment by the governmental entities of its shareholding in such entities could result in a change in business operations of such entities, which may impact existing or future business arrangements between our Company and such entities;
- terms and conditions of contracts, including requests for proposals and tenders tend to be more onerous and are often more difficult to negotiate than those for other commercial contracts; and
- in the event of any non-payment or delay in payment by customers, we may be unable to make payments to our third-party contractors who may initiate proceedings against our Company, which may result in an adverse impact on our business, results of operation and financial conditions.

9. ***We earned ₹ 47,762.98 lakhs, ₹ 52,274.43 lakhs and ₹ 37,661.66 lakhs from Government Customers during the nine month period ended December 31, 2024 and the Financial Years ended March 31, 2024, March 31, 2023 and March 31, 2022, respectively, constituting 99.54%, 92.24% and 99.41% of our revenue from operations for the said period. Any decline in the revenue earned from our Government Customers may adversely affect our business, results of operations and financial condition.***

We are an ISO 9001-2015 QMS DAkkS, ISO 9001-2015 QMS NABCB, ISO 45001-2018 DAkkS & ISO 14001-2015 EMS DAkkS certified Engineering Procurement Construction and Commissioning Company engaged in the business of executing turnkey contracts in engineering, procurement, construction and Commissioning ("**EPC**") and providing end-to-end solutions offering multi-disciplinary services and project management solutions. We also undertake Annual Maintenance Contracts (**AMC's**). We have a clientele comprising of various Central and State Government agencies such as Ahmedabad Urban Development Authority (AUDA), Kerala Water Authority (KWA), Gujarat Water Supply & Sewerage Board (GWSSB), Ahmedabad Municipal Corporation (AMC), Gujarat Water supply & Sewerage Board (GWSSB), Tamil Nadu Water and Drainage Board (TWAD), Karnataka Urban Infrastructure Development Finance Corporation (KUIDF), Bangalore Water Supply & Sewerage Board (BWSSB), Chennai Metro Water Supply & Sewerage Board, Durgapur Steel Plant, Bokaro Steel Plant, SAIL IISCO, Rourkela Steel Plant, Vizag Steel Plant, Hutti Gold Mines Ltd., Kerala Feeds Limited, etc. The table set forth below our consolidated revenue from operations from our government and private customers and such revenue as a percentage of our operations in the nine month period ended December 31, 2024 and the Financial Years 2024 and 2023.

Revenue from Operations from	Nine month period ended December 31, 2024		Fiscal 2024		Fiscal 2023	
	(in ₹ lakhs)	% of revenue from operations	(in ₹ lakhs)	% of revenue from operations	(in ₹ lakhs)	% of revenue from operations
Government customers						
Billed directly by our Company	47,088.00	98.13%	51,701.87	91.23%	37,089.10	97.90%
Billed through our unincorporated joint ventures	674.98	1.41%	572.56	1.01%	572.56	1.51%
Private customers						
Private customers billed directly by our Company	221.62	0.46%	4,396.40	7.76%	223.00	0.59%
Total	**47,984.60**	**100%**	56,670.83	100%	37,884.66	100%

Concentration of our business on a Government Customers may have an adverse effect on our results of operations and result in a significant reduction in the award of contracts which could also adversely affect our business if we do not achieve our expected margins or suffer losses on one or more of these large contracts, from such clients. Further, there can be no assurance that the GoI or the state governments will continue to place emphasis on the infrastructure or related sectors. In the event of any adverse change in budgetary allocations for infrastructure development or a downturn in available work in the infrastructure sector or resulting from any change in government policies or priorities, our business prospects and our financial performance, may be adversely affected. The contracts with government entities may be subject to extensive internal processes, policy changes, government or external budgetary allocation, insufficiency of funds and political pressure, which may lead to lower number of contracts available for bidding or increase in the time gap between invitation for bids and award of the contract or lead to renegotiation of the terms of these contracts which may lead to a delay in our business operations. While, any of the aforementioned events have not occurred in the past, however as long as government entities are responsible for awarding contracts to us and are a critical party to the development and ongoing operations of our projects, our business is directly and significantly dependent on projects awarded by them.

With reference to projects where our bids have been successful, there may be delays in award of the projects and/or notification of appointed dates, which may result in us having to retain resources which remain unallocated, thereby adversely affecting our financial condition and results of operations. Any adverse changes in the GoI or state government policies may lead to our contracts being foreclosed or terminated. In addition, we may be restricted in our ability to, among other things, sell our interests to third parties, contract with certain customers or assign our rights or obligations under our contracts to any person. While any of the aforementioned events have not occurred in the past, however, these restrictions may limit our flexibility in operating our business, which could have an adverse effect on our business, prospects, results of operations, cash flows and financial condition.

10. We are exposed to risks emanating from material uncertainty related to going concern.

We draw attention towards the Auditors qualification in the Statutory Audit Report for the period ended March 31, 2022 wherein it was stated that the Company had incurred a net loss of ₹ 26,370.37 Lakhs during the year ended March 31, 2022 and as of that date had accumulated losses aggregating to ₹ 2,15,105.50 Lakhs which had resulted in substantial erosion of its net worth. Further, the COVID-19 pandemic had also impacted the operations resulting in delay of collection relating to project dues. Due to these events or conditions the Statutory Auditor had indicated that a material uncertainty exists that might cast significant doubt on the Company's ability to continue as a going concern. However, the Statutory auditors of our Company have removed this clause for the FY 2024 after the implementation of the restructuring plan for borrowings, infusion of additional equity subsequent to the year end and the Management's plans to meet financial obligations in foreseeable future out of the cash flows from execution of the pipeline of orders in hand, participation in new tenders, future business plans, non-fund based facilities, and realization of trade receivables which is expected to overall improve the revenue of the Company. Further since in the past Company has faced risk relating to continuing as a going concern, we might face such instance in the future despite of our efforts. If any of these risks materialise, it could have a material adverse effect on our business, cash flows, financial condition and results of operations.

11. ***Our Promoter Group entity, Mark AB Welfare Trust has engaged in frequent sales and purchase transactions in the past one year prior to the date of this Letter of Offer. Further, Mark AB Welfare Trust has also contravened the Company's Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons and their Immediate Relatives read with Schedule B and Regulation 9 of the SEBI (Prohibition of Insider Trading) Regulations, 2015.***

Mark AB Welfare Trust, an entity forming part of Promoter Group has been involved in numerous sales and purchase transactions in the preceding one year. Further, the said promoter group entity has also contravened the Company's Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons and their Immediate Relatives read with Schedule B and Regulation 9 of the SEBI (Prohibition of Insider Trading) Regulations, 2015. We cannot assure you that our Promoter Group member shall not engage in frequent sale and purchase transactions or that they will not contravene SEBI (Prohibition of Insider Trading) Regulations, 2015 and SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

The details of the sale and acquisition made by our Promoter and member of our Promoter Group in the preceding one year have been provided below:

Name of the Promoter / Promoter Group	Date	Sale/Purchase	Quantity	Price
Mark AB Welfare Trust	February 25, 2023	Purchase	1,00,00,000	14.64
	February 27, 2023	Purchase	5,58,49,462	14.64
	March 24, 2023	Sale	20,00,000	12.63
	March 27, 2023	Sale	12,00,000	11.73
	March 29, 2023	Sale	19,00,000	11.08
	March 31, 2023	Sale	63,11,869	10.71
	April 10, 2023	Sale	21,00,000	10.81
	April 11, 2023	Sale	60,00,000	10.48
	April 13, 2023	Sale	60,30,000	9.72
	April 26, 2023	Sale	5,00,000	11.35
	April 27, 2023	Sale	30,05,000	10.91
	May 08, 2023	Purchase through Rights Issue	1,55,71,677	10
	May 29, 2023	Sale	15,22,452	9.06
	May 31, 2023	Sale	8,82,522	8.3
	June 1, 2023	Sale	65,00,000	7.74
	June 2, 2023	Sale	65,00,000	7.8
	June 5, 2023	Sale	65,00,000	7.85
	June 6, 2023	Sale	64,53,638	8.28
	June 7, 2023	Sale	60,00,000	7.68
	June 8, 2023	Sale	23,94,519	7.73
	July 14, 2023	Sale	60,00,000	11.3
	July 19, 2023	Sale	16,13,302	11.2
	July 20, 2023	Sale	20,00,000	11.4
	July 21, 2023	Sale	53,86,698	11.45
	September 25, 2023	Purchase	3,00,00,000	12.74
	January 01, 2024	Purchase through Rights Issue	48,29,284	13
	February 16, 2024	Sale	17,10,000	23.63
	February 19, 2024	Sale	14,20,000	23.17
	February 20, 2024	Sale	13,00,000	23.22
	February 21, 2024	Sale	8,74,062	22.57
	April 10, 2024	Purchase	5,00,00,000	17.88
	May 8,2024	Purchase	6,24,89,592	18.60
	May 20,2024	Purchase	3,76,56,904	18.84
	June 3,2024	Purchase	3,95,398	18.85
	Shareholding as on Jun 03, 2024		18,06,88,255	-

Further, our Company has *vide* a letter dated September 16, 2023 informed the Stock Exchanges that Mark AB Welfare Trust, an entity forming part of Promoter Group has contravened the Company's Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons and their Immediate Relatives read with Schedule B and Regulation 9 of the SEBI (Prohibition of Insider Trading) Regulations, 2015. Mark AB

Welfare Trust undertook a number of transactions involving sale of shares of our Company without obtaining pre-clearance and also transacted during trading window closure and execution of contra trade. In view of the above, our Company had imposed a penalty of ₹ 10.00 lakhs on Mark AB Welfare Trust on account of violation of code of conduct of our Company as payable to SEBI Investor Protection and Education Fund and MARK AB Welfare Trust has already remitted the same into the SEBI Investor Protection and Education Fund. The details of transactions in Equity Shares of our Company undertaken by Mark AB Welfare Trust, during the aforementioned periods have been provided below:

Date	Description	Equity Shares bought or sold	Average Price (in ₹)
March 24, 2023	Sale	20,00,000	12.63
March 27, 2023	Sale	12,00,000	11.73
March 29, 2023	Sale	19,00,000	11.08
March 31, 2023	Sale	32,00,000	11
April 6, 2023	Sale	31,11,869	10.71
April 11, 2023	Sale	21,00,000	10.81
April 12, 2023	Sale	60,00,000	10.48
April 15, 2023	Sale	60,30,000	9.72
April 26, 2023	Sale	5,00,000	11.35
April 28, 2023	Sale	30,05,000	10.91
May 29, 2023	Sale	15,22,452	9.06
May 30, 2023	Sale	8,82,522	8.3
May 31, 2023	Sale	65,00,000	7.74
June 1, 2023	Sale	65,00,000	7.8
June 4, 2023	Sale	65,00,000	7.85
June 5, 2023	Sale	64,53,638	8.28
June 6, 2023	Sale	60,00,000	7.68
June 4, 2023	Sale	23,94,519	7.73
July 14, 2023	Sale	60,00,000	11.3
July 19, 2023	Sale	16,13,302	11.2
July 20, 2023	Sale	20,00,000	11.4
July 24, 2023	Sale	53,86,698	11.45

For further details, please see "*Capital Structure*" on page 96 of this Letter of Offer.

Occurrence of any of the aforementioned instances in the future may have a detrimental impact on our trading price and compliance requirements. Any instance of disinvestments of Equity Shares by our Promoters or Prompter Group 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 sale of Equity Shares might occur. Any adverse regulatory action or development against our Promoters or members of our Promoter Group could affect our business reputation, divert management attention, and result in a material adverse effect on our business prospects and financial performance and on the trading price of the Equity Shares.

12. We have in past entered into related party transactions and we may continue to do so in the future.

Our Promoter, Directors Key Managerial Personnel and Senior Management, may be deemed to be interested in our Company, in addition to the regular remuneration or benefits, reimbursements of expenses, Equity Shares held by them or their relatives, their dividend or bonus entitlement, benefits arising from their directorship in our Company. Our Promoter, Directors Key Managerial Personnel and Senior Management may also be interested to the extent of any transaction entered into by our Company with any other company or firm in which they are directors or partners. Please see below a summary of the related party transactions executed between our Promoter, Directors Key Managerial Personnel and Senior Management as per the Limited Review Report for the nine month period ended December 31, 2024 and the Audited Financial Statements as at and for the Financial Years ended on March 31, 2024 and 2023:

(₹ in lakhs)

Description and Nature of Transaction	Name of the Related Party	Relation of the related party	Nine month Period ended December 31,2024	For the Year Ended March 31, 2024	For the Year Ended 31 March 2023
Transfer of Advances / Receivables – Receipt of funds	SVL Ltd	Promoter (till 23rd September 2022)	-	-	7,433.87
Amount Invested as Equity – Equity Subscription received from Promoter	Mark A B Investment LLC (effective from 24th September 2022)	Promoter (from 24th September 2022)	-	-	35,000.00
Unsecured loans – Received from Promoter	MARK AB Capital Investment India Private Limited	Subsidiary of Promoter (from 24th September 2022)	416.79	4,000.00	900.00
Compensation of Key Management Personnel – Payment of compensation to KMP	Compensation paid	Key Management Personnel	163.28	161.61	318.12
Loan paid to Key Management Personnel – Payment of Loan to KMP	Loan paid to KMP	Key Management Personnel	-	35.00	-
Company's share in Loss of integrated joint ventures – Company`s share of Loss from JV	Larsen & Toubro Limited Shriram EPC JV-	JV Partner for 10% stake	-	-	10.36
Progressive Billings / Revenue – Share of Revenue from JV	Shriram EPC Eurotech Environmental Private Limited JV	JV Partner for 82.14% stake	103.17	34.13	121.00
Progressive Billings / Revenue – Share of Revenue from JV	SEPC DRS ITPL JV	JV Partner for 98% stake	572.29	301.35	102.00

For further details, please see the section titled "*Financial Information"* at page 165 of this Letter of Offer. While we believe that all our related party transactions have been conducted on an arm's length basis and in accordance with the provisions of the Companies Act and SEBI LODR Regulations, we cannot assure you that we may not have achieved more favourable terms had such transactions been entered into with unrelated parties. There can be no assurance that such transactions, individually or taken together, will not have an adverse effect on our business, prospects, results of operations and financial condition, including because of potential conflicts of interest or otherwise. In addition, our business and growth prospects may decline if we cannot benefit from our relationships with them in the future.

13. ***Our funding requirements and proposed deployment of the Gross proceeds are based on management estimates and have not been independently appraised and may be subject to change based on factors, some of which may be beyond our control.***

The Net Proceeds are proposed to be utilised towards repayment or prepayment of secured loans and funding of working capital requirements. For further details, please refer to the chapter titled "*Objects of the Issue*" on page 102 of this Letter of Offer. Further, an amount not exceeding 25% of the gross issue proceeds are proposed to be utilized for general corporate purposes as permitted under SEBI ICDR Regulations. It is to be noted that the aforesaid deployment of proceeds towards various objects are not appraised by any institution or independent agency. Although the payment of dues to creditors will be as approved in the Resolution Plan, the payment to various categories of creditors is proposed in a manner to be decided by the Board of Directors of the Company in the best interests of the Company considering the operational requirements of our Company. Although, the deployment of the Gross Proceeds will be monitored by the Monitoring Agency, there can be no assurance that the allocation of funds for different objects proposed in the issue would serve the best interests of the Company or that the Company will be able to achieve the results it aims to achieve through the deployment of funds being raised in the rights issue.

14. ***There are outstanding litigations involving our Company and our Subsidiaries of an approximate amount aggregating up to ₹ 65,999.92 lakhs which, if determined adversely, may adversely affect our business and financial condition.***

As on the date of this Letter of Offer, our Company and our Subsidiaries are involved in certain legal proceedings. These legal proceedings are pending at different levels of adjudication before various courts and tribunals. The amounts claimed in these proceedings have been disclosed to the extent ascertainable and include amounts claimed jointly and/or severally from us and/or other parties, as the case may be. We cannot assure you that these legal proceedings will be decided in favour of our Company and our Subsidiaries, as the case may be, or that no further liability will arise out of these proceedings. We may incur significant expenses in such legal proceedings and we may have to make provisions in our financial statements, which could increase our expenses and liabilities. Any adverse decision may adversely affect our business, results of operations and financial condition.

A summary of the pending tax proceedings and other material litigations involving our Company and our Subsidiaries are provided below:

Nature of cases	**Number of cases**	**Amount involved* (₹ in lakhs)**
Proceedings involving moral turpitude or criminal liability on our Company	Nil	Nil
Proceedings involving material violations of statutory regulation by our Company	9	211.12
Matters involving economic offences where proceedings have been initiated against our Company	Nil	Nil
Other proceedings involving our Company and Subsidiary which involve an amount exceeding the Materiality Threshold or are otherwise material in terms of the Materiality Policy, and other pending matters which, if they result in an adverse outcome would materially and adversely affect the operations or the financial position of our Company and Subsidiary	15	65,788.8

**To the extent quantifiable*

For further details, please refer to the section titled "*Outstanding Litigations and Defaults*" on page 247 of this Letter of Offer.

15. ***Our secretarial auditor, Srinidhi Sridharan & Associates, Company Secretary, has included certain qualifications, reservations and adverse remarks in the secretarial audit report for the Financial Years ended March 31, 2023 and March 31, 2022, prepared in accordance with the Companies Act and SEBI Listing Regulations which include matters, including but not limited to, failure to appoint a woman Independent Director, failure to maintain minimum of 6 directors as required under the regulation 17(1)(c) of the SEBI Listing Regulations, failure to appoint a company secretary within the timeline prescribed under Section 203 of the Companies Act 2013 read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and submission of factual outcomes with the Stock Exchanges, with delay, etc.***

Our secretarial auditor, Srinidhi Sridharan & Associates, Company Secretary has included certain qualifications, reservations and adverse remarks in the secretarial audit report for the Financial Years ended March 31, 2023 and March 31, 2022, details of which have been provided below:

Details of qualifications, reservations and adverse remarks for the Financial Year ended March 31, 2023:

S. No.	**Details of qualifications/ reservations/ adverse remarks**	**Justification of our Company included in the Director's report**
1.	"*The Company did not have Woman Independent Director on its Board as required under second proviso of subsection(1) of Section149 of the Act read with the (Companies Appointment and Qualification of Directors) Rules, 2014 and Regulation 17(1)(a) of SEBI Listing Regulations for the period from September 24, 2022 to January 29 2023. However as per the information and explanations provided by the Company, the Company has appointed Ms. Gayathri Sundaram as Additional and Independent Director of the Company with effect from January 30 2023.*"	"*Due to certain unforeseen circumstances, there was a delay in identifying a person whose knowledge and skills commensurate with the functioning and operations of the Company. Subsequently the fine had been paid as levied by the Stock Exchanges.*"

S. No.	Details of qualifications/ reservations/ adverse remarks	Justification of our Company included in the Director's report
2.	"*The Company did not have the optimum or statutory minimum of 6 directors as required under the regulation 17(1)(c) of the SEBI Listing Regulations for the period from September 24 2022 to January 29 2023.*"	"*Due to certain unforeseen circumstances, there was a delay in identifying the persons whose knowledge and skills commensurate with the functioning and operations of the Company. The said vacancy was filled up subsequently.*"
3.	"*The Company has not made any disclosure to the stock exchange for the Quarter ended June 30 2022, September 30 2022, December 31 2022 and March 31 2023 regarding default on loans, including revolving facilities like cash credit, from banks pursuant to SEBI/HO/CFD/CM D1/CIR/P/2019/140 dated November 21 2019 which continues beyond 30 days.*"	"*A resolution plan was under process and the Master Restructuring Agreement was signed on 22-06-2022 for restructuring the Debts of the Company. The loans have been already closed as per the Resolution Plan.*"
4.	"*The Withdrawal of Nomination of Mr. Kallika Prasad which was on February 24 2022 has been disseminated to the Stock Exchange on May 30 2022 exceeding the time period specified under Regulation 30(6) of Listing Regulations read with Schedule III, Part A, Para A, Clause 7.*"	"*The Company had received an email directly from the Nominee Director and considering materiality it has been intimated accordingly. Further, the Company had approached Punjab National bank, who had nominated the said Director. The filing was done, upon getting an official confirmation from PNB.*"
5.	*"The Company has submitted its Annual audited financial results for the financial year ended March 31 2022, on June 24 2022 exceeding the time period prescribed under Regulation 33(3)(d) of SEBI Listing Regulations."*	"*The agenda which was originally scheduled to be passed on 30th May 2022 had been re-scheduled to 24th June 2022 due to change in Management of the entity. Subsequently the fine had been paid as levied by the Stock Exchanges.*"
6.	*"The Company has submitted its Annual Secretarial Compliance Report to stock exchange on June 29 2022, exceeding the time period prescribed under Regulation 24A(2) of SEBI Listing Regulations."*	"*The delay was due to some technical glitches. Further as informed by the listed entity, no fine had been levied by the Stock Exchanges.*"
7.	*"The Company has submitted the Outcome of Board Meeting (dated June 24 2022 in which its financial results were considered) with a delay of 1 hour and 2 minutes exceeding the time period specified under Regulation 30 of SEBI Listing Regulations read with Schedule III Part A, Para A, Clause H in the National Stock Exchange of India."*	"*The delay was due to technical glitches in the NSE website.*"
8.	*"The Company has submitted its disclosure to the stock exchange, (w.r.t Mr. T. Shivaraman and Mr. Mohammed Amjat Shariff retirement on September 19 2022) on September 23 2022, exceeding the time period prescribed under Regulation 30 of Listing Regulations, read with Schedule III Part A, Para A Clause 7."*	"*The delay was due to the fluid situation prevailed due to change in management as necessitated by the Resolution plan.*"
9.	*"(a) The Company has not filed the Monitoring Agency Report and Statement of Deviation and variation for the Quarter ended June 30 2022 violating Regulation 32(6) of SEBI Listing Regulations.* *(b) The Company has filed the Monitoring Agency Report and Statement of Deviation on November 15 2022 for the Quarter ended September 30 2022 exceeding the time period prescribed under the above stated regulation."*	"*The funds were received in eight tranches and the monitoring Agency gave a consolidated report. upon receipt of the entire amount, the same has been filed."*

Details of qualifications, reservations and adverse remarks for the Financial Year ended March 31, 2022:

Sr. No	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
1	The Company shall have a full-time company secretary in employment as per Section 203 of the Companies Act 2013 read with Rule 8 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 6 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.	The Company Secretary has resigned from office with effect from 04th June 2021, and it is observed that the Company had only appointed the company secretary with effect from 11th Feb 2022, therefore beyond 6 (Six) months the Company was not having a full time company secretary on roll.	The Company has regularised the Compliance Officer appointment by appointing Mr. R S Chandrasekharan, CFO with effect from 04th June 2021 during the absence of the Full time Company Secretary.
2	Reg 34 (1): the Annual Report copies shall be sent to Stock Exchanges with 21 clear days' notice excluding the date of Meeting and date of sending the Notice	It is observed that the Company has submitted the Annual Report copies to the Stock Exchanges on 07th Sept 2021 and since the Annual General Meeting held on 28th Sept 2021, there is a delay of 1 day.	The date of dispatching the Notice and Date of meeting shall be excluded while reckoning the Clear days' Notice. Note: As per the explanation provided by the Company, the said delay is due to technical error.

The following are the details of actions taken against the Company / its Promoter/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued there under:

Sr. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any.
1.	*BSE*	*Regulation 6: Noncompliance with requirement to appoint a qualified company secretary as the compliance officer*	*Fine of INR 33,040/-*	*The Company had made the payment of fine of INR 33040/ through PNB cheque no.832932 dated 10.03.2022.*
2.	*NSE*	*Regulation 6: Noncompliance with requirement to appoint a qualified company secretary as the compliance officer*	*Fine of INR 33,040/-*	*The Company had made the payment of fine of INR 33040/- through PNB cheque no.913162 dated 24.02.2022.*

The current status of the non-compliances highlighted by the secretarial auditor in the secretarial audit report of our Company under SEBI Listing Regulations has been provided below:

S. No.	Details of non-compliances	Status
1.	The Company did not have Woman Independent Director on its Board as required under second proviso of subsection (1) of Section149 of the Act read with the (Companies Appointment and Qualification of Directors) Rules, 2014 and Regulation 17(1)(a) of SEBI Listing Regulations for the period from September 24 2022 to January 29 2023. However as per the information and explanations provided by the Company, the Company has appointed Ms. Gayathri Sundaram as Additional and Independent Director of the Company with effect from January 30 2023.	Since Complied and Fine for delay as levied by the Stock Exchanges, has been paid.
2.	The Company did not have the optimum or statutory minimum of 6 directors as required under the regulation 17(1)(c) of the SEBI Listing Regulations for the period from September 24 2022 to January 29 2023.	Vacancy has been filled up

S. No.	Details of non-compliances	Status
3.	The Company has not made any disclosure to the stock exchange for the Quarter ended June 30 2022, September 30 2022, December 31 2022 and March 31 2023 regarding default on loans, including revolving facilities like cash credit, from banks pursuant to SEBI/HO/CFD/CM D1/CIR/P/2019/140 dated November 21 2019 which continues beyond 30 days.	The default has since been rectified as per the Resolution Plan.
4.	The Withdrawal of Nomination of Mr. Kallika Prasad which was on February 24 2022 has been disseminated to the Stock Exchange on May 30 2022 exceeding the time period specified under Regulation 30(6) of Listing Regulations read with Schedule III, Part A, Para A, Clause 7.	The Company had received an email directly from the Nominee Director and considering materiality it has been intimated accordingly. Further, the Company had approached Punjab National bank, who had nominated the said Director. The filing was done, upon getting an official confirmation from PNB.
5.	The Company has submitted its Annual audited financial results for the financial year ended March 31 2022, on June 24 2022 exceeding the time period prescribed under Regulation 33(3)(d) of SEBI Listing Regulations.	Fine had been paid as levied by the Stock Exchanges.
6.	The Company has submitted its Annual Secretarial Compliance Report to stock exchange on June 29 2022, exceeding the time period prescribed under Regulation 24A(2) of SEBI Listing Regulations.	The delay was due to some technical glitches. Further as informed by the listed entity, no fine had been levied by the Stock Exchanges.
7.	The Company has submitted the Outcome of Board Meeting (dated June 24 2022 in which its financial results were considered) with a delay of 1 hour and 2 minutes exceeding the time period specified under Regulation 30 of SEBI Listing Regulations read with Schedule III Part A, Para A, Clause H in the National Stock Exchange of India.	The delay was due to technical glitches
8.	The Company has submitted its disclosure to the stock exchange, (w.r.t Mr. T. Shivaraman and Mr. Mohammed Amjat Shariff retirement on September 19 2022) on September 23 2022, exceeding the time period prescribed under Regulation 30 of Listing Regulations, read with Schedule III Part A, Para A Clause 7.	The delay was due to the fluid situation prevailed due to change in management as necessitated by the Resolution plan.
9.	(a) The Company has not filed the Monitoring Agency Report and Statement of Deviation and variation for the Quarter ended June 30 2022 violating Regulation 32(6) of SEBI Listing Regulations. (b) The Company has filed the Monitoring Agency Report and Statement of Deviation on November 15 2022 for the Quarter ended September 30 2022 exceeding the time period prescribed under the above stated regulation.	The funds were received in eight tranches and the monitoring Agency gave a consolidated report. upon receipt of the entire amount, the same has been filed.

Except as disclosed in this Risk Factor and in Risk Factor 32 – "*As the securities of our Company are listed on Stock Exchanges in India, our Company is subject to certain obligations and reporting requirements under the SEBI Listing Regulations. Any non-compliances/delay in complying with such obligations and reporting requirements may render us liable to prosecution and/or penalties*", there have not been any instances in the past wherein, our Company has failed to comply with the requirements of the SEBI Listing Regulations in a timely manner.

16. ***Our projects are subject to construction, financing and operational risks along with other risks with respect to our engineering and construction business, including, without limitation, costs increase above estimates, changes in scope of work and time, cost overruns and imposition of penalties by the client, which may cause us to experience reduced profits or losses and, in some cases, cancellation or deferrals of contracts.***

The construction of new projects involves various risks, including, among others, regulatory risk, construction risk, financing risk, risk due to spike in commodity prices and the risk that these projects may prove to be unprofitable. We may need to undergo certain changes to our operations as a result of entering into these new projects. Entering into any new project may pose significant challenges to our management, administrative, financial and operational resources. We cannot provide any assurance that we will succeed in any new projects we may enter into or that we will recover our investments. If the funding requirements and project costs for these projects are higher than as estimated, we will need to find sources to fund the extra costs which may not be readily available. Any failure in the development, construction, financing or operation of any of our significant new projects will likely materially and adversely affect our business, prospects, financial condition and results of operations.

We may be adversely affected by investment in the development of our ongoing and other new projects because, among others:

- the contractors hired by us may not be able to complete the construction of projects on time, within budget or to the specifications and standards set out in our contracts with them;
- delays in completion and commercial operation could increase the financing costs, including due to increase in prices of raw materials, associated with the construction and cause our forecasted budget to be exceeded;
- we may not be able to obtain adequate working capital or other financing to complete construction of and to commence operations of our projects; and
- we may not be able to recover the amounts we may have invested in our projects if the assumptions contained in the feasibility studies for these projects do not materialize.

We enter into contracts to provide services primarily on the basis of item rated contracts and/or lump sum turnkey projects per unit of work or a lump sum for the project as a whole. While typically these types of contracts include suitable escalation clauses for increases in the costs of materials and labour, there are certain contracts wherein such provision does not exist or in which the escalation clause is limited, which results in our Company bearing all or a portion of the increased costs. While we attempt to anticipate and account for any contingencies when determining our contract price, there is no assurance that we will be able to successfully secure contract prices that build in adequate amounts to cover any such contingencies. Contract prices are established in part on cost and scheduling estimates, which are based on a number of assumptions, including future economic conditions, the price and availability of labour, equipment and materials and other relevant factors. If any of these estimates prove inaccurate or circumstances change, cost or time overruns may occur and we could experience delay in realisation of the revenues and reduced profits, or in some cases incur losses. There have been instances in the past wherein our projects have experiences time and cost overruns, any such future instances could impact our revenue, profits and financial condition.

The details of cost overrun experienced by the Company in its key completed projects have been provided below:

S. No.	Name of Project	Project Code	Location	Total Billing as on December 30, 2024	Total Cost Incurred as on December 30, 2024	Date of Award	Original completion date	Actual Completion in
1	UP JAL NIGAM WATER PROJECT	MS-PR1501	VARANASI, UTTAR PRADESH	7,587.51	9,132.15	May 2, 2015	March 21, 2021	June 21, 2022
2	BUIDCO, GAYA WATER PROJECT	MS-WA1706	GAYA, BIHAR	30,609.97	27,742.62	May 3, 2015	September 30, 2021	November 12, 2022
3	RINL, VIZAG, SM 1	PM-ST1318	VIZAG, ANDHRA PRADESH	18,583.72	18,464.51	May 4, 2015	December 31, 2020	March 27, 2023
4	RINL, VIZAG, SBM	PM-ST0807	VIZAG, ANDHRA PRADESH	9,060.26	6,375.39	May 5, 2015	July 23, 2018	September 22, 2022
5	HUTTI GOLD MINES	MP-MM1218	HUTTI, KARNATAKA	23,185.42	22,532.32	May 6, 2015	March 31, 2021	August 20, 2024

S. No.	Name of Project	Project Code	Location	Total Billing as on December 30, 2024	Total Cost Incurred as on December 30, 2024	Date of Award	Original completion date	Actual Completion in
6	KERALA FEEDS LIMITED	PM-CP1401, 02,03	THODUPUZHA, IDUKKI, KERALA	3,339.05	3,090.40	May 7, 2015	December 31, 2020	March 23, 2023
7	Bharat Petroleum (BPCL)	PM-CP1314	Kerala	6,638.93	9,434.20	May 8, 2015	August 4, 2016	January 20, 2020
8	GMR	MS-WA1038	Chatisgarh	5,940.03	6,352.09	May 9, 2015	September 30, 2013	March 31, 2016
9	RUIDP - BARMER	MS-WA1206	Rajasthan	933.65	1,113.21	May 10, 2015	October 31, 2015	February 20, 2020
10	RUIDP - NAGAUR	MS-WA1209	Rajasthan	912.68	1,282.66	May 11, 2015	August 15, 2017	August 15, 2017
11	CMWSSB, PAMMAL	MS-WA1313	PAMMAL, CHENNAI, TAMILNADU	4,552.16	5,118.00	May 12, 2015	September 30, 2020	April 30, 2022
12	CMWSSB, PALLAVARAM	MS-WA1312	PALLAVARAM, CHENNAI, TAMILNADU	4,463.55	5,424.00	May 13, 2015	October 31, 2020	June 24, 2022
13	MECON, RANCHI	PM-SP1031	WRM PROJECT AT VIZAG STEEL PLANT	993.88	812.24	May 14, 2015	March 21, 2014	February 20, 2020
14	SAIL – DSP	PM-ST1001	DURGAPUR STEEL PLANT – MSM	10,073.23	6,309.66	May 15, 2015	December 31, 2020	December 31, 2020
15	SAIL – RSP	PM-KL0801	ROURKELA STEEL PLANT – BPP	29,627.86	23,451.87	May 16, 2015	July 31, 2013	November 16, 2020
16	JUIDCO – KHUNTI	MS-WA1803	KHUNTI, JHARKAND	4,580.00	6,182.96	May 17, 2015	January 17, 2021	December 29, 2023
17	CMWSSB	MS-WA1601	PALLIKARANAI/MUGALIVAKKAM	6,103.72	6,530.61	May 18, 2015	September 30, 2020	April 30, 2021
18	CMWSSB	MS-WA1008	PORUR	3,402.00	3,915.07	May 19, 2015	December 31, 2020	July 31, 2023

Note: Since we majorly deal with Government related projects, which are susceptible to delay in completion. In case of delay of projects beyond the average completion/estimated time, our Company has to bear all the overhead costs such as bank guarantee extensions, material escalation costs (if any), salary of the workers and other employee costs associated with the same, insurance etc. However at the time of bidding for the projects we always take an estimate of 12 to 18 months of delay in hand while bidding for the projects, hence in cases where the project completion is delayed, the cost borne by us gets covered.

In addition to the aforesaid, we also bear the risk of any underestimation of the amount of work or the quantity of material required. Unanticipated costs or delays in performing part of the contract can have compounding adverse effects on performing other parts of the contract.

Additionally, deviation from pre-bid estimates with respect to costs, scope of work, time overruns *etc*. can adversely impact profitability of projects and also result in our projects getting delayed. Our actual expense in executing a project under construction may vary substantially from the assumptions underlying our bid for various reasons, including, unanticipated increases in the cost of construction materials, fuel, labour or other inputs, unforeseen construction conditions, including the inability of the client to obtain requisite environmental and other approvals resulting in delays and increased costs, delays caused by local weather conditions and suppliers' failures to perform. These inherent risks of our business may result in realized gross profits differing from those we originally estimated and reduced profitability or losses. Our ability to pass on such increases in costs and expenses may be limited in the case of contracts with limited or no price escalation provisions. Depending on the size of a project, these variations from estimated contract performance could have a material adverse effect on our operating results for any particular period.

Further, there may be certain construction related faults which could typically result in revision/modification to our design and engineering thereby resulting in increased expenditure including interest costs, cost of operations on account of additional work executed towards rehabilitation and further expenditure incurred towards appointment of external consultants for assistance in revising our design. We may not be able to recover such increased costs from our customers in part, or at all, and may further be subject to penalties, including liquidated damages on account of such construction faults arising in our projects. We may further face 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 are dependent upon our clients permitting extension of time of completion of such projects.

There can be no assurance that any cost escalation or additional liabilities in connection with the development of such projects would be fully offset by amounts due to us pursuant to the guarantees and indemnities, if any, provided by our contractors or insurance policies that we maintain. Delays in completion and commercial operation of our projects under construction could increase the financing costs associated with the construction and cause costs to exceed our forecasted budgets. We also cannot assure you that our clients will permit such revised completion schedule to be implemented to the necessary extent or at all, and we may be held in breach of the terms and conditions of the contracts in respect of such projects pertaining to completion schedule. Further, such construction faults may result in loss of goodwill and reputation and may have a material and adverse impact our eligibility in respect of future bids made by us towards projects, thereby affecting our future operations and revenues.

Pursuant to certain agreements entered into with various clients, we may also be required to indemnify our clients against losses and damages incurred by them, including damages and penalties for delays in execution of a project. Our liability to pay liquidated damages is generally limited and capped. However, in the event we terminate any sub-contractor, due to any contractual default of their part, it may affect our results of operations and our financial condition. Additionally, we are also subject to costs associated with warranty, recall and liability due to defects in our projects or related after sales services and attendant adverse publicity These warranties require us to cover any defects after the handover of the property to the customer for a specified period (typically 12 months).We are also required to provide performance bonds which provide that we are responsible for the completion of projects, as well as warranty bonds covering our warranties obligations after completion of a project. These actions could require us to spend considerable resources in correcting the problems and could adversely affect demand for our design and construction operations services. A failure to meet quality standards could expose us to the risk of liability claims during the project execution period when our obligations are typically secured by performance guarantees, which typically range from 5% to 10% of the contract price, and during the defects liability period, which typically runs for 12 months, from the date of handover. Any defects in our work could also result in customer claims for damages. Moreover, defects in our projects that arise from defective components supplied by external suppliers may or may not be covered under warranties provided by such suppliers. In defending claims for damages from customers, we could incur substantial costs and adverse publicity also be generated. In the event that the defects are not rectified to the satisfaction of our customers, the customers may decide not to pay part or all of the fees under the contract, make substitute performance at our cost and/or invoke the performance or warranty bonds. During the Financial Years ended March 31, 2024 and March 31, 2023, our Company invoked an arbitration clause against National Mineral Development Corporation ("**NMDC**") in respect of contract value for ₹ 27,499 lakhs and made a claim of ₹ 8,486.62 lakhs including illegal encashment of bank guarantee for ₹ 2,625.01 lakhs before the sole arbitrator. NMDC filed their statement of defense with counter claim of ₹ 16,807.78 lakhs, and the arbitration is currently pending. While, the aforementioned instances have occurred in the past, however occurrence of any future instances, could have a material adverse impact on our business, results of operations, financial condition and prospects.

17. ***We rely on third parties to complete certain projects and any failure arising from the non-performance, late performance or poor performance by such third parties, or failure by a third-party subcontractor to comply with applicable laws could affect the completion of our contracts, reputation and financial performance.***

We are engaged as the main contractor and we further sub-contract part of our work on all of our projects. Our subcontracting cost (on a consolidated basis) for the nine month period ended December 31, 2024 and the Financial Years 2024 and 2023, is as follows:

Particulars	Nine month period ended December 31, 2024		Fiscal 2024		Fiscal 2023	
	(in ₹ lakhs)	% of total expenditure	(in ₹ lakhs)	% of total expenditure	(in ₹ lakhs)	% of total expenditure
Sub-contracting expenses	27,844.92	57.93%	26,214.95	44.86%	15,099.49	31.59

As we rely on third-party subcontractors to perform a substantial amount of the work under our contracts, our payments are dependent on, *inter alia*, the performance of the sub-contractors. We also rely on third-party equipment manufacturers or suppliers to provide the equipment and materials used for engineering and construction projects. The engagement of subcontractors is subject to certain risks, including difficulties in overseeing the performance of such subcontractors in a direct and effective manner, failure to complete a project where we are unable to hire suitable subcontractors, or losses as a result of unexpected subcontracting cost overrun. As the subcontractors have no direct contractual relationship with our clients, we are solely subject to risks associated with non-performance, late performance or poor performance by our subcontractors. While we have faced past instances of non-performance, late performance or poor performance by the third parties arising out of sub-contraction of activities, we cannot assure you that such instances would not occur in the future. The number of instances and amount involved towards invocation of performance guarantees of sub-contractors during the nine month period ended December 31, 2024 and the Financial Years 2024 and 2023 have been provided below:

Particulars	Nine month period ended December 31, 2024	FY 24	FY 23
No of instances	-	-	4
Amount involved (₹ in lakhs)	-	-	45.51

As a result, we may experience deterioration in the quality of our projects, inordinate delays in completion of our projects, incur additional costs, or be exposed to liability in relation to the performance of subcontractors under the relevant contracts, which may have an impact on our profitability and financial performance.

In addition, any failure of the subcontractor to comply with applicable laws, rules or regulations, to obtain the necessary approvals, or provide services as agreed in the contract or failure on our part to engage third party consultants and service providers could affect the completion of our contracts and could negatively impact our business and may result in fines, penalties or even delay and suspension of work and/or contracts. If we are unable to hire qualified subcontractors or find competent equipment manufacturers or suppliers, our ability to successfully complete a project could be impaired. If the amount we are required to pay to the subcontractors or equipment and supplies exceeds what we have estimated, especially in a fixed-price or lump-sum type contract, we may suffer losses on these contracts. If a supplier, manufacturer or subcontractor fails to provide supplies, equipment or services as required under a negotiated contract for any reason or if a subcontractor engaged by us has misrepresented its qualification or eligibility to undertake a specific project, we may be required to source these supplies, equipment or services or a replacement for such sub-contractor (as the case may be) on a delayed basis or at a higher cost than anticipated, which could impact contract profitability. While we have faced instances of delay in execution of projects by the sub-contractor on account of delay in providing labour, equipment or services, however we haven't faced any instances of misrepresentation by sub-contractors in the past, Any misrepresentation by a subcontractor as to its qualification or eligibility may affect our ability to successfully complete a project and thereby harm our reputation.

18. ***Our business is working capital intensive. If we experience insufficient cash flows to meet required payments on our debt and working capital requirements, there may be an adverse effect on our operations.***

Our business is working capital intensive and predominantly requires non-fund based working capital finance like letter of credit, bank guarantee, *etc.* in the ordinary course of its operations. The working capital requirement of our Company is based on certain assumptions, and therefore, any change of such assumptions would result in changes to our working capital requirements. In many contracts, significant amounts of non-fund based working capital are required to finance the purchase of services and materials, the performance and maintenance and other work on our projects before payment is received from clients. Our non-fund based working capital requirements may increase due to an increase in the size of our operations and the increase in credit period of any of our customers. In addition, we may need to incur additional indebtedness in the future to satisfy our working capital requirements. Details of fund based working capital of our Company during the nine-month period ended December 31, 2024, have been provided below:

Sl No	Bank Name	FUND BASED					
		Cash Credit		TERM LOAN		Total	
		Limit	Outstanding	Limit	Outstanding	Limit	Outstanding
1	Punjab National Bank	1,058.53	1,045.41	-	-	1,058.53	1,045.41
2	Axis Bank	236.43	208.33	-	-	236.43	208.33
3	IDBI Bank	876.94	617.00	-	-	876.94	617.00

Sl No	Bank Name	FUND BASED					
		Cash Credit		TERM LOAN		Total	
		Limit	Outstanding	Limit	Outstanding	Limit	Outstanding
4	Central Bank	1,593.86	1,476.98	1,580.00	1,156.49	3,173.86	2,633.46
5	Indian Bank	213.95	185.29	-	-	213.95	185.29
6	Bank Of India	159.57	143.20	-	-	159.57	143.20
7	Federal Bank	213.95	214.13	-	-	213.95	214.13
8	DBS (e LVB)	442.29	441.29	-	-	442.29	441.29
9	Bank of Baroda	298.46	297.68	-	-	298.46	297.68
10	ARCIL (SIB)	-	-	660.00	660.00	660.00	660.00
11	Bank Of Maharashtra	208.11	207.24	-	-	208.11	207.24
12	Union Bank of India	267.44	265.70	-	-	267.44	265.70
13	ACRE	-	-	140.00	102.19	140.00	102.18
14	IFCI Factors	265.00	-	-	-	265.00	-
15	Indusind Bank	347.90	341.88	-	-	347.90	341.88
16	Yes Bank	139.34	136.56	-	-	139.34	136.56
17	State Bank of India	802.77	743.83	-	-	802.77	743.83
18	ICICI Bank	80.46	79.34	-	-	80.46	79.34
Total		**7,205.00**	**6,403.86**	**2,380.00**	**1,918.68**	**9,585.00**	**8,322.52**

(₹ in lakhs)

Position as on December 31, 2024								
Sl No	Bank Name	Non Fund Based						
		LC's		BG's		Exposure Conversion	Total	
		Limit	Utilisation	Limit	Utilisation		Limits	Utilisation
1	Punjab National Bank	6,703.00	2,638.15	24,986.00	22,538.90	1,296.47	32,985.47	25,177.05
2	Axis Bank	2,165.00	-	8,069.00	3,232.17	289.57	10,523.57	3,232.17
3	IDBI Bank	1180.06	102.43	394.00	-	-	1,574.06	102.43
4	Central Bank	3,944.00	3,778.57	2,500.00	2,006.21	1,952.14	8,396.14	5,784.78
5	Indian Bank	1,061.00	4,647.33	3,954.00	247.69	262.05	5,277.05	4,895.02
6	Bank Of India	1,929.00	1,760.64	2,670.00	2,085.08	195.43	4,794.43	3,845.72
7	Federal Bank	86.00	-	39.00	-	262.05	387.05	-
8	Bank of Baroda	-	-	-	-	366.00	366.00	-
9	Lakshmi Vilas Bank	-	-	149.00	-	541.71	690.71	-
10	South Indian Bank	-	-	526.00	525.88	-	526.00	525.88
11	ARCIL	823.00	-	-	-	-	823.00	-
12	Bank Of Maharashtra	992.00	1,650.98	2,406.00	1,745.90	254.89	3,652.89	3,396.89
13	Union Bank of India	161.00	45.93	-	-	327.56	488.56	45.93
14	Indusind Bank	121.00	-	1,199.00	-	426.10	1,746.10	-
15	Yes Bank	-	-	78.00	56.41	170.66	248.66	56.41
16	State Bank of India	1,183.00	996.19	4,411.00	3,128.95	983.20	6,577.20	4,125.14
17	ICICI Bank	58.00	-	216.00	56.41	98.54	372.54	56.41
	Total	**20,406.06**	**15,620.22**	**51,597.00**	**35,623.63**	**7,426.37**	**79,429.43**	**51,243.84**

In addition, we may need to incur indebtedness in the future to satisfy our working capital requirements. The expenditure incurred by us towards execution of our projects during the nine- month period ended December 31, 2024 and the Fiscals ended March 31, 2024 and March 31, 2023, were ₹ 39,082.04 lakhs, ₹ 46,671.76 lakhs and ₹ 31,905.03 lakhs, respectively which constituted, 75.17%, 79.86% and 62.35%, of our total expenses for such periods, respectively, on an audited consolidated basis

In general, we may make provisions for bad debts, based primarily on ageing and other factors such as special circumstances relating to specific clients. There can be no assurance that the payments will be remitted by our clients to us on a timely basis or that we will be able to efficiently manage the level of bad debt arising from such payment practice. The bad debts and provisioning for expected credit losses for the nine month period ended December 31, 2024 and the Fiscals ended March 31, 2024 and March 31, 2023 were ₹ Nil lakhs, ₹ 10,514.45 lakhs and ₹723.80 lakhs, respectively.

Further, one of the objects of this Issue include funding of working capital requirements of our Company, which is based on management estimates and certain assumptions. For more information in relation to such management estimates and assumptions, please see "*Objects of the Issue – To augment the existing and incremental working capital requirement of our Company*" on page 114. Our working capital requirements may be subject to change due to factors beyond our control including force majeure conditions, an increase in defaults by our customers, non-availability of funding from banks or financial institutions. Accordingly, such working capital requirements may not be indicative of the actual requirements of our Company in the future and investors are advised to not place undue reliance on such estimates of future working capital requirements. Our working capital position is therefore also dependent on the financial position of our clients. All of these factors may result in increases in the amount of our receivables and short-term borrowings. Continued increases in working capital requirements may have an adverse effect on our financial condition and results of operations.

19. ***EPC 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 projects are not awarded to us or if contracts awarded to us are prematurely terminated.***

EPC 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. 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 our bids, when submitted or if already submitted, would result in projects being awarded to us.

We are pre-qualified to bid independently on projects tendered by departments of Central Government and State Government and other entities. As of December 31, 2024, we have an unexecuted outstanding order book value of ₹ 73,910.75 lakhs. If we are not able to pre-qualify in our own right to bid for large construction and development projects, we may be required to partner and collaborate with our technical partners, for consortium bids for such projects. We may face competition from other bidders in a similar position looking for acceptable joint venture or consortium partners for pre-qualification requirements. If we are unable to partner with other suitable companies or lack the credentials to be the partner-of-choice for other companies, we may lose the opportunity to bid for large projects, which could affect our growth plans. In cases of bids in a consortium, we may also not be able to secure bids due to negligence or disqualification of our technical partners, as these factors would be beyond our control. If a technical partner fails to perform its obligations satisfactorily, we may be required to incur additional expenditure to ensure the adequate performance and delivery of the contracted services or make payments on behalf of the technical partners, which could adversely affect the profitability of the contract.

Another factor which may impact the growth of our business is that our clients may terminate their EPC agreements for reasons set forth in these agreements. If the client terminates any of our EPC 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 occurred in the past, any future instance of early termination of our contracts by our clients may adversely affect our business, results of operation and financial condition.

20. ***If our Company does not receive the minimum subscription of 90% of the total Issue Size, the Issue may fail.***

Our Promoter and members of our Promoter Group have, *vide* their letters each dated December 17, 2024 and December 20, 2024 (the "**Subscription Letters**"), informed us that they may renounce their Rights

Entitlement in favour of third parties. Accordingly, the minimum subscription criteria provided under Regulation 86 (1) of the SEBI ICDR Regulations shall apply to this Issue. In accordance with Regulation 86 of the SEBI ICDR Regulations, if our Company does not receive minimum subscription of at least 90% of the Equity Shares being offered under this Issue, on an aggregate basis, our Company shall refund the entire subscription amount received within 4 (four) days from the Issue Closing Date in accordance with the SEBI Master Circular. If there is a delay in making refunds beyond such period as prescribed by applicable laws, our Company will pay interest for the delayed period at rate as prescribed under the applicable laws.

In accordance with Regulation 10(4)(b) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, an Eligible Equity Shareholder who wishes to subscribe to additional Rights Entitlements, shall be exempt from the obligation of making an open offer under Regulation 3(2) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, if (a) the Eligible Equity Shareholder has not renounced any of its Rights Entitlements in the Issue; and (b) the Issue Price shall not be higher than the ex-rights price of the Equity Shares of our Company. We shall ensure that the Issue Price is not higher than the ex-rights price of the Equity Shares of our Company.

In the event our Company does not receive the minimum subscription of 90% of the total Issue Size or the subscription level falls below 90% of the total Issue Size after the Issue Closing Date on account of withdrawal of Applications or technical rejections or any other reason, our Company shall refund the entire subscription amount received within such period as may be prescribed under applicable law. Further, in the event, there is delay in making a refund of the subscription monies, our Company shall be required to pay interest for the delayed period at such a rate prescribed under applicable law. For further details, please see "*General Information - Minimum Subscription*" beginning on page 95.

21. Non-receipt of complete Call Money(ies) may have an impact of a consequential shortfall in Net Proceeds.

The Calls shall be deemed to have been made at the time when the resolution authorising such Calls is passed at the meeting of our Company's Board of Director. The Calls may be revoked or postponed at the discretion of our Company's Board of Directors, from time to time. Pursuant to the provisions of the Articles of Association, the Investors would be given at least 15 days' notice for the payment of the Calls. Our Company's Board of Directors may, from time to time at its discretion, extend the time fixed for the payments of the Calls. Our Company, at its sole discretion, may send reminders for the calls as it deems fit, and if it does not receive the Call Money(ies) as per the timelines stipulated, it would forfeit the Application Money. Non-receipt of complete Call Money(ies) and a consequential forfeiture of the Application Money may lead to a shortfall in the Net Proceeds, which may have to be met out of internal accruals and may impact the business and expenditure plans. For details, see "*Objects of the Issue*" on page no. 108 of this Letter of Offer

22. 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, investing and financing activities in the nine month period ended December 31, 2024 and the Financial Years 2024 and 2023, the details of which are provided below:

(₹ in lakhs)

Financial Years	Consolidated Cash flows from	Amount (₹ in lacs)	Reasons for negative cash flow
Nine month period ended December 31, 2024	Operating Activities	(13,407.11)	Profit from operations Rs 3,897.36 lakhs, net increase in working capital Rs 17,148.61 lakhs resulting in negative cash flow for operating activities.
	Financing Activities	4,936.01	NA
	Investing Activities	(438.37)	Increase in Margin money for LC and BG with banks
2024	Operating Activities	(12,082.93)	Profit from operations Rs 6,443.26 lakhs, net increase in working

Financial Years	Consolidated Cash flows from	Amount (₹ in lacs)	Reasons for negative cash flow
			capital Rs 18,365.22 lakhs resulting in negative cash flow for operating activities.
	Financing Activities	13,001.77	Not Applicable
	Investing Activities	(2,390.92)	Increase in Margin money for LC and BG with banks
2023	Operating Activities	2,090.46	Not Applicable
	Financing Activities	(614.20)	Repayment of long term borrowings leads to negative cash flow
	Investing Activities	1,248.11	Not Applicable

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

23. ***The Equity Shares held by one of our Promoter Group members, Mark AB Welfare Trust have been pledged as collateral security in accordance with the Resolution Plan. Our business, financial condition and results of operations may be adversely affected in the event of enforcement of the pledge provided by our Promoter Group member.***

Our Promoter Group member, Mark AB Welfare Trust, in accordance with the Resolution Plan, Master Restructuring Agreement dated June 22, 2022 and other agreements executed with the lenders, was required to pledge the existing pledged Equity Shares held by Erstwhile Promoter, SVL Limited of our Company, for securing the loans availed by our Company. The Resolution Plan provided for change in management and control through transfer of shareholding of SVL Limited to Mark AB Welfare Trust. Pursuant to such transfer Mark AB Welfare Trust has pledged a total of 18,01,46,496 Equity Shares aggregating to 12.78% of its total shareholding, in favour of the lenders of the Company.

The details of the loans secured by Mark AB Welfare Trust by creating a pledge on its shareholding have been provided below:

(₹ in lakhs)

S No	Description	Limit	Outstanding as on December 31, 2024
1	**Fund based**		
	Cash credit	7,205	6,403.93
	Term Loan	2,380	1,918.68
	NCD	17,499	14,105.27
	CCD	17,499	8,257.63
	Sub Total	44,583	30,685.51
2	**Non-Fund based**		
	BG	51,597	35,623.62
	LC	20,406	15,620.22
	Exposure Conversion	7426	
	Sub Total	79,429	51,243.84
	Grand Total	**1,24,012**	**81,929.35**

In terms of the Resolution Plan and the pledge agreements executed by our Promoter Group, the pledge of the securities confers the banks with the right to *inter alia* attend general meetings of our Company, exercise voting rights in respect of the pledged securities, receive and retain any and all dividends, interest, and other distributions paid in respect of the pledged securities, receive notices issued to shareholders and open and operate a designated demat account in connection with the pledged securities. On the occurrence of an event of default as described in the Resolution Plan and the pledge agreements, the lenders would be entitled to enforce the pledge. Any default under the said agreements may result in, *inter alia*, the lenders taking ownership of the pledged shares, selling the pledged shares to any third party purchaser, and attending and exercising voting rights in respect of the pledged shares on any matter at any meeting of the members of our Company. Upon occurrence of an event of default triggering the enforcement of the pledged securities of our Promoter, the lenders pursuant to the arrangements executed for the pledge, would be entitled to exercise rights associated with the Equity Shares pledged with it, which may indirectly impact the business and operations of our Company.

24. ***Our business is substantially dependent on our ability to accurately carry out the pre-bidding engineering studies for bidding in such projects. Any deviation during the implementation and operation of the project as compared to our pre-bid engineering studies could have a material adverse effect on our cash flows, results of operations and financial condition.***

We have an in-house team experienced in engineering, cost estimation and survey. Only in exceptional cases, we appoint technical consultants to assist us in pre-bid engineering and costing.

The accuracy of the pre-bidding studies is dependent on the following key elements:

- preparing a project road map based on investigations of the project site which include amongst other, site conditions, major water bodies, indication of any notified forest, right of way details, , and any other critical local conditions;
- undertaking engineering surveys and preliminary designs which broadly include, basic pre-bid engineering, site survey, soil investigation, route survey and contour survey, logistics survey, preparation of bill of quantities, cost estimation, vendor sourcing, project planning and scheduling and cash flow projections; and
- preparation of operations and maintenance estimates wherever required.

Any deviation in the estimation and calculation of the aforementioned key elements, may hamper the quality of the pre-bid engineering study, on which we rely before submitting any tenders for the relevant project which may eventually also result in increase in the total project costs and consequently impact our margin from these projects. Accordingly, any deviation during the implementation and operation of the project as compared to our pre-bid engineering studies could have a material adverse effect on our cash flows, results of operations and financial condition.

25. ***A delay and/or failure in the supply of equipment and materials from third parties at acceptable prices and quality or at all may materially and adversely affect our business, results of operations and prospects.***

Our sub-contractors purchase significant amount of materials and hire equipment for executing our EPC projects. The details of the materials, equipment and services required for executing our projects have been provided below:

S. No.	Particulars	Requirement for our projects	Suppliers
1.	Equipment	Scaffolding materials, fork lift, Heavy duty cranes, road roller , vehicles for transport of men & materials etc	Local Traders /Suppliers,
2.	Materials	Pipes, cements, Steels etc	SAIL, TATA Steel, JSW Steel, Rashmi Metallics, Electro Steel Castings, Tubes & Pipes India Private Limited, TATA Metallics, Sri Kalahasthi Pipes etc.
3.	Services	Design, Survey, Engineering, Laying of Pipes, installation of Equipment, *etc*	Harsh Enterprises, Anand Singh, Dhiraj Traders, Vishal Constructions

Typically, the scope of our sub-contractors include purchase of material and hiring of equipment, therefore the total cost incurred towards engaging our sub-contractors include the costs relating to purchase of materials and hiring of equipment. Only in exceptional cases, we purchase equipment for a project. For instance, in one of our projects, we had to import machinery for executing the project, therefore such purchase was done by our Company, instead of our subcontractor. The cost incurred towards purchase of equipment and services (sub-contractors) (on a consolidated basis) for the nine month period ended December 31, 2024 and for the Fiscals ended March 31, 2024 and 2023, is as follows:

Particulars	**Nine month period ended December 30, 2024**		**Fiscal 2024**		**Fiscal 2023**	
	(in ₹ lakhs)	**% of total expenditure**	**(in ₹ lakhs)**	**% of total expenditure**	**(in ₹ lakhs)**	**% of total expenditure**
Equipment	-	-	-	-	8.12	0.02
Services	39,082.04	81.30%	46,671.76	79.86%	31,905.03	62.35

The major equipment and high value materials like pipes are directly procured by the company from the client approved vendors. In most cases we enter into supply agreement with pre-determined price at the time of bidding of the project itself. Our sub-contractors procure materials such as, smaller dia pipes, cements, steels, as per the requirement of the project. Further, our Company place orders for such material at the start of the project to reduce the risk of unavailability of material and delay in execution of our projects. Delay or failure in the supply of materials from vendors impacts the progress of our work and could thereby adversely impact operations. Procurement of material in excess of budgeted price also impacts profitability. Further, we are required to work with the suppliers who are approved by our clients, which may limit our ability to manage the suppliers. Any such failure could materially and adversely affect our business, results of operations and prospects. Our business can be adversely affected by the unavailability or fluctuating costs of the raw materials we need to construct and develop our projects, particularly steel and cement. The prices and supply of raw materials depend on factors not under our control, including general economic conditions, competition, production levels, transportation costs and import duties. Fluctuations in the prices of the underlying raw materials may also indirectly impact the prices of equipment and components procured for our operations. While these instances have occurred in the past, however any failure to obtain the raw materials we need for our projects at acceptable prices and quality or at all, in the future, would materially and adversely affect our business, results of operations and prospects.

The maintenance and management of equipment is critical for timely completion and delivery of our projects. The equipment suppliers and manufacturers assist us and our sub-contractors in timely maintenance of our equipment and also carry out repairs on our equipment, however we cannot assure you that we would be able to timely contact such equipment suppliers and manufacturers to maintain our equipment, on an urgent basis. Our operations could be disrupted if we or our sub-contractors do not successfully manage relationships with the equipment suppliers and manufacturers, if they do not perform or are unable to perform agreed-upon services, or if they are unwilling to make their services available to us at reasonable prices. We or our sub-contractors have not entered into long term contracts for maintenance of equipment, and such services are normally based on the quotes we receive from our equipment suppliers and manufacturers. Since we or our sub-contractors have no formal arrangements for maintenance of equipment, the equipment suppliers and manufacturers not contractually obligated to provide their services to us or our sub-contractors and may choose to provide the same to our competitors. If our equipment suppliers and manufacturers and vendors, do not perform their service obligations, it could adversely affect our reputation, business, financial condition and results of operations. Further, an inability to maintain and adequately manage equipment which have a limited period of useful life, could have an adverse impact on our business and financial condition. There can also be no assurance that we will not experience disruptions to our operations due to disputes or other problems with our work force such as work stoppages or increased wage demands, which may adversely affect our business.

26. ***The failure of a technology partners to perform its obligations could impose additional financial and performance obligations resulting in reduced profits.***

We typically bid for EPC projects with our technology partners, on a project specific basis. Typically, we detail our roles and responsibilities in our joint bidding documents executed with such third parties. For details of our technology partners, please refer to "*Our Business - Technology Partners*" on page 154 of this Letter of Offer.

The details of the top five completed projects undertaken with our technology partners based on the aggregate order value has been provided below:

S. No.	Details of the project	Nature of the work	Amount of the project / Contract value (₹ in lakhs)	Completed/ Ongoing	Technology Partner	Payment terms
1	Hutti Gold Mines Company Limited	Construction of New Circular Shaft with complete Winding Installations on turnkey basis	24,700	Completed	Inco Engineering S R O (Czech Republic)	Fixed

S. No.	Details of the project	Nature of the work	Amount of the project / Contract value (₹ in lakhs)	Complete d/ Ongoing	Technology Partner	Payment terms
2	SAIL-ISCO Burnpur	Design, Supply, Erection and commissioning of 0.5 MTPA Wire Rod Mill (WRM) and 0.75 MTPA Bar Mill (BM) at SAIL - IISCO Steel Plant	8,900	Complete d	Danieli & C Officine Meccaniche S.p.A (Italy)	Fixed
3	SAIL - Rourkela Steel Plant-Bye products Plant	Design, Supply, Erection and commissioning of New Coal Chemical Plant for 7 meter tall new Coke Oven Battery No. 6 at Rourkela Steel Plant	26,300	Complete d	Hutni Projekt Frydk – Mustek a.s (Czech Republic)	Fixed
4	SAIL -Rourkela Steel Plant-Bye products Plant Renovation	Design, Supply, Erection and commissioning of Ammonia Liquor Treatment Plant and Ammonium Sulphate Plant for Upgaradation of existing CCD	5,000	Complete d	Hutni Projekt Frydk – Mustek a.s (Czech Republic)	Fixed
5	SAIL -Durgapur Steel Plant-Medium Structural Mill	Design, Supply, Erection and commissioning of 1 MTPA Medium structural Mill at SAIL - Durgapur Steel Plant	10,800	Complete d	Prime Metals Technologies India Private Limited (India)	Fixed

The details of the revenue earned by our Company from the top two (2) technology partners during the preceding three Financial Years has been provided below:

Top two (2) technology partners	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	(in ₹ lakhs)	% of revenue from operations	(in ₹ lakhs)	% of revenue from operations	(in ₹ lakhs)	% of revenue from operations
Hutti Gold Mines Co Limited	68.74	0.12%	1,095.98	2.89%	651.49	1.98%

Top two (2) technology partners	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	(in ₹ lakhs)	% of revenue from operations	(in ₹ lakhs)	% of revenue from operations	(in ₹ lakhs)	% of revenue from operations
Steel Authority of India Limited– Rourkela	-	-	20.04	0.05%	54.14	0.16%

If our technology partners fail to perform these obligations satisfactorily, the joint operation may be unable to perform adequately or deliver its contracted services. In this case we may be required to make additional investments and/or provide additional services to ensure the adequate performance and delivery of the contracted services because we are subject to joint and several liabilities as a member of the joint operation in most of our projects. These additional obligations could result in reduced profits or, in some cases, significant losses for us. The inability of a technology partner to continue with a project due to financial or legal difficulties could mean that we would bear increased and possibly sole responsibility for the completion of the project and bear a correspondingly greater share of the financial risk of the project.

27. ***Our business operations are susceptible to risks relating to high trade receivables on account of majority of our Order Book comprising of Government Contracts. While, we have experienced a decline in trade receivables on account of completion of some of our ongoing projects, however, we cannot assure you that we shall not experience an increase in the trade receivables in the future or that such increase will not have an impact on our business and financial condition.***

A significant portion of our business is derived from infrastructure projects, including water and sewerage systems, road construction, mine development, integrated steel plants, conventional thermal power plants, co-generation facilities, and renewable energy projects such as wind turbines and biomass plants. Our contractual agreements with clients have payment terms linked to various project milestones. Typically, our trade receivables are structured in such a way approximately 55% of payments for material supplies are paid within 90 days, while the remaining amount is tied to milestone achievements, including a portion retained as security. Trade receivables for service invoices are settled upon service completion as per contractual terms, typically received within 90 days after deducting applicable taxes, royalties, and retention amounts.

Project execution is subject to unforeseen delays and risks, which may impact the timely recovery of trade receivables linked to upcoming milestones. Delays in project execution or contract termination can result in deferred or unrecoverable payments. In Fiscal 2023, our trade receivable days stood at 234, which significantly reduced to 149 days in Fiscal 2024, following the implementation of a resolution plan on September 30, 2022. Additionally, all contracts include a retention clause, wherein 5% to 10% of the invoice value is withheld from the initial invoice until project commissioning. These retained amounts are payable after the expiry of the Defect Liability Period (DLP), typically one year post-commissioning, or earlier upon commissioning of the project against a bank guarantee of equivalent value. Our trade receivables are highly dependent on project execution progress. Any delays or contract terminations can cause fluctuations, significantly impacting our business, financial performance, and overall operational results.

28. ***There have been instances in the past wherein the tax deducted at source was deposited with the Income Tax Department with a delay, which have led to adverse actions being taken by the Income Tax Department against our Company. We cannot assure you that our Company will not make delayed filings of statutory dues and that no action will be taken against our Company in such cases. Occurrence of any such instances could have an adverse impact on business, results of operations and financial condition of our Company.***

Our Company had deducted tax for the FY 2018-19 amounting to ₹ 751.45 lakhs under Income Tax Act, 1961 ("**IT Act**") however had remitted into the Government's account belatedly after a delay of 02 to 05 months. In respect of the default, a show-cause notice dated March 4, 2022 was issued to our Company, which was replied by us vide a letter dated April 13, 2023 stating that due to extreme and untold financial hardship and distress our Company managed to remit the TDS along with interest to the Government's account with a delay. Subsequently, our Company filed an application on December 19, 2023 requesting for compounding of offence. The Chief Commissioner of Income Tax, Chennai had accorded in principle approval on January 23, 2023 to compound the offence under Section 276B of the IT Act subject to the payment of compounding charges of ₹ 77.43 lakhs by our Company for the Assessment Year 2019-20. The

Assessing officer, vide letter in TDS Circle-3/Compounding/2023-24 dated February 12, 2024 confirmed the payment of the entire compounding fee by our Company, and thus the matter is resolved, as on date of this Letter of Offer.

There can be no assurance that our Company will not delay or default in making payment of statutory dues such as, goods and services tax, provident fund, employees' state insurance, income-tax, duty of custom, cess and any other statutory dues applicable. While, except as disclosed in the chapter titled "*Outstanding Litigations and Defaults– Proceedings involving material violations of statutory regulations by our Company*" on page 247 of this Letter of Offer, we have received show cause notices from other regulatory authorities. While, penalties and fines have been imposed by regulatory authorities in the past, however it cannot be assured that there will not be such instances in the future or that our Company will not commit any further delays or defaults in relation to the applicable regulatory requirements, or that any penalty or fine will not be imposed by any regulatory authority in respect to the same.

29. ***There are outstanding litigations involving our Company and our Subsidiaries which, if determined adversely, may adversely affect our business and financial condition.***

As on the date of this Letter of Offer, our Company and our Subsidiaries are involved in certain legal proceedings. These legal proceedings are pending at different levels of adjudication before various courts and tribunals. The amounts claimed in these proceedings have been disclosed to the extent ascertainable and include amounts claimed jointly and/or severally from us and/or other parties, as the case may be. We cannot assure you that these legal proceedings will be decided in favour of our Company and our Subsidiaries, as the case may be, or that no further liability will arise out of these proceedings. We may incur significant expenses in such legal proceedings and we may have to make provisions in our financial statements, which could increase our expenses and liabilities. Any adverse decision may adversely affect our business, results of operations and financial condition.

A summary of the pending tax proceedings and other material litigations involving our Company and our Subsidiaries are provided below:

Nature of cases	**Number of cases**	**Amount involved* (₹ in lakhs)**
Proceedings involving moral turpitude or criminal liability on our Company	Nil	Nil
Proceedings involving material violations of statutory regulation by our Company	7	185.25
Matters involving economic offences where proceedings have been initiated against our Company	Nil	Nil
Other proceedings involving our Company and Subsidiary which involve an amount exceeding the Materiality Threshold or are otherwise material in terms of the Materiality Policy, and other pending matters which, if they result in an adverse outcome would materially and adversely affect the operations or the financial position of our Company and Subsidiary	11	59,152.53

**To the extent quantifiable*

For further details, please refer to the section titled "*Outstanding Litigations and Defaults*" on page 247 of this Letter of Offer.

30. ***The failure of a joint venture partner to perform its obligations could impose additional financial and performance obligations resulting in reduced profits or, in some cases, significant losses from the joint venture and may have an adverse effect on our business, results of operations and financial condition. In addition to the above, we may undertake joint ventures in the future, which may be difficult to integrate and manage.***

As on the date of this Letter of Offer, our Company has formed four (04) joint operations for executing EPC contracts for our customers. Shriram EPC Eurotek Environmental Private Limited, Sepc DRS ITPL JV, Mokul Shriram EPC JV and Larsen & Toubro Shriram EPC JV are the Joint Ventures of our Company. The Joint Ventures are unincorporated in nature and have been formed through a contractual arrangement between our Company and the joint venture partners. The success of these joint operations depends significantly on the satisfactory performance by our joint venture partners and fulfilment of their obligations.

The share of total revenue from our joint operations to our total revenue in the nine month period ended December 31, 2024 and the Financial Years 2024 and 2023, is set forth below:

Period	Share of total revenue from Joint Operations (in ₹ lakhs)	As a percentage of our total revenue (in%)
Nine month period ended December31, 2024	675.46	1.30%
Financial Year ended March 31, 2024	335.03	0.60
Financial Year ended March 31, 2023^	223.00	0.59

^The decline in revenue is on account of completion of projects with join venture partners.

The revenue earned from each of our Joint Ventures during the period indicated, has been provided below:

(₹ in lakhs)

Joint Venture	Nine month period ended December 31, 2024	Financial Year ended March 31, 2024	Financial Year ended March 31, 2023
Shriram EPC Eurotek Environmental Private Limited	103.17	34.13	121.00
Sepc DRS ITPL JV	527.29	301.35	102.00
Larsen & Toubro Shriram EPC JV	-	-	-
Mokul Shriram EPC JV	-	-	-

The success of our joint ventures depends significantly on the satisfactory performance by our joint venture partner and fulfilment of its obligations. If our joint venture partner fails to perform their obligations satisfactorily, the joint venture may be unable to perform adequately or deliver its contracted services. In such cases we may be required to make additional investments and/ or provide additional services to ensure the adequate performance and delivery of the contracted services as we are subject to joint and several liabilities as a member of the joint venture. Such additional obligations could result in reduced profits or, in some cases, significant losses for us. The inability of a joint venture partner to continue with a project due to financial or legal difficulties could mean that we would bear increased and possibly sole responsibility for the completion of the project and bear a correspondingly greater share of the financial risk of the project. Further any disputes that may arise between us and our strategic partners may cause delays in completion or the suspension or abandonment of the project. In the event that a claim, arbitration award or judgement is awarded against the consortium, we may be responsible for the entire claim. While there have been instances in the past, however we cannot assure that our relationship with our joint venture partner in the future will be amicable or that we will have any control over their actions The realization of any of these risks and other factors may have an adverse effect on our business, results of operations and financial condition.

31. ***Our Company proposed a portion of the Net Proceeds will be utilized for (i) funding for payment of non-convertible debentures including redemption and interest; (ii) repayment/pre-payment, in full or part, of certain borrowings availed by the Company; (iii) funding for increasing the additional Margin of Non-Fund Based Limits repayment or prepayment. Accordingly, the utilization of that portion of the Net Proceeds will not result in creation of any tangible assets.***

Our Company intends to utilize total of ₹ 17,000.00 Lakhs from the Net Proceeds for (i) funding for payment of non-convertible debentures including redemption and interest; (ii) repayment/pre-payment, in full or part, of certain borrowings availed by the Company; (iii) funding for increasing the additional Margin of Non-Fund Based Limits repayment or prepayment. The details of the loans to be repaid or prepaid using the Net Proceeds have been disclosed in the section titled "*Objects of the Issue*" on page 108 of this Letter of Offer.

While we believe that a portion of the Net Proceeds utilized for payment of non-convertible debentures including redemption and interest the repayment or pre-payment of loans would help in reducing the debt costs of our Company and enable the utilization of our funds for further investment in business growth and expansion. We can confirm that there are no penalties associated with the repayment of the loans using the Net Proceeds. As a part of the Net Proceeds will be directed towards redemption of non-convertible debentures and repayment of secured loans. The redemption of non-convertible debentures and repayment/ or pre-payment of loans will not result in the creation of any tangible assets for our Company.

32. ***As the securities of our Company are listed on Stock Exchanges in India, our Company is subject to certain obligations and reporting requirements under the SEBI Listing Regulations. Any non-compliances/delay in complying with such obligations and reporting requirements may render us liable to prosecution and/or penalties.***

The Equity Shares of our Company are listed on BSE and NSE, therefore we are subject to the obligations and reporting requirements prescribed under the SEBI Listing Regulations. There have been instances in the past wherein, our Company has failed to comply with the requirements of the SEBI Listing Regulations in a timely manner, the details of such non-compliances during the Financial Year 2024 and 2023 have been provided below:

S. No.	Non-compliance alleged	Fine/ penalty levied (in ₹)	Date of payment of fine
1	Failure to obtain approval of Stock Exchange(s) before filing request for change of name with the registrar of companies under Regulation 45 of the Listing Regulations.	59,000	March 24, 2021
2	Non-compliance under Regulation 6(1) of the SEBI Listing Regulations	63,280	March 22, 2022
3.	Late submission of the financial results within the period prescribed under Regulation 33 of the Listing Regulations	3,06,800	July 2, 2022
4.	Non-compliance under Schedule XIX – Para 2 of the SEBI ICDR Regulations for not approaching the Stock Exchange for listing of equity shares issued under preferential issue within twenty days from the date of allotment	5,43,200	August 25, 2022
5	Non Compliance under Regulation17(1) of the SEBI pertaining to the composition of the Board including failure to appoint woman director (BSE)	53,100	February 22, 2023
6	Non Compliance under Regulation17(1) of the SEBI pertaining to the composition of the Board including failure to appoint woman director (NSE)	-*	March 10, 2023
	Total	**10,25,380**	

**NSE pursuant to its letter dated August 7, 2024 has reversed the fines levied on our Company.*

Furthermore, our Company has *vide* a letter dated September 16, 2023 informed the Stock Exchanges that Mark AB Welfare Trust, an entity forming part of Promoter Group has contravened the Company's Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons and their Immediate Relatives read with Schedule B and Regulation 9 of the SEBI (Prohibition of Insider Trading) Regulations, 2015. Mark AB Welfare Trust undertook a number of transactions involving sale of shares of our Company without obtaining pre-clearance and also transacted during trading window closure and execution of contra trade. In view of the above, our Company had imposed a penalty of ₹ 10.00 lakhs on Mark AB Welfare Trust on account of violation of code of conduct of our Company as payable to SEBI Investor Protection and Education Fund and MARK AB Welfare Trust has already remitted the same into the SEBI Investor Protection and Education Fund.

Our Company endeavours to comply with all such obligations/reporting requirements, there may be non-disclosures/delayed/erroneous disclosures and/or any other violations which might have been committed by us, and the same may result into Stock Exchanges and/or SEBI imposing penalties, issuing warnings and show cause notices against us and/or taking actions as provided under the SEBI Act and Rules and Regulations made there under and applicable SEBI Circulars. Any such adverse regulatory action or development could affect our business reputation, divert management attention, and result in a material adverse effect on our business prospects and financial performance and on the trading price of the Equity Shares.

33. ***Our Company has availed a significant amount of loans from our lenders. Any default in repayment of these loans, could significantly impact our business operations, results of operation and financial***

condition.

As on December 31, 2024 the total fund based indebtedness of our Company is ₹ 32,734.13lakhs, after implementation of the Resolution Plan by the consortium of lenders led by Punjab National Bank, under the Reserve Bank of India (Prudential Framework for Resolution of Stressed Assets) Directions 2019. The details of the loans availed by our Company have been provided below:

Banks/FI	**Sanctioned Amount**	**Date of sanction**	**Balance as at Dec 31, 2024**	**Interest**	**Repayment Schedule**	**Maturity schedule**					**Total**	**Source for which the loan is proposed to be repaid**
						Less than 1 month	**1-3 months**	**3 months to 1 year**	**1 to 5 years**	**5 years and above**		
Term Loan												
Central Bank	1,580.00	09-10-2023	1,156.49	-	67 Structured Monthly repayment commencing from Sept'21 to March'27	26.00	52.00	360.00	718.49		1,156.49	Out of customer collections
ARCIL (SIB)	660.00	24-03-2022	660.00	-	4 Equal yearly repayment commencing from September 2027 to March 2029	-	-	-	660.00	-	660.00	
ACRE	140.00	03-03-2022	102.19	-	48 Structured Monthly repayment commencing from Apr'23 to March'27	2.33	4.67	31.51	63.68	-	102.19	
Punjab National Bank	1,058.53	26-06-2023	1,045.41	-	Renewable every year	-	-	-	-	-	1,045.41	Out of customer collections
Axis Bank	236.43	30-03-2022	208.34	-		-	-	-	-	-	208.34	
IDBI Bank	876.94	23-10-2024	617.00	-		-	-	-	-	-	617.00	
Central Bank	1,593.86	09-10-2023	1,476.98	-		-	-	-	-	-	1,476.98	
Indian Bank	213.95	03-10-2023	185.29	-		-	-	-	-	-	185.29	
Bank Of India	159.57	13-12-2023	143.21	-		-	-	-	-	-	143.21	
Federal Bank	213.95	20-08-2024	214.13	-		-	-	-	-	-	214.13	
DBS (e LVB)	442.29	12-05-2022	441.29	-		-	-	-	-	-	441.29	
Bank of Baroda	298.46	25-08-2023	297.69	-		-	-	-	-	-	297.69	
Bank Of Maharashtra	208.11	18-09-2023	207.25	-		-	-	-	-	-	207.25	
Union Bank of India	267.44	19-04-2022	265.71	-		-	-	-	-	-	265.71	

Banks/FI	Sanctioned Amount	Date of sanction	Balance as at Dec 31, 2024	Interest	Repayment Schedule	Maturity schedule					Total	Source for which the loan is proposed to be repaid
						Less than 1 month	1-3 months	3 months to 1 year	1 to 5 years	5 years and above		
IFCI Factors	265.00	02-03-2022	-	-		-	-	-	-	-	-	
Indusind Bank	347.90	29-02-2024	341.88	-		-	-	-	-	-	341.88	
Yes Bank	139.34	28-08-2024	136.56	-		-	-	-	-	-	136.56	
State Bank of India	802.77	28-03-2024	743.83	-		-	-	-	-	-	743.83	
ICICI Bank	80.46	06-04-2022	79.34	-		-	-	-	-	-	79.34	

We proposes to utilize an amount of ₹ 1,500.00 lakhs from the Net Proceeds towards full or partial repayment/ pre-payment, of certain secured bank borrowings availed by the Company. For further details in respect of the secured loans proposed to be repaid, please refer to "*Objects of the Issue – Repayment/Pre-payment, in full or part, of certain borrowings availed by the Company*" on page 110. While we believe that utilization of a portion of the Net Proceeds for repayment or pre-payment of secured loans would help us to reduce our cost of debt and enable the utilization of our funds for further investment in business growth and expansion, the repayment or pre-payment of loans will not result in the creation of any tangible assets for our Company. Further, our Company will not be able to access and utilize the portion of Net Proceeds, proposed to be utilized towards repayment or pre-payment of secured loans, and accordingly, there will not be a direct cash flow against such objects in our Company.

As December 31, 2024 our Company had total fund based Working capital borrowing (Cash Credit) of ₹ 6,403.93 lakhs, Term loan of ₹ 1,918.68 lakhs, Compulsorily Convertible debentures of ₹ 8,257.63Lakhs, Non- Convertible Debentures of ₹ 14,017.77 lakhs at Net Present Value of the stated instruments and unsecured loans of ₹ 2,048.63 lakhs stated at Net Present Value as per prevailing Accounting Standard. While the ability of our Company has considerably increased for servicing the loans after implementation of the Resolution Plan, we cannot assure you that our Company would be able to repay its remaining debts, in part of full, or at all. Any failure by our Company to service our indebtedness or otherwise perform our obligations under our financing agreements entered with our lenders or which may be entered into by our Company, could trigger cross default provisions, penalties, acceleration of repayment of amounts due under such facilities which may cause an adverse effect on our business, financial condition and results of operations.

34. Any inability to manage our growth in our operations in India could disrupt our business and reduce our profitability.

As we continue to grow, we must continue to improve our managerial, technical and operational knowledge and allocation of resources, and implement an effective management information system. Our revenue from operations from Fiscal 2022 to Fiscal 2024 has increased at a YoY rate of 70.28% from ₹ 32,945.65 lakhs to ₹ 56,098.28 lakhs. While we are able to execute projects through our internal accruals and external funding from our lenders, we cannot assure that our Company will have access to the liquidity or such funding in the future. Further, our business is labour intensive, which requires us to manage relationships with a greater number of customers, suppliers, contractors, service providers, lenders and other third parties. Accordingly, there can be no assurance that we will not suffer from capital constraints, operational difficulties or difficulties in expanding existing business and operations and training an increasing number of personnel to manage and operate the expanded business, which may result in a material adverse effect on our business, financial condition, results of operations and future prospects. In addition, the projects we undertake are increasing in scale and complexity. Accordingly, we not only maintain but are required to constantly improve project management system and supporting infrastructure, such as our information technology and human resources systems and training programs, in order to ensure that we will be able to continue to successfully execute large and complex projects on a timely basis. If we are not successful in managing our growth, our business may be disrupted and profitability may be reduced. Consequently, our business, prospects, financial condition and results of operations may be adversely affected.

35. ***Our financials contain certain long-term borrowings, in relation to which the Company has issued compulsorily convertible debentures ("CCDs") to its lenders and which may be converted into equity shares of the Company in the event of any future default.***

Our Company has issued and allotted 175,00,000 CCDs of ₹ 100/- each, to its lenders in lieu of existing debt of our Company with yield, which will be convertible into Equity shares at a future date for an aggregate amount upto ₹ 17,500 lakhs. Central Bank of India and Asset Reconstruction Company (India) Limited have vide their letters dated November 18, 2024 and mail dated November 14,2024, respectively, requested for conversion of 37,68,000 and 33,15,000 CCDs into Equity Shares of our Company. Our Board of Directors pursuant to a resolution passed in the meeting held on November 28, 2024 approving conversion of 37,68,000 Compulsorily Convertible Debentures into 2,64,98,317 equity shares of face value of ₹ 10 each of the Company, and allot 1,40,96,521 Equity Shares and 1,24,01,796 Equity Shares to Central Bank of India and Asset Reconstruction Company (India) Limited, respectively. As on date of this Letter of Offer, our Company has applied for listing approval from the Stock Exchanges for the aforementioned equity shares, and is awaiting approval for the same.

The aforementioned issuance has been made in accordance with the resolution plan approved by the lenders under the Reserve Bank of India (Prudential Framework for Resolution of Stressed Assets) Directions 2019 and has been approved by the Board of Directors in their meeting dated January 3, 2022 and by the Shareholders through postal ballot. The Equity Shares which shall be issued post conversion of the compulsorily convertible debentures shall be determined as per the prevailing terms of conversion between our Company and the lenders. In case of any default on the repayment by the Company, we may have to convert the CCDs into the Equity Shares to our lenders, which may have an adverse impact on our financial condition and operations of our business and the shareholding of the existing or prospective shareholders of our Company may be diluted.

36. ***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 and have a material adverse impact on our business, financial condition, results of operations and prospects.***

Our business and operation involves inherent industrial risks and occupational hazards and are subject to hazards inherent in providing architectural and construction services, such as and including risk of equipment failure. Such inherent industrial risks and occupational hazards may not be eliminated through implementing safety measures. We are exposed to risks related to such activities, such as systems and equipment failure, industrial accidents, fire, explosion, impact from falling objects, collision, work accidents, underground water leakages, and geological hazards such as such as storm, hurricane, lightning, flood, landslide and earthquake and other hazards that may cause injury and loss of life, severe damage to and destruction of property and equipment, and environmental damage.

Environmental laws and regulations in India are stringent and while our Company strives to comply with all the applicable regulations, if environmental clearances are not obtained in a timely manner or at all, the project may not be in compliance with environmental laws and regulations and/or may be delayed and our overall operating expenses may increase, adversely affecting our business and results of operations. The impact of noise pollution from construction activities, operations and transportation at our project sites are subject to various environmental laws and regulations. Noise pollution rules seek to regulate and control the noise producing and generating sources including from industrial activity. In terms of the Environment Protection Rules, 1986, as amended from time to time, the maximum permissible sound pressure level for new diesel generator sets with rated capacity up to 1000 KVA, manufactured on or after January 1, 2005 shall be 75 dB(A) at one meter from the enclosure surface. Integral acoustic enclosure should be provided at the manufacturing stage itself. In the event that such regulations become more stringent, such as increasing the requirements for obtaining approvals or meeting government standards, this could result in changes to the infrastructure necessary for our projects and their technical requirements, increasing the costs related to changing construction methods in order to meet government standards and increasing penalties for non-compliance. Furthermore, we may incur significant expenditure relating to operating methodologies and standards in order to comply with applicable environmental laws and regulations.

In addition, our projects may involve the handling of hazardous materials, which, if improperly handled or disposed of, could subject us to civil and criminal liabilities. The Hazardous Wastes (Management and Handling) Rules, 1989 provides for control and regulation of hazardous wastes as defined under the Rules discharged by the operations of undertakings and imposes an obligation on every occupier and operator generating hazardous waste to dispose of such hazardous wastes properly including proper collection, treatment, storage and disposal. Every occupier and operator of any facility generating hazardous waste is required to obtain an approval from the relevant state Pollution Control Board for collecting, storing and treating the hazardous waste. Further certain environmental laws provide for joint and several liability for remediation of releases of hazardous substances, rendering a person liable for environmental damage without regards to negligence or fault on the part of such person. In addition to potential liabilities that may be incurred in satisfying these requirements, we may be subject to claims alleging personal injury or property damage as a result of alleged exposure to hazardous substances. We are also subject to regulations dealing with occupational health and safety. Such laws and regulations may expose us to liability arising out of the conduct of operations or conditions caused by others, or for our own acts. Sanctions for failure to comply with these laws, rules and regulations, many of which may be applied retroactively, may include administrative, civil and criminal penalties, revocation of permits and corrective orders. While, there have not been any material instances of non-compliances in the past, occurrence of any such instances, could have an adverse impact on our business and results of operations.

Although there have been instances of employees getting injured in the past three years, however, if we fail to implement regulatory procedures or if the procedures we implement are ineffective, our employees and others may get severely injured. Further, there have been instances wherein fines and penalties have been imposed against our Company under Employee Provident Fund Act, 1952, however any failure to comply with statutory regulations pertaining health and safety, in the future may result in penalties, fines etc. against our Company. For details, please see "*Outstanding Litigations and Defaults – Proceedings involving material violations of statutory regulations by our Company*" on page 247 of this Letter of Offer. There can be no assurance that we will not become involved in future litigation or other proceedings or be held responsible in any such future litigation or proceedings relating to safety, health and environmental matters in the future, could divert management time and attention, and consume financial resources in defence or prosecution of such legal proceedings or cause delays in the construction, development or commencement of operations of our projects.

37. ***Any downgrade in our credit ratings may increase interest rates for refinancing our borrowings, which would increase our cost of borrowings, and adversely affect our ability to borrow on a competitive basis. We may also be subject to interest rate risk.***

Credit ratings reflect the opinions of ratings agencies on our financial strength, operating performance, strategic position and ability to meet our obligations. We have received ratings from CRISIL Limited ("**CRISIL**"). For instance, we have received "CRISIL BBB-/Stable" credit rating for our term loan facilities. The credit ratings received by our Company during the nine month period ended December 31, 2024 and the Financial Years ended March 31, 2024, March 31, 2023 have been provided below:

Particulars	December 31, 2024	FY 24	FY 23
Credit rating	BBB -	BBB -	BBB -

In the past, there have been instances of withdrawal of credit ratings assigned to our Company. For instance, CARE Ratings Limited pursuant to its letter dated December 11, 2023 had withdrawn the outstanding rating of 'CARE D; Issuer Not Cooperating' assigned to the bank facilities of our Company with immediate effect. The said credit rating was withdrawn pursuant to a no-objection certificate received from the lenders of our Company. Further, pursuant to a letter dated May 17, 2025, CRISIL has downgraded our credit rating for our long term credit facilities from Crisil BBB-/ Negative to Crisil BB+/ Negative and short term credit facilities from Crisil A3 to Crisil A4+. The downgrade was on account of (i) lower-than-expected recovery in the operating performance in Fiscal 2025, resulting in a stretch in the liquidity position of our Company; (ii) issuance of LC's by a supplier for a period of 90 days instead of the usual 180 days to procure raw material which brought forward the timelines for LC repayments; and (iii) delayed payment collections resulting in delayed payments.

Any downgrade in our credit ratings may increase interest rates for refinancing our borrowings, which would increase our cost of borrowings, and may have an adverse effect on our future issuances of debt and our ability to borrow on a competitive basis. Further, any downgrade in our credit ratings may also trigger an event of default or acceleration of repayment of certain of our borrowings. If any of these risks materialise, it could have a material adverse effect on our business, cash flows, financial condition and results of operations.

38. ***Our insurance coverage may not adequately protect us against all our losses or liabilities.***

Our significant insurance policies consist of a comprehensive coverage for risks relating to accidental death, pilferage, fire and other perils, errors committed by directors and officers. We are generally required to maintain insurance coverage under our contracts in respect of construction works, plants and equipment. The details of insurance cover for the projects and assets, claims received and sum assured for the nine- month period ended December 31, 2024 and the Financial Years 2024 and 2023 are given below:

(₹ in lakhs)

Financial Year	Insurance coverage	Claims received
Nine month period ended December 31, 2024	1,28,325.00	169.13
2024	1,29,642.51	37.14
2023	1,53,547.00	151.03

While we believe that the insurance coverage we maintain would reasonably be adequate to cover all normal risks associated with the operation of our business, there can be no assurance that any claim under the insurance policies maintained by us will be honoured fully on time or at all or that we will not suffer losses not covered by our policies. We are involved in large projects where design, construction or systems failures can result in substantial injury or damage to third parties. Our projects could suffer physical damage from fire or other causes, resulting in losses, including loss of rent, which may not be fully compensated by insurance. In addition, we could suffer damage due to earthquakes, floods, hurricanes, terrorism or acts of war, other natural disasters, which may be uninsurable or are not insurable at a reasonable premium. The proceeds of any insurance claim may be insufficient to cover rebuilding costs as a result of inflation, changes in regulations, environmental issues as well as other factors. Any liability in excess of our insurance payments, reserves or backup guarantees could result in additional costs, which would reduce our profits.

39. ***Our contracts are mainly with State Government entities and PSUs, which increase the risk of delay in collection of our accounts receivable***

We mainly enter into contracts with State Government entities and PSUs where the collection in respect of receivables are susceptible to risks relating to delays on account of various factors including litigation, delays in achieving milestones *etc*. Our Company is required to recognise the cost of delay under INDAS 109 by way of expected credit loss (ECL) provisioning based on the estimated time of recovery in respect of receivable, which are delayed. These provisions are reversed once the amount is recovered or charged off if it becomes irrecoverable.

In case of disputes, our Company may find it prudent to settle the matter and agree for lower value than what is receivable. In such cases the difference between the amount billed and the settlement value is written off as irrecoverable. The details of provisions made on accounts receivable during the Financial Years ended March 31, 2024 and March 31, 2023 and the nine month period ended December 31, 2024 have been provided below:

(*₹ in lakhs*)

Govt/ Pvt	Nine months ended December 31, 2024	FY 24	FY 23
Government controlled entity	-	36.19	
Government controlled entity	-	9.82	722.18
Government controlled entity	-	32.81	
Government controlled entity	-	19.01	
Government controlled entity	-	6.45	
Government controlled entity	-	58.12	
Government controlled entity	-	130.67	
Government controlled entity	-	5.,75	
Total	**-**	**298.85**	**722.18**

A significant portion of our business is derived from our State Government entities and PSU customers. Our trade receivables are highly dependent on project execution progress. Any delays or contract terminations can cause fluctuations, significantly impacting our business, financial performance, and overall operational results.

40. *We may not be able to obtain adequate financing or generate sufficient cash flow to meet our significant capital expenditures and liquidity requirements, which would have a material and adverse effect on our business, results of operations, financial position and prospects.*

Our EPC projects are capital intensive as well as labour-intensive, which requires us to have significant amounts of working capital. We have had, and expect to continue to have, substantial liquidity and capital resource requirements. As of December 31, 2024, we had total borrowings (current borrowings and non-current borrowings) of ₹ 32,734.13 lakhs. Further, our cash flow generated vis-à-vis the Order Book of the Company is set out below:

Particulars	Nine month period ended December 31, 2024	As at and for the March 31, 2024	As at and for the March 31, 2023
Cash flow generated from projects	25,505.53	41,167.00	28,362.05
Order Book	73,910.75	95,500	1,10,900.00
Percentage of cash flow generated (%)	34.51%	41.37%	25.57%

Our project financing is a combination of net working capital, advances from customers and bank financing. While we may approach the Consortium or the other lenders for financial commitments, these commitments are subject to a number of conditions precedent, such as completion of documentation satisfactory to parties thereto, among others. We may not be able to fulfil all or any of the conditions or agree on terms as may be required by such lenders. Accordingly, our inability to obtain financing may impair our business, results of operations, financial condition or prospects, as the case may be. Depending on the stages or phases of our various projects in our current Order Book, we may not be able to generate sufficient cash flow to meet our significant capital expenditures and liquidity requirements, which would have a material and adverse effect on our business, results of operations, financial position and prospects. In addition, a decline in our order intake or order backlog may lead to impairment of our ability to obtain financing which may consequently impair our business, results of operations, financial condition or prospects, as the case may be.

41. *We may not be able to obtain, renew or maintain our statutory and regulatory permits and approvals required to operate our businesses on time or at all. Any failure to renew the approvals that have expired or apply for and obtain the required approvals, licenses, registrations or permits, or any suspension or revocation of any of the approvals, licenses, registrations and permits that have been or may be issued to us, may adversely affect our operations.*

We are subject to regulatory authorities of State Government as well as the Central Government, there can be no assurance that the consents or other approvals required from third parties, which include central, state and local governmental bodies, will be issued or granted to us in a timely manner or at all. Our Company is generally required to obtain (i) registration under Shops & Establishments Act, 1948; (ii) registration and compliances under employee welfare laws such as, Employees State Insurance Act, 1948, Employee Provident Fund Act, 1952; (iii) environmental laws such as, Environment Protection Act, 1986, e-waste (Management and Handling) Rules, 2011 and Disaster Management Act, 2005; and (iv) taxation registration and approvals such as, Central Goods and Service Tax Act, 2017 and the Income-tax Act, 1961. Certain of our licenses require renewal on a monthly basis, by payment of monthly dues such as dues payable against Goods and Services Tax, 2017, Employees State Insurance Act, 1948 and Employee Provident Fund Act, 1952, we have are in the process of making applications or paying dues before the relevant statutory authorities for renewal of such licenses. Even after we have obtained the required licenses, permits and approvals, our operations are subject to continued review and the governing regulations which may change. Further, certain of our contractors and other counterparties are required to obtain approvals, licenses, registrations and permits with respect to the services they provide to us. We cannot assure you that such contractors or counterparties have obtained and will maintain the validity of such approvals, licenses, registrations and permits. We cannot assure you that we or any other party will be able to obtain or comply with all necessary licenses, permits and approvals required for our power plants in a timely manner to allow for the uninterrupted construction or operation of our power plants, or at all.

Furthermore, our government approvals and licenses are subject to numerous conditions, some of which are onerous and require us to incur substantial expenditure. We cannot assure you that the approvals, licenses, registrations and permits issued to us would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. If we fail to comply with all applicable regulations, we may incur increased costs, be subject to penalties which could materially and adversely affect our results of operations. There have been instances wherein fines and penalties have been imposed against our Company under Employee Provident Fund Act, 1952, however any failure to comply with statutory regulations in the future may result in penalties, fines etc. against our Company. For details, please see "*Outstanding Litigations and Defaults – Proceedings involving material violations of statutory regulations by our Company*" on page 247 of this Letter of Offer. Any failure to renew the approvals that have expired or apply for and obtain the required approvals, licenses, registrations or permits, or any suspension or revocation of any of the approvals, licenses, registrations and permits that have been or may be issued to us, may adversely affect our operations.

42. There have been instances of delayed-payment of statutory dues in the past.

There have been instances in the past wherein undisputed statutory dues including goods and service tax, provident fund, employees' state insurance, income-tax, duty of customs, cess have not been regularly deposited by our Company with the appropriate authorities and there have been delays in remittance of dues in the past. Details of such delayed payments have been provided below:

(₹ in lakhs)

Particulars	**As at and for the nine month period ended December 31, 2024**		**As at and for the financial year ended March 31, 2024**		**As at and for the financial year ended March 31, 2023**	
	Amount (₹ in lakhs)	**Delay in days**	**Amount (₹ in lakhs)**	**Delay in days**	**Amount (₹ in lakhs)**	**Delay in days**
TDS	Nil	Nil	88.15	0 - 100	631	0 - 66
ESI	Nil	Nil	2.83	0- 26	10	0 - 38
PF	Nil	Nil	*0.17*	0- 30	339	0 - 38
GST	Nil	Nil	149	0 -61	261	0 - 43
Professional Tax Payable	Nil	Nil	Nil	Nil	1	0 - 194

However no undisputed amount payable in respect of goods and services tax, provident fund, employees' state insurance, income-tax, duty of custom, cess and any other statutory dues applicable to it were outstanding, at the year ended March 31, 2023 and the nine - month period ended December 31, 2024, for a period of more than six months from the date they became payable. We have received show cause notices from the Income Tax Department under the Income-Tax Act, 1961, the details of the same have been provided in the chapter titled "*Outstanding Litigations and Defaults – Proceedings involving material violations of statutory regulations by our Company*" on page 247 of this Letter of Offer. While, penalties and fines have been imposed by regulatory authorities in the past, however it cannot be assured that there will not be such instances in the future or that our Company will not commit any further delays or defaults in relation to the applicable regulatory requirements, or that any penalty or fine will not be imposed by any regulatory authority in respect to the same.

43. If we cannot respond adequately to increased competition in the future, we may lose market share and our business, results of operations, financial condition and prospects may be materially and adversely affected.

We face significant competition from our peers and owing to the nature of our business, majority of our business and procuring a project depends on bidding process, which entails intense competition. Although we have a business strategy which seeks to minimize the effects of such competition, there can be no assurance that such competition will not erode our profit margins. Projects are awarded following competitive bidding processes and satisfaction of other prescribed pre-qualification criteria. Once the prospective bidders satisfy the pre-qualification requirements of the tender, the project is usually awarded based on the price of the contract quoted by the prospective bidder. The nature of this process may cause us and other prospective bidders to lower prices for award of the contract, so as to maintain market share. While, the aforementioned events have not occurred in the past, occurrence of any such events could have a material negative effect on our financial condition, results of operations and prospects. If we are unable to bid competitively, we may fail to increase or maintain our Order Book, which would also materially and adversely affect our business, results of operations and prospects.

44. ***Our business is subject to cyber risks and risks related to information technology systems and technology failures or advancements could disrupt our operations.***

Our business is dependent upon increasingly complex and interdependent information technology systems, including internet-based systems, to support business processes as well as internal and external communications. We use various business applications and software like SAP AWS, Microsoft Office 365, Primavera P6, Staad Pro etc. The complexity of our computer systems may make them potentially vulnerable to breakdown, malicious intrusion and computer viruses. Cyber threats are evolving and are becoming increasingly sophisticated. While we have not experienced any disruptions or failures to our information technology systems in the last three years, we cannot assure you that we will not encounter disruptions in the future. While, such events have not occurred in the past, however, any such disruption may result in the loss of key information or disruption of our business processes, which could adversely affect our business and results of operations. Control measures include designing, implementing, and continually improving security controls including adequate security incident response plans which are tested periodically. Notwithstanding the measures mentioned above, our systems are potentially vulnerable to data security breaches, whether by employees or others that may expose sensitive data to unauthorized persons.

45. ***We are required to furnish bank guarantees/ letters of credit as part of our business. Our inability to arrange such guarantees/ letters of credit or the invocation of such guarantees/ devolvement of letters of credit may adversely affect our cash flows and financial condition. Further, we may experience delays and/or defaults in our receivables, or delay in the release of bidding guarantees, prepayment guarantees, letters of credit or retention monies which could have a material adverse effect on our results of operations and financial condition.***

Most of our engineering and construction contracts require us to commit a certain performance guarantees, and advance payment guarantee to projects prior to receiving any advances, progress or other payments from the clients in amounts sufficient to cover expenditures on projects as they are incurred as a result of providing bidding guarantees, performance guarantees and retention monies arrangements under such contracts. The nature of guarantee and letter of credit provided by our Company as part of engineering and construction contracts and the amount locked up against such guarantees and letter of credit as at December 31, 2024 has been provided below:

(₹ in lakhs)

Particulars	**Amount**
Advance bank guarantee	13,932.04
Performance bank guarantee	18,251.86
Retention / security deposit	3,439.72
Letter of credit	15,620.22
Total	**51,243.84**

Delays in client payments may require us to make a working capital investment. If a client defaults in making its payments on a project on which we have devoted significant resources or if a project in which we have invested significant resources is delayed, cancelled or does not proceed to completion, it could have a material adverse effect on our results of operations and financial condition. Details of receivables in respect of our current projects are set forth below:

(₹ in lakhs)

Assets	**Total Trade Receivables**
Non-Current	16,873.67
Current	25,727.05

Securing adequate banking facilities for these guarantees is crucial for our long-term growth. However, our ability to obtain necessary funds timely and on favourable terms is uncertain, influenced by our financial health, market conditions, and our adherence to the Resolution Plan following a history of debt servicing defaults. Inability to meet these financial obligations could lead to negative cash flows and hamper our working capital needs, adversely impacting our business and operations.

46. ***We engage in engineering and construction of road projects in India and the roads sector in India is prone to certain regulatory hurdles and may impose financial burden on our Company.***

We have undertaken road projects in India undertaken or awarded by governmental authorities and other entities funded by the GoI or state governments and continue to do so. The companies involved in the EPC business for the roads sector are prone to various risks such as delays owing to government entities not being able to acquire lands in accordance with the Land Acquisition Act, 2013 and the financial stress the companies involved in the roads sector may face due to long gestation periods and long borrowing repayment schedules. Further, there can be no assurance that the Government of India or the state governments will continue to place emphasis on the road infrastructure or related sector. In the event of any adverse change in budgetary allocations for infrastructure development or a downturn in available work in the road infrastructure sector or resulting from any change in government policies or priorities, our business prospects and our financial performance, may be adversely affected. The contracts with government entities may be subject to extensive internal processes, policy changes, government or external budgetary allocation, insufficiency of funds and political pressure, which may lead to lower number of contracts available for bidding or increase in the time gap between invitation for bids and award of the contract or lead to renegotiation of the terms of these contracts which may lead to a delay in our business operations.

47. ***We have incurred losses in the recent past. Continuous financial losses incurred by us may be perceived adversely by external parties such as clients and bankers, which could affect our reputation, business, financial condition and results of operation and affect our ability to repay the loans availed by our Company.***

Our Company has incurred losses in the recent past, the details of which are provided below:

(₹ in lakhs)

Particulars	December 31, 2024	March,2024	March 31, 2023
Profit/(loss) after tax earned by our Company	2,870.85	2,278.36	(490.38)

We cannot assure you that with lower profit and lower revenue margin, we would be effectively able to service our debt obligations on time and would not commit any defaults in repayment of loans and the interest involved. Occurrence of any of the aforementioned events would adversely affect our ability to maintain adequate cash flows to meet our working capital requirements and run our business in an effective manner. Further, there can be no assurance that we will not incur losses in any future periods, or that there will not be an adverse effect on our reputation or business as a result of such losses. Such losses incurred by us may be received adversely by external parties such as customers, bankers, and suppliers, which could affect our reputation.

48. ***In addition to the existing indebtedness our Company, may incur further indebtedness during the course of business. We cannot assure that our Company would be able to service the existing and/ or additional indebtedness.***

As on December 31, 2024 the total fund based indebtedness of our Company is ₹ 32,734.13 lakhs, which includes the amount of the loan converted into compulsorily convertible debentures and non-convertible debentures. In addition to the indebtedness for the existing operations of our Company, we may incur further indebtedness during the course of the business. The level of our indebtedness could have several important consequences, including but not limited to the following: (i) a significant portion of our cash flow may be used towards repayment of our existing debt, which will reduce the available cash flow to fund our expenditures and other general corporate requirements; (ii) defaults of payment and other obligations under our financing arrangements may result in an event of default, acceleration of our repayment obligations and enforcement of related security interests over our assets; (iii) a substantial portion of our long term indebtedness is subject to floating rates of interest. Fluctuations in market interest rates may require us to pay higher rates of interest and will also affect the cost of our borrowings; and (iv) our ability to obtain additional financing in the future or renegotiate or refinance our existing indebtedness on terms favourable to us may be limited, which may impact our growth plans. While the ability of the company has considerably increased for serving the loans after implementation of the resolution plan, we cannot assure you that our Company will be able to obtain further loans at favourable terms. Increased borrowings, if any, may adversely affect our debt-equity ratio and our ability to borrow at competitive rates. In addition, we cannot assure you that the budgeting of our working capital requirements for a particular year will be accurate. There may be situations where we may under-budget our working capital requirements, which may lead to delays in arranging additional working capital requirements, loss of reputation, and levy of liquidated damages and can cause an adverse effect on our cash flows. Any failure to service the indebtedness of our Company or comply with the Resolution Plan or otherwise perform our obligations under our financing agreements entered with our lenders or which may be entered into by our Company, could trigger cross default provisions, penalties, acceleration of repayment of amounts due under such facilities which may cause an adverse effect on our business, financial condition and results of operations.

49. ***We depend on certain senior managers and key employees and our inability to retain such senior managers and employees or to adequately replace them or hire additional qualified employees could adversely affect our ability to achieve our objectives and business strategy, and thereby have a material adverse effect on our business and financial performance.***

Our operating and execution capability is substantially attributable to the role played by a group of our senior management and key employees. Our future success depends significantly on the full involvement of these key executives and employees and our ability to continue to retain and recruit high-level personnel.

A break up of the permanent employees of our Company during the preceding three Financial Years have been provided below:

Particulars	March 31, 2024	March 31, 2023	March 31, 2022
Number of permanent employees	229	251	277

The following table sets forth the attrition rates for our full-time employees for the periods indicated.

Period	Attrition Rate	No. of employees who resigned during the period
Financial Year 2024	1.71%	49
Financial Year 2023	1.98%	62
Financial Year 2022	2.86%	101

We do not carry key man insurance. We may need to offer higher compensation and other benefits to attract and retain key personnel. Our retention efforts include selecting the right people in our hiring process through adequate screening and through hiring individuals with relevant experience, providing opportunities for employees to share knowledge with one another through training sessions and presentations and offering an attractive, competitive salary and benefits package. In addition, we also offer a performance and potential-based career growth plan aimed at retaining talented employees based on performance goals. Our inability to retain such key executives and employees, or, alternatively to adequately replace them or hire qualified new executives and employees as our business grows, could adversely affect our ability to achieve our objectives and business strategy, and thereby have a material adverse effect on our business, financial condition or results of operations.

50. ***Some of our Joint Ventures have incurred losses in the past. Such losses may impact our reputation or business or financial results, on a consolidated basis.***

Some of our Joint Ventures have incurred losses in the past, details of which are as under:

(₹ in lakhs)

Name of the entity	Profit/(Loss)		
	December 31, 2024	March 31, 2024	March 31, 2023
SEPC DRS ITPL JV	182.12	3.01	12.73
Shriram EPC Eurotek Environmental Private Limited JV	1.04	6.17	1.16
Mokul Shriram EPC JV	(1.97)	(7.07)	(4.13)

There can be no assurance that our Joint Ventures will not incur losses in any future periods, or that there may not be an adverse effect on our reputation or business as a result of such losses. Such losses incurred by our Joint Ventures may be perceived adversely by external parties such as customers, bankers, and suppliers, which may affect our reputation. Occurrence of any of the above events, could have a material adverse effect on our business, prospects, results of operations and financial condition. In addition, any operating losses could adversely affect the overall operations of the group and financial conditions and also divert the attention of the management and promoters towards these companies which could have an adverse effect on our operations and financials.

51. ***We may infringe on the intellectual property rights of others.***

While we take care to ensure that we comply with the intellectual property rights of others, we cannot determine with certainty whether we or our technology providers are infringing upon any existing third-party intellectual property rights which may force us to alter our technologies, obtain additional licenses or significantly cease some portions of our operations. We may also be susceptible to claims from third parties asserting infringement and other related claims. Regardless of whether such claims that we or our technology providers are infringing patents or other intellectual property rights have any merit, those claims could adversely affect our relationships with current or future clients, result in costly litigation, cause product shipment delays or stoppages, divert management's attention and resources, subject us to significant liabilities, require us to enter into additional royalty or licensing agreements or require us to cease certain activities. While, the aforementioned events have not occurred in the past, occurrence of any such events could have a material negative effect on our financial condition, results of operations and prospects.

An adverse ruling arising out of any intellectual property dispute could subject us to significant liability for damages, prevent us from using technologies or developing products, or require us to negotiate licenses to disputed rights from third parties. Although patent and intellectual property disputes in the technology area are often settled through licensing or similar arrangements, costs associated with these arrangements may be substantial and could include license fees and ongoing royalties, which could be prohibitively expensive. Furthermore, necessary licenses may not be available to us on satisfactory terms, if at all. While, the aforementioned events have not occurred in the past, occurrence of any such events could have a material negative effect on our financial condition, results of operations and prospects.

52. ***We do not own our Registered Office. Disruption of our rights as lessee or termination of the lease agreement with our lessor would adversely impact our operations and consequently, our business.***

As on the date of this Letter of Offer, our Registered Office and Corporate Office has been taken on lease by our Company, details of the same have been provided below:

Sr. no.	Details of the Deed/Agreement	Particulars of the property, description and area	Consideration/ License Fee/Rent (excluding GST)	Tenure/ Term	Usage
1.	Lease Deed dated June 9, 2022 executed between Shrine Vailankanni Senior Secondary School and our Company	4th Floor, Bascon Futura SV, IT Park Venkatanarayana Road, Parthasarathy Puram, T. Nagar Chennai – 600 017, Tamil Nadu, India	Refundable security deposit of ₹ 42.66 lakhs and rent of ₹ 42 per square feet per month	A period of three years commencing from August 1, 2022	Corporate Office
2.	Lease Deed dated June 9, 2022 executed between Shrine Vailankanni Senior Secondary School and our Company	3rd Floor, Bascon Futura SV, IT Park Venkatanarayana Road, Parthasarathy Puram, T. Nagar Chennai – 600 017, Tamil Nadu, India	Refundable security deposit of ₹ 42.66 lakhs and rent of ₹ 42 per square feet per month	A period of three years commencing from August 1, 2022	Registered Office

We confirm that the leased premises do not pertain to erstwhile promoters or directors/KMPs or their group/associates.

The lease deed can be terminated, and any such termination could result in our Registered Office being shifted or shut down. While we have not faced major issues renewing the lease in the past, if these lease deed is not renewed or not renewed on terms favourable to us, we may suffer a disruption in our operations or increased costs, or both, which may affect our business and results of operations. For details, please refer to the chapter titled "*Our Business- Our Immovable Properties*" on page 160 of this Letter of Offer.

53. ***Some of our Subsidiaries have incurred losses in the past.***

Some of our Subsidiaries have incurred losses in the past, details of which are as under:

(₹ in lakhs)

Name of the entity	Profit/(Loss)		
	December 31, 2024	March 31, 2024	March 31, 2023
SEPC FZE, Sharjah (*formerly known as Shriram EPC FZE*)	(1.53)	(27.16)	776.36

Shriram EPC Arkans LLC -Oman	(14.62)	16.64	(103.77)

There can be no assurance that our Subsidiaries will not incur losses in any future periods, or that there may not be an adverse effect on our reputation or business as a result of such losses. Such losses incurred by our Subsidiary may be perceived adversely by external parties.

54. Our Promoter, Directors, Key Managerial Personnel and Senior Management have interests in our Company other than reimbursement of expenses incurred or normal remuneration or benefits.

Our Promoter, Directors Key Managerial Personnel and Senior Management, have interest in our Company to the extent of the regular remuneration or benefits, reimbursements of expenses, Equity Shares held by them or their relatives, their dividend or bonus entitlement, benefits arising from their directorship in our Company. Our Promoter, Directors, Key Managerial Personnel and Senior Management may also be interested to the extent of any transaction entered into by our Company with any other company or firm in which they are directors or partners. For further details, please see the section titled "*Financial Information"* at page 165 of this Letter of Offer.

There can be no assurance that our Promoter, Directors, Key Managerial Personnel and Senior Management will exercise their rights as shareholders to the benefit and best interest of our Company. Our Promoter and Promoter Group will continue to exercise significant control over our Company, including being able to control the composition of our Board of Directors and determine decisions requiring simple or special majority voting of shareholders, and our other shareholders may be unable to affect the outcome of such voting.

55. As on December 31, 2024, we have certain contingent liabilities, amounting to ₹ 45,936.41 lakhs and our financial condition and profitability may be adversely affected if any of these contingent liabilities materialize.

The details of our contingent liabilities are as follows:

(₹ in lakhs)

S. No.	Particulars*	December 31, 2024	As at March 31, 2024	As at 31st March, 2023
1.	Claims against the company not acknowledged as debts	6,873.00	10,036.55	10,188.40
2.	Central Excise, Service tax and customs duties demand contested in Appeals, not provided for	779.77	779.77	408.00
3.	Disputed VAT/ Central Sales tax demands contested in Appeals, not provided for	2,660.02	2,038.04	3,166.00
4.	Income tax demands contested in appeals not provided for	-	-	-
5.	Bank Guarantees Outstanding	35,623.62	37,613.23	33,636.06
	Total	**45,936.41**	**50,467.59**	**47,398.46**

**The above table does not include certain Outstanding Demands/Proceedings/Notices reflecting in Income Tax/GST Portal. As informed by the Management, orders were already passed and that these demands are incorrectly been shown on Income Tax/GST Portals.*

For further details of contingent liability, see the section titled — "*Financial Information*" on page 165 of this Letter of Offer. Furthermore, there can be no assurance that we will not incur similar or increased levels of contingent liabilities in the future.

56. Our Company has availed certain unsecured loans, which are recallable in nature.

As on December 31, 2024, our Company has outstanding long term unsecured loans aggregating to ₹ 5,238.00 lakhs, which have been extended by one of the wholly-owned subsidiaries of our Promoter Group, namely, Mark AB Capital Investment India Private Limited, which are re-payable as a bullet payment on December 31, 2035 at an interest rate of 0.1% per annum. The details of the loans availed has been provided below:

S. No.	Name of the lender	Principal Amount outstanding as on December 31, 2024 *(₹ in lakhs)**
1.	Mark AB Capital Investment India Private Limited	5,238.00

**Net Present value as on December 31, 2024 is ₹ 2,015.19 lakhs*

In the event, we are unable to repay the aforementioned loan, on the due date, our Company would stand in violation of the arrangement entered into with Mark AB Capital Investment India Private Limited, which could adversely affect our business, financial condition and results of operations.

57. ***The agreements executed by our Company with lenders for financial arrangements contain restrictive covenants for certain activities and if we are unable to get their approval, it might restrict our scope of activities and impede our growth plans.***

We have entered into agreements for our borrowings with certain lenders. These borrowings include secured fund based and non-fund based facilities. These agreements include restrictive covenants which mandate certain restrictions in terms of our business operations such as change in capital structure, formulation of any scheme of amalgamation or reconstruction, declaring dividends, further expansion of business, granting loans to directors and third parties, undertake guarantee obligations on behalf of any other borrower, which require our Company to obtain prior approval of the lenders for any of the above activities. A default under this clause will result in the outstanding amounts becoming due and payable immediately. This might have an adverse effect on our cash flows, business, results of operations and financial condition.

58. ***Our Company does not have any documentary evidence for the educational qualifications of Abdulla Mohammad Ibrahim Hassan Abdulla.***

Our Chairman and Non-Executive Director, Abdulla Mohammad Ibrahim Hassan Abdulla is unable to trace documents evidencing his educational qualification. Due to lack of documents and relevant information from the aforementioned Director, we have placed reliance upon affidavits issued by the Director, confirming the disclosure made in the biography in the chapter titled "*Our Management and Organisational Structure*" For further details, please refer to the chapter titled "*Our Management and Organisational Structure*" on page 102 of this Letter of Offer.

59. ***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. Our business is working capital intensive and we are required to obtain consents from certain of our lenders prior to the declaration of dividend as per the terms of the agreements executed with them. We may be unable to pay dividends in the near or medium term, and our future dividend policy will depend on our capital requirements and financing arrangements in respect of our operations, financial condition and results of operations. Our Company has not declared dividends in the past three years and the nine- month period ended December 31, 2024, and there can be no assurance that our Company will declare dividends in the future also.

60. ***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.***

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 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. Further, the industry data mentioned in this 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 Letter of Offer in this context.

ISSUE SPECIFIC RISKS

61. ***We will not distribute this Letter of Offer and the Letter of Offer, the Abridged Letter of Offer, Application Form and Rights Entitlement Letter to overseas Shareholders who have not provided an address in India for service of documents.***

In accordance with the U.S. Securities Act, 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, except in a transaction not subject to, or exempt from, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, 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.

However, Eligible Equity Shareholders who are located in jurisdictions where the offer and sale of the Rights Entitlement or Rights Equity Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions, can receive the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material, by making a request in this regard to our Company or to the Registrar to the Issue. The Eligible Equity Shareholders can send an email to our Company or to the Registrar to the Issue seeking Issue Materials, pursuant to which the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent/ dispatched only to their valid e-mail address. Additionally, Investors can access the Draft Letter of Offer, this 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 laws) on the websites of:

(i) our Company at www.sepc.in;
(ii) the Registrar at https://rights.cameoindia.com/sepc3;
(iii) the Lead Manager at www.sumedhafiscal.com; and
(iv) the Stock Exchanges at www.bseindia.com and www.nseindia.com.

For further details, please see "*Terms of the Issue - Dispatch and Availability of Issue Materials*" on page 264 of the Letter of Offer.

The Issue Materials will not be physically distributed to addresses outside India on account of restrictions that apply to circulation of such materials in overseas jurisdictions. However, Eligible Investors can make a request for the Issue Materials in the manner provided above. However, the Companies Act, 2013 requires companies to serve documents at any address which may be provided by the members as well as through e-mail. Presently, there is lack of clarity under the Companies Act, 2013 and the rules made thereunder with respect to distribution of Issue Materials in overseas jurisdictions where such distribution may be prohibited under the applicable laws of such jurisdictions. While we have requested all the shareholders to provide an address in India for the purposes of distribution of Issue Materials, we cannot assure you that the regulator or authorities would not adopt a different view with respect to compliance with the Companies Act, 2013 and may subject us to fines or penalties.

62. SEBI has recently, by way of SEBI Master Circular, 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 Master Circular 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 264 of this Letter of Offer.

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Master 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 suspended for debit or credit 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.

63. ***From the Call Record Date for each Call prior to the final Call, the trading of the Rights Equity Shares would be suspended for a period under applicable law. Further, the Rights Equity Shares will not be traded with effect from the Call Record Date for the final call fixed for the determination of the Investors liable to pay Call Monies, with terms and conditions such as the number of Calls and the timing and quantum of each Call as may be decided by our Board or Rights Issue Committee from time to time. The holders of the Rights Equity Shares will not be able to trade in these securities till they are credited to the holders' account as fully paid-up. Further, until the subsistence of Rights Equity Shares issued by way of this Issue, we may not be able to undertake certain forms of equity capital raising.***

The Issue Price is ₹ 10/- per Rights Equity Share. Investors will have to pay ₹5/- per Rights Equity Share which constitutes 50.00% of the Issue Price on Application and the balance ₹5/- per Rights Equity Shares which constitutes 50.00% of the Issue Price on one or more subsequent Call(s), as determined by our Company's Board of Directors at their sole discretion, from time to time. The Rights Shares offered under this Issue will be listed under a separate ISIN. An active market for trading may not develop for the Rights Shares. This may affect the liquidity of the Rights Shares and restrict your ability to sell them.

If our Company does not receive the Call Money from the Rights Shareholders as per the timelines stipulated in the Call notice, unless extended by our Board, the defaulting Rights Shareholders will be liable to pay interest as may be fixed by our Board unless waived or our Company may forfeit the Application Money and any Call Money received for previous Calls made, in accordance with the Companies Act, 2013 and our Company's Articles of Association. For further details, please refer to the section titled "*Terms of the Issue*" on page 264 of this Letter of Offer. Rights Shareholders are only entitled to dividend in proportion to the amount paid-up and the voting rights (exercisable on a poll) by investors shall also be proportional to such investor's share of the paid-up Equity Share capital of our Company. If certain investors do not pay the full amount, we may not be able to raise the amount proposed under this Issue.

The ISIN INE964H20055 representing partly paid-up Rights Shares will be terminated after the Call Record Date for the final Call. On payment of the final Call-in respect of the partly paid-up Rights Shares, such partly paid-up Rights Shares would be converted into fully paid-up Equity Shares and shall be listed and identified under the existing ISIN INE964H01014 for our fully paid-up Equity Shares. Our Company would fix a Call Record Date for the purpose of determining the list of allottees to whom the notice for the final Call would be sent. From the Call Record Date for each Call prior to the final Call, the trading of the Rights Shares would be suspended for an applicable period under the applicable law. Further, with effect from the Call Record Date, trading in the partly paid-up Equity Shares for which final Call have been made, would be suspended prior to the Call Record Date, for such period as may be applicable under the rules and regulations. Furthermore, the holders of the partly paid-up Rights Equity Shares will not be able to trade in these shares until they are credited to the holders' account as fully paid-up Rights Shares. Similarly, for an applicable period, from the Call Record Date for each Call, the trading of the Rights Shares would be suspended under the applicable law.

Further, there is little history of trading of partly paid-up shares in India and therefore there could be less liquidity in this segment, which may cause the price of the Rights Shares to fall and may limit ability of Investors to sell the Rights Shares. There may also be a risk of the Rights Shares not forming part of the index.

Further, until the subsistence of Rights Shares, we cannot undertake further rights issues, further public offers, or bonus issues. In terms of Regulations 62 and 104 of the SEBI ICDR Regulations, an issuer making a rights issue or further public offer is required to ensure that all its existing partly paid-up equity shares have either been fully paid-up or have been forfeited. Additionally, a bonus issue will not be permitted under law till the subsistence of partly paid-up equity shares in terms of Regulation 293 of the SEBI ICDR Regulations.

64. ***Non-receipt of complete Call Money(ies) may have an impact of a consequential shortfall in Net Proceeds and shall also result in forfeiture of the Rights Equity Shares allotted to such Eligible Equity Shareholders who fail to pay Call Money(ies).***

The Calls shall be deemed to have been made at the time when the resolution authorizing such calls is passed at the meeting of our Board/ Rights Issue Committee. The Calls may be revoked or postponed at the discretion of our Board/ Rights Issue Committee, from time to time. Pursuant to the provisions of the Articles of Association, investors will be given at least 15 days' notice in writing for the payment of the Calls. Our Board/ Rights Issue Committee may, from time to time at its discretion, extend the time fixed for the payments of the Calls. Our Company, at its sole discretion, may send reminders for the calls as it deems fit, and if it does not receive the Call Money(ies) as per the timelines stipulated, it would forfeit the Application Money. Non-receipt of complete Call Money(ies) and a consequential forfeiture of the Application Money may lead to a shortfall in the Net Proceeds, which may have to be met out of internal accruals and may impact the business and capital expenditure plans. For details, see "*Objects of the Issue*" on page 108.

The non-receipt of the Call Monies within the timelines stipulated would also result in forfeiture of the Rights Equity Shares of such Eligible Equity Shareholders in accordance with the Companies Act, 2013 and Articles of Association.

65. ***The Rights Entitlement of Eligible Equity Shareholders holding Equity Shares in physical form ("Physical Shareholder") may lapse in case they fail to furnish the details of their demat account to the Registrar.***

In accordance with the circular SEBI Master Circular, the credit of Rights Entitlement and Allotment of Equity Shares shall be made in dematerialised form only. Accordingly, the Rights Entitlements of the Physical Shareholders shall be credited in a suspense escrow demat account opened by our Company during the Issue Period. The Physical Shareholders are requested to furnish the details of their demat account to the Registrar not later than two Working Days prior to the Issue Closing Date to enable the credit of their Rights Entitlements in their demat accounts at least one day before the Issue Closing Date. The Rights Entitlements of the Physical Shareholders who do not furnish the details of their demat account to the Registrar not later than two Working Days prior to the Issue Closing Date, shall lapse. Further, pursuant to a press release dated December 3, 2018 issued by the SEBI, with effect from April 1, 2019, a transfer of listed Equity Shares cannot be processed unless the Equity Shares are held in dematerialized form. For details, please refer chapter *"Terms of the Issue"* on page 264 of this Letter of Offer.

66. ***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. Renouncees 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 Renouncees 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. For details, see "*Terms of the Issue*" on page 264 of this Letter of Offer.

67. ***Any future issuance of Equity Shares, or convertible securities or other equity-linked securities by our Company may dilute your shareholding and any sale of Equity Shares by our Promoter or members of our Promoter Group may adversely affect the trading price of the Equity Shares.***

Any future issuance of the Equity Shares, convertible securities or securities linked to the Equity Shares by our Company may dilute your shareholding in our Company; adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. We cannot assure you that we will not issue additional Equity Shares. The disposal of Equity Shares by any of our Promoter and Promoter Group, or the perception that such sales may occur may significantly affect the trading price of the Equity Shares. We cannot assure you that our Promoter and Promoter Group will not dispose of, pledge or encumber their Equity Shares in the future.

68. ***Investors 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 of an Indian company are generally taxable in India. 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 may be partially or completely exempt from taxation in India in cases where such exemption is provided under a treaty between India and the country of which the seller is a 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 gains made upon the sale of the Equity Shares.

69. Applicants to this Issue are not allowed to withdraw their Applications after the Issue Closing Date.

In terms of the SEBI ICDR Regulations, Applicants in this Issue are not allowed to withdraw their Applications after the Issue Closing Date. The Allotment in this Issue and the credit of such Equity Shares to the Applicant's demat account with its depository participant shall be completed within such period as prescribed under the applicable laws. There is no assurance, however, that material adverse changes in the international or national monetary, financial, political or economic conditions or other events in the nature of force majeure, material adverse changes in our business, results of operation, cash flows or financial condition, or other events affecting the Applicant's decision to invest in the Equity Shares, would not arise between the Issue Closing Date and the date of Allotment in this Issue. Occurrence of any such events after the Issue Closing Date could also impact the market price of our Equity Shares. The Applicants shall not have the right to withdraw their applications in the event of any such occurrence. We cannot assure you that the market price of the Equity Shares will not decline below the Issue Price. To the extent the market price for the Equity Shares declines below the Issue Price after the Issue Closing Date, the shareholder will be required to purchase Equity Shares at a price that will be higher than the actual market price for the Equity Shares at that time. Should that occur, the shareholder will suffer an immediate unrealized loss as a result. We may complete the Allotment even if such events may limit the Applicants' ability to sell our Equity Shares after this Issue or cause the trading price of our Equity Shares to decline.

70. Investors will be subject to market risks until the Equity Shares credited to the investors demat account are listed and permitted to trade.

Investors can start trading the Equity Shares allotted to them only after they have been credited to an investor's demat account, are listed and permitted to trade. Since the Equity Shares are currently traded on the Stock Exchange, investors will be subject to market risk from the date they pay for the Equity Shares to the date when trading approval is granted for the same. Further, there can be no assurance that the Equity Shares allocated to an investor will be credited to the investor's demat account or that trading in the Equity Shares will commence in a timely manner.

71. 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.

72. The trading price of our Equity Shares may be subject to volatility and you may not be able to sell your Equity Shares at or above the Issue Price.

The trading price of our Equity Shares may fluctuate after this Issue due to a variety of factors, including our results of operations and the performance of our business, competitive conditions, general economic, political and social factors, the performance of the Indian and global economy and significant developments in India's fiscal regime, volatility in the Indian and global securities market, performance of our competitors, changes in the estimates of our performance or recommendations by financial analysts and announcements by us or others regarding contracts, acquisitions, strategic partnerships, joint ventures, or capital commitments. In addition, if the stock markets in general experience a loss of investor confidence, the trading price of our Equity Shares could decline for reasons unrelated to our business, financial condition or operating results. The trading price of our Equity Shares might also decline in reaction to events that affect other companies in our industry even if these events do not directly affect us. Each of these factors, among others, could adversely affect the price of our Equity Shares.

73. ***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, 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.

74. ***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.

75. ***Investors will not have the option of getting the allotment of Equity Shares in physical form.***

In accordance with the SEBI ICDR Regulations, the Equity Shares shall be issued only in dematerialized form. Investors will not have the option of getting the allotment of Equity Shares in physical form. The Equity Shares Allotted to the Applicants who do not have demat accounts or who have not specified their demat details, will be kept in abeyance till receipt of the details of the demat account of such Applicants. For details, see *"Terms of the Issue"* on page 264 of this Letter of Offer. This may impact the ability of our shareholders to receive the Equity Shares in the Issue.

76. ***There is no guarantee that our Equity Shares will be listed, or continue to be listed, on the Indian stock exchanges in a timely manner, or at all, and prospective investors will not be able to immediately sell their Equity Shares on the Stock Exchange.***

In accordance with Indian law and practice, final approval for listing and trading of our Equity Shares will not be applied for or granted until after our Equity Shares have been issued and allotted. Such approval will require the submission of all other relevant documents authorizing the issuance of our Equity Shares. Accordingly, there could be a failure or delay in listing our Equity Shares on the Stock Exchange, which would adversely affect your ability to sell our Equity Shares.

77. ***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.

78. 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. In accordance with the provisions of the Companies Act, the voting rights of an equity shareholder in a company shall be in proportion to the share of a person in the paid-up equity share capital of that company. Further, Section 106(1) of the Companies Act read with the Articles of Association specifically provides that no member shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid. Therefore, the rights of holders of the Rights Equity Shares will not be *pari passu* with the rights of the other shareholders of our Company in case of non-payment of Call Money(ies).

EXTERNAL RISK FACTORS

79. Significant differences exist between Ind AS, Indian GAAP and other accounting principles, such as US GAAP and International Financial Reporting Standards ("IFRS"), which investors may be more familiar with and consider material to their assessment of our financial condition.

Our summary statements of assets and liabilities and summary statements of profit and loss (including other comprehensive income), cash flows and changes in equity, as per the Financial Statements, have been prepared in accordance with the Indian Accounting Standards notified under Section 133 of the Companies Act, 2013, read with the Ind AS Rules and restated in accordance with the SEBI ICDR Regulations, the SEBI Master 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 Restated 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.

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

The Indian economy and its securities markets are influenced by economic developments and volatility in securities markets in other countries. Investors' reactions to developments in one country may have adverse effects on the market price of securities of companies located in other countries, including India. Negative economic developments, such as rising fiscal or trade deficits, or a default on national debt, in other emerging market countries may also affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general. Any of these factors could depress economic activity and restrict our access to capital, which could have an adverse effect on our business, financial condition and results of operations and reduce the price of our Equity Shares. Any financial disruption could have an adverse effect on our business, future financial performance, shareholders' equity and the price of our Equity Shares.

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 products or 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.

81. A slowdown in economic growth in India could cause our business to suffer. Further, changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws and regulations, may adversely affect our business results of operations, cash flows and financial performance.

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;
- volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges;
- variations in exchange rates;
- 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.

Additionally, changes in the operating environment, including changes in tax law, could impact the determination of our tax liabilities for any given tax year. Taxes and other levies imposed by the Government of India that affect our industry include income tax, goods and services tax and other taxes, duties or surcharges introduced from time to time. The tax scheme in India is extensive and subject to change from time to time. Any adverse changes in any of the taxes levied by the Government of India may adversely affect our competitive position and profitability. For example, the Government of India implemented a comprehensive national goods and services tax ("**GST**") regime with effect from July 1, 2017, that combined multiple taxes and levies by the Central and State Governments into a unified tax structure. Our business and financial performance could be adversely affected by any unexpected or onerous requirements or regulations resulting from the introduction of GST or any changes in laws or interpretation of existing laws, or the promulgation of new laws, rules and regulations relating to GST, as it is implemented. The Government has enacted the GAAR which have come into effect from April 1, 2017. The tax consequences of the GAAR provisions being applied to an arrangement could result in denial of tax benefit amongst other consequences. In the absence of any precedents on the subject, the application of these provisions is uncertain. If the GAAR provisions are made applicable to our Company, it may have an adverse tax impact on us. In addition, the implementation of Ind AS is recent and new pronouncements may have a material impact on our profitability going forward and our revenue may fluctuate significantly period over period.

Further, changes in tax rates are generally covered by subsequent legislation clauses in our contracts with clients. However, the prevailing tax rate is considered during the bid stage and any claims for reimbursement from client may result in possible disputes, which could result in arbitrations/litigations for the Company and impact working capital. We cannot assure you that the Government of India may not implement new regulations and policies which will require us to obtain approvals and licenses from the Government of India and other regulatory bodies or impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the applicability, interpretation and implementation of any amendment to, or change to governing laws, regulation or policy in the countries in which we operate may materially and adversely affect our business, results of operations and financial condition. In addition, we may have to incur expenditure to comply with the requirements of any new regulations, which may also materially harm our results of operations. We are also subject to these risks in all our overseas operations depending on each specific country.

82. Changing laws, rules and regulations and legal uncertainties, including adverse application of corporate and tax laws, may adversely affect our business, prospects and results of operations.

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes, including the instances mentioned below, may adversely affect our business, results of operations and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy.

The Government of India has issued a notification dated September 29, 2016 notifying Income Computation and Disclosure Standards ("**ICDS**"), thereby creating a new framework for the computation of taxable income. The ICDS became applicable from the assessment year for Fiscal 2018 and subsequent years. The adoption of ICDS is expected to significantly alter the way companies compute their taxable income, as ICDS deviates from several concepts that are followed under general accounting standards, including Indian GAAP and Ind AS. In addition, ICDS shall be applicable for the computation of income for tax purposes but shall not be applicable for the computation of income for minimum alternate tax. There can be no assurance that the adoption of ICDS will not adversely affect our business, results of operations and financial condition.

- the General Anti Avoidance Rules **("GAAR")** have been made effective from April 1, 2017. The tax consequences of the GAAR provisions being applied to an arrangement could result in denial of tax benefit amongst other consequences. In the absence of any precedents on the subject, the application of these provisions is uncertain. If the GAAR provisions are made applicable to our Company, it may have an adverse tax impact on us.

- a comprehensive national GST regime that combines taxes and levies by the Central and State Governments into a unified rate structure, which came into effect from July 1, 2017. We cannot provide any assurance as to any aspect of the tax regime following implementation of the GST. Any future increases or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable. If, as a result of a particular tax risk materializing, the tax costs associated with certain transactions are greater than anticipated, it could affect the profitability of such transactions.

In addition, unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment laws governing our business, operations and group structure could result in us being deemed to be in contravention of such laws or may require us to apply for additional approvals. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may affect the viability of our current business or restrict our ability to grow our business in the future.

Any increase in taxes and levies, or the imposition of new taxes and levies in the future, could increase the cost of production and operating expenses. Taxes and other levies imposed by the central or state governments in India that affect our industry include customs duties, excise duties, sales tax, income tax and other taxes, duties or surcharges introduced on a permanent or temporary basis from time to time. The central and state tax scheme in India is extensive and subject to change from time to time. Any adverse changes in any of the taxes levied by the central or state governments may adversely affect our competitive position and profitability.

83. ***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, including India. A loss in investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, 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.

These could include further falls in Stock Exchange's indices and greater volatility of markets in general due to the increased uncertainty. These and other related events could have a significant impact on the global credit and financial markets as a whole, and could result in reduced liquidity, greater volatility, widening of credit spreads and a lack of price transparency in the global credit and financial markets. There are also 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.

84. ***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.

85. 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.

86. 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.

87. 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, could adversely affect our results of operations, cash flows or financial condition. Terrorist attacks and other acts of violence or war may adversely affect the Indian securities markets. 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.

88. Financial instability in other countries may cause increased volatility in Indian financial markets.

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, particularly emerging market countries in Asia. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our business, our future financial performance and the prices of the Equity Shares.

The recent outbreak of Novel Coronavirus has significantly affected financial markets around the world. Any other global economic developments or the perception that any of them could occur may continue to have an adverse effect on global economic conditions and the stability of global financial markets, and may significantly reduce global market liquidity and restrict the ability of key market participants to operate in certain financial markets. Any of these factors could depress economic activity and restrict our access to capital, which could have an adverse effect on our business, financial condition and results of operations and reduce the price of our Equity Shares. Any financial disruption could have an adverse effect on our business, future financial performance, shareholders' equity and the price of our Equity Shares.

SECTION III – INTRODUCTION

THE ISSUE

This Issue has been authorised through a resolution passed by our Board at its meeting held on November 14, 2024 pursuant to Section 62(1)(a) of the Companies Act. The following is a summary of this Issue, and should be read in conjunction with and is qualified entirely by, the information detailed in the chapter titled "*Terms of the Issue*" on page 264 of this Letter of Offer.

Particulars	Details of Equity Shares
Equity Shares proposed to be issued	Upto 35,00,00,000 partly paid-up Equity Shares*
Rights Entitlement	Upto eleven (11) Equity Share(s) for every fifty (50) fully paid-up Equity Share(s) held on the Record Date
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 fifty (50) Equity Shares or is not in multiples of fifty (50), 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.
Record Date	Friday, May 23, 2025
Face value per Equity Shares	₹ 10/-
Issue Price per Rights Equity Shares	₹ 10/-
Issue Size	Upto 35,00,00,000 partly paid-up Equity Shares* of face value of ₹ 10 each for cash at a price of ₹ 10/- (Including a premium of Nil) per Rights Equity Share aggregating to an amount of up to ₹ 35,000 lakhs*.
Voting Rights and Dividend	The Equity Shares issued pursuant to this Issue shall rank *pari pasu* in all respects with the Equity Shares of our Company.
Equity Shares issued and subscribed and are outstanding prior to the Issue^	1,56,36,59,786 Equity Shares
Equity Shares outstanding after the Issue (assuming full subscription for and Allotment of the Rights Entitlement)	1,91,36,59,786 Equity Shares
Money payable at the time of Application	₹ 5/-
Money payable at the time of First Call and Final Call	₹ 5/-
Call Payment Period	A period as may be fixed by the Board or its committee to enable the payment of the Calls by the holders of partly paid-up Rights Equity Shares
Scrip Details	**ISIN:** INE964H01014 **BSE:** 532945 **NSE**: SEPC **RE ISIN**: INE964H20055
Use of Issue Proceeds	For details please refer to the chapter titled "*Objects of the Issue*" on page 108 of this Letter of Offer.
Terms of the Issue	For details please refer to the chapter titled "*Terms of the Issue*" on page 264 of this Letter of Offer.

^ Our Company has issued and allotted (i) 175,00,000 compulsorily convertible debentures of ₹ 100/- each, to its lenders in lieu of existing debt of our Company with yield, which will be convertible into Equity shares at a future date for an aggregate amount upto ₹ 17,500 lakhs; and (ii) 1,75,00,000 non-convertible debentures of ₹ 100/- each to the lenders in lieu of their existing debt, for an aggregate amount upto ₹ 17,500 lakhs. The said issuance has been made in accordance with the resolution plan approved by the lenders under the Reserve Bank of India (Prudential Framework for Resolution of Stressed Assets) Directions 2019 and has been approved by the Board of Directors in their meeting dated January 3, 2022 and by the Shareholders through postal ballot. The Equity Shares which shall be issued post conversion of the compulsorily convertible debentures, shall be determined as per the prevailing terms of conversion between our Company and the lenders. Central Bank of India and Asset Reconstruction Company (India) Limited have vide their letter dated November 18, 2024 and mail dated November 14,2024, respectively, requested for conversion of 37,68,000 and 33,15,000 CCDs into Equity Shares of our Company. Our Board of Directors pursuant to a resolution passed in the meeting held on November 28, 2024 approving conversion of 37,68,000 Compulsorily Convertible Debentures into 2,64,98,317 equity shares of face value of ₹ 10 each of the Company, and allot 1,40,96,521 Equity Shares and 1,24,01,796 Equity Shares to Central Bank of India and Asset Reconstruction Company (India) Limited, respectively. As on date of this Letter of Offer, our Company has applied for listing approval from the Stock Exchanges for the aforementioned equity shares, and is awaiting approval for the same.

**Assuming full subscription. Subject to finalisation of the Basis of Allotment.*

Please refer to the chapter titled "*Terms of the Issue*" on page 264 of this Letter of Offer.

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:

Event	Indicative Date
Issue Opening Date	Monday, June 09, 2025
Last Date for On Market Renunciation of Rights	Tuesday, June 17, 2025
Issue Closing Date*	Monday, June 23, 2025

**The Board of Directors or a duly authorized committee thereof 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.*

Terms of Payment

The terms of payment for this Issue are as follows:

Amount payable per Rights Equity Share	Face Value (₹)	Premium (₹)	% of Issue Price	Total (₹)
On Application	5.00	Nil	50%	5.00
On First and Final Call (as determined by our Board in consultation with Rights Issue Committee)	5.00	Nil	50%	5.00
Total	**10.00**	**Nil**	**100%**	**10.00**

GENERAL INFORMATION

Our Company was incorporated on June 12, 2000 under the Companies Act, 1956 in the name and style '*Shriram EPC Limited*'. A certificate of commencement of business was granted to our Company on June 30, 2000 by the Registrar of Companies, Tamil Nadu. Pursuant to the provisions of Section 391 to 394 of the Companies Act and pursuant to an order dated July 22, 2005 of the High Court of Madras, Shriram Engineering Construction Company Limited was merged with our Company with effect from April 1, 2004, since both companies were in the same line of business, namely, construction engineering. Subsequently, the name of our Company was changed to SEPC Limited pursuant to a certificate of incorporation dated February 12, 2021 issued by Registrar of Companies, Chennai. The Corporate Identification Number of our company L74210TN2000PLC045167.

Registered Office of our Company

SEPC Limited
3rd Floor, Bascon Futura SV,
No. 10/1 Venkatanarayana Road,
T. Nagar, Thygarayanagar South NDS.O,
Chennai – 600 017, Tamil Nadu, India.
Telephone: +91 44 4900 5555

Corporate Office of our Company

4th Floor, Bascon Futura SV,
10/1 Venkatanarayana Road, Parthasarathy Puram,
T.Nagar, Chennai – 600 017,
Tamil Nadu, India.
Telephone: +91 +91 44 4900 5555

Contact Details of our Company

E-mail: info@sepc.in
Website: www.sepc.in
Registration Number: 045167
CIN: L74210TN2000PLC045167

Details of change in Registered Office

At the time of incorporation, the Registered Office of our Company was situated at 304/305, Anna Salai, 6th Floor, Guna Buildings, Teynampet, Chennai – 600 018, Tamil Nadu, India. The details of the changes undertaken in the Registered Office of our Company have been provided below:

S. No.	Date of change	Particulars of change
1.	August 11, 2001	The registered office of our Company was shifted from 304/305, Anna Salai, 6th Floor, Guna Buildings, Teynampet, Chennai – 600 018, Tamil Nadu, India to 6th Floor, Mookambika Complex, 4, Lady Desika Road, Mylapore, Chennai - 600 004, Tamil Nadu, India.
2.	January 18, 2003	The registered office of our Company was shifted from 6th Floor, Mookambika Complex, 4, Lady Desika Road, Mylapore, Chennai - 600 004, Tamil Nadu, India to 4th Floor, Mookambika Complex, 4, Lady Desika Road, Mylapore, Chennai - 600 004, Tamil Nadu, India.
3.	September 10, 2007	The Registered Office was shifted from 4th Floor Mookambika Complex 4, Lady Desika Road, Mylapore, Chennai 600 004, Tamil Nadu, India to No.5, T. V. Street, Chetput, Chennai- 600 031, Tamil Nadu, India.
4.	May 7, 2011	The Registered Office was subsequently shifted from No.5, T. V. Street, Chetput, Chennai- 600 031, Tamil Nadu, India to Sigappi Achi Building, 4th Floor, 18/3 Rukmini Lakshmipathi Road, Egmore, Chennai – 600 008, Tamil Nadu, India.
5.	January 21, 2021	The Registered Office was subsequently shifted from Sigappi Achi Building, 4th Floor, 18/3 Rukmini Lakshmipathi Road, Egmore, Chennai – 600 008, Tamil Nadu, India to 4th Floor, Bascon Futura SV IT Park, Venkatanarayana Road, Parthasarathy Puram, T. Nagar, Chennai – 600 017, Tamil Nadu, India.

S. No.	Date of change	Particulars of change
6.	August 14, 2024	The Registered Office was subsequently shifted from 4th Floor, Bascon Futura SV IT Park, Venkatanarayana Road, Parthasarathy Puram, T. Nagar, Chennai – 600 017, Tamil Nadu, India to 3rd Floor, Bascon Futura SV IT Park, Venkatanarayana Road, Parthasarathy Puram, T. Nagar, Chennai – 600 017, Tamil Nadu, India

Registrar of Companies

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

The Registrar of Companies, Tamil Nadu, Chennai
Block No. 6, B Wing,
2nd Floor, Shastri Bhawan 26,
Haddows Road, Chennai - 600 034,
Tamil Nadu, India.

Board of Directors of our Company

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

Name	Age	Designation	Address	DIN
Abdulla Mohammad Ibrahim Hassan Abdulla	30	Chairman and Non-Executive Director	902, Villa Til, Tillal, Post Box 36668, Dubai, United Arab Emirates	09436100
Nemmara Krishnan Suryanarayanan	67	Managing Director and Chief Executive Officer	A-504, Satellite Park, Caves Road, Near Ismail Yusuf College, Jogeshwari (East), Mumbai - 400 060, Maharashtra, India	01714066
Dr. Ravichandran Rajagopalan	67	Independent Director	2601, A1 Pelung CHS, Puraniks Rumah Bali, Ghodbunder Road, Bhayanderpada, Thane – 400 615, Maharashtra, India.	01920603
Dr. Arun Kumar Gopalaswamy	54	Independent Director	B-26-3C, Chera Delhi Avenue, IIT Madras, Chennai 600 036, Tamil Nadu, India.	07212557
Rajesh Kumar Bansal	63	Independent Director	Flat 904, Tower 1, SPR Imperial Estate Sector - 82, Atigaon Road, Faridabad – 121 002, Haryana, India	09634747
Sundaram Gayathri	55	Independent Director	Ram Sadan New No. 11, Old No. 4, Norton, 3rd street, Near St. Johns School, Mandaveli, Raja Annamalaipuram, S.O., Chennai- 600 028, Tamil Nadu, India.	07342382

For further details, please refer to the chapter titled "*Our Management and Organisational Structure*" on page 161 of the Letter of Offer.

Chief Financial Officer

Chandrasekharan Sivaprakasam Ramalingam, is the Chief Financial Officer of our Company. His contact details are set forth hereunder.

3rd Floor, Bascon Futura SV,
No. 10/1 Venkatanarayana Road,
T. Nagar, Thygarayanagar South NDS.O,
Chennai – 600 017, Tamil Nadu, India.
Telephone: +91 44 4900 5555
E-mail: rsc@sepc.in

Company Secretary and Compliance Officer

Thiruppathi Sriraman, Company Secretary and Compliance officer of our Company. His contact details are set forth hereunder.

3rd Floor, Bascon Futura SV,
No. 10/1 Venkatanarayana Road,
T. Nagar, Thygarayanagar South NDS.O,
Chennai – 600 017, Tamil Nadu, India.
Telephone: +91 44 4900 5555
E-mail: tsr@sepc.in

Details of Key Intermediaries pertaining to this Issue of our Company:

Lead Manager to the Issue

Sumedha Fiscal Services Limited
6A Geetanjali, 6th Floor,
8B Middleton Street, Kolkata – 700 071,
West Bengal, India.
Telephone: (033) 2229 8936 / 6813 5900
Fax No.: N.A.
Email id: rightsissue_mb@sumedhafiscal.com
Website: www.sumedhafiscal.com
Investor grievance: mb_compliance@sumedhafiscal.com
SEBI Registration Number: INM000008753
Contact Person: Ajay K Laddha

Registrar to the Issue

Cameo Corporate Services Limited
No. 01, Club House Road, Mount Road,
Chennai- 600 002, Tamil Nadu, India.
Telephone: +91 44 4002 0700/ 2846 0390
Facsimile: N.A.
Email: rights@cameoindia.com
Website: www.cameoindia.com
Online Investor Portal: https:// wisdom.cameoindia.com
Investor Grievance Email id: investor@cameoindia.com
Contact Person: K. Sreepriya
SEBI Registration No.: INR000003753

Legal Advisor to the Issue

T&S Law
15, Logix Technova,
Block B, Sector 132, Noida - 201 304,
Uttar Pradesh, India.
Telephone: +91 120 666 1348
Facsimile: N.A.
Email: info@tandslaw.in
Contact Person: Sagarieeka

Statutory and Peer Review Auditor of our Company

M S K A & Associates,
Chartered Accountants
No. 304 and 305, Anna Salai,
Teynampet, Chennai- 600 018,
Tamil Nadu, India

Telephone: +91 44 6131 0200
Email: geethajeyakumar@mska.in
Contact Person: Geetha Jeyakumar
Membership No: 029409
Firm Registration No: 105047W
Peer Review No.: 013267

Banker to the Issue/ Refund Bank

Axis Bank Limited
No 82, Dr. Radhakrishnan Salai,
Mylapore, Chennai - 600 004,
Tamil Nadu, India.
Telephone: 044 - 2830 6900
Facsimile: N.A.
Email: chennai.bb@axisbank.com
Website: www.axisbank.com
Contact Person: M S Rajaram
SEBI Registration Number: INBI00000017

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

Sumedha Fiscal Services Limited being the sole Lead Manager will be responsible for all the responsibilities related to co-ordination and other activities in relation to the Issue. Hence a statement of inter se allocation of responsibilities is not required.

Underwriting

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

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/ 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, 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.

Expert Opinion

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

Our Company has received written consent dated March 28, 2025 from the Statutory Auditor to include their name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations in this 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) report dated May 28, 2024 on our Audited Financial Statements for the financial year ended March 31, 2024; (ii) limited review report dated February 13, 2025 on our Limited Review Financial Results for the nine-month period ended December 31, 2024; and (iii) statement of tax benefits dated December 13, 2024 in this Letter of Offer and such consent has not been withdrawn as on the date of this Letter of Offer. The term 'expert' and consent thereof, does not represent an expert or consent within the meaning under the U.S. Securities Act.

Our Company has received written consent dated April 1, 2025, from B N C A & Co, Chartered Accountants, to include their name as required under Section 26 of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Letter of Offer, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as the Independent Chartered Accountant, and such consent has not been withdrawn as on the date of this Letter of Offer. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

Credit Rating

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

Debenture Trustees

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

Monitoring Agency

Our Company has appointed Infomerics Valuation and Rating Private Limited as the monitoring agency to monitor utilization of the Gross Proceeds, in accordance with Regulation 82 of the SEBI ICDR Regulations.

For details in relation to the proposed utilisation of the Net Proceeds, see "*Objects of the Issue*" on page 108.

Filing

A copy of the Draft Letter of Offer was filed electronically with SEBI at cfddil@sebi.gov.in, in accordance with the instructions issued by SEBI on March 27, 2020, in relation to "Easing of Operational Procedure –Division of Issues and Listing –CFD", and was also uploaded on the SEBI intermediary portal at siportal.sebi.gov.in as specified in Master Circular no. SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024 issued by SEBI. The DLOF was also filed with BSE and NSE, where the Rights Equity Shares are proposed to be listed.

Further, a copy of this Letter of Offer has been filed with SEBI and the Stock Exchanges, in accordance with the SEBI ICDR Regulations.

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:

Event	Indicative Date
Last date for credit of Rights Entitlements	Friday, June 06, 2025
Issue Opening Date	Monday, June 09, 2025
Last Date for On Market Renunciation of Rights#	Tuesday, June 17, 2025
Issue Closing Date*	Monday, June 23, 2025
Finalisation of Basis of Allotment (on or about)	Friday, June 27, 2025
Date of Allotment (on or about)	Friday, June 27, 2025
Date of credit (on or about)	Wednesday, July 02, 2025
Date of Listing (on or about)	Tuesday, July 08, 2025

 # 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 authorized 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.*

The above schedule is indicative and does not constitute any obligation on our Company or the Lead Manager.

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., Wednesday, June 18, 2025 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, i.e., Friday, June 20, 2025.

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 Common Application Forms, see *"Terms of the Issue"* beginning on page 264 of this 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 get lapsed 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.

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 at https://rights.cameoindia.com/sepc4 after keying in their respective details along with either security control measures implemented there at. For further details, see *"Terms of the Issue – Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders*" beginning on page 277 of this Letter of Offer.

Minimum Subscription

The objects of the Issue involve financing other than financing of capital expenditure for a project. However, our Promoter and members of our Promoter Group have, *vide* their letters each dated December 17, 2024 and December 20, 2024 (the "**Subscription Letters**"), informed us that they may renounce their Rights Entitlement in favour of third parties.

Accordingly, the minimum subscription criteria provided under Regulation 86 (1) of the SEBI ICDR Regulations shall apply to this Issue. In accordance with Regulation 86 of the SEBI ICDR Regulations, if our Company does not receive minimum subscription of at least 90% of the Equity Shares being offered under this Issue, on an aggregate basis, our Company shall refund the entire subscription amount received within 4 (four) days from the Issue Closing Date in accordance with the SEBI Master Circular. If there is a delay in making refunds beyond such period as prescribed by applicable laws, our Company will pay interest for the delayed period at rate as prescribed under the applicable laws.

CAPITAL STRUCTURE

The Equity Share capital of our Company, as on the date of this Letter of Offer and after giving effect to the Issue is set forth below:

Amount (in ₹ Lakhs, except share data)

Sr. No	Particulars	Aggregate value at nominal value	Aggregate value at Issue Price*
A.	**Authorised Share Capital**		
	2,25,00,00,000 Equity Shares of face value of ₹ 10/- each**	2,25,000.00	-
B.	**Issued, Subscribed and Paid-Up Share Capital before the Issue**		
	1,56,36,59,786^ Equity Shares of face value of ₹ 10/- each	1,56,365.98	-
C.	**Present Issue in terms of this Letter of Offer(1)(2)**		
	Fresh Issue of up to 35,00,00,000 partly paid-up Equity Shares of face value of ₹ 10/- each at a price of ₹ 10/- per equity share	35,000.00	35,000.00
D.	**Issued, Subscribed and Paid-Up Share Capital after the Issue**		
	1,91,36,59,786 Equity Shares of face value of ₹ 10/- each	1,91,365.97	
E.	**Securities Premium Account**		
	Before the Issue	1,96,992.35	
	After the calls are made in respect of Rights Equity shares(3)	1,96,992.35	

(1)The present Issue has been authorised vide a resolution passed at the meeting of the Board of Directors dated November 14, 2024. The terms of the Issue including the Record Date and Rights Entitlement Ratio, have been approved by resolution passed by our Rights Issue Committee at its meeting held on May 13, 2025.

(2) The Equity Share Capital after the Issue includes the full value of the Rights Equity Shares allotted in the Issue. However, the Eligible Equity Shareholders will be required to pay 50% of the Issue Price at the time of payment of Application Money and 50% of the Issue Price shall be paid on or before the date of First and Final Call.

(3) Assuming full payment of calls by holders of Rights Equity Shares.

^Our Company has issued and allotted (i) 175,00,000 compulsorily convertible debentures of ₹ 100/- each, to its lenders in lieu of existing debt of our Company with yield, which will be convertible into Equity shares at a future date for an aggregate amount upto ₹ 17,500 lakhs; and (ii) 1,75,00,000 non-convertible debentures of ₹ 100/- each to the lenders in lieu of their existing debt, for an aggregate amount upto ₹ 17,500 lakhs. The said issuance has been made in accordance with the resolution plan approved by the lenders under the Reserve Bank of India (Prudential Framework for Resolution of Stressed Assets) Directions 2019 and has been approved by the Board of Directors in their meeting dated January 3, 2022 and by the Shareholders through postal ballot. The Equity Shares which shall be issued post conversion of the compulsorily convertible debentures, shall be determined as per the prevailing terms of conversion between our Company and the lenders. Central Bank of India and Asset Reconstruction Company (India) Limited have vide their letter dated November 18, 2024 and mail dated November 14,2024, respectively, requested for conversion of 37,68,000 and 33,15,000 CCDs into Equity Shares of our Company. Our Board of Directors pursuant to a resolution passed in the meeting held on November 28, 2024 approving conversion of 37,68,000 Compulsorily Convertible Debentures into 2,64,98,317 equity shares of face value of ₹ 10 each of the Company, and allot 1,40,96,521 Equity Shares and 1,24,01,796 Equity Shares to Central Bank of India and Asset Reconstruction Company (India) Limited, respectively. As on date of this Letter of Offer, our Company has applied for listing approval from the Stock Exchanges for the aforementioned equity shares, and is awaiting approval for the same.

**Subject to finalization of Basis of Allotment.*

***The Board of Directors of our Company in their meeting held on November 14, 2024 approved an increase in the authorised share capital of our Company from ₹ 17,50,00,00,000 divided into 1,75,00,00,000 Equity Shares of face value of ₹ 10/- each to ₹ 22,50,00,00,000 divided into 2,25,00,00,000 Equity Shares of face value of ₹ 10/- each. The Shareholders have approved the aforementioned increased through postal ballot, wherein the voting had commenced from November 21, 2024 and concluded on December 20, 2024.*

NOTES TO CAPITAL STRUCTURE

1. Details of outstanding instruments as on the date of this Letter of Offer:

Our Company has issued and allotted 175,00,000 compulsorily convertible debentures of ₹ 100/- each, to its lenders in lieu of existing debt of our Company with yield, which will be convertible into Equity shares at a future date for an aggregate amount upto ₹ 17,500 lakhs. The said issuance has been made in accordance with the resolution plan approved by the lenders under the Reserve Bank of India (Prudential Framework for Resolution of Stressed Assets) Directions 2019 and has been approved by the Board of Directors in their meeting dated January 3, 2022 and by the Shareholders through postal ballot. The Equity Shares which shall be issued post conversion of the compulsorily convertible debentures, shall be determined as per the prevailing terms of conversion between our Company and the lenders. Central Bank of India and Asset Reconstruction Company (India) Limited have *vide* their letter dated November 18, 2024 and mail dated November 14,2024, respectively, requested for conversion of 37,68,000 and 33,15,000 CCDs into Equity Shares of our Company. Our Board of Directors pursuant to a resolution passed in the meeting held on November 28, 2024 approving conversion of 37,68,000 Compulsorily Convertible Debentures into 2,64,98,317 equity shares of face value of ₹ 10 each of the Company, and allot 1,40,96,521 Equity Shares and 1,24,01,796 Equity Shares to Central Bank of India and Asset Reconstruction Company (India) Limited, respectively. As on date of this Letter of Offer, our Company has applied for listing approval from the Stock Exchanges for the aforementioned equity shares, and is awaiting approval for the same.

Except as stated above, there are no outstanding options or convertible securities, including any outstanding warrants or rights to convert debentures, loans or other instruments convertible into our Equity Shares as on the date of this Letter of Offer. Further, our Company does not have any employee stock option scheme or employee stock purchase scheme.

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

The objects of the Issue involve financing other than financing of capital expenditure for a project. However, our Promoter and members of our Promoter Group have, *vide* their letters each dated December 17, 2024 and December 20, 2024 (the "**Subscription Letters**"), informed us that they may renounce their Rights Entitlement in favour of third parties.

Accordingly, the minimum subscription criteria provided under Regulation 86 (1) of the SEBI ICDR Regulations shall apply to this Issue. In accordance with Regulation 86 of the SEBI ICDR Regulations, if our Company does not receive minimum subscription of at least 90% of the Equity Shares being offered under this Issue, on an aggregate basis, our Company shall refund the entire subscription amount received within 4 (four) days from the Issue Closing Date in accordance with the SEBI Master Circular. If there is a delay in making refunds beyond such period as prescribed by applicable laws, our Company will pay interest for the delayed period at rate as prescribed under the applicable laws.

3. The Lead Manager and its respective associates (determined as per the definition of 'associate company' under the Companies Act, 2013 and as per definition of the term 'associate' under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares as on the date of this Letter of Offer.

4. Shareholding pattern of our Company as per the last quarterly filing with the Stock Exchanges in compliance with the SEBI Listing Regulations

i. The shareholding pattern of our Company as on March 31, 2025, can be accessed on the website of the BSE at: https://www.bseindia.com/stock-share-price/sepc-ltd/sepc/532945/shareholding-pattern/ and the website of NSE at: https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=SEPC&tabIndex=equity;

ii. Statement showing holding of Equity Shares of the Promoters and Promoter Group including details of lock-in, pledge of and encumbrance thereon, as on March 31, 2025 can be accessed on the website of the BSE at: https://www.bseindia.com/corporates/shpPromoterNGroup.aspx?scripcd=532945&qtrid=125.01&QtrName=31-Mar-25 and NSE at https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=SEPC&tabIndex=equity;

iii. Statement showing holding of Equity Shares of persons belonging to the category "Public" including shareholders holding more than 1% of the total number of Equity Shares as on March 31, 2025 can be accessed on the website of the BSE at https://www.bseindia.com/corporates/shpPublicShareholder.aspx?scripcd=532945&qtrid=125.01&QtrName=31-Mar-25 and NSE at https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=SEPC&tabIndex=equity.

5. The ex-rights price of the Rights Equity Shares as per Regulation 10(4)(b) of the Takeover Regulations is ₹ 14.10/- per equity share.

6. **Details of shares locked-in, pledged, encumbrance by promoters and promoter group:**

The entire Equity shareholding of our Promoter, namely, Mark A B Capital Investment LLC, aggregating to 35,00,00,000 Equity Shares has been locked in, in accordance with the SEBI ICDR Regulations, on account of the preferential allotment undertaken by our Company, as per the resolution plan approved by the lenders of our Company. The said issuance has been made in accordance with the resolution plan approved by the lenders under the Reserve Bank of India (Prudential Framework for Resolution of Stressed Assets) Directions 2019 and has been approved by the Board of Directors in their meeting dated January 3, 2022 and by the Shareholders through postal ballot. For further details, please refer to the shareholding pattern of the Promoter as on March 31, 2025 can be accessed on the website of the BSE at: https://www.bseindia.com/corporates/shpPromoterNGroup.aspx?scripcd=532945&qtrid=125.01&QtrName=31-Mar-25 and NSE at https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=SEPC&tabIndex=equity.

In accordance with the Resolution Plan, all Equity Shares (including Equity Shares pledged in favour of the lenders) held by our Erstwhile Promoter, SVL Limited were to be transferred to a trust formed by Mark A B Capital Investment LLC under the Indian Trusts Act, 1882. Pursuant to such transfer the trust would re-create pledge over the Equity Shares, which are under pledge in favour of the lenders to secure the loans availed. Mark AB Welfare Trust, the trust formed by our Promoter, in accordance with the Resolution Plan, acquired and created pledge on 9,58,49,462 Equity Shares of our Company from SVL Limited during the Financial Year 2023. Further, for acquiring the remaining shareholding of SVL Limited aggregating to 18,35,41,894 Equity Shares representing 13.38% of the paid-up Equity Share Capital of our Company, it had made an exemption application dated December 6, 2023 for seeking exemption from SEBI under the Section 11(5) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, from undertaking an open offer subsequent to acquisition of Equity Shares in accordance with the Resolution Plan. Subsequent to filing the exemption application Mark AB Welfare Trust has acquired 5,00,00,000 Equity Shares from SVL Limited during the Financial Year 2024. Pursuant to an order dated April 26, 2024 passed by the Securities and Exchange Board of India, Mark AB Welfare Trust had received an exemption from the obligations of an open offer and for acquiring the remaining shareholding of SVL Limited. Accordingly, SVL Limited had transferred its entire shareholding aggregating to 11,35,41,894 Equity Shares to Mark AB Welfare Trust. Thereafter, Mark AB Welfare Trust has pledged a total of 18,01,46,496 Equity Shares aggregating to 12.78% of its total shareholding, in favour of the lenders of the Company. For risks relating the same, please see "*Risk Factors – Risk Factor 23 - The Equity Shares held by one of our Promoter Group members, Mark AB Welfare Trust have been pledged as collateral security in accordance with the Resolution Plan. Our business, financial condition and results of operations may be adversely affected in the event of enforcement of the pledge provided by our Promoter Group member*" on page 56 of this Letter of Offer.

Except as disclosed above, as on date of this Letter of Offer, none of the Equity Shares held by our Promoter or the members of our Promoter Group are pledged or otherwise encumbered.

7. **Details of specified securities acquired by the promoter and promoter group in the last one year immediately preceding the date of filing of the Letter of Offer:**

The following are the details of specified securities acquired by the promoter and promoter group in the last one year immediately preceding the date of filing of this Letter of Offer:

a) Our Promoter and members of our Promoter Group, had acquired Equity Shares during the previous rights issues of our Company, details of which have been provided below:

S. No.	Date of Allotment	Nature of Issuance	Name of the Promoter / Promoter Group	Number of Equity Shares allotted
1.	May 2, 2023	Rights issue in the ratio of two (2) rights equity	Mark AB Welfare Trust	1,55,71,677

S. No.	Date of Allotment	Nature of Issuance	Name of the Promoter / Promoter Group	Number of Equity Shares allotted
		share(s) for every fifty three (53) fully paid-up Equity Share(s)		
2	December 22, 2023	Rights issue in the ratio of one (01) rights equity share(s) for every thirty six (36) fully paid-up Equity Share(s)	Mark AB Welfare Trust	48,29,284

b) The details of the sale and acquisition made by our Promoter and member of our Promoter Group have been provided below:

Name of the Promoter / Promoter Group	Date	Sale/Purchase	Quantity	Price
Mark AB Welfare Trust	February 25, 2023	Purchase	1,00,00,000	14.64
	February 27, 2023	Purchase	5,58,49,462	14.64
	March 24, 2023	Sale	20,00,000	12.63
	March 27, 2023	Sale	12,00,000	11.73
	March 29, 2023	Sale	19,00,000	11.08
	March 31, 2023	Sale	63,11,869	10.71
	April 10, 2023	Sale	21,00,000	10.81
	April 11, 2023	Sale	60,00,000	10.48
	April 13, 2023	Sale	60,30,000	9.72
	April 26, 2023	Sale	5,00,000	11.35
	April 27, 2023	Sale	30,05,000	10.91
	May 08, 2023	Purchase through Rights Issue	1,55,71,677	10
	May 29, 2023	Sale	15,22,452	9.06
	May 31, 2023	Sale	8,82,522	8.3
	June 1, 2023	Sale	65,00,000	7.74
	June 2, 2023	Sale	65,00,000	7.8
	June 5, 2023	Sale	65,00,000	7.85
	June 6, 2023	Sale	64,53,638	8.28
	June 7, 2023	Sale	60,00,000	7.68
	June 8, 2023	Sale	23,94,519	7.73
	July 14, 2023	Sale	60,00,000	11.3
	July 19, 2023	Sale	16,13,302	11.2
	July 20, 2023	Sale	20,00,000	11.4
	July 21, 2023	Sale	53,86,698	11.45
	September 25, 2023	Purchase	3,00,00,000	12.74
	January 01, 2024	Purchase through Rights Issue	48,29,284	13
	February 16, 2024	Sale	17,10,000	23.63
	February 19, 2024	Sale	14,20,000	23.17
	February 20, 2024	Sale	13,00,000	23.22
	February 21, 2024	Sale	8,74,062	22.57
	April 10, 2024	Purchase	5,00,00,000	17.88
	May 8, 2024	Purchase	6,24,89,592	18.60
	May 20, 2024	Purchase	3,76,56,904	18.84
	June 3, 2024	Purchase	3,95,398	18.85
	Shareholding as on Jun 3, 2024		18,06,88,255	-

c) Except as stated above, our Promoter and members of Promoter Group have not acquired or sold any Equity Shares in the last one year immediately preceding the date of filing of this Letter of Offer.

d) Our Company has *vide* a letter dated September 16, 2023 informed the Stock Exchanges that Mark AB Welfare Trust, an entity forming part of Promoter Group has contravened the Company's Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons and their Immediate Relatives read with Schedule B and Regulation 9 of the SEBI (Prohibition of Insider Trading) Regulations, 2015.

Mark AB Welfare Trust undertook a number of transactions involving sale of shares of our Company without obtaining pre-clearance and also transacted during trading window closure and execution of contra trade. In view of the above, our Company had imposed a penalty of ₹ 10.00 lakhs on Mark AB Welfare Trust on account of violation of code of conduct of our Company as payable to SEBI Investor Protection and Education Fund and MARK AB Welfare Trust has already remitted the same into the SEBI Investor Protection and Education Fund. For risks relating to the same, please see "*Risk Factor 32 - As the securities of our Company are listed on Stock Exchanges in India, our Company is subject to certain obligations and reporting requirements under the SEBI Listing Regulations. Any non-compliances/delay in complying with such obligations and reporting requirements may render us liable to prosecution and/or penalties*" on page 63.

As the securities of our Company are listed on Stock Exchanges in India, our Company is subject to certain obligations and reporting requirements under the SEBI Listing Regulations. Any non-compliances/delay in complying with such obligations and reporting requirements may render us liable to prosecution and/or penalties.

The details of transactions in Equity Shares of our Company undertaken by Mark AB Welfare Trust, during the aforementioned periods have been provided below:

Date	Description	Equity Shares bought or sold	Average Price (in ₹)
March 24, 2023	Sale	20,00,000	12.63
March 27, 2023	Sale	12,00,000	11.73
March 29, 2023	Sale	19,00,000	11.08
March 31, 2023	Sale	32,00,000	11
April 6, 2023	Sale	31,11,869	10.71
April 11, 2023	Sale	21,00,000	10.81
April 12, 2023	Sale	60,00,000	10.48
April 15, 2023	Sale	60,30,000	9.72
April 26, 2023	Sale	5,00,000	11.35
April 28, 2023	Sale	30,05,000	10.91
May 29, 2023	Sale	15,22,452	9.06
May 30, 2023	Sale	8,82,522	8.3
May 31, 2023	Sale	65,00,000	7.74
June 1, 2023	Sale	65,00,000	7.8
June 4, 2023	Sale	65,00,000	7.85
June 5, 2023	Sale	64,53,638	8.28
June 6, 2023	Sale	60,00,000	7.68
June 4, 2023	Sale	23,94,519	7.73
July 14, 2023	Sale	60,00,000	11.3
July 19, 2023	Sale	16,13,302	11.2
July 20, 2023	Sale	20,00,000	11.4
July 24, 2023	Sale	53,86,698	11.45

Further details of the transactions undertaken by our Promoter in the preceding one year can be accessed on the website of BSE at https://www.bseindia.com/stock-share-price/sepc-ltd/sepc/532945/disclosures-sast/ and on the website of NSE at https://www.nseindia.com/get-quotes/equity?symbol=SEPC

8. **Details of the shareholders holding more than 1% of the issued and paid-up Equity Share capital**

   The details of shareholders of our Company holding more than 1% of the issued and paid -up Equity Share capital of our Company, as on March 31, 2025 are available on the website of the BSE at https://www.bseindia.com/corporates/shpPublicShareholder.aspx?scripcd=532945&qtrid=125.01&QtrName=31-Mar-25 and NSE at https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=SEPC&tabIndex=equity.

9. At any given time, there shall be only one denomination of the Equity Shares of our Company.

10. 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. Further, the Equity Shares allotted pursuant to the Issue, shall be fully paid up.

11. The Equity Shares to be issued pursuant to the Issue shall be partly paid-up at the time of Allotment and made fully paid up with the help of subsequent calls. The Equity Shares will be forfeited for non-payment of calls within 12 months from the date of allotment of Rights Equity Shares.

OUR SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

As on the date of this Letter of Offer, our Company has two subsidiaries, namely SEPC FZE (*formerly known as Shriram EPC FZE*) and Shriram EPC Arkans LLC (step-down subsidiary). A one person company with limited liability under the name and style of 'SEPC ARABIA LIMITED ONE PERSON COMPANY' has been incorporated under the laws of Saudi Arabia for the purpose of exploiting the market potential in Saudi Arabia. Our Company is yet to make an investment of SAR 3,00,000 in order to make the said company a wholly-owned subsidiary of our Company.

As on date of this Letter of Offer, our Company has four unincorporated joint ventures, Shriram EPC Eurotek Environmental Private Limited JV, SEPC DRS ITPL JV, Mokul Shriram EPC JV and Larsen & Toubro Shriram EPC JV. Details of our subsidiaries have been provided below, in the order of the revenue contributed by them on a consolidated basis:

S. No.	Particulars	Equity Share Capital	Net worth	Total Revenue	Profit/(Loss) after tax	Profit/(Loss) after tax Margin	EBITDA	EBITDA Margin	Total Borrowings	Revenue contribution	Region of operation	Area of business
1	**Shriram EPC FZE**											
	December 31, 2024	33.96	22.55	--	(1.53)	(1.53)	(1.53)	--	--	(1.53)	Middle East	EPC Contractor
	March31, 2024	33.96	24.64	-	(27.16)	-	(26.42)	-	0	(27.16)		
	March 31, 2023	33.96	52.48	800.13	776.36	97%	777.23	97%	0	776.36		
	March 31, 2022	33.96	-645.03	2,343.80	(839.61)	0%	(835.74)	0	0	(839.60)		
2	**Shriram EPC Arkans LLC**											
	December 31, 2024	480.05	491.80	--	(14.61)	(14.61)	(14.61)	--	--	--	Middle East	EPC Contractor
	March 31, 2024	480.05	504.39	66.05	16.64	16.64	16.64	16.64	0	16.64		
	March 31, 2023	480.05	478.93	1.42	(103.77)	0%	(103.74)	0%	0	(103.77)		
	March 31, 2022	480.05	525.04	331.35	(645.62)	0	(638.15)	0%	0	(645.62)		

Additional details of our Subsidiaries have been provided below:

Subsidiaries

SEPC FZE *(formerly known as Shriram EPC FZE)* ("SEPC FZE")

Corporate Information

SEPC FZE, was incorporated as a public limited company and was granted a certificate of incorporation by the SAIF Zone Authority, Government of Sharjarh, on May 23, 2013. The registered office of SEPC FZE is situated at P O Box 121968,SAIF Zone, Sharjarh, UAE.

Capital Structure and shareholding

The authorized capital of SEPC FZE is AED 1,50,000 divided into 1,50,000 equity shares of face value of AED 1 each. The issued, subscribed and paid up share capital of SEPC FZE is AED 1,50,000 divided into 1,50,000 equity shares of face value of AED 1 each.

The shareholding of SEPC FZE as of the date of this Letter of Offer is provided below:

S. No.	Name of the Equity Shareholder	No. of Equity shares held	% of Issued capital
1.	SEPC LTD	1,50,000	100%
	Total	**1,50,000**	**100%**

Shriram EPC Arkans LLC ("SEPC LLC")

Corporate Information

SEPC LLC, was incorporated as a public limited company under the Ministry of Commerce, Industry and Investment Promotion, Sultanate of Oman, in accordance with the provisions of the Commercial Companies Law and Regulations Act and was granted a certificate of incorporation, on March 7, 2017. The registered office of SEPC LLC is situated at CR No 1288428, PO Box 1751, Azaiba, MUSCAT, Sultanate of Oman.

Capital Structure and shareholding

The authorized capital of SEPC LLC is OMR 2,50,000 divided into 2,50,000 equity shares of face value of OMR 1 each. The issued, subscribed and paid up share capital of SEPC LLC is OMR 2,50,000 divided into 2,50,000 equity shares of face value of OMR 1 each.

The shareholding of SEPC LLC as of the date of this Letter of Offer is provided below:

S. No.	Name of the Equity Shareholder	No. of Equity shares held	% of Issued capital
1.	SEPC FZE	1,75,000	70 %
2.	Oman Educational Services	75,000	30 %
	Total	**2,50,000**	**100 %**

Joint Ventures

Details of our joint ventures have been provided below:

(₹ in lakhs)

S. No.	Particulars	Total Revenue	Profit/(Loss) after tax	Profit/(Loss) after tax Margin	EBITDA	EBITDA Margin	Total Borrowings	Revenue contribution	Region of operation	Area of business
1	**SEPC -DRS ITPL JV**									
	December 31 2024	572.29	182.12	100%	182.12	100%			Davangere, Karnataka	Drinking Water

S. No.	Particulars	Total Revenue	Profit/(Loss) after tax	Profit/(Loss) after tax Margin	EBITDA	EBITDA Margin	Total Borrowings	Revenue contribution	Region of operation	Area of business
	March 31, 2024	300.90	3.01	100%	3.01	100%	-		Davangere, Karnataka	Drinking Water
	March 31, 2023	102.19	9.80	100%	9.80	100%	-			
	March 31, 2022	1.99	(0.03)	100%	(0.03)	100%	-			
2	Shriram EPC Eurotek Environmental Private Limited JV									
	December 31, 2024	103.17	1.04	100%	1.04	100%			Byadgi, Karnataka	Sewage
	March 31, 2024	40.01	6.17	100%	6.17	100%	-			
	March 31, 2023	121.09	1.16	100%	1.16	100%	-		Byadgi, Karnataka	Sewage
	March 31, 2022	698.18	6.98	100%	6.98	100%	-			
3	Mokul Shriram EPC JV									
	December 31, 2024	-	(1.97)	100%	(1.97)	100%			Basra, Iraq	Underground Drainage
	March 31, 2024	-	(14.15)	100%	(14.15)	100%	-		Basra, Iraq	Underground Drainage
	March 31, 2023	-	(8.32)	100%	(8.32)	100%	-			
	March 31, 2022	17248.34	(10.71)	100%	(10.71)	100%	-			

Additional details of our Joint Ventures have been provided below:

Shriram EPC Eurotek Environmental Private Limited JV ("Shriram Eurotek")

Corporate Information

Shriram Eurotek, is an unincorporated Joint Venture between SEPC and Euroteck Environmental Private limited by virtue of Joint Venture agreement dated 08th December 2015 situated at 37, 4th Cross Road, Nehru Nagar, Haveri, Karnataka.

Nature of Business

Shriram Eurotek has been set up for establishing a drinking water project at Byodgi Karnataka for Karnataka Urban Infrastructure Development and Finance Corporation.

The Profit sharing of Shriram Eurotek as of the date of this Letter of Offer is provided below:

S. No.	Name of the Equity Shareholder	% of Profit sharing
1.	SEPC Limited	82.14%
2.	Eurotek Environmental Private Limited	17.86%
	Total	**100.00**

SEPC DRS ITPL JV ("SEPC JV")

Corporate Information

SEPC JV, is an unincorporated Joint Venture between SEPC and DRS Infratech Private Ltd by virtue of Joint Venture agreement dated 11th January 2017, situated at 49, B Block, Amaravathy Colony, Harihar, Karnataka.

Nature of Business

SEPC JV has been set up for establishing a drinking water project at Davangere, Karnataka.

Profit Sharing

The Profit sharing of SEPC JV as of the date of this Letter of Offer is provided below:

S. No.	Name of the Partner	% of Profit sharing
1.	SEPC Limited	98%
2.	DRS Infratech Private Ltd	2%
	Total	**100%**

Mokul Shriram EPC JV (MSJV)

Corporate Information

Mokul Shriram EPC JV, is an unincorporated Joint Venture between SEPC and Mokul Infrastructure Private Ltd by virtue of Joint Venture agreement dated 24th December 2011, situated at 4th Floor, Sigappi Achi Building, 18/3 Rukmani Lakshmipathi salai, Egmore, Chennai 600008.

Nature of Business

MSJV JV has been set up for establishing a water and sanitation project at Basra, Iraq

Profit Sharing

The Profit sharing of MSJV as of the date of this Letter of Offer is provided below:

S. No.	Name of the Partner	% of Profit sharing
1.	SEPC Limited	50%
2.	Mokul Infrastructure Private Ltd	50%
	Total	**100%**

Larsen & Toubro Shriram EPC JV ("L&T JV")

Corporate Information

L&T JV, is an unincorporated Joint Venture agreement between SEPC and Larsen & Toubro Ltd by virtue of Joint Venture agreement dated 26.12.2016 situated at Plot No 147/77 , Jamhuri / Asia Street, Dar Es Salaam, Tanzania.

Nature of Business

L&T JV has been set up for establishing a water project at Tanzania

Profit Sharing

The Profit sharing of Larsen & Toubro SEPC JV as of the date of this Letter of Offer is provided below:

S. No.	Name of the Partner	% of Profit sharing
1.	SEPC Limited	10%
2.	Larsen & Toubro Ltd	90%
	Total	100%

Please see details of the projects undertaken by our Subsidiaries and Joint Ventures in the preceding three years:

(Rs in Lakhs)

Sr. No	Particulars	FY 2024	FY 2023	FY 2022
1.	Project handled by subsidiary	-	-	
	- Moon Iron and Steel Company - Oman	-	-	2,667.01

Sr. No	Particulars	FY 2024	FY 2023	FY 2022
2.	Project handled by JVs	-	-	-
	- Mokul Shriram EPC JV	-	-	17,248.34
	- Shriram EPC Eurotech JV	40.01	121.09	698.18
	- SEPC-DRS JV	300.90	102.19	1.99

OBJECTS OF THE ISSUE

Our company proposes to utilize the net proceeds from the issue towards funding the following objects:

- Funding for Payment of Non-Convertible Debentures including redemption and interest.
- Repayment/Pre-payment, in full or part, of certain borrowings availed by the Company;
- Funding for increasing the additional Margin of Non- Fund Based Limits;
- To augment the existing and incremental working capital requirement of our Company; and
- 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 above-mentioned Objects.

The main object clause of the Memorandum of Association of our Company enables us to undertake the existing activities and the activities for which the funds are being raised through the Issue. Further, we confirm that the activities which we have been carrying out till date are in accordance with the object clause of our Memorandum of Association.

Details of Issue Proceeds

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

(₹ in lakhs)

Sr. No.	Particulars	Estimated Amount
1	Gross Proceeds from the Issue	35,000.00
2	Less: Issue related expenses	500.00
Net Proceeds from the Issue		34,500.00

Note: Subject to the finalization of Basis of Allotment and actual 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, subject to 25% of GCP. All Issue related expenses will be paid out of the Gross Proceeds from the Issue.

Requirement of Funds, Schedule of Implementation and Utilization of Net Proceeds

We intent to utilize the Net Proceeds are set forth in the following table:

(₹ in lakhs)

Sr. No.	Particulars	Estimated Amount*
1.	Funding for Payment of Non-Convertible Debentures including redemption and Interest	14,000.00
2.	Repayment/Pre-payment, in full or part, of certain borrowings availed by the Company	1,500.00
3.	Funding for increasing the additional Margin of Non- Fund Based Limits	1,500.00
4.	To augment the existing and incremental working capital requirement of our Company	16,000.00
5.	General Corporate Purposes*	1,500.00
Net proceeds from the Issue**		34,500.00

** Subject to the finalization of the Basis of Allotment and the Allotment. The amount is subject to adjustment upon finalization of Issue related expenses, however, in no event, shall general corporate purposes exceed 25% of the Gross Proceeds.*
*** Assuming full subscription in the Issue and subject to finalization of the Basis of Allotment and to be adjusted per the Rights Entitlement ratio.*

Means of Finance

The funding requirements mentioned above are based on inter alia our Company's internal management estimates and have not been appraised by any bank, financial institution or any other external agency. They are based on current circumstances of our business and our Company may have to revise these estimates from time to time on account of various factors beyond our control, such as market conditions, competitive environment, costs of commodities, interest or exchange rate fluctuations. Our Company proposes to meet the entire funding requirements for the proposed objects of the Issue from the Net Proceeds and identifiable internal accruals. Therefore, our Company is not required 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.

Proposed Schedule of Implementation and Deployment of Funds

We propose to deploy the Net Proceeds towards the aforesaid objects in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below:

(₹ in lakhs)

Sr. No.	Particulars	Estimated Amount to be funded from the Net Proceeds*	Proposed schedule for deployment of the Net Proceeds in Financial year 2025- 2026	Proposed schedule for deployment of the Net Proceeds in Financial year 2025- 2026
			At Application	Through First and Final call
	Funding for Payment of Non-Convertible Debentures including redemption and Interest	14,000.00	-	14,000.00
2.	Repayment/Pre-payment, in full or part, of certain borrowings availed by the Company	1,500.00	1,000.00	500.00
3.	Funding for increasing the additional Margin of Non- Fund Based Limits	1,500.00	-	1,500.00
4.	To augment the existing and incremental working capital requirement of our Company	16,000.00	16,000.00	-
5.	General Corporate Purposes*	1500.00	250.00	1,250.00
Net proceeds from the Issue**		34,500.00	17,250.00	17,250.00

#The amount to be utilized for General corporate purposes will not exceed 25% of the Gross Proceeds;
**Assuming full subscription in the Issue and subject to finalization of the Basis of Allotment and to be adjusted per the Rights Entitlement ratio;*

Our Company's funding requirements mentioned above are based on the internal management estimates of our Company and has not been appraised by any bank, financial institution or any other external agency and deployment schedules are subject to revision in the future at the discretion of our Board, subject to the applicable law. Therefore, the deployment of the funds towards the Objects of this Issue *will be in line with the Objects identified and* is entirely at the discretion of our Board of Directors *subject to compliance with applicable laws*. 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, in accordance with and in compliance with applicable laws. 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. If additional funds are required for the purposes mentioned above, such requirement may be met through internal accruals, additional capital infusion, debt arrangements or any combination of them. Our Company may also utilize any portion of the Net Proceeds, towards the aforementioned objects of the Issue, ahead of the estimated schedule of deployment specified above. Further, in the event, the Net Proceeds are not utilized (in full or in part) for the objects of the Issue during the period stated above due to any reason, including (i) the timing of completion of the Offer; (ii) market conditions outside the control of our Company; and (iii) any other economic, business and commercial considerations, the remaining Net Proceeds shall be utilized in subsequent periods as may be determined by our Company, in accordance with applicable laws.

In the event that the estimated utilization of the Net Proceeds in a scheduled fiscal year is not completely met, the same shall be utilised in the next fiscal year, as may be determined by our Company, in accordance with applicable laws. If the actual utilization towards any of the Objects is lower than the proposed deployment such balance will be used for future growth opportunities including funding other existing objects, if required and towards general corporate purposes to the extent that the total amount to be utilized towards general corporate purposes will not exceed 25% of the Gross Proceeds in accordance with the SEBI ICDR Regulations.

Details of the Objects of the Issue

1. Funding for Payment of Non-Convertible Debentures including redemption and Interest

Our Company had issued Non- Convertible Debentures to the tune of ₹ 17,500 lakhs debt issued to the lenders on August 31, 2021 with a yield of 4% per annum and redeemable in instalments over fourteen (14) years as per the Resolution Plan. A brief background of the Resolution Plan is given below:

Background:

During the Financial Year 2019, the operations of our Company had come under severe strain due to various external and internal reasons. After careful consideration, our Company in its commitment to improve its operations, had opted for the process of resolution of stressed assets as per the Reserve Bank of India (Prudential Framework for Resolution of Stressed Assets) Directions 2019 ("**Direction**"). After a series of discussion with our lenders having an aggregate non-performing exposure of ₹ 90,716.00 lakhs and canvasing the structure of our Company post the implementation of the Resolution Framework, to ensure the business of our Company continues to operate, as a going concern, the protection of the interest of the public shareholders at large and the realisation of the lenders money, all the lenders signed the inter creditor agreement dated November 28, 2019, which resulted in the formulation of Resolution Plan, with change in control and management under the Direction which was accepted by all the lenders on March 25, 2022 ("**Resolution Plan**").

The process of strategic investment was started with the approval of all our lenders and in accordance with the Direction. The Resolution Plan was approved with certain pre- conditions which among all included the infusion of:

- Mark A B Capital Investment LLC would infuse ₹ 35,000 lakhs, by way of issue of Equity Shares on a preferential basis by our Company, for a 26.48% stake in our Company to undertake change in management, in accordance with the Direction;
- Conversion of ₹ 35,000 lakhs loan facilities into Compulsorily Convertible Debentures ("**CCD**") of ₹ 17,500 lakhs and Non-Convertible Debentures ("**NCDs**") of ₹ 17,500 lakhs.

Our company had issued and allotted 1,75,00,000 NCDs of ₹ 100/- each to the lenders on August 31, 2021, in lieu of their existing debt, for an aggregate amount up to ₹ 17,500 lakhs. The details of the debenture holders who were allotted NCDs in accordance with the Resolution Plan have been provided below:

S. No	Name of the holder	Face value	No of Debentures	Amount (₹ in lakhs)
1	Punjab National Bank	100	18,40,000	1,840
2	Axis Bank	100	4,19,000	419
3	IDBI Bank	100	13,24,000	1,324
4	Central Bank	100	37,68,000	3,768
5	Indian Bank	100	4,02,000	402
6	Bank of India	100	2,25,000	225
7	Federal Bank	100	4,02,000	402
8	Lakhsmi Vilas Bank	100	8,31,000	831
9	Bank of Baroda	100	5,61,000	561
10	South Indian Bank	100	5,57,000	557
11	Bank of Maharashtra	100	5,53,000	553
12	Union Bank of India	100	5,03,000	503
13	ACRE	100	33,15,000	3,315
14	IFCI Factors	100	2,24,000	224

S. No	Name of the holder	Face value	No of Debentures	Amount (₹ in lakhs)
15	Indusind Bank	100	6,54,000	654
16	Yes Bank	100	2,62,000	262
17	State Bank of India	100	15,08,000	1,508
18	ICICI Bank	100	1,51,000	151
	Total		**1,74,99,000**	**17,499**

Our Company proposes to utilize an estimated amount of ₹ 14,000 Lakhs from the Net Proceeds towards payment of Non-Convertible Debentures including redemption and Interest during the remaining tenor of Non-Convertible Debentures (NCD) i.e., till 2035. The Company may also utilise the funds for early redemption of Non-Convertible Debentures in the event of certain NCD Holders choose to redeem early.

As per the Resolution Plan implementation date of August 31, 2021, the Non - Convertible Debenture, would be redeemed in the following manner with overall tenor of 14 years:

Financial Year	Redemption %	Total Debenture (Amount ₹ in lakhs)	Redemption amount (₹ in lakhs)
2022	0.5%	17,499	87.50
2023	0.5%		87.50
2024	0.5%		87.50
2025	0.5%		87.50
2026	0.5%		87.50
2027	0.5%		87.50
2028	5.0%		874.95
2029	8.0%		1,399.92
2030	11.0%		1,924.89
2031	11.0%		1,924.89
2032	13.0%		2,274.87
2033	16.0%		2,799.84
2034	16.0%		2,799.84
2035	17.0%		2,974.83
		Total	**17,499.00**

Given below is the details of NCDs that were redeemed during the FY 2022, FY 2023, FY 2024 and FY 2025 (H1):

Sr. No	Bank Name	Total No. of NCD's (A)	Number of NCD's Redeemed				Balance NCD's to be Redeemed (A-E)
			In FY 23 (B)	In FY 24 (C)	In FY 25 (9 Months) (D)	Total redeemed (B+C+D = E)	
1	Punjab National Bank	18,40,000	18,400	9,200	4,600	32,200	18,07,800
2	Axis Bank	4,19,000	4,190	2,095	1,048	7,333	4,11,667
3	IDBI Bank	13,24,000	13,240	6,620	3,310	23,170	13,00,830
4	Central Bank	37,68,000	37,680	18,840	9,420	65,940	37,02,060
5	Indian Bank	4,02,000	4,020	2,010	1,005	7,035	3,94,965
6	Bank Of India	2,25,000	2,250	1,125	563	3,937	2,21,062
7	Federal Bank	4,02,000	4,020	2,010	1,005	7,035	3,94,965
8	DBS India	8,31,000	8,310	4,155	2,078	14,543	8,16,458
9	Bank of Baroda	5,60,000	5,600	2,800	1,400	9,800	5,50,200
10	ARCIL	5,57,000	5,570	2,785	1,393	9,748	5,47,253

Sr. No	Bank Name	Total No. of NCD's (A)	Number of NCD's Redeemed				Balance NCD's to be Redeemed (A-E)
			In FY 23 (B)	In FY 24 (C)	In FY 25 (9 Months) (D)	Total redeemed (B+C+D = E)	
11	Bank Of Maharashtra	5,54,000	5,540	2,770	1,385	9,695	5,44,305
12	Union Bank of India	5,03,000	5,030	2,515	1,257	8,802	4,94,197
13	ACRE	33,15,000	33,150	16,576	8,286	58,012	32,56,987
14	IFCI Factors	2,24,000	2,240	1,120	560	3,920	2,20,080
15	Indusind Bank	6,54,000	6,540	3,270	1,635	11,445	6,42,555
16	Theta Managament	2,62,000	2,620	1,310	655	4,585	2,57,415
17	State Bank of India	15,08,000	15,080	7,540	3,770	26,390	14,81,610
18	ICICI Bank	1,51,000	1,510	755	378	2,641	1,48,355
	Total	**1,74,99,000**	**1,74,990**	**87,496**	**43,745**	**3,06,231**	**1,71,92,764**

The following table provides the details of Net Present value of NCDs which are outstanding as on December 31, 2024:

Name of the existing lender	Amount sanctioned (in ₹ lakhs)	Net Present Value of NCD outstanding as on December 31, 2024	Interest Rate (% per annum)	Nature of security
Punjab National Bank	1,840.00	1,552.53	A stepped up half yearly interest will be applicable with an effective yield of 4.03% (four point zero three percent) per annum, as detailed in the NCD Debenture Trust Deed	1. first ranking pari passu charge over all movable (both fixed and current) assets of the Borrower 2. first ranking pari passu mortgage over all immovable assets of the Borrower 3. first ranking pari passu pledge / charge on 14,24,89,592 (Fourteen Crore Twenty Four Lakh Eighty Nine Thousand Five Hundred and Ninety Two only) Ordinary Equity Shares held by Mark AB Welfare Trust in the Borrower ("Pledged Shares"). 4.Corporate Guarantee of Mark AB Capital Investment LLC, Dubai & Mark AB Capital Investment India Pvt ltd
Axis Bank	419.00	353.54		
IDBI Bank	1,324.00	1,117.15		
Central Bank	3,768.00	3,179.31		
Indian Bank	402.00	339.19		
Bank Of India	225.00	339.19		
Federal Bank	402.00	701.17		
DBS Bank Limited	831.00	472.51		
Bank of Baroda	560.00	469.98		
ARCIL	557.00	467.45		
Bank Of Maharashtra	554.00	424.41		
Union Bank of India	503.00	551.82		
ACRE	3,315.00	127.41		
IFCI Factors	224.00	189.85		
Indusind Bank	654.00	2,221.65		
Yes Bank	262.00	150.12		
State Bank of India	1,508.00	175.59		
ICICI Bank	151.00	1,272.40		
Total	**17,499.00**	**14,105.27**		

Note: Certificate dated December 13, 2024 from BNCA & Co. Independent Chartered Accountants

#. The company will use this fund for payment towards redemption and interest by creation of Fixed Deposit (FDs)by way of lien marked in favour of NCD holders. In the event of NCD Holders choose to redeem early at an agreed Net Present Value (NPV), the Company may also utilise the funds for early redemption of Non-Convertible Debentures.

We believe that provision of funds for redemption and coupon payment of the NCDs would cover the debt servicing obligations of NCDs and repayment of loans will reduce our outstanding indebtedness, debt servicing costs, *improve our debt to equity ratio and enable utilisation of our internal accruals for further investment in our business growth and expansion. Additionally, we believe that the increased leverage capacity of our Company will improve our ability to raise further resources in the future to fund our potential business development opportunities and plans to grow and expand our business.*

2. Repayment/Pre-payment, in full or part, of certain borrowings availed by the Company

Our Company has, in the ordinary course of business, entered into financing arrangements with various banks, financial institutions, and other entities. The borrowing arrangements entered into by our Company comprise, among others, working capital facilities, term loans and unsecured loans.

As December 31, 2024 our Company had total fund based Working capital borrowing (Cash Credit) of ₹ 6,403.93 lakhs, Term loan of ₹ 1,918.68 lakhs, Compulsorily Convertible debentures of Rs 8,257.63 Lakhs, Non-Convertible Debentures of ₹ 14,105.27 lakhs at Net Present Value of the stated instruments and unsecured loans of Rs 2,048.63 lakhs stated at Net Present Value as per prevailing Accounting Standard. The Company proposes to utilize an amount of ₹ 1,500 lakhs from the Net Proceeds towards full or partial repayment/ pre-payment, in full or part, of certain secured bank borrowings (Working capital and Term Loan) availed by the Company.

We believe that such repayment and/or pre-payment of our borrowings will help reduce our outstanding indebtedness and debt servicing costs, improve our debt-to-equity ratio and enable utilisation of our accruals for further investment in our business growth and expansion. Additionally, we believe that our debt-equity ratio will improve, it will enable us to raise further resources at competitive rates in the future to fund potential business development opportunities and plans to grow and expand our business in the future.

The selection of borrowings proposed to be repaid/prepaid/redeemed by us shall be based on various factors including: (i) Cost of borrowings (ii) any conditions attached to the borrowings restricting our ability to prepay the borrowings and time taken to fulfil such requirements, (iii) levy of any prepayment penalties and the quantum thereof, (iv) provisions of any laws, rules and regulations governing such borrowings; and (v) other commercial considerations including, among others, the interest/ coupon rate on the borrowings, the amount of the borrowings outstanding, the prepayment / redemption charges, terms and conditions of consents and waivers, presence of onerous terms and conditions and the remaining tenor of the borrowings. We may utilise the Net Proceeds for part or full repayment of any such additional borrowings. Given the nature of these borrowings and the terms of repayment/pre-payment, the aggregate outstanding borrowing amounts may vary from time to time.

The following table provides the details of the borrowings (Cash Credit and Term Loan) as on December 31, 2024 availed by our Company from various lenders which was availed for business purposes and our Company has utilised said loans towards business purposes which is proposed to be repaid out of the Net Issue Proceeds. For the details of expansion, please see "*Our Business*" beginning on page 143 of this Letter of Offer. We propose to repay the following loans out of the net issue proceeds:

(Amount in ₹ Lakhs)

SI. No.	Lender	Particulars	Cash Credit	
			Limit	**Outstanding**
1	Punjab National Bank	1. **PRICING** a. Rate of Interest @ 9 % P.A. (1 Yr MCLR + Spread) b. LC Commission @ 1.20 % P.A. c. PBG Charges @ 1.00 % P.A. d. FBG Charges @ 1.25 % P.A. 2. **MARGIN** a. Stock & Book Debts @ 15 % b. LC & BG - 5 % to be kept as FDR (Lien marked) 3. **SECURITY**	1,058.53	1,045.41
2	Axis Bank		236.43	208.34
3	IDBI Bank		876.94	617.00
4	Central Bank of India		1,593.86	1,476.98
5	Indian Bank		213.95	185.29
6	Bank of India		159.57	143.21
7	Federal Bank		213.95	214.13

8	DBS (erst. LVB)	a. Primary - First Pari-passu charge on the pooled Assets i.e., Movable & Immovable (both fixed & Current) assets of the company b. Collateral (EM) - Equitable Mortgage of Land & Building admeasuring 0.96 Acres at Ambattur Industrial Estate, Korattur, Chennai on Pari-passu basis c. Collateral (Pledge)- Pledge of 14,24,89,592 equity shares of SEPC Limited held by Mark AB Welfare Trust on Pari-passu basis d. Collateral (Pledge) - Pledge of 3,76,56,904 equity shares of SEPC Limited held by Mark AB Welfare Trust exclusively in favour of State Bank of India e. Collateral (CG) - Corporate Guarantee of Mark AB Capital Investment LLC, Dubai & Mark AB Investment India Pvt Ltd, New Delhi	442.29	441.29
9	Bank of Baroda		298.46	297.69
10	Bank of Maharashtra		208.11	207.25
11	Union Bank of India		267.44	265.71
12	IFCI Factors		265.00	-
13	IndusInd Bank		347.90	341.88
14	Yes Bank		139.34	136.56
15	State Bank of India		802.77	743.83
16	ICICI Bank		80.46	79.34
	TOTAL		**7,205.00**	**6,403.93**

SI. No.	Lender	Particulars	Term Loan	
			Limit	**Outstanding**
1	Central Bank of India	Repayable in 67 Monthly Principal Repayments starting from 30.09.2021 and ending on 31.03.2027	1,580.00	1,156.49
2	ARCIL (SIB)	Payable in 4 equal half yearly instalments commencing from 30th Sept'27 and ending on 31st Mar'29	660.00	660.00
3	ACRE	Repayable in 67 Monthly Principal Repayments starting from 30.09.2021 and ending on 31.03.2027	140.00	102.19
Pricing & Security for all the three Term Loans are same as Cash Credit				
TOTAL			**2,380.00**	**1,918.68**

[Source: Revised Independent Chartered Accountants Certificate dated April 01, 2025 from B N C A & Co, Chartered Accountants]
**Pricing & Security for all the three Term Loans are same as Cash Credit*
The Repayment of loans will be done either on proportionate basis or on the basis of the qualitative factors.

3. *Funding for increasing the Margin of Non Fund Based Limits*

As on December 31, 2024, our Company has total of ₹ 79,429.43 lakhs non fund-based limit, for which the company is bearing margins at the rate of 5%. Further Company has requested for enhancement of Assessed NFB Limit to the extent of ₹ 25,000 lakhs from Punjab National Bank- the Lead Consortium. The Lead Consortium has insisted for a an overall additional margin of upto ₹ 1,500 lakhs for the overall NFB Limit including the enhancement amount in addition to the 5% margin on the utilized NFB.

Our Company shall use upto ₹ 1,500 lakhs of the rights issue proceeds for the payment of additional margin.

This will improve the availability of overall margin to the lenders and provide additional security cover for the overall Non Fund Based Limits. This overall enhancement of Non- Fund Based Limit will allow our Company to use funds for its business growth there by reflecting on the revenue of operations.

4. *To augment the existing and incremental working capital requirement of our Company*

Our business operation is working capital intensive and therefore would require Working Capital as it grows. Our Company avails a majority of our working capital in the ordinary course of business from various lenders. As on December 31, 2024, our company has total sanctioned limit of working capital facilities of ₹ 89,014.43 lakhs, including fund based and non- fund based limits. The aggregate amounts sanctioned under the fund based and non-fund based working capital facilities of our Company on December 31, 2024 are ₹ 9,585 lakhs and ₹ 79,429.43 lakhs respectively. We propose to utilize ₹ 16,000 lakhs from Net Proceeds to fund the working capital requirements of our Company in Fiscal 2025. We fund the majority of our working capital requirements in the ordinary course of our business from our internal accruals and availed working capital loan from banks and financial institutions. We operate in a competitive and dynamic market conditions and may have to revise our estimates from time to time on account of external circumstances, business or strategy, foreseeable opportunity. Consequently, our fund requirements may also undergo change.

Our Company requires working capital for executing its outstanding order book and future orders that may be received from the tenders participated, for funding future growth requirements of our Company and for other strategic and business purpose. As on December 31, 2024 our unexecuted Order book amounts to ₹ 73,910.75 lakhs. Further, the Company has participated / participating in Tenders worth of ₹ 6,26,800 lakhs as on date of the filing of this Letter of Offer.

Basis of estimation of working capital requirement

The details of our Company's working capital, on the basis of Restated Audited Financial Information, as at March 31, 2024, March 31, 2023 and March 31, 2022 and for the nine months period ended December 31, 2024 as certified by the Independent Chartered Accountant and source of funding of the same are provided in the table below:

(₹ in lakhs)

Sr. No	Particulars	For the period ended December 31, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
		Amount	**Amount**	**Amount**	**Amount**
I	**Current Assets**				
1	Inventory	136.87			
2	Trade receivables	25,727.05	22,883.33	24,241.10	28,057.27
3	Other Current Assets	15,430.75	11,607.82	10,642.13	11,698.56
4	Contract Assets	1,14,279.69	91,975.82	73,246.59	79,708.74
5	Other Financial Assets	225.67	234.18	123.37	889.02
6	Assets Classified as held for sales	--	-	-	596.06
7	Other Bank Balances	4,805.16	4,257.69	1,730.33	2,387.49
8	Cash and Cash equivalents	681.95	1,817.33	3,285.33	548.27
	Total (I)	**1,61,287.15**	**1,32,776.17**	**1,13,268.85**	**1,23,885.41**
II	**Current Liabilities**				
1	Trade Payables	37,142.11	21,989.10	24,427.86	15,873.15
2	Other Financial Liabilities	2,109.56	4,755.63	1621.56	1,885.00
3	Other Current Liabilities	422.49	188.71	445.95	688.87
4	Lease Liabilities	108.11	103.30	98.45	36.60
5.	Contract Liabilities	4,698.32	4,280.94	3,432.75	5,934.02
6.	Provisions	135.84	53.97	267.85	504.53
	Total (II)	**44,616.42**	**31,371.65**	**30,294.42**	**24,922.17**
III	**Net Working capital requirement**	**1,16,670.73**	**1,01,404.50**	**82,974.43**	**98,963.24**

Sr. No	Particulars	For the period ended December 31, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
		Amount	Amount	Amount	Amount
IV	**Means of Finance (Existing Funding Pattern)**				
	Equity	11,190.00	9,300.00	-	-
	Internal Accruals	99,043.37	77,158.36	69,268.42	29,689.27
	Current Borrowings	6,437.36	14,946.15	13,706.01	69,273.97
	Total (IV)	**1,16,670.73**	**1,01,404.50**	**82,974.43**	**98,963.24**

On the basis of the existing working capital requirements of the Company and the incremental and proposed working capital requirements, as outlined and duly approved by the Rights issue committee on December 23, 2024., for the Fiscal 2025 and Fiscal 2026 and funding of the same are as provided in the table below:

Details of Projected Working Capital Requirements

(₹ in lakhs)

Sr. No	Particulars	As at March 31, 2025^	As at March 31, 2026
		Estimated Amount	Estimated Amount
I	**Current Assets**		
1	Trade receivables	44,324.00	60.183.00
2	Other Current Assets	16,500.00	15,000.00
3	Inventories/Contract Assets	94,500.00	86,500.00
4	Cash and Cash equivalents	1,918.00	2,000.00
5	Other Bank Balances	6,221.00	8,500.00
6	Other Financial Assets	200.00	200.00
	Total (I)	**1,63,663.00**	**1,72,383.00**
II	**Current Liabilities**		
1	Trade Payables	30,130.00	13,680.00
2	Lease Liabilities	100.00	100.00
3	Other Financial Liabilities	5,000.00	4,001.00
4	Contract Liabilities	2,000.00	2,500.00
5	Provisions	285.00	400.00
6	Other Current Liabilities	609.00	740.00
	Total (II)	**38,124.00**	**21,421.00**
III	**Net Working capital requirement**	**1,25,539.00**	**1,50,962.00**
IV	**Means of Finance**		
1	Equity	11,190	-
2.	Internal Accruals	1,08,644.00	1,27,757.00
3.	Current Borrowings (other than current maturities from long-term borrowings)	5,705.00	4,531.00
4.	Funding through Issue proceeds#	-	18,674.00
	Total (IV)	**1,25,539.00**	**1,50,962.00**

 # ₹ 18,674.00 lakhs will be met through the right issue proceeds comprising of -
Object No. 2 - ₹ 1,500 lakhs towards full or partial repayment/ pre-payment, in full or part, of certain secured bank borrowings (Working Capital of ₹ 1,174.00 and Term Loan of ₹ 326.00).
Object No. 3 - ₹ 1,500.00 lakhs towards funding for increasing the margin of Non-Fund Based Limits.
Object No. 4 - ₹ 16,000 lakhs for augment the existing and incremental working capital requirement.

^In the event that the estimated utilization of the Net Proceeds in a scheduled fiscal year is not completely met, the same shall be utilised in the next fiscal year, as may be determined by our Company, in accordance with applicable laws. If the actual utilization towards any of the Objects is lower than the proposed deployment such balance will be used for future growth opportunities including funding other existing objects, if required and towards general corporate purposes to the extent that the total amount to be utilized towards general corporate purposes will not exceed 25% of the Gross Proceeds in accordance with the SEBI ICDR Regulations.
Note: Pursuant to the certificate dated April 01, 2025 issued by B N C A & Co, Chartered Accountants

The table below sets forth the details of holding levels (in days) for Fiscal 2023, Fiscal 2024 based on the audited financial statements and the period ended December 31, 2024 based on unaudited financial statements and the estimated holding levels (in days) for the Fiscal 2025 and Fiscal 2026 and the assumptions based on which the working plan projections has been made and approved by our Board of Directors:

S. No.	Particulars	Number of days for the period ended				
		March 31, 2023 (Actual)	March 31, 2024 (Actual)	December 31, 2024 (Actual)	March 31, 2025 (Estimated)	March 31, 2026 (Estimated)
1.	Trade receivables	234	149	145	182	183
2.	Other current assets	103	76	87	68	46
3.	Inventories and Contract assets	706	598	720	388	263
4.	Trade payables	235	143	209	58	42
5.	Other current liabilities	57	61	42	33	24
6.	Net Working Capital Cycle	751	619	701	547	426

Assumptions for Working Capital Requirements

Reasoning for change in holding period of all the above:

Post implementation of Resolution plan on 30th September, 2022, all sites have come back to normal operations and since the infusion of funds for working capital during the Fiscal 2024, an improvement in holding period has been achieved. Based on the projected infusion of further funds for working capital further improvement in holding levels has been projected.

The table below sets forth the key justifications for holding levels:

S. No.	Particulars	Details
Current assets		
1.	Trade receivables	The Company maintained trade receivable days of 234 days in Fiscal 2023 and 149 days in Fiscal 2024, reflecting a significant reduction due to the implementation of a resolution plan in FY 2024.Trade receivables related to supply invoices typically take longer to realize because only partial payments are received upfront, with the remaining balance tied to milestones such as pipe laying, testing, and commissioning. Conversely, trade receivables for service invoices are settled upon the completion of services, as specified in contract terms. For new orders, there is expected to be a higher proportion of supplies, leading to longer trade receivable holding days. In contrast, existing orders are more service-focused, which results in shorter holding periods. Looking ahead, as the mix of new orders increases significantly in Fiscal 2025 and Fiscal 2026, the average trade receivable holding period is projected to rise to 182 days in Fiscal 2025 and 183 days in Fiscal 2026.
2.	Other current assets	Other Current Assets include balance with government authorities, advances to suppliers and prepaid expenses. For the Fiscal 2023 and Fiscal 2024, the Company's other current assets were 103 days and 76 days. For the nine month period ended December 31, 2024 it was 87 days. It is anticipated to be at 68 days for Fiscal 2025 and to be at 46 for Fiscal 2026. The reduction in number of days is mainly on account of the estimated increase in revenue due to the likely tenders which is attributed to be received by the Company.
3.	Inventories and Contract assets	Inventories include Contract assets. The Company had maintained inventory days of 706 days in Fiscal 2023 and 598 days in Fiscal 2024 and 720 days for the nine month period ended December 31, 2024. It is assumed to reduce inventory days to 388 for the Fiscal 2025 and 263 days in Fiscal 2026. Post implementation of Resolution Plan, rate of execution has improved leading to achievement of billing milestones which in turn is the major reason for reduction in inventory holding days.
Current liabilities		
1.	Trade payables	The Company had maintained trade payable days of 235 days in Fiscal 2023, 143 days in Fiscal 2024 and 209 days for the nine month period ended December 31, 2024. It is projected

S. No.	Particulars	Details
		to reduce to 58 days for Fiscal 2025 and to 42 days for Fiscal 2026 due to improvement in financial efficiency. Promoters loan as well as previous rights issues helped in reducing the trade payable number of days.
2.	Other current liabilities	Other Current Liabilities include current provision for employee benefits, advances from customers, and statutory dues. For the Fiscal 2023 and Fiscal 2024, the Company's other current liabilities were 57 days and 61 days respectively and for December 31, 2024 it was 42 days. It is anticipated to be at 33 days for Fiscal 2025 and 24 days in Fiscal 2026. Promoter loan as well as previous rights issues helped in reducing the other current liabilities number of days.

5. *General Corporate Purposes*

Our Company intends to deploy the balance Gross Proceeds, aggregating to ₹ 1,500 Lakhs towards general corporate purposes as approved by our management from time to time, subject to such utilisation not exceeding 25% of the Gross proceeds in compliance with Regulation 104(2) of the SEBI ICDR Regulations.

The general corporate purposes for which our Company proposes to utilise Gross Proceeds may include, but are not limited to, funding growth opportunities, strategic initiatives including acquisitions, joint-ventures, partnerships. In addition to the above, our Company may utilise the Net Proceeds towards other expenditure considered expedient and as approved periodically by the Board or a duly constituted committee thereof, subject to compliance with necessary provisions of the Companies Act.

The quantum of utilisation of funds towards each of the above purposes will be determined by our Board, based on the amount actually available under this head and the business requirements of our Company, from time to time, subject to compliance with applicable law. However, our Company shall utilise the Net Proceeds in compliance with necessary provisions of the Companies Act and SEBI ICDR Regulations.

In addition to the above, our Company may utilise the Net Proceeds towards expenditure considered expedient and as approved periodically by our Board, subject to the compliance with necessary provisions of the Companies Act, 2013. The quantum of utilisation of funds towards each of the above purposes will be determined by our Board, based on the amount actually available under this head and the business requirements of our Company, from time to time. Our Company's management shall have flexibility in utilising surplus amounts, if any. However, our Company shall utilise the Net Proceeds in compliance with necessary provisions of the Companies Act and SEBI ICDR Regulations.

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:

(₹ in lakhs)

Particulars	Estimated Expenses (₹ in lakhs)	As a % of total expenses	As a % of Gross Issue size*
Fees of the Bankers to the Issue, Registrar to the Issue, Legal Advisor, Auditor's fees, including out of pocket expenses etc.	94.00	18.80%	0.27%
Expenses relating to advertising, printing, distribution, marketing and stationery expenses	266.80	53.36%	0.76%
Regulatory fees, filing fees, listing fees, Monitoring agency fees and other miscellaneous expenses	139.20	27.84%	0.40%
Total estimated Issue expenses*	500.00	100.00%	1.43%

***Note:** Subject to the finalization of Basis of Allotment and actual 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 from the Issue.*

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, however, utilization of Net Proceeds will be in accordance with applicable laws. 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.

In accordance with Section 27 of the Companies Act, 2013, our Company confirms that, pending utilization of the proceeds of the Issue as described above, it shall not use the funds from the Net Issue Proceeds for any investment in equity and/ or real estate products and/ or equity linked and/ or real estate linked products.

Appraisal by Appraising Agency

None of the objects have been appraised by any bank or financial institution or any other independent third party organizations.

Bridge Financing Facilities

As on the date of this Letter of Offer, we have not entered into any bridge financing arrangements which is subject to being repaid from the Issue Proceeds.

Strategic or Financial Partners

There are no strategic or financial partners to the Objects of the Issue.

Monitoring of Utilization of Funds

Our Company has appointed Infomerics Valuation and Rating Private Limited as the monitoring agency to the Issue. Our Board and Monitoring Agency shall monitor the utilization of the Gross Proceeds and the Monitoring Agency shall submit a report to our Board till 100% of the Issue Proceeds are utilised as required under Regulation 82 of the SEBI ICDR Regulations. Our Company will disclose the utilization of the Gross Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized. Our Company will indicate instances, if any, of unutilized Gross Proceeds in the balance sheet of our Company for the relevant Financial Years subsequent to receipt of listing and trading approvals from the Stock Exchanges.

Pursuant to Regulation 32(3) of the SEBI LODR Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Gross Proceeds, which shall discuss, monitor and approve the use of the Gross Proceeds along with our Board. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than those stated in this Letter of Offer and place it before the Audit Committee and make other disclosures as may be required until such time as the Net Proceeds remain unutilized. Such disclosure shall be made only until such time that all the Gross Proceeds have been utilized in full. The statement prepared on an annual basis for utilization of the Net Proceeds shall be certified by the Statutory Auditors of our Company which shall be submitted by the Company with the Monitoring Agency.

Furthermore, in accordance with Regulation 32(1) of the SEBI LODR Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilization of the proceeds of the Issue from the Objects; and (ii) details of category wise variations in the actual utilization of the proceeds of the Issue from the Objects. This information will also be published on our website and explanation for such variation (if any) will be included in our Director's report, after placing it before the Audit Committee.

Key Industrial Regulations for the Objects of the Issue

No additional provisions of any acts, rules and other laws are or will be applicable to the Company for the proposed Objects of the Issue.

Strategic or Financial Partners

There are no strategic or financial partners to the Objects of the Issue.

Other Confirmations

No part of the Net Proceeds will be paid by our Company as consideration to our Promoter, Promoter group, directors, associates or key management personnel or group companies, except as stated above and in the normal course of business and in compliance with applicable laws.

STATEMENT OF TAX BENEFITS

Statement of possible special tax benefits available to the Company and its Shareholders

To,

The Board of Directors
SEPC Limited
Old No. 56/ L, New No. 10/1, 3rd Floor , Bascon Futura Svit Park,
Venkatanarayana Road, Parthasarathy puram,
T. Nagar, Chennai – 600017

13 December 2024

Sub: Statement of possible special tax benefits available to SEPC Limited and its shareholders, prepared in accordance with the requirements under Schedule VI (Part B)of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended ("SEBI ICDR Regulations")

1. We, M S K A & Associates ("the Firm"), Chartered Accountants, the statutory auditors of **SEPC Limited** (the "**Company**") hereby confirm the enclosed statement in the Exhibit prepared and issued by the Company, which provides the possible special tax benefits under the direct and indirect tax laws presently in force in India including the Income-tax Act, 1961, ('**Act'**), the Income-tax Rules, 1962, ('Rules'), the Central Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017/ relevant State Goods and Services Tax Act, 2017 ("**GST Act**"), the Customs Act, 1962 ("**Customs Act**"), Foreign Trade Policy and Handbook of Procedures, and the rules made thereunder, (collectively the "Taxation Laws"), regulations, circulars and notifications issued thereon, as amended by the Finance Act, 2023 as applicable to the assessment year 2025-26 relevant to the financial year 2024-25, presently in force in India available to the Company and its Shareholders. There is no Material Subsidiary of the Company identified as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. Several of these benefits are dependent on the Company and its Shareholders, as the case may be, fulfilling the conditions prescribed under the relevant provisions of the Taxation laws. Hence, the ability of the Company and its Shareholders to derive the special tax benefits is dependent upon their fulfilling such conditions, which based on business imperatives the Company and its Shareholders face in the future. The Company and its shareholders may or may not choose to fulfil such conditions for availing special tax benefits.

2. This Statement provides possible special tax benefits is required as per Schedule VI (Part B) of the SEBI ICDR Regulations. While the term 'special tax benefits' has not been defined under the SEBI ICDR Regulations, it is assumed that with respect to special tax benefits available to the Company, the same would include those benefits as enumerated in the statement. Any benefits under the Taxation Laws other than those specified in the statement are considered to be general tax benefits and therefore not covered within the ambit of this statement. Further, any benefits available under any other laws within or outside India, except for those specifically mentioned in the statement, have not been examined and covered by this statement.

3. The benefits discussed in the enclosed statement cover the possible special tax benefits available to the Company and its shareholders and do not cover any general tax benefits available to them.

4. The benefits stated in the enclosed statement are not exhaustive and the preparation of the contents stated is the responsibility of the Company's management. We are 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 distinct nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultant with respect to the specific tax implications arising out of their participation in the issue and we shall in no way be liable or responsible to any shareholder or subscriber for placing reliance upon the contents of this statement. Also, any tax information included in this written communication was not intended or written to be used, and it cannot

be used by the Company or the investor, for the purpose of avoiding any penalties that may be imposed by any regulatory, governmental taxing authority or agency.

5. In respect of non-residents, the tax rates and the consequent taxation shall be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile.

6. 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.

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

- The Company and its shareholders will continue to obtain these benefits in future;
- The conditions prescribed for availing the benefits have been/would be met;
- The revenue authorities/courts will concur with the views expressed herein.

8. The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company. We have relied upon the information and documents of the Company being true, correct, and complete and have not audited or tested them. Our view, under no circumstances, is to be considered as an audit opinion under any regulation or law.

9. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our Firm or any of partners or affiliates, shall not be responsible for any loss, penalties, surcharges, interest or additional tax or any tax or non-tax, monetary or non-monetary, effects or liabilities (consequential, indirect, punitive or incidental) before any authority / otherwise within or outside India arising from the supply of incorrect or incomplete information of the Company.

10. This Statement is addressed to Board of Directors and issued at specific request of the Company. The enclosed Annexure to this Statement is intended solely for your information and for inclusion in the Letter of Offer to be filed with the **Securities and Exchange Board of India** and the stock exchanges, in connection with the proposed rights issue of equity shares of the Company, and is not to be used, referred to or distributed for any other purpose without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing. Any subsequent amendment / modification to provisions of the applicable laws may have an impact on the views contained in our statement. While reasonable care has been taken in the preparation of this certificate, we accept no responsibility for any errors or omissions therein or for any loss sustained by any person who relies on it.

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

______Sd/-________________
Rajesh Thakkar
Partner
Membership No. 103085
UDIN: 24103085BKEIFR6425

Place: Mumbai
Date: December 13, 2024

EXHIBIT to the Statement of Possible Special Tax Benefits

DIRECT TAXATION

This statement of possible special direct tax benefits available to the Company and its shareholders under the direct tax laws in force in India. This statement is required as per Schedule VI (Part B-1)(10) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended ("SEBI ICDR Regulations"). This statement is as per the Income-tax Act, 1961 as amended by the Finance Act read with the relevant rules, circulars and notifications applicable for the Financial Year 2024-25 relevant to the Assessment Year 2025-26, presently in force.

1. Special Tax Benefits available to the Company in India under the Income Tax Act, 1961 ('the Act')

- Section 115BAA of the Act, as inserted vide The Taxation Laws (Amendment) Act, 2019, provides that domestic company can opt for a corporate tax rate of 22% (plus applicable surcharge and cess) for the financial year 2019-20 onwards, provided the total income of the company is computed without claiming certain specified incentives/deductions or set-off of losses, depreciation etc. and claiming depreciation determined in the prescribed manner. In case a company opts for section 115BAA, provisions of Minimum Alternate Tax ('MAT') would not be applicable and unutilized MAT credit will not be available for set-off. The option needs to be exercised on or before the due date of filing the tax return. Option once exercised, cannot be subsequently withdrawn for the same or any other tax year. The Company may claim such beneficial tax rate in future years subject to giving away any other income-tax benefits under the Act (other than the deduction available under section 80JJAA and 80M of the Act) and fulfilling the then prevailing provisions under the Act.

- Subject to the fulfilment of prescribed conditions, for the year, the Company is entitled to claim deduction under section 80JJAA of the Act with respect to an amount equal to 30% of additional employee cost (relating to specified category of employees) incurred in the course of business in the year, for three assessment years including the assessment year relevant to the year in which such employment is provided. Further, where the Company wishes to claim such possible tax benefit, it shall obtain necessary certification from a Chartered Accountant on fulfilment of the conditions under the extant provisions of the Act.

- As per the provisions of section 80M of the Act, dividend received by the Company from any other domestic company or a foreign company shall be eligible for deduction while computing its total income for the relevant year. The amount of such deduction would be restricted to the amount of dividend distributed by the Company to its Shareholders on or before one month prior to due date of filing of its Income-Tax return for the relevant year. Since the Company has investments in Indian subsidiaries, it may avail the above mentioned benefit under section 80M of the Act.

2. Special Tax benefits available to the shareholders of the Company under the Act

- There are no special tax benefits available to the shareholders of Company for investing in the shares of the Company. However, such shareholders shall be liable to concessional tax rates on certain incomes under the extant provisions of the Act (arising from sale of equity shares of the Company).

- Section 112A of the Act provides for concessional rate of tax at the rate of 10% on long term capital gain arising on transfer of equity shares with effect from April 1, 2019 (i.e., Assessment Year 2019-20) subject to conditions. Any long term capital gain, exceeding INR 1,00,000 arising from the transfer of a long-term capital asset (i.e., capital asset held for the period of 12 months or more) being an Equity Share in a company or a unit of an equity-oriented fund wherein Securities Transaction Tax ('STT') is paid on both acquisition and transfer, income tax is charged at a rate of 10% without giving effect to indexation.

Further, the benefit of lower rate is extended in case STT is not paid on acquisition / allotment of equity shares through Initial Public Offering.

- Section 111A of the Act provides for concessional rate of tax @ 15% in respect of short-term capital gains (provided the short-term capital gains exceed the basic threshold limit of exemption, where applicable) arising from the transfer of a short-term capital asset (i.e. capital asset held for the period of less than 12 months) being an Equity Share in a company or a unit of an equity-oriented fund wherein STT is paid on both acquisition and transfer.

- Separately, any dividend income received by the shareholders would be subject to tax deduction at source by the company under section 194 @ 10%. However, in case of individual shareholders, this would apply only if dividend income exceeds INR 5,000. Further, dividend income shall be taxable in the hands of the shareholders at the rates as applicable in their case.

- In respect of non-residents, the tax rates and the consequent taxation shall be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident shareholder has fiscal domicile.

Indirect Taxation

This statement of possible special indirect tax benefits is required as per paragraph (9)(L) of Part A of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.

Special Tax Benefits under the Central Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017 and applicable State Goods and Services Tax Act, 2017 ("GST Acts"), The Customs Act, 1962 ("Customs Act"), the Customs Tariff Act, 1975 ("Tariff Act"), as amended by the Finance Act 2024 including the relevant rules, notifications and circulars issued there under, applicable for the Financial Year 2024-25, presently in force in India.

1. **Special Indirect Tax Benefits available to the Company in India**

   Based on the information provided by the management, we hereby state that no special tax benefits are available to the Company and the Shareholders under the Indirect Tax regulations.

2. **Special Indirect Tax Benefits available to the Shareholders of the Company**

- The shareholders of the Company are not required to discharge any GST on transaction in securities of the Company. [Securities are excluded from the definition of Goods as defined u/s 2(52) of the Central Goods and Services Tax Act, 2017 as well from the definition of Services as defined u/s 2(102) of the Central Goods and Services Tax Act, 2017]. Accordingly, transactions in the security of the Company may not attract GST.

- Apart from above, the shareholders of the Company are not eligible to special tax benefits under the provisions of the Customs Tariff Act, 1975 and / or Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, respective Union Territory Goods and Services Tax Act, 2017 respective State Goods and Services Tax Act, 2017, the Goods and Services Tax (Compensation to States) Act, 2017 including the relevant rules, notifications and circulars issued there under.

Notes:

1. The benefits discussed above cover only possible special tax benefits available to the Company and its Shareholders and do not cover any general tax benefits. The above Statement sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.

2. *Our views expressed in this statement are based on the facts and assumptions as indicated in* the *statement. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which*

are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. Reliance on this statement is on the express understanding that we do not assume responsibility towards the Investors who may or may not invest in the proposed issue relying on this statement.

3. *This statement has been prepared solely in connection with the Proposed Rights Issue under the Regulations as amended.*

For and on behalf of the Board of Directors of SEPC Limited

Sd/-____________________
N K Suryanarayanan
Managing Director & CEO
Place: Chennai
Date: December 13, 2024

SECTION IV – ABOUT THE COMPANY

INDUSTRY OVERVIEW

Global Economy

According to the International Monetary Fund (IMF), the global economy is likely to grow at 3.1 percent and 3.2 percent in the calendar years 2024 and 2025, respectively. This growth is attributed to higher performance expectations from the United States and other large developing economies, as well as fiscal support in China. However, this forecast is lower than the long-term average growth rate of 3.9 percent, which was registered between 2020 and 2019. Inflation across the world is on the higher side, so the policy rate, which was set by the central bankers to combat the sticky inflation, is also affected. The best part is that global inflation is gradually declining as a result of policy measures implemented by central banks. According to the IMF, global inflation is expected to fall to 5.8 percent in 2024 and further to 4.4 percent in 2025.

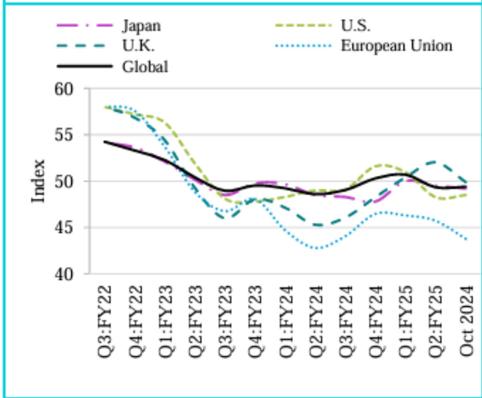
Projections for advanced economies as a group show stability, with growth in the United States supported by stronger consumption resulting from robust increases in real wages and non-residential investment. However, growth projections have been downgraded for some European economies. Weaknesses in the manufacturing sector continue to constrain growth in countries like Germany and Italy. The Euro Area is projected to experience modest growth recovery in 2024 and 2025, driven by improvements in export performance and domestic demand. Japan's growth projection has been revised downwards, reflecting a temporary supply disruption in the car industry and the base effect of historical data revisions. Conversely, growth in the United Kingdom is expected to be supported by moderating inflation and interest rates, which will contribute positively to stimulating domestic demand.

Countries/ country groups	Growth (%)	Growth Projections (%)		Difference from July 2024 WEO (%)	
	2023	2024	2025	2024	2025
World	**3.3**	**3.2**	**3.2**	**0**	**-0.1**
Advanced Economies	**1.7**	**1.8**	**1.8**	**0.1**	**0**
United States	*2.9*	*2.8*	*2.2*	*0.2*	*0.3*
Euro Area	*0.4*	*0.8*	*1.2*	*-0.1*	*-0.3*
Japan	*1.7*	*0.3*	*1.1*	*-0.4*	*0.1*
United Kingdom	*0.3*	*1.1*	*1.5*	*0.4*	*0*
EMDEs (*)	**4.4**	**4.2**	**4.2**	**0**	**-0.1**
China	*5.2*	*4.8*	*4.5*	*-0.2*	*0*
India	*8.2*	*7*	*6.5*	*0*	*0*
Middle East and Central Asia	**2.1**	**2.4**	**3.9**	**0**	**0**
Sub-Saharan Africa	**3.6**	**3.6**	**4.2**	**-0.1**	**0.1**
Source: IMF's World Economic Outlook, October 2024 *(*) Emerging Market and Developing Economies*					

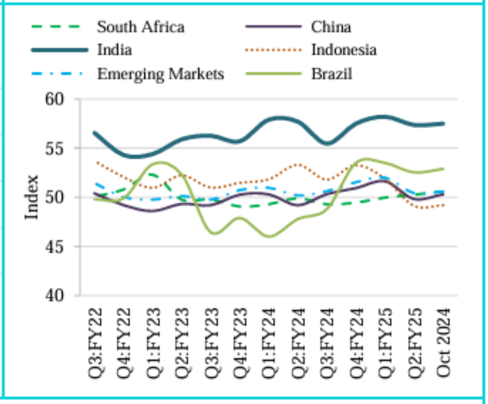
Global economic activity in 2024 has been moderate thus far. While higher borrowing costs and tight monetary conditions affected global growth, structural weaknesses are restraining growth in a few major European countries such as Germany, France and Italy, and China. On the other hand, the US economy continues to exhibit strong growth momentum driven by consumption.

According to the latest global composite Purchasing Managers' Index (PMI), global economic expansion accelerated from September's eight-month low, driven by stronger business confidence and growth in new order intakes.2 The services sector, particularly financial services, led the expansion, while manufacturing activity remained stagnant. Service sector business activity increased for the twenty-first consecutive month in October. Manufacturing conditions remained lacklustre, although India, Spain, and Brazil topped the manufacturing PMI growth rankings.

PMI Manufacturing in Advanced Economies



PMI Manufacturing in Emerging Market Economies

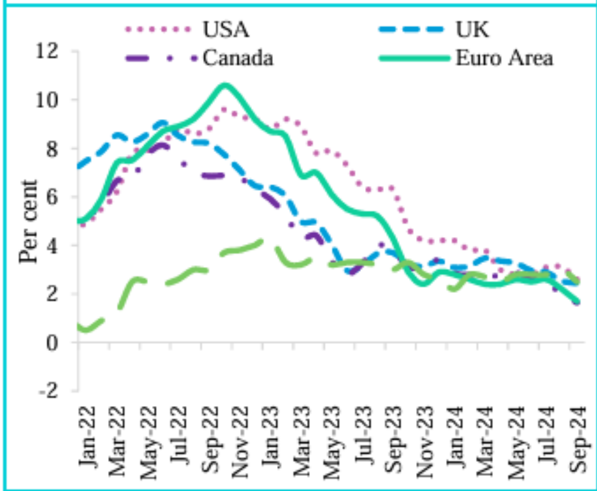
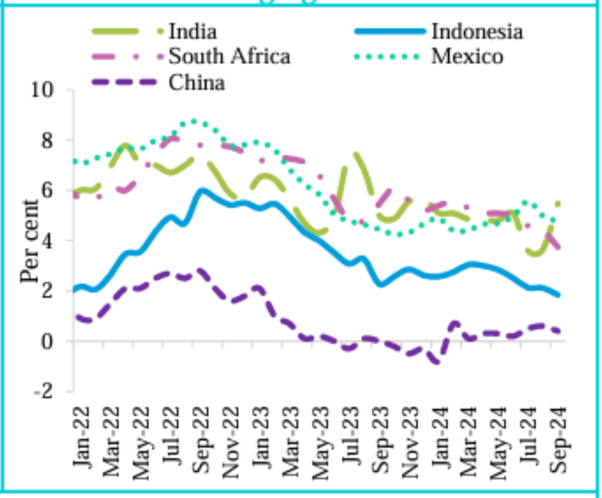


Source: Bloomberg

A gradual shift from goods to services consumption is underway, underpinning stable global growth. This shift is boosting activity in the services sector in both advanced and emerging markets while slowing down manufacturing. Manufacturing production is increasingly shifting towards emerging market economies, as advanced economies experience a decline in competitiveness.

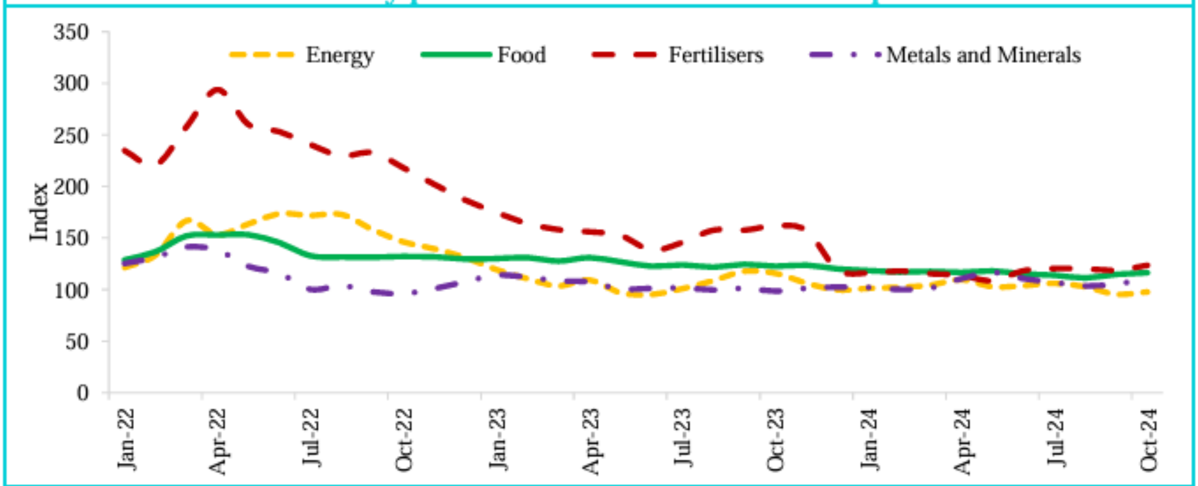
Global Disinflation Underway

Price pressures across economies have abated substantially after peaking towards the end of 2022, on account of central bank policy rate hikes and improved supply chain resilience. As inflation approaches the central bank target levels, disinflation seems to have slowed on account of sticky core inflation. This is due to persistence in services price inflation driven by higher nominal wage growth. There are early signs of wage growth moderating, which this will aid disinflation. In contrast, core goods price inflation has declined significantly. While supply chains have adapted to ongoing geopolitical disturbances and led to a softening of commodity prices, excess manufacturing capacity exists in a few major economies. Going forward, inflation is expected to align with central bank targets. However, IMF notes that fiscal consolidation across economies between 2022 and 2024 has not played out as planned, thereby contributing to inflationary pressures. Adverse weather events and their effects on food prices may also affect disinflation, particularly in EMEs.

Inflation in advanced economies	Inflation in emerging market economies
	

Source: OECD and MoSPI

Stable commodity prices as reflected in World Bank price indices



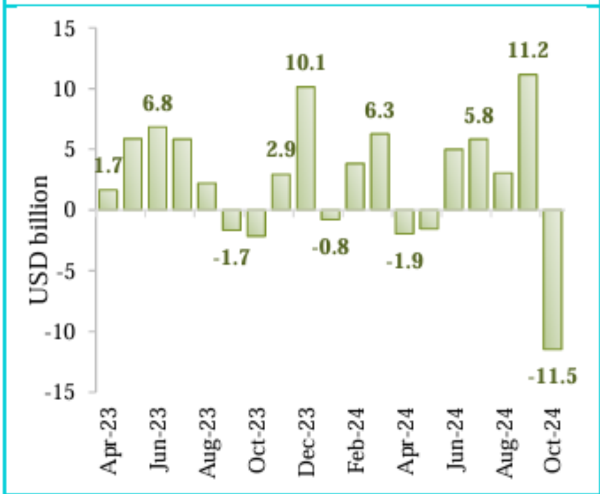
Source: World Bank Pink Sheet

The Trend in Capital Flows

Foreign Portfolio Investors (FPIs) became net buyers in the Indian equity market starting in June 2024 after being the next sellers in the first two months of FY25. This trend continued until September 2024, showcasing a clear preference for Indian equities as FPIs injected substantial capital into the market over those months. However, in October, this trend reversed, resulting in a net outflow of USD 11.5 billion. Factors such as concerns about slowing earnings growth, high valuations, rising geopolitical tensions, and recent developments in China9 led FPIs to withdraw significant funds from Indian equities in October. Overall, due to mixed trends, FPI inflows between April and October 2024 moderated to USD 10.1 billion, compared to USD 18.6 billion during the same period the previous year.

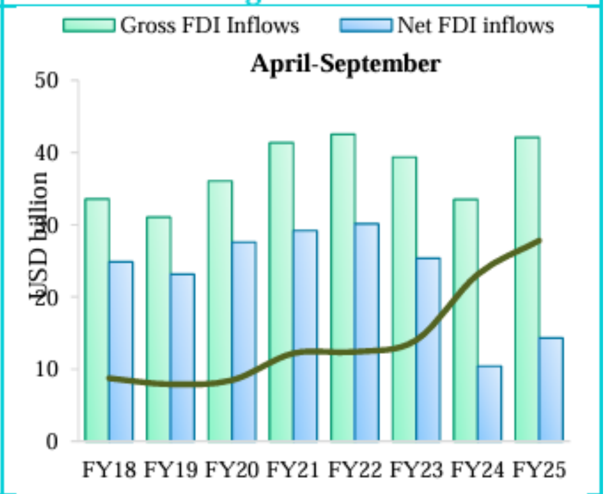
Foreign Direct Investment (FDI) recorded a revival in FY25, with net FDI inflows rising from USD 10.4 billion during H1 of FY24 to USD 14.3 billion in the corresponding period of FY25, which is a YoY growth of 37.6 per cent. The rise in net FDI inflows can be attributed to an increase in gross FDI inflows. Manufacturing, financial services, electricity and other energy sectors, and communication services contributed to around two-thirds of the gross FDI inflows. Singapore, Mauritius, the Netherlands, the UAE, and the US were sources for about three-fourths of the flows. Though cumulative net FDI inflows in H1 of FY25 were greater than those in the same period of the previous year, there was an outflow of net FDI in September 2024 due to a significant increase in repatriation and disinvestment, which exceeded the gross FDI inflows during that month.

The trend in FPI flows



Source: NSDL

Rise in Foreign Direct Investment

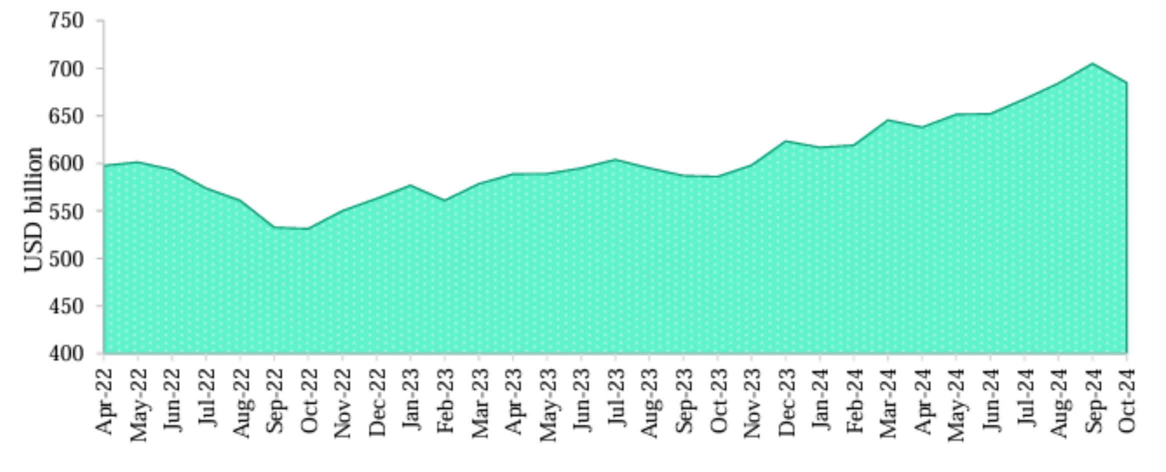


Source: RBI

After surpassing the USD 700 billion mark, India's foreign exchange reserves moderated to USD 684.8 billion at the end of October 2024, sufficient to cover 11.8 months of imports and more than 100 per cent of external debt at the end of June 2024. Supported by stable capital inflows, as of 1st November 2024, India's forex reserves increased by USD 64.8 billion so far during 2024, the second-largest increase after China amongst major forex reserve holding countries. Foreign currency assets accounted for the majority of the increase in forex reserves during 2024.

The Indian rupee emerged as one of the least volatile currencies during FY25, staying within the range of USD 84.3-84/dollar during April-October 2024, exhibiting a coefficient of variance of 0.28 per cent.

Forex reserves sufficient to cover 11.8 months of imports



Source: RBI

INDIAN ECONOMIC OVERVIEW

Strong economic growth in the first quarter of FY23 helped India overcome the UK to become the fifth-largest economy after it recovered from the COVID-19 pandemic shock. Nominal GDP or GDP at Current Prices for Q1 2024-25 is estimated at Rs. 77.31 lakh crores (US$ 928.9 billion) with growth rate of 9.7%, compared to the growth of 8.5% for Q1 2023-24. The growth in nominal GDP during 2023-24 is estimated at 9.6% as compared to 14.2% in 2022-23. Strong domestic demand for consumption and investment, along with Government's continued emphasis on capital expenditure are seen as among the key driver of the GDP in the second half of FY24. During the period April-September 2025, India's exports stood at US$ 211.46 billion, with Engineering Goods (26.57%), Petroleum Products (16.51%) and electronic goods (7.39%) being the top three exported commodity. Rising employment and 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. The contact-based services sector has demonstrated promise to boost growth by unleashing the pent-up demand. 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.

India's appeal as a destination for investments has grown stronger and more sustainable because of the current period of global unpredictability and volatility, and the record amounts of money raised by India-focused funds in 2022 are evidence of investor faith in the "Invest in India" narrative.

[Source: www.ibef.org]

MARKET SIZE

Real GDP or GDP at Constant (2011-12) Prices for the period Q1 2024-25 is estimated at Rs. 43.64 lakh crore (US$ 524 billion), against the First Revised Estimates (FRE) of GDP for the year Q1 2023-24 of Rs. 40.91 lakh crore (US$ 491 million). The growth in real GDP during 2023-24 is estimated at 8.2% as compared to 7.0% in 2022-23. There are 113 unicorn startups in India, with a combined valuation of over US$ 350 billion. As many as 14 tech startups are expected to list in 2024 Fintech sector poised to generate the largest number of future unicorns in India. With India presently has the third-largest unicorn base in the world. The government is also focusing on renewable sources by achieving 40% of its energy from non-fossil sources by 2030. India is committed to achieving the country's ambition of Net Zero Emissions by 2070 through a five-pronged strategy, 'Panchamrit'. Moreover, India ranked 3rd in the renewable energy country attractive index.

According to the McKinsey Global Institute, India needs to boost its rate of employment growth and create 90 million non-farm jobs between 2023 to 2030 in order to increase productivity and economic growth. The net employment rate needs to grow by 1.5% per annum from 2023 to 2030 to achieve 8-8.5% GDP growth between same time periods. India's current account deficit (CAD) narrowed to 0.7% of GDP in FY24. The CAD stood at US$ 9.7 billion for the Q1 2024-25 from US$ 8.9 billion in Q1 2023-24 or 1.1% of GDP. This was largely due to decrease in merchandise trade deficit.

Exports fared remarkably well during the pandemic and aided recovery when all other growth engines were losing steam in terms of their contribution to GDP. Going forward, the contribution of merchandise exports may waver as several of India's trade partners witness an economic slowdown. According to Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles Mr. Piyush Goyal, Indian exports are expected to reach US$ 1 trillion by 2030.

INFRASTRUCTURE INDUSTRY IN INDIA

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.

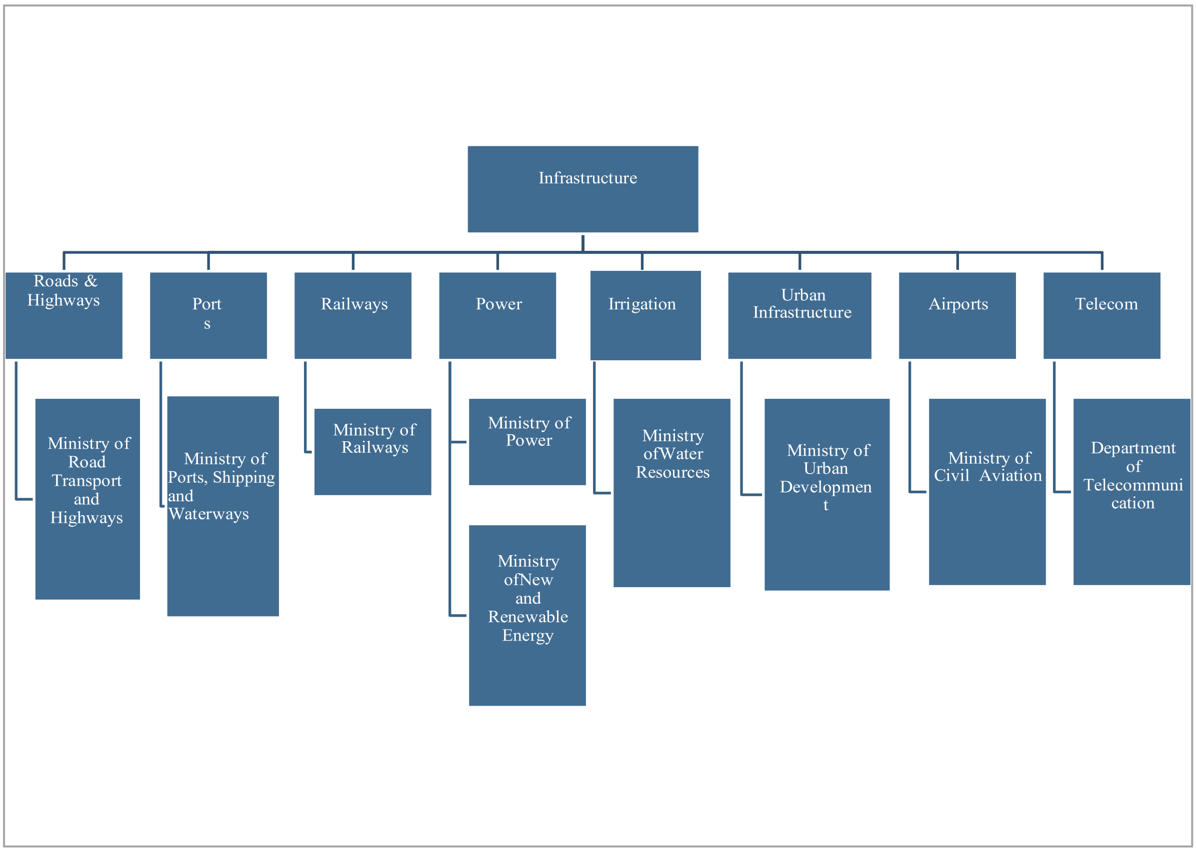
To meet India's aim of reaching a US$ 5 trillion economy by 2025, infrastructure development is the need of the hour. The government has launched the National Infrastructure Pipeline (NIP) combined with other initiatives such as 'Make in India' and the production-linked incentives (PLI) scheme to augment 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.

Atmanirbhar Bharat Abhiyan

On 12 May 2020, our Hon'ble PM, Narendra Modi, raised a clarion call to the nation giving a kick start to the Atmanirbhar Bharat Abhiyaan (Self-reliant India campaign) and announced the Special economic and comprehensive package of INR 20 lakh crores - equivalent to 10% of India's GDP – to fight COVID-19 pandemic in India. The aim is to make the country and its citizens independent and self-reliant in all senses. He further outlined five pillars of Aatma Nirbhar Bharat – Economy, Infrastructure, System, Vibrant Demography and Demand.

Ministries under Infrastructure Industry



Investments & Government initiatives in the Infrastructure sector in India

In order to achieve the GDP of USD 5 trillion by FY25, India needs to spend about USD 1.4 trillion over these years on infrastructure. During FYs 2008-17, India invested about USD 1.1 trillion on infrastructure. However, the challenge is to step up infrastructure investment substantially. Keeping this objective in view, National Infrastructure Pipeline (NIP) was launched with projected infrastructure investment of around ₹111 Trillion (USD 1.5 trillion) during FY 2020-2025 to provide world-class infrastructure across the country and improve the quality of life for all citizens. It also envisages to improve project preparation and attract investment, both domestic and foreign in infrastructure. NIP was launched with 6,835 projects, which has expanded to over 9,000 projects covering 34 infrastructure sub sectors. Some of the salient initiatives by Govt of India on infrastructure Sector is given below:

Under Interim Budget 2024-25

- For FY 2024-25, the government has allocated record CAPEX of Rs. 2,62,200 crore (US$ 31.67 billion) for Railways.

- In June 2024, Ministry of Housing & Urban Affairs has approved proposals worth Rs. 860.35 crore (US$ 103.91 million) for West Bengal under SBM-U 2.0. During the first phase of SBM-U (2014-19) a total fund of Rs. 911.34 Cr (US$ 130.34 million) was allocated to West Bengal which has been increased by 1.5 times to Rs. 1449.30 crore (US$ 175.04 million) in SBM-U 2.0 (2021-26).

- At the start of the 2024-25 financial year, the Ministry had approximately 20,000 km of National Highways (NHs) planed construction. Additionally, there is a collection of projects in the DPR and tendering stages to enhance construction progress in the current and upcoming fiscal years.

- The total length of National Highways (NHs) constructed in Northeastern Region (NER) during the last ten years is 9,984 km with an expenditure of Rs. 1,07,504 crore (US$ 12.98 billion) while 265 nos. of NH projects are under implementation at a cost of Rs. 1,18,894 crore (US$ 14.36 billion) with total length of 5,055 km.

- The Central government has increased its capital expenditure (CAPEX) allocation to US$ 133.9 billion (Rs. 11.11 trillion) for the fiscal year beginning April 1, 2024, with a focus on advancing India's infrastructure, as part of a strategic move to stimulate economic growth. An increase of 11.1% from the previous year, the FY25 interim budget allots US$ 133.9 billion (Rs. 11.11 trillion) for capital expenditures, or 3.4% of GDP.

- With a 37% increase in the current fiscal year, capital expenditures (CAPEX) are on the rise, which bolsters ongoing infrastructure development and fits with Vision 202.

- 7 goals for India's economic growth to become a US$ 5 trillion economy. In order to anticipate private sector investment and to address employment and consumption in rural India, the budget places a strong emphasis on the development of roads, shipping, and railways.

- India's ambitious plan calls for spending US$ 1.723 trillion (approximately Rs. 143 trillion) on infrastructure between FY24 and FY30, with a particular emphasis on power, roads, and developing industries like renewable energy and electric vehicles.

- Prime Minister Mr. Narendra Modi emphasized that India is committed to attaining net-zero carbon emissions by 2070, and that the country's ambitious goal of 500 gigawatts (GW) of renewable capacity by 2030 should be met. In order to make this possible, he unveiled a plan to raise the proportion of gas in India's energy mix to 15% by 2030, which will involve spending roughly US$ 67 billion over the course of the following five to six years.

- In Interim Budget 2024-25, capital investment outlay for infrastructure has been increased by 11.1% to Rs.11.11 lakh crore (US$ 133.86 billion), which would be 3.4 %of GDP.

- The government has decided to allocate Rs. 2.76 lakh crore (US$ 33.4 billion) towards the Ministry of Roads for 2024-25.

- A capital outlay of Rs. 2.55 lakh crore (US$ 30.72 billion) has been made for the Railways, an increased of 5.8% over the previous year.

- The allocation for solar power grid reached Rs. 8,500 crores (US$ 1.02 billion) from the previous allocation of Rs. 4,970 crores (US$ 598.80 million).

- The Interim Budget 2024-25 allocated Rs. 1,11,876.6 crore (US$ 13.5 billion) for the Department of Telecom.

- The government announced Rs. 77,523.58 crore (US$ 9.3 billion) to the Ministry of Housing and Urban Affairs.

- Three significant economic railway corridor initiatives—energy, port connectivity, mineral and cement, and high traffic density—will be carried out by the railway industry. Additionally, in order to improve passenger safety, convenience, and comfort, forty thousand standard rail bogies will be converted to Vande Bharat standards.

- In the aviation sector, the number of airports has doubled to 149, and currently, 1.3 crore passengers are transported on 517 new routes. Indian airlines have taken the initiative to order more than a thousand new aircraft.

- As part of the PM Awas Yojana (Grameen), two crores more houses to be taken up in the next five years. Despite COVID challenges, the target of three crore houses under PM Awas Yojana (Grameen) will be achieved soon.

Swachh Bharat Mission: Driving India's Sanitation Renaissance

The Swachh Bharat Mission-Grameen (SBM-G) represents a transformative phase in India's sanitation narrative, driven by a history enriched with ancient innovations and bolstered by contemporary governmental efforts. Initiated in 2014 by the Hon'ble Prime Minister, the mission targeted making India Open Defecation Free (ODF).

This massive undertaking successfully mobilized nationwide participation, marking it as the largest behavioural change movement globally. By 2019, the mission celebrated the construction of over 100 million individual household toilets, declaring more than 6 lakh villages ODF, a tribute to Mahatma Gandhi on his 150th birth anniversary and aligning with SDG Target 6.2.

PLI Schemes

Hon'ble Finance Minister, Smt Nirmala Sitharaman has announced an outlay of INR 1.97 Lakh Crores for the Production Linked Incentive (PLI) Schemes across 14 key sectors, to create national manufacturing champions and to create 60 lakh new jobs, and an additional production of 30 lakh crore during next 5 years

Smart City Mission Projects

The 100 Smart Cities Mission in India was launched by Prime Minister Narendra Modi on June 25, 2015. Smart Cities Mission is an urban renewal and retrofitting programme launched by the Government of India to develop smart cities and make them citizen friendly and sustainable.

Sectoral breakup of NIP are as follows:

Sector	No. of projects	Value of projects (USD Billion)
Roads & bridges	3,595	396.23
Railways	752	243.99
Power (Generation, Transmission & Distribution)	697	364.27
Real Estate	630	225.09
Waste and Water	940	119.67
Urban public transport (Metro, bus terminal, road/traffic infra etc)	216	98.39

Source: NIP

Water

Water resources are natural assets with significant potential utility. They are utilized across various domains, including living organisms, industries, agriculture, recreation, and environmental activities. Despite covering two-thirds of the Earth's surface, 97.5 percent of water is saltwater, leaving only 2.5 percent as freshwater. Of this freshwater, two-thirds is locked in glaciers and polar ice caps, while the remaining portion exists as groundwater. India has only 4 percent of world’s renewable water resources but is the home to nearly 18 percent of world’s population.

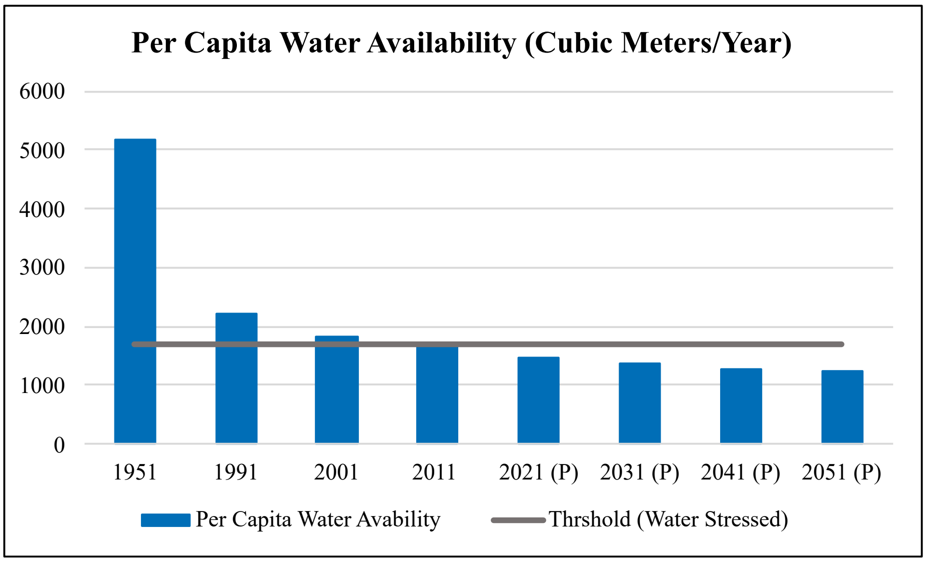
India’s land and water resources – facts

Particulars	Details
Geographical Area	328.7 Mha
The area as % of the World Area	2.44%
Total Cultivable Land (2015-16)	181.60 Mha
Gross Irrigated Area (2015-16)	96.62 Mha
Population (2023)	142.8 crore
Average Annual Rainfall (1985-2015)	1105 mm (3880 BCM)
Total Utilisable Water	1122 BCM
Estimated Utilisable Surface Water Potential	690 BCM
Total Replenishable Ground Water Resources (2013)	432 BCM

Source: Department of Water Resources, Ministry of Jal Shakti, Government of India, Population Estimation made by the United Nations Population Fund (UNFPA)

Availability of Water in India

The Department of Water Resources, Ministry of Jal Shakti, Government of India, states that the country is currently experiencing water stress, with the per capita availability of water falling below 1700 cubic meters per year. According to the Falken Mark water stress indicator, when per capita availability drops below 1700 cubic meters per year, it signifies a water-stressed condition, while dropping below 1000 cubic meters indicates water scarcity. The agricultural sector is already grappling with a water crisis, and basic needs are not being adequately met with the available water resources. Government projections suggest that India's per capita water availability will decline to 1362, 1282, and 1228 cubic meters per year by 2031, 2041, and 2051, respectively.



Source: Department of Water Resources, Ministry of Jal Shakti, Government of India

Water Demand in BCM (Billion Cubic Meter)

	2010		2025		2050	
Sector	Low	High	Low	High	Low	High
Irrigation	543	557	561	661	628	807
Drinking Water	42	43	55	62	90	111
Industry	37	37	67	67	81	81
Energy	18	19	31	33	63	70
Others	54	54	70	70	111	111
Total	694	710	784	843	973	1180

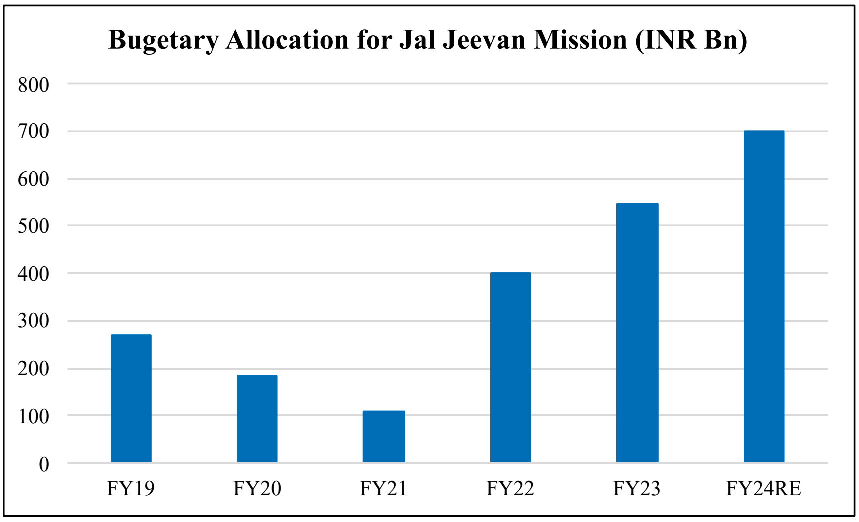
Source: Basin Planning Directorate, CWC, XI Plan Document

The agriculture sector is the largest user of water in India, accounting for approximately 80% of water use. However, the requirements for water from drinking, industry and energy use are increasing rapidly.

The quality of water is a critical issue, not just its availability. According to the Niti Ayog Report (Composite Water Management Index, June 2018), 77% of our water is contaminated, and India ranks 120th out of 122 countries in terms of water quality index. With the increasing use of water by the industry and energy sector, an enormous amount of wastewater will be generated and recycling of the same will provide opportunities to companies operating in the respective field of infrastructure.

Based on the information provided by the Central Pollution Control Board, 72,368 million litres per day (MLD) of sewage is generated from the urban area in the country, against which available treatment capacity of 31,841 MLD[1].

Over the years, the Government of India has introduced numerous initiatives aimed at addressing water-related challenges across the country, including programs like the Namami Gange Program, National River Conservative Plan and Jal Jeevan Mission. The Namami Ganga Program, launched in 2014 and scheduled to run until 2026, offers opportunities for infrastructure and construction companies to address issues such as wastewater management, solid waste management, and river flow regulation. As of October 2023, the Government has allocated approximately INR 16,000 crores towards this initiative since its inception in 2014.
Started in 2019, the Jal Jeevan Mission stands as another landmark initiative by the government aimed at ensuring safe tap drinking water for all rural households by 2024. The scheme aims to cover 16 crore households, with an estimated outlay of INR 3.60 lakh crores, out of which Central contribution is expected to be INR 2.08 lakh crores.



Source: indiabudget.gov.in

[1] Source: Press Information Bureau, Government of India, Ministry of Jal Shakti

As of October 01, 2023, a total of 1322.32 lakh households[2] are covered under this scheme, representing an increase of 998.7 lakh households since the launch of the project on August 15, 2019.

WATER SUPPLY MANAGEMENT

The average water available per capita annually depends on the region's hydro -meteorological and geological factors. The per capita water availability in the country is reducing due to increasing population. The annual per-capita water availability is less than 1,700 cubic meters and is expected to fall to 1,367 cubic meters by 2031 according to"Reassessment of Water Availability in India using Space Inputs (2019)." As per a report by Dynamic Ground Water Resource Assessment 2022, out of 7,089 assessment units which includes blocks, talukas, mandals, watersheds, firkas in the country, 1,006 units have been categorized as 'Over-exploited'.

It is expected that by 2050, about 1,450 km3 of water will be required out of which approx. 75% will be used in agriculture, ~7% for drinking water, ~4% in industries, ~9% for energy generation. However, because of growing urbanization, the need for drinking water will take precedence from the rural water requirements. Many of the cities are situated by the bank of rivers from where the fresh water is consumed by the population and the waste water is disposed back into the river, thus causing contamination of the water source and irrigation water. This has raised serious challenges for urban wastewater management, planning and treatment.

Table 5 - Market size for water requirement for different uses (in Billion Cubic Meters) in coming years:

Sr No.	Uses	Scenario (2025)	Scenario (2050)
1	Irrigation	611	807
2	Domestic	62	111
3	Industries	67	81
4	Power	33	70
5	Others	70	111
Total		**843**	**1,180**

Key performance indicators for water supply management in India:

The GoI in partnership with States is implementing Jal Jeevan Mission (JJM). At the time of the announcement of the JJM, only 17% of the households were reported to have tap connections. However, as on October 20, 2023, post implementation of the JJM, 70% of the households are reported to have tap water supply in their homes.

WASTE WATER MANAGEMENT

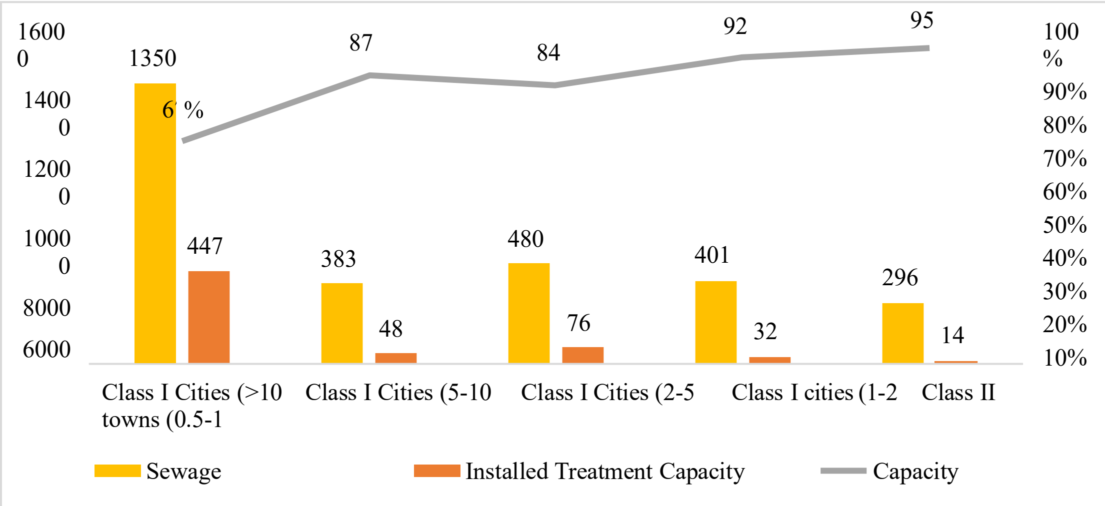
According to the Central Pollution Control Board (CPCB), the estimated wastewater generation was almost 39,600 Million liters per day (MLD) in rural regions, while in urban regions it was estimated to be 72,368 MLD for the year 2020-21. The estimated volume in the urban cities is almost double than that of the rural regions because of the availability of more water for sanitation which has improved the standard of living.

Clean Ganga Mission

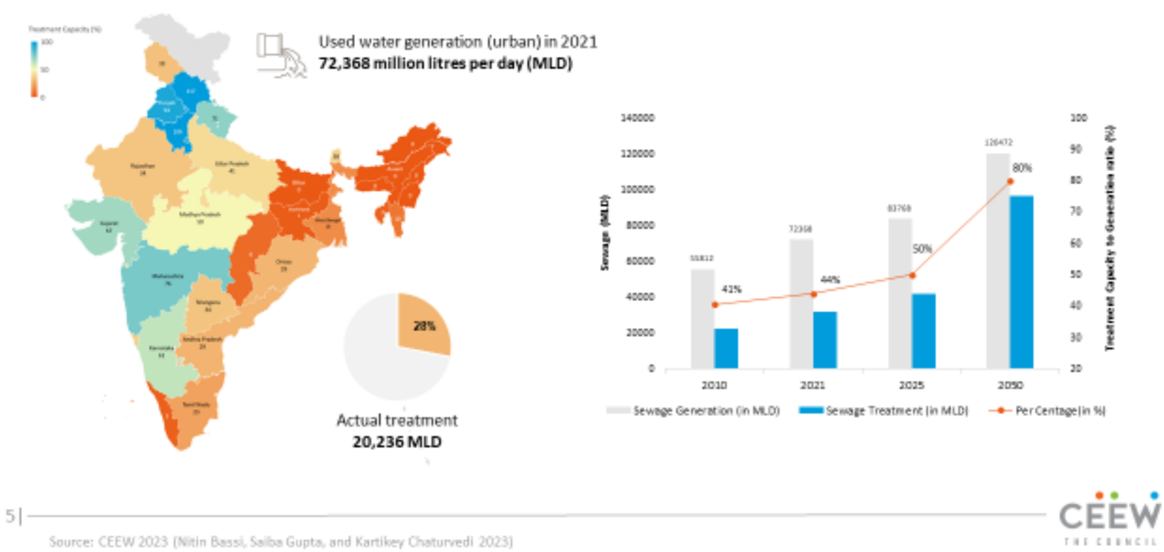
National Mission for Clean Ganga (NMCG) was registered as a society on 12th August 2011 under the Societies Registration Act 1860.It acted as implementation arm of National Ganga River Basin Authority(NGRBA) which was constituted under the provisions of the Environment (Protection) Act (EPA),1986. The Act envisages five tier structure at national, state and district level to take measures for prevention, control and abatement of environmental pollution in river Ganga and to ensure continuous adequate flow of water so as to rejuvenate the river Ganga

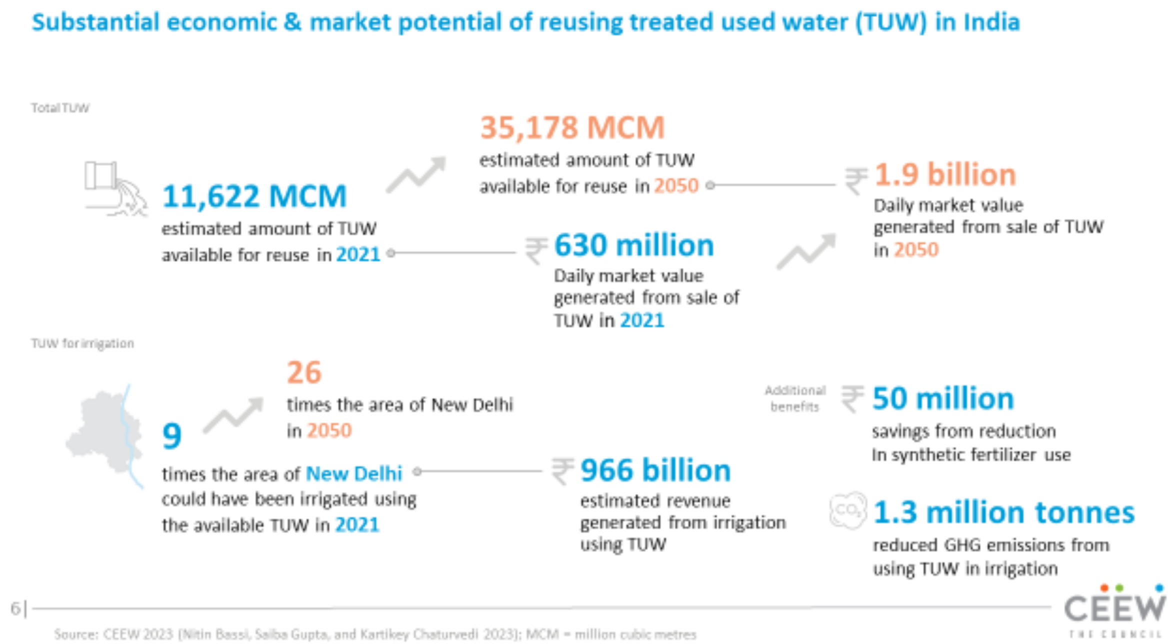
[2] Functional Household Tap Connection

Sewage generation and treatment capacities (MLD)



In India, used water treatment capacity is estimated to be 80% by 2050

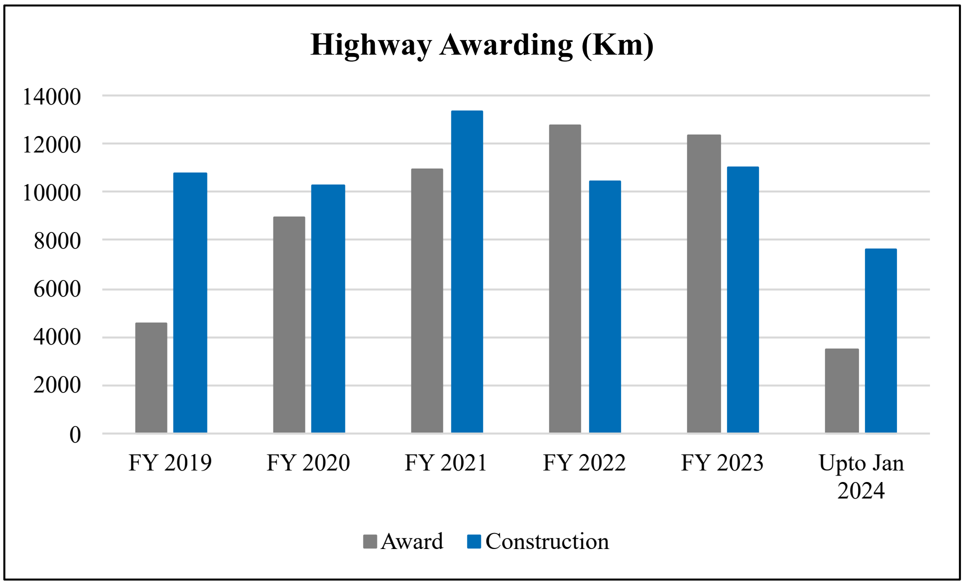




Roads

India boasts the world's second-largest road network, stretching over a staggering 6.33 million kilometres (kms) as of FY 2022-23. This extensive network encompasses various types of roads, including National Highways, Expressways, State Highways, Major District Roads, Other District Roads, and Village Roads. This road network plays a crucial role in transporting 64.5 percent of all goods and 90 percent of passenger traffic within the country. Traditionally, the Government has been the primary investor in the road sector. However, to promote private sector involvement, the Ministry has formulated comprehensive policy guidelines for private sector participation in National Highways development.

India's National Highways alone span a total length of 1.44 lakh kms as of FY 2022-23, with their development overseen by the Government of India. The government has undertaken significant initiatives to upgrade and fortify these highways through various phases of the National Highway Development Projects (NHDP). This momentum continues with the umbrella program of Bharatmala Pariyojana Phase – I and other associated schemes and projects.



Source: Ministry of Road Transport and Highway

The construction of highways has shown robust growth in recent years, ranging from 10,500 to 11,000 kilometers. With the exception of the current financial year (FY 2024), the government's highway awards have also remained healthy. The length of national highways has increased significantly from 91,287 kilometers in FY 2014 to 144,995 kilometers in FY 2023, representing a growth of 5.3 percent compounded annually.

In 2017, the Government of India launched the Bharatmala Pariyojana with the objective of enhancing transportation efficiency by establishing 50 national corridors and connecting 550 districts in the country through NH linkages. The Bharatmala Pariyojana is being implemented in two phases, I and II.

Under phase I, a total of 34,800 kilometers of NH will be developed, with 76 percent of projects (26,418 kilometers) already awarded as of December 2023. The remaining projects will be awarded over the next two years. Phase II will involve awarding another 30,200 kilometers of projects.

The government, in collaboration with private entities, is also undertaking numerous road projects using various models such as EPC, BOT, and HAM. To date, the government has effectively implemented over 60 road projects valued at over USD 10 billion under the hybrid annuity (HAM) model. Furthermore, a significant number of projects are being awarded to private players under the Build, Operate, and Transfer (BOT) model. The Government is also dedicated to revitalizing the BOT model for road projects, aiming to make it more investor-friendly and appealing for private partnerships[3].

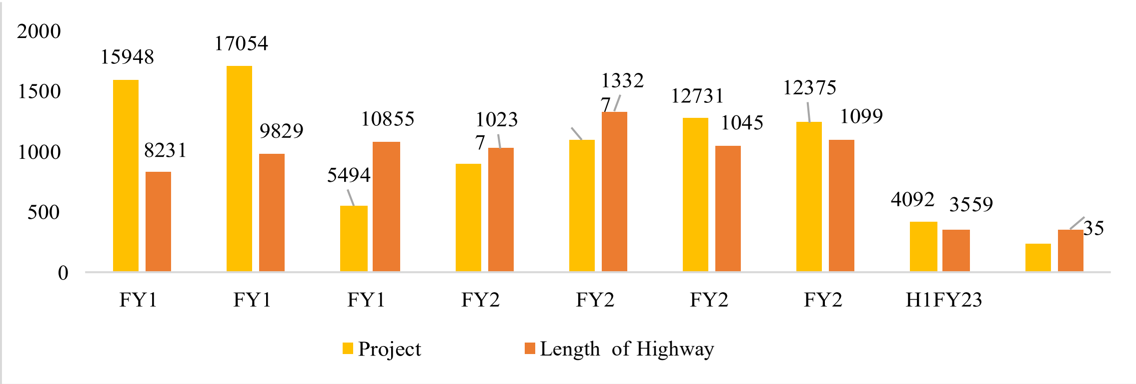
In the Union budget 2022-23, the Government budgeted to incur higher expenditure towards road construction. Wherein, the Central Government made the highest ever outlay of ₹1,990 Billion (compared to the estimated expenditure of ₹1,310 Billion for 2021-22).

Overall, the Union Budget for 2023-24 depicted higher focus on infrastructure. The budget plan aims for multi-modal logistics facilities and connectivity systems under the PM Gati Shakti. For infra push, financial assistance of ₹1,300 Billion interest free loans for 50 years has been allocated to states from the Centre. Through this, the Government is planning to generate employment opportunities and augurs well for the Roads sector.

In addition, ₹111 Trillion of investments have been projected in infrastructure projects for FY20-FY25 by the Task Force on National Infrastructure Pipeline (NIP), with ~18% of the targeted investment expected to be made in the road sector in India.

[3] Article: MoRTH: Government Aims to Transform Highway Road Projects Into Investment Magnets For Private Partnerships. Published in www.swarajyamag.com

Road Projects Awarded and Constructed



Steel Industry

Indian Steel Industry is one of the major sector in infrastructure. This segment has a production capacity of 142.29 MTPA. The National Steel Policy, 2017 envisage 300 MTPA of production capacity by 2030-3. To achieve this steel capacity build-up of 300 MTPA by 2030, India would need to invest Rs. 10 lakh crore (US$ 156.08 billion) by 2030-31.

Indian Steel industry is mainly dominated by major players like SAIL from PSU and private sector players like Arcelor Mittal, Nippon Steel, Tata Steel, JSW Steel etc.

1) SAIL is planning to increase their production capacity from 19.51 MTPA to 35.65 MTPA with investment around one Lakhs Crores.

2) Arcelor Mittal and Nippon Steel Corp.'s joint venture steel firm in India, announced a plan to expand its operations in the country by investing ~Rs. 1 trillion (US$ 13.34 billion) over 10 years.

3) Tata Steel is planning to expand its annual capacity in India from 34 MTPA to 55 MTPA by 2030.

4) 67 applications from 30 companies have been selected under the Production Linked Incentive (PLI) Scheme for Specialty Steel. This will attract committed investment of Rs. 42,500 crore (US$ 5.19 billion) with a downstream capacity addition of 26 million tonnes and employment generation potential of 70,000.

5) JSW Steel, part of the $23-billion JSW Group, is establishing a greenfield complex in the industrial city of Paradip that will include a steel plant with a production capacity of 13.2 million tonnes per annum (mtpa) as well as a cement manufacturing unit. The investment will be in phases.

6) JSW Utkal Steel Limited to enhance the capacity of its proposed integrated steel enhance the capacity of its proposed integrated steel plant at Jatadhar in Jagatsinghpur district from 12 MTPA (million tons per annum) to 24 MTPA.

Mine Development

The future of mining is underground, not only because metals and minerals close to the surface are increasingly rare, but because underground mines have a significantly lower environmental footprint. Further open cast mining is being discouraged on account of environmental concerns.

The scope for new mining capacities in iron ore, coal, bauxite and rare minerals considerable opportunities for future discoveries of sub-surface deposits and continue to provide lucrative business opportunities for steel, zinc, and aluminium producers. Considering the demand potential for deep shaft mining in India the opportunities under this segment is very good.

Sr. No.	Mineral	UOM	Production Capacity	Year of production	Market demand	Reserves available	Source
1	Copper	Million Tons	0.11	FY 2022-23	1.7	1660	https://mines.gov.in/webportal/home Ministry of mines - annual report 2022-2023
2	Manganese	Million Tons	2.69	FY 2021-22	10	75.04	https://mines.gov.in/webportal/home Ministry of mines - annual report 2022-2023
3	Gold	Million Tons	0.00000125	FY 2021-22	0.000747	23.72	https://mines.gov.in/webportal/home https://www.gold.org/ Ministry of mines - annual report 2022-2023
4	Chromite	Million Tons	3.56	FY 2022-23	3.17	79	https://mines.gov.in/webportal/home Ministry of mines - annual report 2022-2023
5	Lead & Zinc	Million Tons	16.33	FY 2021-2022	12.6	103.27	https://mines.gov.in/webportal/home https://www.ilzda.com/publications.php Ministry of mines - annual report 2022-2023
6	Uranium	Tons	747	FY 2022-23	1000	369042	Due to sensitivity of Atomic energy proper information is not available

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OUR BUSINESS

OVERVIEW

Our Company was incorporated on June 12, 2000 under the Companies Act, 1956 in the name and style 'Shriram EPC Limited'. A certificate of commencement of business was granted to our Company on June 30, 2000 by the Registrar of Companies, Tamil Nadu. Subsequently, the name of our Company was changed to SEPC Limited pursuant to a certificate of incorporation dated February 12, 2021 issued by Ministry of Corporate Affairs. Pursuant to the provisions of Section 391 to 394 of the Companies Act and pursuant to an order dated July 22, 2005 of the High Court of Madras, Shriram Engineering Construction Company Limited was merged with our Company with effect from April 1, 2004, since both companies were in the same line of business, namely, construction engineering. The Corporate Identification Number of our company L74210TN2000PLC045167.

We are engaged in Engineering Procurement and Construction (EPC Contractor) business with the experience of executing turnkey contracts in Engineering, Procurement, and Construction (EPC) areas and providing end-to-end solutions offering multi-disciplinary services and project management solutions.

We have a robust clientele comprising of various Central and State Government agencies such as Ahmedabad Urban Development Authority (AUDA), Kerala Water Authority, Gujarat Water Supply & Sewerage Board (GWSSB), Ahmedabad Municipal Corporation (AMC), Gujarat Water supply & Sewerage Board, Tamilnadu Water and Drainage Board, Karnataka Urban Infrastructure Development Finance Corporation, Bangalore Water Supply & Sewerage Board, Chennai Metro Water Supply & Sewerage Board, Durgapur Steel Plant, Bokaro Steel Plant, SAIL LISCO, Vizag Steel Plant.

SEPC Limited ("**SEPC**") is focused on providing turnkey solutions in the following business areas:

1. **Infrastructure**

a. Water & Sewer
b. Road

2. **Industrial EPC**

a. Process Plants
b. Steel Plants
c. EPC under deep shaft Mining
d. Power Plants

1. Infrastructure

Water & Sewer

SEPC, as an EPC Player in the last two decades have executed various water and sewerage projects across India and abroad. SEPC has a high level of Engineering expertise to handle turnkey Engineering projects to deliver complex projects with strict adherence to deadlines and quality standards. The Water and sewer business consists of the following:

- Drinking water projects
- Sewerage Treatment projects
- Rehabilitation projects

Drinking water projects generally consists of identifying water source, constructing treatment plant, laying pipes to carry water from source to treatment plant and to overhead tank and to individual houses.

Sewerage treatment projects typically involves, collection of sewerage from individual houses through pipes, construction of sewerage treatment plant, laying common pipeline to carry the sewerage collected through to nearby water source to discharge the treated sewerage water.

Rehabilitation projects are generally carried out in places where normal sewerage treatment project cannot be carried out. These projects involve using special imported resins pumped into the existing pipeline to form a layer and using mechanical pressure solidified resin is pushed in to form as a new pipe over the existing dilapidated pipe. Finally, the old pipe will be removed and sewerage will pass through the newly laid resin based pipes.

Our Company in 2013 completed the Chennai Metro Water Supply & Sewerage Board Project to the tune of ₹ 127 Crores where we were engaged in providing Comprehensive Water Supply Scheme to Karambakkam, Nolambur & Injambakkam Corporation of Chennai, We completed the Construction of Sewerage storm water and Truck Sewer Pipeline Project at Al Qibla, Basra in Iraq in 2021 which resulted in the generation of revenue to the tune of ₹1769 crores.

Our Company has completed water and sewer projects worth ₹ 28,895.36 crores as on December 31, 2024.

Road

SEPC has experience of laying road for Ministry of Road Transport & Highways (MORTH) and using this qualification SEPC proposes to bid for new projects and augment the sub business vertical. Given below is the details of revenue generated from MORTH road project during the three fiscal years:

Particulars	**For the period ended December 31, 2024**	**FY 2024**	**FY 2023**	**FY 2022**
Ministry of Road Transport & Highways (MORTH) road project	6,261.10	4,111.08	3,744.63	4,629.92

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2. Industrial EPC

Steel Plants

SEPC has domain knowledge and good customer base for having executed various projects in Integrated steel plants in areas like Construction of Special Bar mills, Sinter plants, Wire Rod mill, medium structural mills, hot strip mills, Coke oven, Coal chemical plants, Coal dust injection system, air and oxygen turbo compressor, raw material handling systems, secondary refining units etc. and have qualification to participate in this segment alongwith technology provider. SEPC has also completed the balance of plant and main equipment erection for a 1.2 MTPA steel plant in Oman.

In 2018 we completed the Design, supply erection and commissioning of New Coal Chemical Plant for 7 metre tall new coke oven battery no. 6 at Rourkela Steel Plant and in 2022 we completed the Design, supply erection and commissioning of Sinter Plant at Rashtriya Ispat Nigam Limited.

EPC under deep shaft Mining

SEPC has done mine development project using the advanced Shaft Sinking technology for mine development and qualified to do several types of mining and various minerals like copper, gold, coal, chrome, manganese, uranium etc.
In 2022 we completed the Construction of New Circular Shaft with complete Winding Installations on turnkey basis for Hutti Gold Mines Company Limited.

Power Plants

SEPC has executed various types of Power projects like conventional thermal power plant, Wind mill-based power plant, Bio mass based power plant etc.

Process Plants

Construction of process plants on turnkey basis is under the sub business vertical of Specialized Industrial EPC segment. SEPC has done complete projects for cement, Coal handling, Coal gasification, Cattle feed plants etc. and have qualification to participate in this segment along with technology provider on consortium basis.

We have more than two decades of experience in this field having executed projects in diversified sectors for various companies as displayed below:

Sector	Clients
Water	Tamil Nadu Water Supply Board, Chennai Metro Water Supply & Sewerage Board, Kerala Water Authority, Gujarat Water Supply and Sewerage Board, Drinking Water & Sanitation Department.
Industrial EPC	Steel Authority of India – Rourkela, Bokaro, Bhilai, Vizag, Durgapur, ISP, Moon Iron and Steel, Oman, Kerala Feeds Ltd, Sree Jayajothi Cements
EPC under Deep Shaft Mining	Hutti Gold Mines
Thermal Power	Suryadev Alloys, OPG Ltd, Birla White Cements

In the last two Fiscal years and till March 2024, we have completed 12 projects across the Engineering and Construction and Infrastructure development verticals with a total executed value of ₹ 2,97,000 lakhs.

On 07.07.2022, our Hon'ble Prime Minister, Mr. Narendra Modi inaugurated the UP Jal Nigam Water Project, in the state of Varanasi, Uttar Pradesh. On 29.11.2022, the Hon'ble Chief Minister, Mr. Nithish Kumar inaugurated the Buidco Gaya Water Project and on 12.05.2023 the Chief Minister of Tamil Nadu Mr. M K Stalin inaugurated the Chennai Metropolitan Water Supply and Sewerage Board in Chennai, Tamil Nadu.

BUSINESS PROCESS

We acquire business through tender process largely and some by direct enquiries. A step by step explanation of the Tender Process is given below:

Tender Enquiries

Tenders / Enquiries are sourced from / through

i. Direct Enquiries
ii. E-Portals of State & Central Government
iii. Enquiry from known sources
iv. Tenders from registered Portals

Check Tender Criteria and Scope of Work

After receipt of the Tender / Enquiries / RFQ (Request for Quotations), the scope of the works is reviewed along with the Pre-Qualifications for Technical and Commercial Conditions. If the PQ is ascertained, a Preliminary Risk analysis and Mitigation Strategy is conducted with the available inputs in the enquiry / Tender. Accordingly, the Decision to Bid or Not is taken in line with our tender screening strategy. If the decision to the bid is "NO", then the details of this Tender / Enquiry is transferred to Archive for future reference. If the decision to bid is "YES" the RFQ along with technical specification is circulated to various internal departments concerned. Subsequently the feedback from each department is compiled and used for the pre-bid discussions with the Client / their PMC.

Start Tender Preparation including tender document review, financial proposal, technical proposal, preparing a detailed response.

After receiving the reply from the Client for the queries raised in the Pre-bid meeting, the Preparation of Bill of Quantity (BOQ) for cost estimation is done. For preparing the BOQ, we shall use the services of internal resources OR outsourced to an external agency OR from the Technology Provider depending upon the requirement. If to be outsourced to an external agency or a technology provider is required for the execution, an MoU with External Engineering Agency or Technology Provider is signed off.

Tender Document Review

The approach for the cost estimation or the Pricing are Getting Offers from Vendors, Suppliers & Contractors for the BOQ generated by the engineering team / agency. If required, a Prebid Agreement is signed with Critical Equipment suppliers for best pricing. We make provisions for Contingencies for both BOQ as well as the unforeseen difficulties during the execution of the project. Contingency for the cost of the materials / equipment also is considered if there is no provision for the Price Variation in the Tender / Enquiry. Subsequently a Final Risk analysis and Mitigation Strategy is conducted internally. After the cost estimation done, an Internal Tender Committee Meeting (TCM) to Finalise Bid Value is called for. All the assumptions and considerations are discussed in the TCM and the final value is arrived at.

Submission of documents on Portal which includes contract negotiations and award

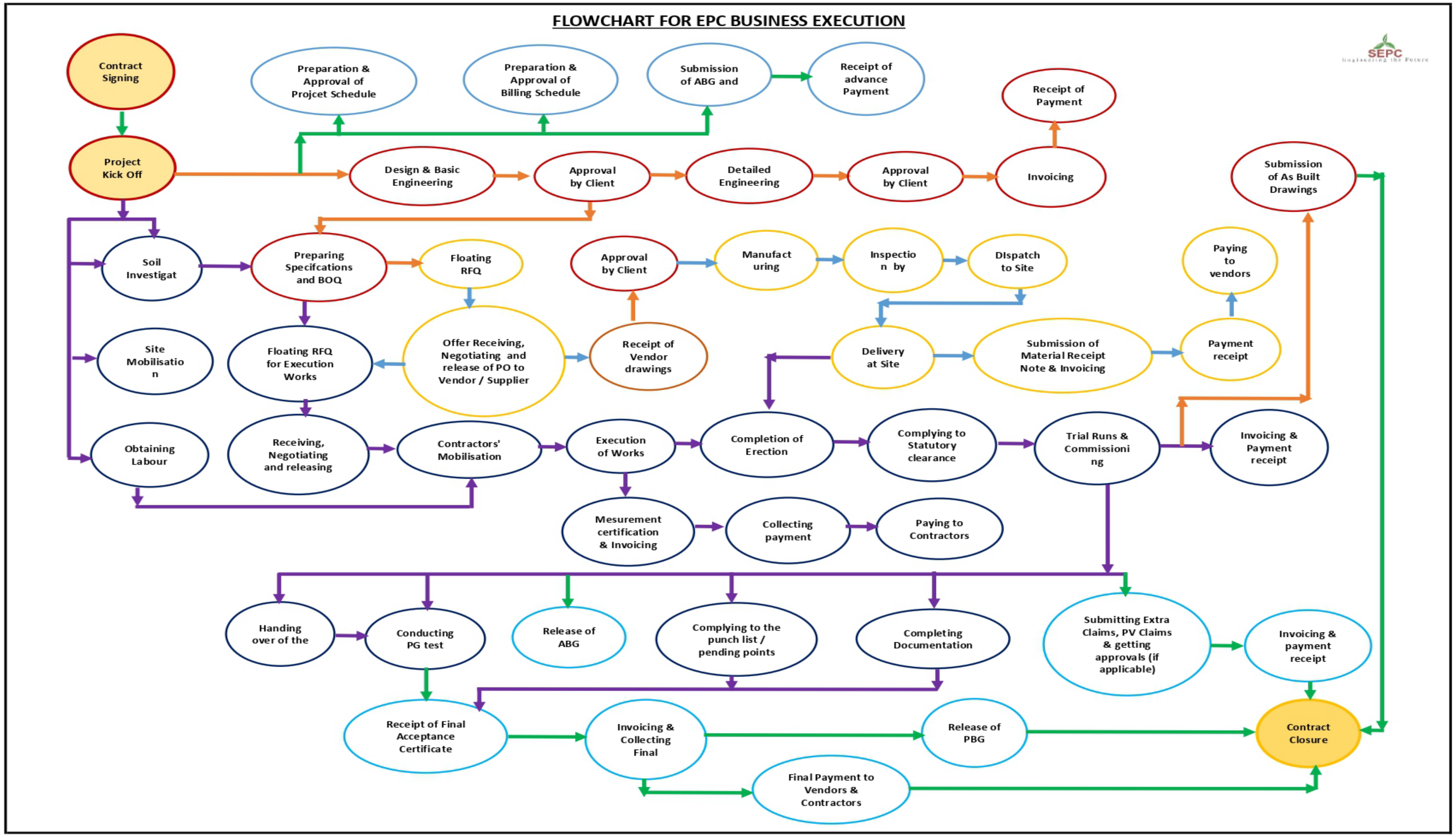
All the required Techno commercial documents required for the submission of the BID is prepared and will be submitted on the bid submission date mentioned in the enquiry / tender or as per the requirement of the Client. Subsequently the Client and their PMC will carry out Post Bid Techno Commercial Discussion where in their final requirements will be discussed along with the deviations / exclusions considered by us in the BID documents. Accordingly, the client will ask the resubmit the commercial price bid. Negotiation / Finalisation of proposal / Tender / T & C are also carried out.

Contract Award

Meanwhile the Project Manager, Construction Manager and other Key personnel for the project is ear marked.

BUSINESS OPERATIONS

A schematic representation of how we execute the projects starting from the point when the contract is obtained by us.



BUSINESS EXCECUTION ACTIVITIES

A detailed description of the Execution of the Business Activities starting from the receipt of the award for the Contract.

- After the award of the project for the Tender / Enquiry, a Contract Agreement is signed off with the Client. Subsequent to that an Internal Kick Off Meeting is conducted and all the documents are handed over to the project team by the Cost engineering / Proposal team.

- Subsequently, a Kick off meeting is conducted with the Client wherein the Project & construction Managers along with the key personal are introduced to client. The following parallel activities are started after the kick off meeting.

  - Soil Investigation
  - Site Mobilization
  - Obtaining Labour License
  - Design & Basic Engineering
  - Preparation & Approval of Project Schedule
  - Preparation & Approval of Billing Schedule
  - Submission of ABG (Advance Bank Guarantee) and PBG (Performance Bank Guarantee)
  - Receipt of advance Payment

- After the receipt of the Soil Investigation report and approvals of Design & Basic Engineering by the Client / their PMC, Specifications and BOQ are prepared. Then RFQs (Request For Quotations) are floated for getting offers for various equipment / materials. On receipt of offers from vendors, Purchase orders are issued to the selected vendor after thorough Negotiation and Technical requirements are finalised in line with the Tender.

- Simultaneously, offers are received from sub-contractors for the construction and erection jobs. These offers are negotiated, and the Work Orders are issued to various contractors for the respective works. After Obtaining the Labour license, the contractors start mobilising to the site.

- After the receipt of the Purchase Orders, the respective vendors start submitting their drawings for the review and approvals. Once the drawings are approved, manufacturing clearance is given to the vendors to start the manufacturing of the equipment. Based on the vendor drawings, construction drawings are prepared and submitted to Client for approval. On approval, construction drawings are issued to the sub-contractor to start the construction activities at site. Simultaneously invoices are raised to Client for Engineering works as per the billing schedule and payments are received.

- During and after the manufacturing of the equipment, inspections are carried out by the Client / PMC in line with the approved QAP (Quality Assurance Plan). Dispatch clearances are issued by the client after the inspection or verifying the inspection documents. The materials are unloaded and kept at a designated place at project site. On receipt of the materials at site, a Material Receipt Note is prepared and submitted to the client, Invoicing is done, and Payments are collected from the Client. After receipt of payment from the client, the payment to the Vendors is released.

- Once the foundations are constructed and the equipment are received at site, the erection activities are started by the respective sub-contractors at site. During the execution, the measurements are taken and approved by the Client for invoicing for the work done and Payments are collected regularly. The payment to the sub-contractors is also released after the receipt of the payment from the Client. After completion of the entire erection, necessary statutory compliances are met by the Client / SEPC in line with the scope of works mentioned in the Contract. Subsequently the trial runs are started. After the completion of the trail runs, the commissioning of the plant is done. After the commissioning of the plant, the following activities are done.

  - Raising of Invoice and the payment is collected.

- Submitting Extra Claims, PV Claims & getting approvals (if applicable).
- Invoicing for the extra claims and PV (Price Variation) Claims and collecting the payments
- Handing over of the Plant to client for operation
- Release of ABG
- Complying to the punch list / pending points
- Preparation of "As built Drawings" and submission to Client.
- Completing Documentation and submission to the client.
- Conducting the Performance Guarantee Test and invoicing & collecting the payment for the same if applicable as per the approved Billing Schedule

➢ On completion of PG test and the submission of the final documents, the client will issue FAC (Final Acceptance Certificate). Subsequent to the issuance of FAC, the following activities are done.

- Invoicing and Collecting the Final payment.
- Release of the PBG (performance Bank Guarantee) by the Client
- Final Payment to Vendors & Contractors

After the above activities the project is closed and the documents are transferred to archive for future reference.

Cost Escalation

Cost escalation occurs due to various factors such as execution delays, changes in project scope or location, time overruns, and increases in material costs beyond initial estimates. Additional overhead expenses, including bank guarantee extension charges, worker salaries, and insurance, also contribute to cost escalation. However, most contracts include a price variation clause that accounts for fluctuations based on changes in the RBI index for labor costs and the consumer price index for materials. Furthermore, any additional costs arising from scope or location changes are reimbursed by the client according to a predefined formula. Price variation claims and extra cost claims are finalized only upon project completion. Therefore, a project's total cost escalation can be accurately assessed only after project completion and finalization of PV and extra claims by the client

Details of major pending/ongoing projects alongwith the project cost, expected date of completion, delays alongwith the reasons for delay is presented below:

Sl No	Name of the Customer	Original Project Cost	Work Completed upto Dec 2024	Balance Project cost as 31.12.2024	LD levied	Revision in Project cost*	Ongoing / Pending	Contractual completion date	Expected Date of completion	Extension date	Reasons for delay
1	Kerala Water Authority, Kozhikode, R1	7,500	5,900	1,600	-	-	Pending	09.11.2013	30.09.2025	30.09.2025	Work front / Financial issue/ National Green Tribunal issue
2	Kerala Water Authority, Kozhikode, R2	9,200	7,000	2,200	-	-	Pending	09.11.2013	30.09.2025	30.09.2025	Work front / Financial issue/ National Green Tribunal issue
3	PHED- NAGDA, Rajasthan	6,100	5,900	200	-	-	Ongoing	31.12.2029	31.12.2029	O&M under progress	Right of Way issue
4	Kerala Water Authority, Trivandrum	3,800	3,200	600	-	-	Ongoing	31.05.2014	30.09.2025	30.09.2025	Work front / Financial issue
5	Chennai Metro Water Supply & Sewage Board	12,700	12,300	400	10	-	Ongoing	11.02.2016	30.09.2025	30.09.2025	Right of Way issue
6	Byagdi Municiapl, Karnataka	5,200	3,900	1,300	-	-	Ongoing	15.04.2019	31.03.2025	31.03.2025	Forest clearance and Right of Way issue
7	KUIDFC- Davangare, Karnataka	7,500	7,200	300	-	-	Ongoing	31.03.2020	31.03.2025	31.03.2025	Forest clearance and Right of Way issue
8	Byagdi Municiapl - 24 X 7, Karnataka	3,700	2,500	1,200	-	-	Ongoing	31.03.2020	31.03.2025	31.03.2025	Forest clearance and Right of Way issue
9	BUDCO-GAYA, Bihar	27,800	21,700	6,100	-	9,960.92	Ongoing	25.09.2021	31.03.2025	31.03.2025	Contract value revised to Rs. 411 Crs , Right of way issue
10	DWSD- Baghmara	700	300	400	-	-	Ongoing	31.01.2025	31.03.2025	31.03.2025	Right of Way issue
11	DWSD - Jharkhand-Tandwa	21,100	20,000	1,100	-	-	Ongoing	27.02.2022	31.03.2025	31.03.2025	Design drawing approval , forest clearance, local administration clearance
12	JUIDCO-Dhanbad, Jharkhand	15,500	14,300	1,200	-	-	Ongoing	04.12.2021	30.06.2025	30.06.2025	Right of Way issue
13	DWSD - Jharkhand-Chaibasa	8,400	4,400	4,000	-	-	Ongoing	12.02.2022	30.06.2025	30.06.2025	Right of Way issue
14	DWSD - Jaharkhand - Margomounda	9,500	7,200	2,300	-	-	Ongoing	15.02.2022	30.06.2025	30.06.2025	Right of Way issue
15	Bharat Nagar- DJB- Delhi	3,100	3,000	100	-	-	Ongoing	15.03.2013	30.06.2025	30.06.2025	Right of Way issue
16	UP Jal Nigam, Uttar Pradesh	9,300	9,200	100	-	-	Ongoing	09.05.2017	30.06.2025	30.06.2025	Right of Way issue
17	Palani Rope Car, Palani, Tamil Nadu	8,200	2,800	5,400	-	-	Pending	30.06.2019	-	Contract pre closure	Delay in design & drawing approval
18	Morth, Road Work, Chatisgarh	34,700	34,661	39	-	-	Ongoing	30.06.2019	31.12.2025	31.12.2025	Delay in plan & profile, drawing approval
19	KERALA FEEDS LTD	3,300	3,000	300	-	-	Ongoing	30.06.2019	31.12.2024	31.12.2024	Right of Way issue
20	DWSD- Chouporan, Jharkhand	23,600	10.350	13,250	-	-	Ongoing	05.11.2025	05.11.2025	-	No Delay
21	DWSD- Govindpur	35,000	13,825	21,175	-	-	Ongoing	30.06.2026	30.06.2026	-	No Delay

22	RINL	1,700	800	900	27	-	Ongoing	30.06.2026	30.06.2026	-	No Delay
23	Indian Metals & Ferro Alloys Ltd	600	0	600	-	-	Ongoing	30.06.2026	30.06.2026	-	No Delay
24	Irrigation Division - Bhabua & Mohania	15,500	1,500	14,000	-	-	Ongoing	30.06.2026	30.06.2026	-	No Delay
25	N K Gupta Builders P Ltd	700	300	400	-	-	Ongoing	30.06.2026	30.06.2026	-	No Delay
	TOTAL	**2,74,400**	**2,00,489**	**73,910**	**37**	**9,960.92**					

* *Revision in projects cost through agreement due to cost escalation.*

Note:

1. **Work Front issue**: In a drinking water project pipelines have to be laid over a large area to connect from a water source to households. This land area has to be acquired or permission to lay has to be obtained from the landowners by the client, any delay in getting this permission will affect the progress of the project.
2. **Financial issue**: Delay in receipt of payments from the customer as per agreed terms.
3. **National Green Tribunal (NGT) Issue**: NGT has issued a stay against Kerala Water Authority (KWA) from proceeding with implementation of drinking water project in an area which will create environmental impact.
4. **Right of Way issue**: Pipe line laying projects will have to pass through roads, Channels, railway crossings etc. For doing work in those areas prior clearances from the respective Departments is required which is the responsibility of the client.
5. **Forest Clearance**: When the Project pass through forest area, clearance from the forest department is required before starting the project, which is the responsibility of the client.
6. **Local Administration clearance**: Clearance is required for starting a project in an area from a local administration like panchayat, tehsils etc.
7. **Liquidated Damages**: In our line of business, any penalty levied or action taken for any delayed projects is known as "***Liquidated Damages***" **("LD")**

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Details of our Projects

As of December 31, 2024 we have a total order book of ₹ 73,910.75 lakhs. As of December 31, 2024 the breakdown of our Order book for Engineering and Construction sector wise is provided below:

Vertical	Amount of order Book	Percentage of Order book
Infrastructure	71,636.03	96.92%
Industrial EPC	2,274.72	3.08%

Our operations are managed from our registered office situated at Chennai, Tamil Nadu.

Our revenues from operations based on Standalone Financial Statements for period ended December 31, 2024 and for the year ended March 31, 2024, March 31, 2023 and March 31, 2022 were ₹ 47,985.09 Lakhs, ₹ 56,098.28 Lakhs, ₹ 37,884.66 Lakhs and ₹ 30,278.64 Lakhs respectively. Our EBITDA for period ended December 31, 2024 and for the year ended March 31, 2024, March 31, 2023 and March 31, 2022 were ₹ 6,144.44 Lakhs, ₹ 7,236.86 Lakhs, ₹ 8,543.20 Lakhs and ₹ (8479.79) Lakhs respectively. Our profit & loss after tax for nine months period ended December 31, 2024 and for the year ended March 31, 2024, March 31, 2023 and March 31, 2022 were ₹1497.76 Lakhs, ₹ 2,267.13 Lakhs, ₹ (1132.24) Lakhs and ₹ (24,901.02) Lakhs respectively. For further details, please refer to the section titled *"Financial Information"* on page 165 of this Letter of Offer.

In the year 2008 our Company made its maiden initial public offering of 50,00,000 Equity Shares of face value ₹10 each for issue price of ₹ 300/- each aggregating to ₹ 15,00,00,00,000 lakhs. Equity Shares of our Company got listed on BSE & NSE.

The market capitalization (Full) of our Company as on the date of filing of the Letter of Offer on BSE and NSE was ₹ 3,46,976 lakhs and ₹ 3,46,663 lakhs respectively.

Details of Technology, process & infrastructure facilities

The Company is responsible for design, procurement, construction and commissioning of projects on turnkey basis and the main resource comprising of Engineers and employees specialised in a dedicated sector who offer appropriative solutions for a project in a cost-effective way. In addition, the company has a suite of software on project management control like MS Project, Primavera, design software like AutoCAD, Teckla, StaadPro etc.

Company also owns batching plants, equipment for civil construction and Material handling equipment like cranes, hydra etc. Further, Company also owns shaft sinking equipment which are specialised equipment for mine development.

Nature of products

SEPC is focused on doing projects in the following business areas:

1. **Infrastructure**

a. Installation of drinking water distribution system
b. Installation of sewerage treatment system
c. Road works.

2. **Industrial EPC**

a. Green field and brown field projects on Turnkey basis in respect of Steel Plants, Coke oven plants, Cement, Power plants both conventional and Non-conventional etc.
b. Balance of Plants and utility services in respect of the above including civil and structural work.
c. Providing infrastructure for mine development for various minerals like, copper, gold, coal, etc.

OUR STRENGTHS

We believe the following competitive strengths will enable us to take advantage of what we foresee to be significant opportunities for growth:

- **Projects execution capabilities consistently over a period of time** – Our Company in the last Fiscal year has completed 7 projects within India in the Water and Industrial EPC sector amounting to the tune of ₹ 72,000. We completed the Investigation and Conditional assessment followed by Rehabilitation of the Old Trunk Sewer in Varanasi by Trenchless Technology of UP Jal Nigam, Varanasi, Uttar Pradesh. We completed the Design, Supply Erection and Commissioning of Bokaro steel Plant, Vizag Steel Plant. We completed the Erection, Testing and Commissioning of Structural, Mechanical, Electrical and Instrumentation Equipment for Cattle feed for the Kerala Feeds Limited.

- **Technical Proficiency** – SEPC efficiency in offering high end designing and engineering solutions have enabled it to carve out a niche for itself in domestic and international market. The Company's ability to provide cost effective solutions to its clients facilitates them to improve their competitive positioning, maximize assets and increase long term success in business. Further, SEPC's capability in offering customized solutions helps it to differentiate itself from others. The confluence of such factors results in securing repeat orders from its clients. SEPC executes most of its orders through its technical partners of International background with immense technology advancement in the Engineering, Construction and Procurement space. For details of the Technology partners, please refer to page 154 of the Business chapter of this DLOF.

- **Well established in sectors with high potential** – SEPC has a proven track record in executing orders across segments such as water and waste-water distribution and water treatment plants, Industrial EPC projects, mines & mineral processing and power plants including renewable energy. The water sector especially enjoys high potential and provides the company significant opportunity for further growth in India and overseas market. Our Company through its Joint Venture with Mokul Shriram EPC, in the Fiscal year 2021 completed the Construction of sewerage storm water & Truck Sewer pipeline project at Al Qibla, Basra in Iraq

- **Skilled Management** – A strong management team with rich experience has been instrumental in guiding the Company through the most challenging and difficult times for the EPC Industry. The Company is well supported by its Board of directors, whose diverse experience will enable the management to take strategic decisions to ensure the growth and development of the business of the Company. Our Company is managed by strong experienced team with rich experience in the field of Engineering, Procurement and construction domain alongwith strategic Investments. Our Promoter & Chairman **Abdulla Mohammad Ibrahim Hassan Abdulla** holds a bachelor's degree in business administration from Cambridge University, with an experience of more than a decade in business administration and management.

- Our Managing Director and Chief Executive Officer **- Nemmara Krishnan Suryanarayanan,** holds a bachelor's degree in science (mechanical engineering) with honours from University of Calicut and has completed orientation in the subject of water cooling towers, their design, structures, mechanical equipment and key features from the Research and Development Center and Kansas City Area, Factories of Marley Cooling Tower and has more than a decades experience industrial EPC project execution.

  Our Business Strategies

  SEPC is a renowned Company in the Erection, Procurement and Construction foray with considerable experience for the past 2 decades. SEPC is seeing a good opportunity in the mid-size EPC segment (contract values below INR 800 Cr.) as most of the existing players in this range have either quit or diversified. New entrants and smaller entities will have strong entry barrier due to stiff pre-qualification requirements.

- *Domestic*:
  SEPC is keen to pursue and continue its water and infra portfolio. SEPC has strong presence in Metallurgical industries and selectively approaching the market. Based on the previous experience in Bio-mass and Co-generation, new energy opportunities in Compressed Biogas (CBG) plants (Investments of more than 2 Bio USD in the next 2-4 years), fillip provided by the Government is a vast opportunity. Tie-up with a

Technology partner is in the final stage. SEPC can get some head-start in this field. SEPC is also actively studying Hydrogen market and scouting for right technology partner.

- *Overseas*:

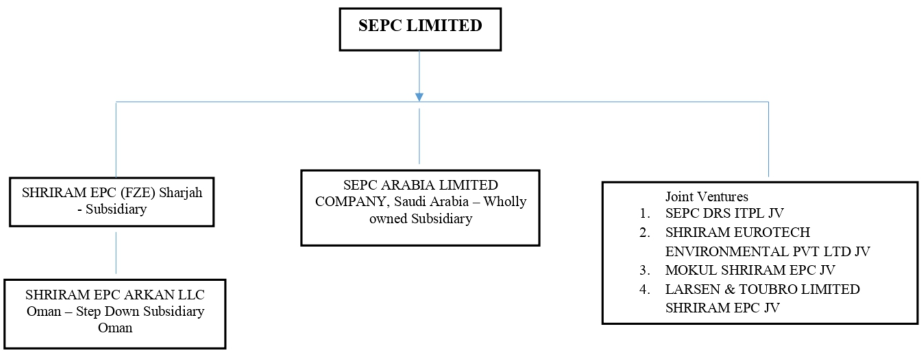
  SEPC has done overseas projects in Australia, Zambia, Iraq (Though Mokul Shriram EPC JV), Tanzania, Ezan (through L&T SEPC JV), Oman (through its Wholly owned Subsidiary) through its subsidiaries. Also, working on do a project in Kingdom of Saudi Arabia through its wholly owned subsidiary, formed specifically for this purpose. Our Promoter- Mark AB Group is a UAE based family office and an investment company based in Dubai which is licensed to engage in Investment in Commercial Enterprises & Management and manages real estates and investments for the family office and supports management buyouts. Our Existing Promoter have good market standee reputation and using their marketing channels we expect to get some big-ticket jobs.

  Additionally, Our Company came up with a resolution plan dated August 06, 2021 (**Resolution Plan**) in accordance with the RBI (Prudential Framework for Resolution of Stressed Assets) Directions, 2019 dated June 7, 2019,under change of Management. The strategic Investor infused ₹ 350 cr of Equity which was fully utilised for paying overdues and prepayment debt to all lenders. As part of the Resolution Plan lenders converted ₹ 350 cr of Debt into long dated securities with an average yield of about 4% p.a. Post the implementation of the Resolution Plan, all the Non- Performing Accounts of the Company were standardized.

  The total outstanding loans prior to Resolution plan was ₹ 907.16 cr which got reduced to ₹ 157 cr Cash credit and ₹ 25 cr Term Loan. The significant reduction in debt by way of payment/conversion in to long dated securities, substantially reduced servicing obligations of the company.

  The implementation of Resolution Plan helped the company in accelerating project execution, commissioning / completion of projects and collection retention monies from the clients on completion of projects. It enabled the Company to once again start is operations a fresh with better growth opportunities, thereby improving its revenue from operations.

  CORPROATE STRUCTURE



TECHNOLOGY PARTNERS:

SEPC works with various technology suppliers on a project specific basis. Some of the suppliers we are currently working with (Sr. No 1 to 5) and have worked with in the past (Sr. No. 6 to 8) are listed below.

Sr. No	Technology Partner/ Equipment supplier	Name/ Business Segment	Brief Profile	Scope of work
1.	PRIMETALS TECHNOLOGIES	Primetals Metallurgy	Offers engineering and plant building for iron, steel and aluminium industries	Medium structure mill for SAIL Durgapur plant
2.	山东黄金集团有限公司 SHANDONG GOLD GROUP CO.,LTD. SD-GOLD	Shandong Goldgroup Mining	Engaged in business of gold and non-ferrous metals mining, metal and non-metal mining and real estate and tourism	Shaft sinking project for Hutti Goldmines

3.	HUTNÍ PROJEKT FRÝDEK-MÍSTEK	Hutni project Metallurgy	Provides comprehensive project preparation works, engineering and contracting activities and specialize in designing and heavy metallurgical coking chemistry	Installation of new coal chemical plant for 7m tall new coke oven battery at SAIL Rourkela steel plantand NMDC steel plant
4.	DANIELI	Danieli & C Metallurgy	Offers engineering, contracting and consulting services in all areas of iron and steel making	Wire rod and bar mill project SAIL- IISCO Steel plant in Burnpur
5.	INCO ENGINEERING s.r.o.	INCO Engineering s.r.o Czech Republic (INCO)	Exclusive arrangement for sales and service	To promote, negotiate, tender, install, and provide commissioning assistance for a period of Six Years in the South Asia region.
6.	SMS group MEVAC	SMS Mevac Metallurgy	Offers engineering, technology, plant and service for steel making	SAIL – IISCO Steel plant, secondaryrefining unit
7.	KMG	KMG Pipe rehabilitation	Deals in rehabilitating the pressure and gravity pipelines of Water and Waste Water sector with 'no-dig' technologies	Rehabilitation sewer lines – ring roadSlice A for Delhi Jal Board
8.	perco	Perco Pipe rehabilitation	Services division designs, manufactures and installs new pipelines and rehabilitates existing pipelines using patented pipe bursting and sewer rehabilitation centres	Replacement of sewer by HDPE pipe by pipe bursting method for MCGM, Mumbai

Details of Landmark Projects executed by our Company

Some of the major orders till the date of filing of DLOF (value more than Rs 5000 lakhs) executed in various sectors are displayed below:

Sector / Client	Description of the project	Location
Water Infrastructure		
Tamil Nadu Water Supply Board	Comprehensive Water Supply Scheme	Tamil Nadu
Gujarat Water Supply and Sewage Board	Water Supply Project- HDPE Pipeline-210 Kms	Gujarat
Drinking Water & Sanitation department	Comprehensive Water Supply Scheme	Jharkhand
Chennai Metro Water Supply & Sewerage Board	Comprehensive Water Supply Scheme	Tamil Nadu
GMR Energy	Raw Water Intake project	Chhattisgarh
UP Jal Nigam	Conditional Assessment & Rehabilitation of old trunk sewer	Uttar Pradesh
BUIDCO –Gaya	Water Supply Scheme	Bihar
Industrial EPC		
SAIL	New Coal Chemical Plant	Odisha
RINL	Upgradation of Sinter Plant	Andhra Pradesh
SAIL	ATC/OTC and CDI	Bokaro & Durgapur
SAIL	Electrostatic Precipitator	Bhilai
MISCO	1.2 MTPA Steel Plant (BoP)- Executed from Shriram EPC FZE- Sharjah	Oman
Process Plants		
Sri Jayajoti Cements	Green field Cement Plant	Andhra Pradesh
Konkala Copper Mines	Gas Cleaning Plant	Zambia
Kerala Feeds Limited	Cattle Feed plant	Kerala

Sector / Client	Description of the project	Location
Mineral Processing		
Hutti Gold Mines	Designing, sinking & lining of vertical shaft of 6m diameter and 960m depth	Karnataka
Power		
Suryadev Alloys	2* 80 MW Thermal Power Plant	Tamil Nadu
OPG Limited	77 MW Thermal Power Plant	Tamil Nadu
OGPL	Bio Mass Power Plants	Across India
Various Customers	Wind Farms	Across India

Our Revenue from Operations

Following is our detailed revenue break up on audited consolidated basis for the financial years ended March 31, 2024, 2023 and 2022:

(₹ in lakhs)

S. No.	Particulars	December 31, 2024	FY 2024	FY 2023	FY 2022
1.	Revenue from operations	47,985.09	56,098.28	37,884.66	32,945.65
2.	Other income	4005.18	4,623.20	2,003.15	1,113.42
	Total	**51,990.27**	**60,721.48**	**39,887.81**	**34,059.07**

Revenue Break-up

Our revenue break up on consolidated basis for the financial years ending March 31, 2024, 2023 and 2022 is as follows:

(₹ in lakhs)

Sr. No.	Particulars	December 31, 2024	FY 2024	FY 2023	FY 2022
1	Domestic	47,985.09	56098.28	37,884.66	21,654.48
2	Exports	-	-	-	11,291.17
	Total	**47,985.09**	**56,098.28**	**37,884.66**	**32,945.65**

Other Financial Information

The following information computed as per the Guidance Note issued by the ICAI from time to time and disclosed in other financial information:

(₹ in lakhs)

Particulars	December 31 2024	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
Earnings per share:				
Basic	0.10	0.17	(0.04)	(2.71)
Diluted	0.10	0.17	(0.04)	(2.71)

OUR MAJOR CUSTOMERS

The following is the revenue breakup on restated standalone basis of the top five and top ten customers of our Company for the Fiscal 2024 is as follows:

(₹ in lakhs)

Particulars	Fiscal 2024	Percentage (%)
Top 1 customer	7,197.90	20.75%
Top 5 customers	36,188.17	64.51%
Top 10 customers	52,496.81	93.58%

Insurance coverage

We maintain comprehensive insurance covering our assets and operations at certain levels, which we believe to be appropriate. Our Company has the following insurance policies as on date:

Nature Of Policies	Sum Insured [In lakhs]	Validity Upto	Premium
a. Public liability insurance			
Workmen Compensation Policy	2,106.00	25-06-2025	Rs.1,59,203/-
EDLI Policy	1,551.00	31-08-2025	Rs.4,72,315/-
b. Product liability insurance			
CPM Policy	Nil	N.A.	N.A.
Fidelity Guarantee Policy	25.00	20-05-2025	Rs.32,450/-
Fixed Assets Policy	645.00	05-01-2026	Rs.71,886/-
Marine Cargo Policy	21,300.00	29-06-2025	Rs.7,54,020/-
Money Policy	315.00	20-05-2025	Rs.18,583/-
c. Insurance cover for accidents/fire/natural calamities, etc.			
Fire Policy-Stock	90,900.00	29-06-2025	Rs.70,36,387/-
d. Group accidental or medical insurance policies			
GPA Policy	9,253.00	14-07-2025	Rs.6,55,111/-
e. Directors and officers liability insurance; and			
D & L O Policy (Company team to ensure that steps re initiated for renewal of this)	2,000.00	31-03-2025	Rs.2,95,000/-
Vehicle Insurance	230.00	29-05-2025	Rs.5,26,069/-
Total	**1,28,325.00**		**Rs.1,00,21,023/-**

HUMAN RESOURCES

Our employees are key contributors to our business success. As on December 31, 2024, we have 228 employees including our Executive Directors, who look after our business operations, management administrative, secretarial, marketing and accounting functions in accordance with their respective designated goals.

Our Company engages the services of Sub-contractor in all its projects, through agreements for a specific period of time or till the completion of the project. The payment is directly made to the sub-contractors and the workers engaged are on the payroll of the respective subcontractor.

Following is a department wise employee break-up:

Department	Number of Employees
Top management	2
Finance and Accounts	19
HR and Admin	7
Corporate Co-ordination	2
Secretarial	2
Marketing, Sales and customer service	4
Operations and Maintenance	181
Purchase and stores	6
IT	1
Legal	2
Internal Audit	2
Total	**228***

* *Five of our employees have opted out of Provident fund Scheme.*

COMPETITION

The Company's operates in Water & Infrastructure, Road, Industrial EPC, Mining projects. The Company is a specialised EPC company with qualification in projects, across various verticals and operates in mid-size projects. This is a niche segment and large number of projects in this segment are available across India.

The large scale, complex and high value projects which are awarded by the various Central Government and State Government agencies, typically involve a competitive bidding process which involves certain pre qualifications requirements necessary to enter the Competitive bidding process. The primary competition between the Companies which qualify for a particular project is based on price viz the ability of the Company to execute the projects at lowest cost relatively to the other Companies. Across Despite our history of successfully implementing large-scale engineering and construction projects, some of our competitors may be more experienced in the development and operation of EPC contracts. Across our verticals, these Companies include Larsen & Toubro Limited, K & R Rail Engineering Limited, PNC Infratech, Rail Vikas, NCC Limited and GR Infra.

MARKETING APPROACH

SEPC has developed strong expertise and offerings catering to sectors such as water and waste-water distribution and water treatment plants, Industrial EPC projects, mines & mineral processing, and power plants including renewable energy. The water sector especially enjoys high potential and provides the company significant opportunity for further growth in India and overseas markets.

A number of Government flagship programme are aimed at creating immense infrastructure development and urban transformation. Since the company has got qualifications exactly in these areas, the following programs are available as market for company to bid and take order.

1) Har Ghar Jal programme

Jal Jeevan Mission is envisioned to provide safe and adequate drinking water through individual household tap connections by 2024 to all households in rural India. The programme will also implement source sustainability measures as mandatory elements, such as recharge and reuse through grey water management, water conservation, rain water harvesting. The Jal Jeevan Mission will be based on a community approach to water and will include extensive Information, Education and communication as a key component of the mission.

2) Clean tap water connections to 10 Cr. Rural Households by Jal Shakti ministry

Clean tap water connections to over 10 crore rural households and open defecation free-plus status for 1.42 lakh villages were among some key achievements for the Jal Shakti Ministry this year. The government has promised 100 per cent tap water connections to all rural households by 2024. A total of 19,36,06,464 rural households have been identified in rural India.

3) Water for All by 2024 (Jal Jeewan mission)

The Vision of the Jal Jeewan Mission is that every rural household has drinking water supply in adequate quantity of prescribed quality on regular and long-term basis at affordable service delivery charges leading to improvement in living standards of rural communities. Jal Jeevan Mission, is envisioned to provide safe and adequate drinking water through individual household tap connections by 2024 to all households in rural India.

4) PM Gati Shakti aligned Infra projects – Outlay 1 lakh Cr.

Traditionally, there was lack of coordination between different Departments, for example, once a road was constructed, other agencies dug up the constructed road again for activities like laying of underground cables, gas pipelines etc. This not only caused great inconvenience but was also a wasteful expenditure. To address this, efforts were made to increase coordination so that all cables, pipelines etc. could be laid simultaneously.
Prime Minister launched PM Gati Shakti - National Master Plan for Multi-modal Connectivity, essentially a digital platform to bring 16 Ministries including Railways and Roadways together for integrated planning and coordinated implementation of infrastructure connectivity projects. The multi-modal connectivity will provide integrated and seamless connectivity for movement of people, goods and services from one mode of transport to another. It will facilitate the last mile connectivity of infrastructure and reduce travel time for people.

5) Rural Infra Projects

Target for India's future have been spelt out loud and clear. A US $5 trillion economy; Infrastructure Development; Housing & better living standards; Enhancing agriculture production and more other. Rural Infrastructure development will be the key. With nearly two-thirds of India's population in rural areas, a mind boggling 800 million people, the challenges and market opportunities that it presents cannot be ignored. Rural areas contribute around 46% to the country's net domestic product and employ 70% of the total workforce. Enhanced reach to rural economies & development of SMART cities will quickly take centre stage in creating employment opportunities for India's youth.

ADB signs USD 125 million for developing Coimbatore, Madurai and Thootukudi in Tamil Nadu. The Centre and Asian Development Bank (ADB) on Tuesday signed a $125 million loan to develop climate-resilient sewage collection and treatment, and drainage and water supply systems in three cities in the state of Tamil Nadu.

In Madurai, the project will support the commissioning of 813 km of new water supply distribution pipelines that will connect 163,958 households to 115 newly established district metered area with smart water features to reduce nonrevenue water.

6) Steel Projects – Outlay public + private

The total steel production capacity of the country at present is 143.91 million tonnes. The details of units engaged in steel production, both in Public and Private Sector are enclosed as below:

S.No	Sector	Units	Capacity ('000 Tonnes)	Production ('000 Tonnes)
1)	Public Sector	9	25,932	19,515
2)	Private Sector	869	1,17,982	84,030
	TOTAL	**878**	**1,43,914**	**1,03,545**

Public Sector steel undertakings have commenced capex programs for expansion as well as efficiency improvement and with our qualifications we would be able to participate in these projects with or without technology providers depending on the project.

7) FGD projects in India

The government plans to install 600 Flue Gas Desulfurization (FGD) units at thermal power plants with a combined 211.62 GW capacity. This includes power plants owned by the Central Government, States, and by private players. Across the country, the Central Government has awarded bids to install FGD units at 133 projects with a capacity of 58.42 GW. State Governments and private companies have awarded bids for 23 projects with 8.26 GW and 33 projects with 19.06 GW, respectively.

8) Outlay on Roads projects by Centre and States

In FY22 (until December 2021) 5,835 kms of highway was constructed across India. The Government aims to construct 65,000 kms of national highways at a cost of Rs. 5.35 lakh crore (US$ 741.51 billion). Under the Union Budget 2022-23, the Government of India has allocated Rs. 199,107.71 crore (US$ 26.04 billion) to the Ministry of Road Transport and Highways.

9) New Energy Projects

To preserve the ecology and reduce consumption of fossil fuels, Government of India has embarked on a major investment and promotion of green fuels like Methanol etc., along with new energy focussed on Hydrogen, Fuel cells, Coal to Ammonia, Coal to Gas etc., SEPC will be actively participating in such new ventures.

10) Mining

The scope for new mining capacities in iron ore, bauxite, rare minerals and coal and considerable opportunities for future discoveries of sub-surface deposits and continue to provide lucrative business opportunities for steel, zinc, and aluminium producers. The future of mining is underground, not only because metals and minerals close to the surface are increasingly rare, but because underground mines have a significantly lower environmental footprint.

ENVIRONMENTAL, HEALTH & SAFETY

SEPC Safety Health & Environment policy clearly states the company's commitment to effective safety-process management and provides a safe working Environment.

SEPC provides a conducive atmosphere at the work place and only few injuries in the past compared to the volume of work done is testimony to good safety policy followed by the company. Some of the customers have also provided safety awards acknowledging this.

Intellectual Property Rights

As on date of this Letter of Offer, our Company does not own any intellectual property rights.

Our Immovable Properties

The following are the details of owned and lease hold properties:

a) Owned property:

We own the property located at plot No.31-A/12, Sidco Industrial Estate, Ambattur, Chennai- 53 Land area- 27600 Sq.ft.

b) *Leasehold property:*

Our Registered Office has been taken on lease by our Company and none of the leased premises pertain to *erstwhile* promoters or directors/KMP or their group/ associates, details of the same have been provided below:

Sr. no.	Details of the Deed/Agreement	Particulars of the property, description and area	Consideration/ License Fee/Rent (excluding GST)	Tenure/ Term	Usage
1.	Lease Deed dated June 9, 2022 executed between Shrine Vailankanni Senior Secondary School and our Company	3rd Floor, Bascon Futura SV, IT Park Venkatanarayana Road, Parthasarathy Puram, T. Nagar Chennai – 600 017, Tamil Nadu, India	Refundable security deposit of ₹ 42.66 lakhs and rent of ₹ 42 per square feet per month	A period of three years commencing from August 1, 2022 to be automatically renewed for 3 years subject to maximum 9 years.	Registered Office
2.	Lease Deed dated June 9, 2022 executed between Shrine Vailankanni Senior Secondary School and our Company	4th Floor, Bascon Futura SV, IT Park Venkatanarayana Road, Parthasarathy Puram, T. Nagar Chennai – 600 017, Tamil Nadu, India	Refundable security deposit of ₹ 42.66 lakhs and rent of ₹ 42 per square feet per month	A period of three years commencing from August 1, 2022	Corporate office

OUR MANAGEMENT AND ORGANISATIONAL STRUCTURE

Our Board of Directors

Our Articles of Association require us to have not less than three (03) and not more than fifteen (15) Directors. As on date of this Letter of Offer, we have six (06) Directors on our Board, which includes, one (01) Managing Director, one (01) Non – Executive Director and four (04) Independent Directors, one of whom is also the woman director of our Company. The composition of our Board is governed by the provisions of the Companies Act and the SEBI Listing Regulations and the norms of the code of corporate governance as applicable to listed companies in India.

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

Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality	Age (years)	Other Directorships
Abdulla Mohammad Ibrahim Hassan Abdulla **DIN:** 09436100 **Date of Birth:** September 6, 1994 **Designation:** Chairman and Non-Executive Director **Address:** 902, Villa Til, Tillal, Post Box 36668, Dubai, United Arab Emirates **Occupation:** Business **Term:** Liable to retire by rotation **Nationality:** United Arab Emirates	30	*Indian Companies* (i) Valiance Engineers Private Limited; and (ii) Mark AB Capital Investment India Private Limited. *Foreign Companies* Mark A B Capital Investment LLC
Nemmara Krishnan Suryanarayanan **DIN:** 01714066 **Date of Birth:** September 13, 1957 **Designation:** Managing Director and Chief Executive Officer **Address:** A-504, Satellite Park, Caves Road, Near Ismail Yusuf College, Jogeshwari (East), Mumbai - 400 060, Maharashtra, India. **Occupation:** Professional (Engineer) **Term:** For a period of three (03) years w.e.f. September 24, 2022. **Nationality**: Indian	67	Nil
Dr. Ravichandran Rajagopalan **DIN:** 01920603 **Date of Birth:** July 20, 1957 **Designation:** Independent Director	67	*Indian Companies* (i) Indo-Latin American Chamber of Commerce & Industry (ii) Mobismart Card Technology Limited *Foreign Companies* Nil

Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality	Age (years)	Other Directorships
Address: 2601, A1 Pelung CHS, Puraniks Rumah Bali, Ghodbunder Road, Bhayanderpada, Thane – 400 615, Maharashtra, India. **Occupation:** Professional **Term:** For a period of five (05) years w.e.f. June 24, 2022. **Nationality**: Indian		
Arun Kumar Gopalaswamy **DIN:** 07212557 **Date of Birth:** February 6, 1971 **Designation:** Independent Director **Address:** B-26-3C, Chera Delhi Avenue, IIT Madras, Chennai 600 036, Tamil Nadu, India. **Occupation:** Professional (Professor) **Term:** For a period of five (05) years w.e.f. June 24, 2022. **Nationality**: Indian	54	Nil
Rajesh Kumar Bansal **DIN:** 09634747 **Date of Birth:** August 18, 1961 **Designation:** Independent Director **Address:** Flat 904, Tower 1, SPR Imperial Estate Sector - 82, Atigaon Road, Faridabad – 121 002, Haryana, India **Occupation:** Professional (Retired Banker/Insolvency Professional) **Term:** For a period of five (05) years w.e.f. January 18, 2023 **Nationality**: Indian	63	*Indian Companies* (i) Rahee Infratech Limited; (ii) Khayati Steel Industries Limited; and (iii) Rahee Track Technologies Private Limited. *Foreign Companies* Nil
Sundaram Gayathri **DIN:** 07342382 **Date of Birth:** August 27, 1969 **Designation:** Independent Director **Address:** Ram Sadan New No. 11, Old No. 4, Norton, 3rd street, Near St. Johns School, Mandaveli, Raja Annamalaipuram, S.O., Chennai- 600 028, Tamil Nadu, India. **Occupation:** Professional (chartered accountant)	55	*Indian Companies* S & S Power Switchgear Limited *Foreign Companies* Nil

Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality	Age (years)	Other Directorships
Term: For a period of five (05) years w.e.f. January 30, 2023 **Nationality**: Indian		

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 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 ten years from the date of this Letter of Offer.

Our Key Managerial Personnel

In addition to our Managing Director and Chief Executive Officer, set forth below are the details of our Key Managerial Personnel as on the date of filing of this Letter of Offer:

Chandrasekharan Sivaprakasam Ramalingam, aged 65 years, is the Chief Financial Officer of our Company. He has been associated with our Company since February 6, 2012 in the capacity of Chief Financial Officer.

Thiruppathi Sriraman, aged 57 years, is the Company Secretary and Compliance Officer of our Company. He holds a bachelor's degree in arts (economics) from University of Madras. He has been associated with our Company since February 11, 2022 in the capacity of Company Secretary and Compliance Officer.

All our Key Managerial Personnel are permanent employees of our Company.

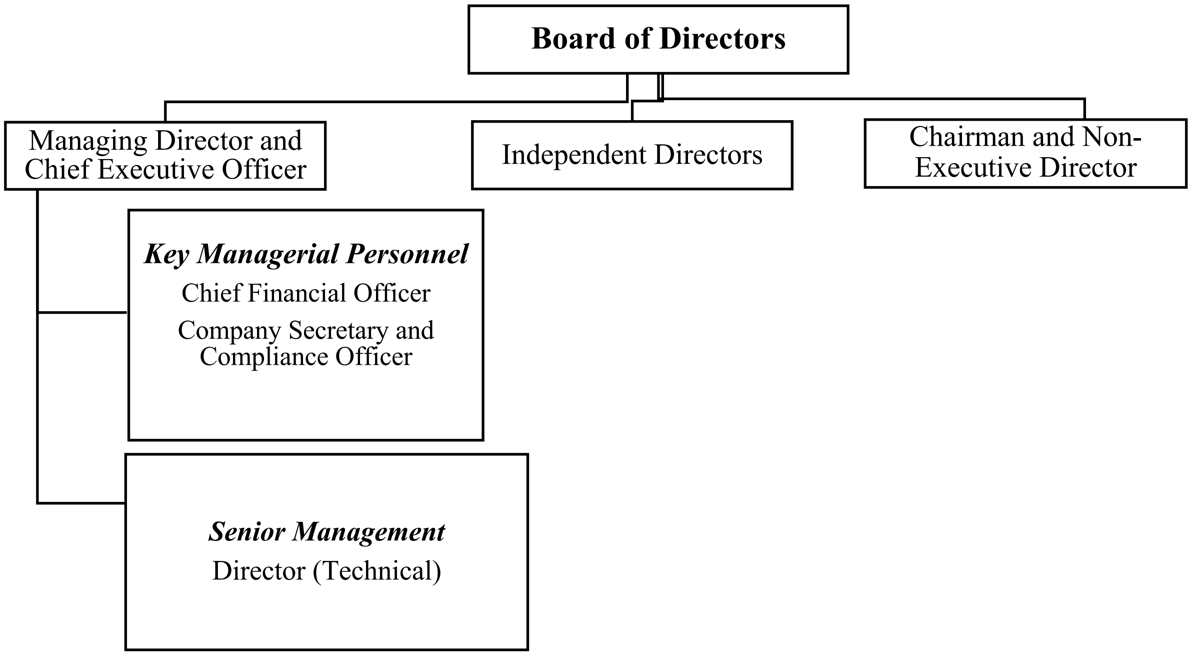
In accordance with the SEBI ICDR Regulations, in addition to our Chief Financial Officer and our Company Secretary and Compliance Officer, who are also our Key Managerial Personnel and whose details have been disclosed above, following are the details of the Senior Management in our Company:

Arivalagan Dakshnamoorthy, aged 66 years, is the Director (Technical) of our Company. He has been associated with our Company since January 1, 2003. He was earlier designated as 'Senior Vice President' of our Company and has been promoted to the position of Director (Technical) on April 1, 2023.

All our Senior Management are permanent employees of our Company.

Management Organization Structure

Set forth is the organization structure of our Company:



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SECTION V – FINANCIAL INFORMATION

FINANCIAL INFORMATION

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MSKA & Associates
Chartered Accountants

Floor 5, Main Building, Guna Complex
New No. 443 & 445, Old No. 304 & 305, Anna Salai
Teynampet, Chennai 600018, INDIA

Independent Auditor's Review Report on unaudited consolidated financial results of SEPC Limited for the quarter ended December 31, 2024 and year to date results for the period from April 01, 2024 to December 31, 2024 pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

To The Board of Directors of SEPC Limited

1. We have reviewed the accompanying statement of unaudited consolidated financial results of SEPC Limited (hereinafter referred to as 'the Holding Company'), its subsidiary, (the Holding Company and its subsidiary together referred to as the 'Group') for the quarter ended December 31, 2024 and the year to-date results for the period from April 01, 2024 to December 31, 2024 ('the Statement'), being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ('the Regulations').

2. This Statement, which is the responsibility of the Holding Company's Management and has been approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 'Interim Financial Reporting' prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with relevant rules issued thereunder ('Ind AS 34') and other recognised accounting principles generally accepted in India and is in compliance with the Regulations. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Act and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
We also performed procedures in accordance with the circular issued by the Securities and Exchange Board of India under Regulation 33 (8) of the Regulations, as amended, to the extent applicable.

4. This Statement includes the results of the Holding Company and the following entities

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

5. Basis for Qualified Conclusion:

   i. The carrying value of Deferred Tax Asset (DTA) as on December 31, 2024, include an amount of Rs. 29,836.98 Lakhs (December 31, 2023 Rs.31,112.13 lakhs and March 31, 2024 Rs.30,870.91 lakhs), which was recognized on carried forward business losses of Rs. 85,385.13 Lakhs (December 31, 2023 Rs.89,034.26 lakhs and March 31, 2024 Rs.88,343.94 lakhs). Due to non-availability of sufficient appropriate audit evidence to corroborate management's assessment that sufficient taxable profits will be available in the future against which such carried forward business losses can be utilised as required by Ind AS 12: "Income taxes", we are unable to comment on adjustments, if any, that may be required to the carrying value of the aforesaid DTA as on December 31, 2024. (Refer Note 06 of the Statement).

   ii. Non-Current Contract Assets include overdue balances of Rs.6,959.44 Lakhs as on December 31, 2024 (December 31, 2023 Rs. 7,351.90 lakhs and March 31, 2024 Rs.6,959.44 Lakhs) [net of provisions amounting to Rs.926.98. Lakhs (December 31, 2023 Rs 926.98 lakhs and March 31, 2024 Rs.926.98 lakhs)] and Non-Current Trade Receivables include overdue balances Rs.432.55 Lakhs as on December 31, 2024 (December 31 2023 Rs. 575.21 lakhs and March 31, 2024 Rs.575.21 lakhs) [net of provisions amounting to Rs. 82.99 Lakhs (December 31, 2023 Rs. 82.99 lakhs and March 31, 2024: Rs.82.99 lakhs)], relating to dues on projects which have been stalled due to delays in obtaining approvals from the regulatory authorities. Due to the non-availability of sufficient appropriate audit evidence to corroborate management's assessment of the recoverability of the said balances on these projects, we are unable to comment on the carrying value of these non- current Contract Assets and non-current Trade Receivables and the consequential impact if any, on the Statement of the Company for the quarter and period ended December 31, 2024. (Refer Note 03 of the Statement).

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Our audit report on the consolidated financial statements for the year ended March 31, 2024 ,limited review report on the unaudited consolidated financial results for the quarter ended June 30, 2024 and limited review report on the unaudited consolidated financial results for the quarter and half year ended September 30, 2024 were qualified in respect of both the matters stated above.

These qualifications have not been addressed by the Management of the Company in the Statement for the quarter and period ended December 31, 2024.

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

7. The Statement includes the interim financial results of subsidiary company (including step down subsidiary) which have not been reviewed by their auditors, whose interim financial results reflects total revenue of Rs. Nil lakhs and Rs. Nil lakhs, total net loss after tax of Rs. 9.51 lakhs and Rs. 16.15 lakhs and total comprehensive loss of Rs. 9.51 lakhs and Rs. 16.15 lakhs for the quarter ended December 31, 2024 and for the period from April 01, 2024 to December 31, 2024, respectively, as considered in the Statement. This interim financial results have been furnished to us by the Management and our conclusion on the Statement in so far as it relates to the amounts and disclosures included in respect of this subsidiary is based solely on such management prepared unaudited interim financial results. According to the information and explanations given to us by the Management, this interim financial results are not material to the Group.

Our conclusion is not modified in respect of the above matter with respect to our reliance on the financial result certified by the management.

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

MSKA & ASSOCIATES ★ Chartered Accountants ★

T.V. Ganesh
Partner
Membership No.: 203370
UDIN: **25203370BMLDVH6572**

Place: Chennai
Date: February 13, 2025

SEPC

Engineering the Future

SEPC Limited

Regd Office : 3rd Floor, Boscon Futura SV,

Door No.10/1, Venkatnarayana Road, T Nagar,Chennai -600017

CIN:L74210TN2000PLC045167

Website: www.sepc.in

Statement of Consolidated Unaudited Financial Results for the Quarter and Nine Months Ended December 31, 2024

(Rs in Lakhs)

S No	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31.12.2024	30.09.2024	31.12.2023	31.12.2024	31.12.2023	31.03.2024
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income						
	(a) Revenue from operations	13,304.13	17,098.58	14,070.35	47,985.09	41,315.87	56,098.28
	(b) Other Income (Refer Note No 7 & 8)	2,671.27	1,095.59	2,010.71	4,005.18	3,228.67	4,623.20
	Total Income from operations	**15,975.40**	**18,194.17**	**16,081.06**	**51,990.27**	**44,544.54**	**60,721.48**
2	Expenses						
	(a) Cost of Materials,Erection,Construction & Operation Expenses	11,255.59	14,469.39	12,718.77	39,082.04	34,733.62	46,671.76
	(b) Changes in inventories of finished goods,work-in-progress and stock-in-trade	(73.43)	(63.44)	-	(136.87)	-	-
	(c) Employee benefits expense	804.46	875.66	751.87	2,443.94	2,356.56	3,224.98
	(d) Finance Costs	941.70	1,044.87	1,140.19	3,247.30	3,159.99	4,438.55
	(e) Depreciation and amortisation expense	122.37	129.34	131.61	381.61	398.39	531.92
	(f) Other expenses	977.13	1,049.12	785.15	3,067.47	2,284.27	3,575.91
	Total expenses	**14,027.82**	**17,504.94**	**15,527.59**	**48,085.49**	**42,932.83**	**58,443.12**
3	**Profit before exceptional items and tax (1-2)**	**1,947.58**	**689.23**	**553.47**	**3,904.78**	**1,611.71**	**2,278.36**
4	Exceptional Items - Refer Note no 9	**1,389.25**	-	-	**1,389.25**	-	-
5	**Profit before tax (3 - 4)**	**558.33**	**689.23**	**553.47**	**2,515.53**	**1,611.71**	**2,278.36**
6	**Tax Expense**						
	Current Tax	-	-	-	-	-	-
	Deferred Tax charge	113.93	460.00	-	1,033.93	-	-
	Total	**113.93**	**460.00**	-	**1,033.93**	-	-
7	**Profit for the period / year (5 - 6)**	**444.40**	**229.23**	**553.47**	**1,481.60**	**1,611.71**	**2,278.36**
8	**Other comprehensive income /(loss) (OCI)**						
	Other comprehensive income not to be reclassified to profit or loss in subsequent periods						
	Re-measurement gains/(loss) on defined benefit plans(Net of Taxes)	28.90	(21.59)	(22.97)	(11.35)	(1.19)	50.90
	Fair Value of Equity Instruments through OCI	(13.64)	(4.84)	34.18	(12.30)	48.86	36.88
	Total Other comprehensive Income / (Loss)	**15.26**	**(26.43)**	**11.21**	**(23.65)**	**47.67**	**87.78**
9	**Total comprehensive Income for the period / year (7+8)**	**459.66**	**202.80**	**564.68**	**1,457.95**	**1,659.38**	**2,366.14**
10	Paid-up equity share capital (Face value ₹ 10 each)	1,56,365.98	1,56,365.98	1,40,981.36	1,56,365.98	1,40,981.36	1,40,981.36
11	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	-	-	(19,954.90)
12	Earnings per share (of Rs 10/- each) (not annualised for the quarters and nine months):						
	(a) Basic	**0.03**	**0.02**	**0.04**	**0.10**	**0.12**	**0.17**
	(b) Diluted	**0.03**	**0.02**	**0.04**	**0.10**	**0.12**	**0.17**
	See accompanying notes to the financial results						

MSKA & ASSOCIATES Chartered Accountants

SEPC LTD Chennai - 600017

SEPC Limited

(Formerly Shriram EPC Ltd)

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S. No	Notes:
1	The above unaudited consolidated financial results were reviewed and recommended by the Audit Committee and approved by the Board of Directors at their respective meetings held on February 13, 2025 and has been subjected to review by the Statutory Auditors of the Company. These unaudited consolidated financial results have been prepared in accordance with the recognition and measurement principles provided in Indian Accounting Standard (Ind AS) 34 on 'Interim Financial Reporting', the provisions of the Companies Act, 2013 (the Act), as applicable and guidelines issued by the Securities and Exchange Board of India (SEBI) under SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 as amended.
2	a) During the quarter ended September 30, 2024, the Company has issued and alloted 15,38,46,153 equity shares of Rs 13 each (including a premium of Rs 3 per equity share) aggregating to Rs.20,000 lakhs to the eligible equity shareholders on rights basis ,after obtaining necessary approvals. b) The Board of directors in their meeting held on November 14, 2024,have approved the issuance of equity shares of the Company for an amount not exceeding Rs.35,000 lakhs by way of rights issue to the eligible equity shareholders in accordance with the applicable laws, including Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2015 , Companies Act 2013 and Rules made thereunder from time to time, subject to regulatory and statutory approvals , as may be the case under the applicable laws.
3	Non-Current Contract Assets include overdue balances of Rs. 6,959.44 lakhs as at December 31, 2024 (December 31, 2023 Rs. 7,351.90 lakhs and March 31, 2024 Rs.6,959.44 Lakhs), which are net of provisions of Rs. 926.98 lakhs as at December 31, 2024 (December 31, 2023: Rs 926.98 lakhs and March 31, 2024: Rs.926.98 lakhs). Non-Current Trade Receivable include overdue balances of Rs 432.55 lakhs as at December 31, 2024 (December 31, 2023, Rs. 575.21 lakhs and March 31, 2024, Rs.575.21 lakhs), which are net of provisions of Rs 82.99 lakhs as at December 31, 2024 (December 31, 2023: Rs. 82.99 lakhs and March 31, 2024: Rs.82.99 lakhs). Both the above amounts pertain to projects which have been stalled due to delays in obtaining approvals from the regulatory authorities. One of the customers in the said projects is undergoing liquidation process, in respect of which the Company is confident of recovering the dues based on the realisability of the assets available with the said customer. Further, considering the ongoing negotiations with the customers, the management of the Company is confident of recovering both the dues in full. The auditors have qualified this matter in their report for the quarter and Nine months ended December 31, 2024.
4	The Company (SEPC) and Twarit Consultancy Services Private Limited (TCPL) were the Respondents in respect of an International Arbitration before The Singapore International Arbitration Centre (SIAC) filed by GPE (INDIA) Ltd, GPE JV1Ltd, Gaja Trustee Company Private Ltd (the Claimants) in connection with the investments made by the claimants in an associate company of the Company. SIAC vide its award dated January 07, 2021 awarded damages jointly and severally on the Respondents to the tune of Rs.19,854.10 lakhs and a sum of SGD 372,754.79 towards Arbitration expenses. These are to be paid along with simple interest @ 7.25% pa from July 21, 2017 until the date of payment. The Respondents preferred an appeal before the High Court of Republic of Singapore against the award of SIAC and the same is held in favour of the claimants. Recognition and Enforcement petition was filed by the claimants before Madras High Court which recognised the foreign award subject to obtaining of prior approval from the RBI. Aggrieved by this the claimants have moved the Supreme Court for certain directions. Supreme Court directed the respondents to pay Rs 12500 lakhs with interest @7.25 % pa from 07.09.2021 till the date of payment. The respondent has preferred an interim application on this order. This application along with the status of compliance of the previous order of Supreme Court came up for hearing on 17.05.2024 wherein Supreme Court directed to comply with the previous order and respondent directors to be present in the next hearing. The above matter, after various adjournments,slated to be taken up in the next hearing,date of which to be intimated. However, the Company has entered into an Inter-se arrangement dated September 29, 2015 with TCPL and Shri Housing Pvt Ltd by which, Company will be fully indemnified, in case of any liability arising out of any Suits, Proceedings, Disputes, Damages payable by the Company on any defaults arising out of the above. The management is confident that there will be no liability which would devolve on the Company from the proceedings as the Company is fully indemnified by virtue of the said Inter-se arrangement.
5	Mokul Shriram EPC JV (JV Company) where SEPC Limited is a JV partner, have won the complaint against Export Credit Guarantee Corporation of India Limited (ECGC) before the National Consumer Disputes Redressal Commission,(NCDRC) New Delhi, in connection with the project executed in Basra, Iraq. NCDRC, vide their order dated January 27, 2021, allowed the claims and directed ECGC to pay a sum of Rs. 26,501 lakhs along with simple interest @ 10% pa. with effect from September 19, 2016 till the date of realisation to the JV Company within a period of three months from the date of order, failing which ECGC will be liable to pay compensation in the form of simple interest @ 12% pa. ECGC had filed an appeal against the order of NCDRC New Delhi, before Supreme Court, and the case is pending for disposal.
6	The Company has business losses which are allowed to be carried forward and set off against available future taxable profits under the Income Tax Act, 1961, in respect of which the Company has created Deferred Tax Assets ("DTA"). The Company has recognised DTA on the carry forward unabsorbed business losses only to the extent of Rs.85,385.13 lakhs (December 31, 2023: Rs.89,034.26 lakhs and March 31, 2024: Rs.88,343.94 lakhs) out of the total carry forward unabsorbed business losses of Rs.92,648.02 lakhs that was available as at December 31, 2024 (December 31, 2023- Rs.1,37,510.14 lakhs, March 31, 2024- Rs.1,04,486.51 lakhs). The DTA amount recognised by the Company on these carry forward unabsorbed business losses amounts to Rs. 29,836.98 lakhs as at December 31, 2024 (December 31, 2023 - Rs. 31,112.13 lakhs, March 31, 2024- Rs.30,870.91 lakhs). Considering the potential order book as on date, the current projects in the pipeline and a positive future outlook for the Company, the management of the Company is confident of generating sufficient taxable profits in the future and adjust them against these unabsorbed business losses, and accordingly, the DTA as on December 31, 2024,can be utilised before the expiry of the period for which this benefit is available. The auditors have qualified this matter in their report for the quarter and nine months ended December 31, 2024.
7	Other income for the year ended March 31,2024 and for the nine months ended December 31, 2024, includes gain on initital recognition of unsecured loan as per IND AS 109 - Financial Instruments, amounting to Rs 2,607.07 lakhs and Rs 213.17 lakhs respectively.
8	Other income for the Quarter ended December 31, 2024 and September 30,2024 includes an amount of Rs 2,577.26 lakhs and Rs 791.58 lakhs respectively, being liabilities no longer required written back pertaining to projects which are completed.
9	Exceptional items for the quarter and nine months ended December 31, 2024 of Rs 1,389.25 lakhs, represents loss on extinguishment of financial liability upon conversion of Compulsorily convertible debentures (CCDs) into equity.On 28.06.2022 consequent to the approval of Resolution Plan under RBI Circular dt.07-06-2019 on Prudential Framework for Resolution of Stressed Assets, CCDs were issued upon conversion of partial debt. The CCDs were converted into equity shares based on the option excercised by the CCD holders and approved by the Board of Directors on 28.11.2024. These equity shares are issued at price of Rs 26.73 per share which is determined based on the minimum price of equity shares being higher of: a) the volume weighted average price of the related equity shares quoted on the recognised stock exchange during the ninety trading days preceding the relevant date; and b) the volume weighted average prices of the related equity shares quoted on a recognised stock exchange during the ten trading days preceding the relevant date. Approval from stock exchanges are awaited for listing and trading of the said equity shares.
10	The Company has made net profit during the quarter and nine months ended December 31, 2024 amounting to Rs 444.40 Lakhs and Rs.1,481.60 Lakhs respectively, and as of that date has accumulated losses aggregating Rs. 2,12,642.49 Lakhs.Considering the positive developments of implementing the resolution plan, infusion of equity by the investor, completion of Rights issue and the change in management, additional funding by Investor for working capital together with plans to meet financial obligations in future out of the cash flows from execution of the pipeline of orders in hand, business plans,sanctioned non-fund based facilities etc,these financial results are prepared on a going concern basis.
11	Pursuant to the execution of the Share purchase agreement dated June 5, 2024 ,effective from April 30, 2024, Shriram EPC FZE , a wholly owned subsidiary of the Company is in the process of acquiring 75% equity in ALMOAYYED Electrical Equipment & Instrumentation Systems LLC (AEEIS) through its Promoter Mark AB Capital Investment LLC. By virtue of this, AEEIS will become a step-down subsidiary of the Company. The consolidated financial results does not include that of AEEIS, as the acquisition formalities are yet to be completed.
12	There is no provision for tax in view of the brought forward losses/unabsorbed depreciation relating to earlier years, available for set off, while computing income, both under the provisions of 115 JB and those other than section 115 JB of the Income Tax act 1961.
13	The Company is engaged in the sole activity of carrying on the business of "Engineering ,Procurement and Construction " (EPC) and therefore, has only one reportable segment in accordance with Ind AS 108 "Operating Segments". Hence no separate segment reporting is applicable to the Company.
14	Previous year/period figures have been regrouped / reclassified to be in conformity with current period's classification/disclosure, wherever necessary.

For SEPC Limited

Place: Chennai
Date : February 13, 2025

N K Suryanarayanan
Managing Director & CEO

MSKA & ASSOCIATES Chartered Accountants

SEPC LTD Chennai - 600017

INDEPENDENT AUDITOR'S REPORT

To the Members of SEPC Limited

Report on the Audit of the Consolidated Financial Statements

Qualified Opinion

We have audited the accompanying consolidated financial statements of SEPC Limited (hereinafter referred to as the "Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2024, and the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including material accounting policy information and other explanatory information (hereinafter referred to as the "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of reports of other auditors on consolidated financial statements and on the other financial information of subsidiary, except for the possible effects of the matter described in Basis for Qualified Opinion section of our report, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of their consolidated state of affairs of the Group as at March 31, 2024, of consolidated profit and other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Qualified Opinion

i. The carrying value of the Deferred Tax Asset (DTA) balance includes an amount of Rs. 30,870.91 Lakhs as on March 31, 2024 which was recognized in regard to the unabsorbed business losses of Rs.88,343.94 lakhs. Due to the non-availability of sufficient appropriate audit evidence to corroborate management's assessment that sufficient taxable profits will be available in the future against which such unabsorbed business losses can be utilised as required by Ind AS 12: Income taxes, we are unable to comment on any adjustments that may be required to the carrying value of the aforesaid DTA on the consolidated financial statements for the year ended March 31, 2024. (Refer Note 41(B) of the consolidated financial statements).

ii. Non-Current Contract Assets include overdue balances of Rs. 6,959.44 lakhs (net of provisions amounting to Rs. 926.98 lakhs) and Non-Current Trade Receivables include Rs. 575.21 lakhs (net of provisions amounting to Rs. 82.99 lakhs) as on March 31, 2024, relating to dues on projects which have been stalled due to delays in obtaining approvals from the regulatory authorities. Due to the non-availability of sufficient appropriate audit evidence to corroborate management's assessment of the recoverability of the said balances, we are unable to comment on the carrying value of these non-current Contract Assets and Trade Receivables, and the consequential impact if any, on the consolidated financial statements for the year ended March 31, 2024. (Refer Note 8.1 and Note 11.1 of the consolidated financial statements).

These matters were also qualified in our report on the consolidated financial statements for the year ended March 31, 2023.

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by Institute of Chartered Accountant of India ("ICAI"), and the relevant provisions of the Act and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and on consideration of audit reports of other auditors referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our qualified opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended March 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matters described in the Basis for Qualified Opinion section we have determined the matters described below to be the key audit matters to be communicated in our report:

<u>Provision for Expected credit loss</u>

Refer to Note no 8,10,11,12,15,16,20 in the consolidated Financial statements

Contract Assets are accounted based on the contractual terms and management's assessment of recoverability from customers. The recoverability of the same is mainly based on certification of the work done as certified by the engineer/expert of the customers as per the specific requirements of the contracts.

Expected credit losses are measured based on the present value of cash shortfalls over the remaining expected lives of the trade receivables and contract assets. The Group estimates and recognises allowance for expected credit losses on these trade receivables and contract assets which involves consideration of ageing status, historical payment records, the likelihood of collection based on the terms of the contract and the credit information of its customers.

We have identified provisioning for expected credit loss as a key audit matter as the calculation of expected credit loss is a complex area and requires management to make significant assumptions and estimations on customer payment trends and behaviour in order to determine the amounts and timing of expected future cash flows.

How the Key Audit Matter was addressed in our audit:

Our audit procedures in respect of this area included:

1. Obtained an understanding of the Company's process relating to allowance for credit loss and assessed the management's estimate and related policies used in the credit loss analysis.
2. Verified design, implementation and operating effectiveness of controls over development of the methodology for the computation of provision for expected credit losses including completeness and accuracy of information used in such estimation and computation.
3. Examined, on a test check basis, the objective evidence relating to the impairment of trade receivables and Contract Assets and the key assumptions used in the determination of expected credit loss.
4. Reviewed the appropriateness of management's ageing analysis based on days past due by examining the original documents (such as invoices and bank deposit advice).
5. Assessed the adequacy and appropriateness of the disclosures in the financial statements with respect to expected credit losses in accordance with the requirements of applicable Indian Accounting Standards

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

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management report and Director's report along with annexures, but does not include the financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. The other information included in the Management Report and Director's Report along with annexures have not been adjusted for the impacts as described in the Basis for Qualified section above. Accordingly, we are unable to conclude whether or not the other information is materially misstated with respect to this matter.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing ("SAs") will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Consolidated Financial Statements.

Other Matters

a. We did not audit the financial statements of one subsidiary, whose financial statements reflect total assets of Rs. 15,851.44 Lakhs as at March 31, 2024, total revenues of Rs. Nil Lakhs and net cash flows amounting to Rs. 1.90 Lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditors.

   The subsidiary is located outside India whose financial statements have been prepared in accordance with accounting principles generally accepted in its country and which have been audited by other auditors under generally accepted auditing standards applicable in its country. The Holding Company's management has converted the financial statements of such subsidiary located outside India from accounting principles generally accepted in its country to accounting principles generally accepted in India.

   We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiary located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

   Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditor and the financial statements after conversion adjustments certified by the Management and audited by us.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

   a. We have sought and except for the possible effect of the matters described in the Basis for Qualified Opinion paragraph above, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   b. Except for the possible effect of the matters described in the Basis for Qualified Opinion paragraph above, in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors including daily back-up of books of accounts and other books and papers maintained in electronic mode except for the matters stated in the paragraph 1(i)(vi) below on reporting under Rule 11(g).

   c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including other comprehensive income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d. Except for the possible effect of the matters described in Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.

e. The matters described in Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Group.

f. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2024 taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding Company are disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

g. The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above and paragraph 1(i)(vi) below on reporting under Rule 11(g).

h. With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure B".

i. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group– Refer Note 56 to the consolidated financial statements.

   ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company.

   iv. (a) The Managements of the Holding Company whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, as stated in note 63 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company to or in any other person(s) or entity(ies), including foreign entities with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that such parties shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   (b) The Managements of the Holding Company whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, as stated in note 63 to the consolidated financial statements, no funds have been received by the Holding Company from any person(s) or entity(ies), including foreign entities with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Holding Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us whose financial statements have been audited under the Act, and according to the information and explanations provided to us by the Management of the Holding company in this regard nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (a) and (b) above, contain any material mis-statement.

   v. The group has neither declared nor paid any dividend during the year.

   vi. Based on our examination, the Company has used an accounting software, for maintaining its books of account during the year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility, except that no audit trail feature was enabled at the database level during the year ended March 31, 2024 in respect of the software at database level to log any direct data changes.

Further, the audit trail facility has been operated throughout the year for all relevant transactions recorded in the accounting software, except for the software at the database level as stated above, in respect of which the audit trail facility has not operated throughout the year for all relevant transactions recorded in this accounting software during the year ended March 31, 2024. Also, during the course of our examination, we did not come across any instance of audit trail feature being tampered with.

Based on our examination, the Company has used an accounting software for maintaining its payroll records during the year ended March 31,2024, which is operated by a third-party software service provider. In absence of independent service auditors report, we are unable to comment whether the software has a feature of recording audit trail (edit log) facility, nor are we able to comment on whether the audit trail feature was enabled in the said software and operated throughout the year for all relevant transactions recorded in the software.

We are further unable to comment as to whether there were any instances of the audit trail feature been tampered with.

2. In our opinion, according to information, explanations given to us, the remuneration paid by the Group, to its directors is within the limits laid prescribed under Section 197 read with Schedule V of the Act and the rules thereunder.

3. According to the information and explanations given to us and based on the CARO reports issued by us for the Holding Company included in the consolidated financial statements of the Group to which reporting under CARO is applicable, we report that there are no Qualifications/ adverse remarks.

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

Geetha Jeyakumar
Partner
Membership No. 029409
UDIN: 24029409BKDELQ1173

Place: Chennai
Date: May 28, 2024

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF SEPC LIMITED

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management and board of directors.
- Conclude on the appropriateness of the management and board of director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statement for the year ended March 31, 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

Geetha Jeyakumar
Partner
Membership No. 029409
UDIN: 24029409BKDELQ1173

Place: Chennai
Date: May 28, 2024

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF SEPC LIMITED

[Referred to in paragraph 1(h) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of SEPC Limited on the consolidated Financial Statements for the year ended March 31, 2024]

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2024, we have audited the internal financial controls with reference to consolidated financial statements of SEPC Limited (hereinafter referred to as "the Holding Company") and its subsidiary company (the Holding Company and its subsidiary together referred to as "the Group"), as of that date.

Qualified opinion

In our opinion, and to the best of our information and according to the explanations given to us, the Holding company and its subsidiary company, have, in all material respects, maintained adequate internal financial controls with reference to consolidated financial statements as of March 31, 2024, based on the internal financial control with reference to consolidated financial statements criteria established by respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI") and except for the possible effects of the material weaknesses described below on the achievement of the objectives of the control criteria, the internal financial controls with reference to consolidated financial statements of the Holding company and its subsidiary company, were operating effectively as of March 31, 2024.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2024 consolidated financial statements of the Company, and these material weaknesses have affected our opinion on the consolidated financial statements of the Company for the year ended on that date and we have issued a qualified opinion on the consolidated financial statements.

Basis for Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified in the operating effectiveness of the Group's internal financial controls with reference to consolidated financial statements as at March 31, 2024:

a) Provisioning of expected credit loss against non-current contract assets and trade receivables which are outstanding for a substantial period of time, which could potentially result in the group not recognizing a provision against the said assets.

b) Assessment of future taxable profits which could result in recognition of excess deferred tax asset which the group may not be able to utilize for set-off against sufficient future taxable profits.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control with reference to consolidated financial statements, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

Management and Board of Director's Responsibility for Internal Financial Controls

The Management and the Board of Directors of the Holding Company are responsible for establishing and maintaining internal financial controls based on the internal financial control with reference to consolidated financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Holding company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our qualified audit opinion on the internal financial controls with reference to consolidated financial statements of the Holding company.

Meaning of Internal Financial Controls With reference to Consolidated Financial Statements

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

Inherent Limitations of Internal Financial Controls With reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

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

Geetha Jeyakumar
Partner
Membership No. 029409
UDIN: 24029409BKDELQ1173

Place: Chennai
Date: May 28, 2024

Consolidated Balance Sheet as at March 31,2024

(Amount in ₹ lakhs, unless otherwise stated)

Particulars	Notes	As at 31-Mar-2024	As at 31-Mar-2023
ASSETS			
Non-current assets			
Property, plant and equipment	6A	2,830.84	3,272.98
Right of Use Assets	6B	241.61	322.39
Intangible assets	7	23.92	27.96
Contract assets	8	10,300.45	7,351.90
Financial assets			
Investments	9	77.81	40.93
Loans	10	696.17	697.48
Trade Receivables	11	16,605.49	18,206.25
Other Financial Assets	12	1,030.47	1,041.14
Deferred Tax Assets (Net)	41	40,323.55	40,323.55
Income Tax Assets (Net)	14	1,710.37	1,549.40
Total Non-Current Assets		**73,840.68**	**72,833.98**
Current assets			
Contract Assets	15	91,975.82	73,246.59
Financial assets			
Trade receivables	16	30,002.26	29,206.01
Cash and cash equivalents	17	1,834.96	3,307.04
Other bank balances	18	4,257.69	1,730.33
Other Financial Assets	19	234.18	166.00
Other Current assets	20	18,784.54	19,692.41
Total Current Assets		**1,47,089.45**	**1,27,348.38**
Total Assets		**2,20,930.13**	**2,00,182.36**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	21	1,40,981.36	1,32,152.90
Other equity	22	(19,954.90)	(23,503.32)
Non Controlling Interest		162.43	159.58
Total Equity		**1,21,188.89**	**1,08,809.16**
Liabilities			
Non-Current Liabilities			
Financial liabilities			
Lease Liabilities	6B	179.49	252.04
Borrowings	23	29,840.24	26,616.64

Consolidated Balance Sheet as at March 31,2024

(Amount in ₹ lakhs, unless otherwise stated)

Particulars	Notes	As at 31-Mar-2024	As at 31-Mar-2023
Other financial liabilities	24	3,847.21	4,024.26
Provisions	25	734.15	590.32
Contract Liabilities	26	4,552.49	2,078.30
Total Non-Current Liabilities		**39,153.58**	**33,561.56**
Current liabilities			
Financial liabilities			
Lease Liabilities	6B	101.20	98.45
Borrowings	27	15,373.66	13,966.58
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	28	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		30,420.97	37,957.02
Other financial liabilities	29	10,165.00	1,625.07
Other current liabilities	30	191.92	445.95
Contract Liabilities	31	4,280.94	3,432.75
Provisions	32	53.97	285.82
Total Current Liabilities		**60,587.66**	**57,811.64**
Total Liabilities		**99,741.24**	**91,373.20**
Total Equity and Liabilities		**2,20,930.13**	**2,00,182.36**

Summary of Material accounting policies 2

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date
For MSKA & Associates
Chartered Accountants
Firm Registration No. 105047W

For and on behalf of the Board of Directors of
SEPC Limited
CIN - L74210TN2000PLC045167

Geetha Jeyakumar
Partner
Membership No: 029409

N K Suryanarayanan
Managing Director & CEO
DIN: 01714066

R Ravichandran
Director
DIN: 01920603

T.Sriraman
Company Secretary
Membership No:A68102

R S Chandrasekharan
Chief Financial Officer

Place: Chennai
Date: May 28, 2024

Place: Chennai
Date: May 28, 2024

Consolidated Statement of Profit and Loss for the Year ended March 31, 2024

(Amount in ₹ lakhs, unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2024	For the year ended March 31, 2023
Income			
Revenue from operations	33	56,098.28	37,884.66
Other income	34	4,623.20	2,003.15
Total income		**60,721.48**	**39,887.81**
Expenses			
Erection, Construction & Operation Expenses	35	46,671.76	31,905.03
Employee benefits expense	36	3,224.98	3,340.15
Finance costs	37	4,438.55	6,039.75
Depreciation and amortization expense	38	531.92	614.73
Other expenses	39	3,575.91	9,271.71
Total expenses		**58,443.12**	**51,171.37**
Profit /(Loss) before exceptional items and tax		2,278.36	(11,283.56)
Exceptional items- (income)	40	-	(13,815.13)
Profit before tax		**2,278.36**	**2,531.57**
Income tax expense			
Current tax		-	-
Deferred tax	41	-	3,021.95
Total income tax expense		**-**	**3,021.95**
Profit / (Loss) for the year		**2,278.36**	**(490.38)**
Other Comprehensive Income			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods			
Re-measurement gains/ (loss) on defined benefit plans (Net of Taxes)		50.90	(56.38)
Fair Value of Equity Instruments through OCI (Net of Taxes)		36.88	(11.79)
Other Comprehensive Income / (loss) for the year		**87.78**	**(68.17)**

Consolidated Statement of Profit and Loss for the Year ended March 31, 2024

(Amount in ₹ lakhs, unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2024	For the year ended March 31, 2023
Total Comprehensive Income/(Loss) for the year		**(558.55)**	**(26,315.75)**
Earnings / (Loss) per share	42		
Basic earnings /(loss) per share (₹)		0.17	(0.04)
Diluted earnings /(loss) per share (₹)		0.17	(0.04)
Face value per equity share (₹)		10.00	10.00

Summary of Material accounting policies 2

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date
For MSKA & Associates
Chartered Accountants
Firm Registration No. 105047W

For and on behalf of the Board of Directors of
SEPC Limited
CIN - L74210TN2000PLC045167

Geetha Jeyakumar
Partner
Membership No: 029409

N K Suryanarayanan
Managing Director & CEO
DIN: 01714066

R Ravichandran
Director
DIN: 01920603

T.Sriraman
Company Secretary
Membership No:A68102

R S Chandrasekharan
Chief Financial Officer

Place: Chennai
Date: May 28, 2024

Place: Chennai
Date: May 28, 2024

Consolidated Statement of changes in equity for the year ended March 31, 2024

(Amount in ₹ lakhs, unless otherwise stated)

(A) Equity share capital	As at 31-03-2024		As at 31-03-2023	
	No. of shares	Amount	No. of shares	Amount
Equity shares of ₹ 10 each issued, subscribed and fully paid				
Outstanding at the Beginning of the year	1,32,15,29,018	1,32,152.90	97,15,29,018	97,152.90
Add: Shares issued during the year	8,82,84,615	8,828.46	35,00,00,000	35,000.00
Outstanding at the End of the year	**1,40,98,13,633**	**1,40,981.36**	**1,32,15,29,018**	**1,32,152.90**

(B) Other equity

Particulars	Securities premium account	General reserve	Capital reserve	Retained earnings	Share of reserve from an associate	Foreign currency monetary item translation difference account	Components of Other Comprehensive Income		Total
							Non controlling interest	Re-measurement gains/ (losses) on defined benefit plans (Net of Tax)	Equity instruments through Other Comprehensive Income
Balance as at April 01, 2022	1,91,225.43	561.93	12.92	(2,15,105.50)	(219.86)	146.61	163.68	8.51	(23,206.28)
Loss for the year	-	-	-	(490.38)	408.12	12.97	-	-	(69.29)
Other comprehensive income/ (loss)	-	-	-	-	-	-	(56.38)	(11.79)	(68.17)
Balance as at April 01, 2023	1,91,225.43	561.93	12.92	(2,15,595.88)	188.26	159.58	107.30	(3.28)	(23,343.74)
Issue of Shares	1,151.54	-	-	-	-	-	-	-	1,151.54
Profit for the year	-	-	-	2,278.36	-	2.85	-	-	2,281.21
Other comprehensive income/ (loss)	-	-	-	-	30.74	-	50.90	36.88	118.52
Balance as at March 31, 2024	**1,92,376.97**	**561.93**	**12.92**	**(2,13,317.52)**	**219.00**	**162.43**	**158.20**	**33.60**	**(19,792.47)**

Summary of Material accounting policies 2

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date
For MSKA & Associates
Chartered Accountants
Firm Registration No. 105047W

For and on behalf of the Board of Directors of
SEPC Limited
CIN - L74210TN2000PLC045167

Geetha Jeyakumar
Partner
Membership No: 029409

N K Suryanarayanan
Managing Director & CEO
DIN: 01714066

R Ravichandran
Director
DIN: 01920603

T.Sriraman
Company Secretary
Membership No:A68102

R S Chandrasekharan
Chief Financial Officer

Place: Chennai
Date: May 28, 2024

Place: Chennai
Date: May 28, 2024

Consolidated Statement of cash flows for the Year ended March 31, 2024

(Amount in ₹ lakhs, unless otherwise stated)

Particulars	March 31,2024	March 31,2023
Cash flow from operating activities		
Profit before tax and after exceptional items	2,278.36	2,531.57
Adjustments for:		
Depreciation and amortization expenses	531.92	614.73
Provision for Gratuity	79.45	76.34
Provision for Compensated Absences	191.82	(158.54)
Provision for Doubtful Trade Receivable & Contract Assets	816.55	5,690.78
Contract Assets & bad debts written off	2,420.95	4,453.20
Finance cost	4,438.55	6,039.75
Fair Value gain on loan as per IND AS 109	(2,607.07)	(613.58)
Interest income	(202.33)	(312.72)
Liabilities written back	(1,500.28)	(911.59)
(Profit) / Loss on sale of property,plant and equipment	(4.66)	336.27
Gain on debt restructuring	-	(19,634.82)
Impairment loss allowance on Contract assets and receivables	-	5,819.69
Operating Profit before working capital changes	**6,443.26**	**3,931.08**
Changes in working capital		
(Decrease) /Increase in trade payables	(6,035.77)	4,459.27
Decrease in trade receivables	804.52	8,291.04
Decrease in loans and advances	1.31	-
Decrease in other Current liabilities	(431.09)	(243.98)
Increase / (Decrease) in contract liabilities	3,322.38	(2,625.88)
Decrease in Short Term provisions	(423.67)	(134.64)
Increase / (Decrease) in Long Term provisions	115.28	(137.07)
Increase /(Decrease) in other financial liabilities	8,362.88	(250.18)
(Increase) / Decrease in other financial assets	(73.64)	794.34
Decrease in other current assets	907.88	317.06
Increase in Contract Assets	(24,915.30)	(12,173.61)
Cash (used in) / generated from operations	**(11,921.96)**	**2,227.43**
Income tax paid	(160.97)	(136.97)
Net cash (used in) / generated from operating activities (A)	**(12,082.93)**	**2,090.46**
Cash flow from Investing activities		
Purchase of property, plant and equipment and intangible assets	(5.38)	(13.91)
Movement in Bank balances not considered as Cash and cash equivalents (Net)	(2,527.36)	657.16
Proceeds from sale/ disposal of property, plant and equipment	4.66	292.15
Interest received	137.16	312.71
Net cash flow (used in) / generated from investing activities (B)	**(2,390.92)**	**1,248.11**

Consolidated Statement of cash flows for the Year ended March 31, 2023

(Amount in ₹ lakhs, unless otherwise stated)

Particulars	March 31,2024	March 31,2023
Cash flow from Financing activities		
Proceeds from issue of share capital	9,980.00	35,000.00
Proceeds from Short term borrowings (net)	1,407.08	359.20
Proceeds from Long Term Borrowings	4,000.00	16,488.78
Repayment of Long term borrowings	(424.54)	(48,247.99)
Interest and Finance Charges Paid	(1,862.31)	(4,156.00)
Repayment of finance lease obligation	(98.46)	(58.19)
Net cash flow generated from / (used in) financing activities (C)	**13,001.77**	**(614.20)**
Net (decrease) / increase in cash and cash equivalents (A+B+C)	(1,472.08)	2,724.37
Cash and cash equivalents at the beginning of the year	3,307.04	582.67
Cash and cash equivalents at the end of the year	**1,834.96**	**3,307.04**
Cash and cash equivalents comprise		
Cash and cash equivalents as per Balance Sheet	6,092.65	5,037.37
Less: Bank balances not considered as Cash and cash equivalents as defined in Ind-AS 7 Cash Flow Statements	4,257.69	1,730.33
	1,834.96	**3,307.04**

Summary of Material accounting policies 2

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date
For MSKA & Associates
Chartered Accountants
Firm Registration No. 105047W

For and on behalf of the Board of Directors of
SEPC Limited
CIN - L74210TN2000PLC045167

Geetha Jeyakumar
Partner
Membership No: 029409

N K Suryanarayanan
Managing Director & CEO
DIN: 01714066

R Ravichandran
Director
DIN: 01920603

T.Sriraman
Company Secretary
Membership No:A68102

R S Chandrasekharan
Chief Financial Officer

Place: Chennai
Date: May 28, 2024

Place: Chennai
Date: May 28, 2024

Notes forming part of the Consolidated Financial Statements for the Year ended March 31, 2024

(Amount in ₹ lakhs, unless otherwise stated)

1 General Information

SEPC Limited (the "Company" or "SEPC") has diverse interests across Project Engineering & Construction. The company provides end-to-end solutions to engineering challenges, offering multi disciplinary design, engineering, procurement, construction and project management services. SEPC is focused on providing turnkey solutions for ferrous & non ferrous, cement, aluminum, copper and thermal power plants, water treatment & transmission, renewable energy, cooling towers & material handling.

The Company along with the Joint operators enters into contracts with the customers for execution of the projects. The Company's share as per such contracts is listed below. However, the Company as a Joint operator, recognises assets, liabilities, income and expenditure held/incurred jointly with other partners in proportion to its interest in such joint arrangements in compliance with applicable accounting standards taking into account the related rights and obligations applicable in the respective jointly controlled operations.

Joint operators	% of SEPC's Share
Larsen & Toubro limited shriram EPC JV	10%
Shriram EPC Eurotech Environment Pvt Ltd - JV*	100%
SEPC DRS ITPL JV*	100%
Mokul Shriram EPC JV*	50%

*Unincorporated Joint Ventures

Subsidary Companies which are consolidated

Name of entity	Relationship	Country of incorporation	March 31,2024	March 31,2023
Shriram EPC (FZE)	Subsidary	United Arab Emirates	100%	100%
Shriram EPC Arkan LLC	Subsidary of Subsidary	Muscat, Oman	70%	70%

2 Material accounting policies

Material accounting policies adopted by the company are as under:

2.1 Basis of Preparation of Financial Statements

The financial statements have been prepared using significant accounting policies and measurement basis summarised below. These were used throughout all periods presented in the financial statements

(a) Statement of Compliance with Ind AS

The Company's financial statements have been prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards). Rules, 2015 and amendments thereof issued by Ministry of Corporate Affairs in exercise of the powers conferred by section 133 of the Companies Act, 2013. In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied except where compliance with other statutory promulgations require a different treatment. These financial statements have been approved for issue by the Board of Directors at its meeting held on May 28, 2024.

(b) Basis of measurement

The financial statements have been prepared on a historical cost convention on accrual basis, except certain financial assets and liabilities measured at fair value (Refer Accounting Policy No. 2.9 on financial instruments).

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. The normal operating cycle of the entity for Construction contracts is the duration of 2 to 3 years depending on each contract.

(c) Presentation of financial statements

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 ("the Act"). The statement of cash flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Accounting Standards and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Amounts in the financial statements are presented in Indian Rupees in Lakhs rounded off to two

Notes forming part of the Consolidated Financial Statements for the Year ended March 31, 2024

(Amount in ₹ lakhs, unless otherwise stated)

decimal places as permitted by Schedule III to the Companies Act, 2013. Per share data are presented in Indian Rupees to two decimal places.

(d) Use of estimates

The preparation of financial statements in conformity with Ind AS requires the Management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon the Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates include useful lives of property, plant and equipment & intangible assets, allowance for expected credit loss, future obligations in respect of retirement benefit plans, expected cost of completion of contracts, fair value measurement, etc. Difference, if any, between the actual results and estimates is recognised in the period in which the results are known.. Refer Note 3 for detailed discussion on estimates and judgments.

(e) Interests in Joint Operations

When the Company has joint control of the arrangement based on contractually determined right to the assets and obligations for liabilities, it recognises such interests as joint operations. Joint control exists when the decisions about the relevant activities require unanimous consent of the parties sharing the control. In respect of its interests in joint operations, the Company recognises its share in assets, liabilities, income and expenses line-by-line in the standalone financial statements of the entity which is party to such joint arrangement which then becomes part of the consolidated financial statements of the Group when the financial statements of the Holding Company and its subsidiaries are combined for consolidation.

2.2 Fair value measurement

The Company maintains accounts on accrual basis following the historical cost convention, except for certain financial instruments that are measured at fair value in accordance with Ind AS . The carrying value of all the items of property, plant and equipment as on date of transition is considered as the deemed cost.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability accessible to the Company.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. The Company's management determines the policies and procedures for fair value measurement.

Fair value measurements under Ind AS are categorised as below based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the company can access at measurement date;
- Level 2 inputs are inputs, other than quoted prices included in level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the valuation of assets/liabilities

2.3 Revenue Recognition

A. The Company recognises revenue from contracts with customers when it satisfies a performance obligation by transferring promised good or service to a customer. The revenue is recognised to the extent of

Notes forming part of the Consolidated Financial Statements for the Year ended March 31, 2024

(Amount in ₹ lakhs, unless otherwise stated)

transaction price allocated to the performance obligation satisfied. Performance obligation is satisfied over time when the transfer of control of asset (good or service) to a customer is done over time and in other cases, performance obligation is satisfied at a point in time. For performance obligation satisfied over time, the revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

Transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring good or service to a customer excluding amounts collected on behalf of a third party. Variable consideration is estimated using the expected value method or most likely amount as appropriate in a given circumstance. Payment terms agreed with a customer are as per business practice and there is no financing component involved in the transaction price. Costs to obtain a contract which are incurred regardless of whether the contract was obtained are charged-off in Statement of Profit and Loss immediately in the period in which such costs are incurred. Incremental costs of obtaining a contract, if any, and costs incurred to fulfil a contract are amortised over the period of execution of the contract in proportion to the progress measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

Significant judgments are used in:

1. Determining the revenue to be recognised in case of performance obligation satisfied over a period of time; revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

2. Determining the expected losses, which are recognised in the period in which such losses become probable based on the expected total contract cost as at the reporting date.

B. Revenue from construction contracts/ project related activity and contracts for supply/commissioning of complex plant and equipment is recognised as follows:

Fixed price contracts: Contract revenue is recognised only to the extent of cost incurred till such time the outcome of the job cannot be ascertained reliably subject to condition that it is probable the such cost will be recoverable. When the outcome of the contract is ascertained reliably,contract revenue is recognised at cost of work performed on the contract plus proportionate margin, using the percentage of completion method. Percentage of completion is the proportion of cost of work performed to date , to the total estimated contracts cost.

The estimated outcome of a contract is considered reliable when all the following conditions are satisfied:

(i) The amount of revenue can be measured reliably;

(ii) It is probable that the economic benefits associated with the contract will flow to the company;

(iii) The stage of completion of the contract at the end of the reporting period can be measured reliably; and

(iv) The costs incurred or to be incurred in respect of the contract can be measured reliably.

Expected loss, if any, on a contract is recognised as expense in the period in which it is foreseen, irrespective of the stage of completion of the contract.

For contracts where progress billing exceeds the aggregate of contract costs incurred to-date and recognised profits (or recognised losses, as the case may be), the surplus is shown as the amount due to customers. Amounts

Notes forming part of the Consolidated Financial Statements for the Year ended March 31, 2024

(Amount in ₹ lakhs, unless otherwise stated)

received before the related work is performed are disclosed in the Balance sheet as a liability towards advance received. Amounts billed for work performed but yet to be paid by the customer are disclosed in the Balance sheet as trade receivables. The amount of retention money due form customers within the next twelve months are classified under other current assets as Trade Receivable.

Revenue from contracts from rendering engineering design services and other services which are directly related to construction of an asset is recognised on the same basis as stated in (B) above.

Other Income

Interest Income is recognised on a basis of effective interest method as set out in Ind AS 109, Financial Instruments, and where no significant uncertainty as to measurability or collectability exists.

Dividend income is accounted in the period in which the right to receive the same is established.

Other items of income are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably.

2.4 Taxes

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

(a) Current income tax

Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the year end date. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

The company has not opted to exercise the option under section 115BAA of the income tax 1961, as introduced by the taxation laws (Amendment) ordinance, 2019 and decided to continue with the existing rate of tax for the purpose of deferred tax computation.

(b) Deferred tax

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current and deferred tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2.5 Exceptional items

An item of income or expense which by its size, type or incidence requires disclosure in order to

Notes forming part of the Consolidated Financial Statements for the Year ended March 31, 2024

(Amount in ₹ lakhs, unless otherwise stated)

improve an understanding of the performance of the company is treated as an exceptional item and the same is disclosed in the notes to accounts.

2.6 Impairment of non-financial assets

The Company assesses at each year end whether there is any objective evidence that a non financial asset or a group of non financial assets is impaired. If any such indication exists, the Company estimates the asset's recoverable amount and the amount of impairment loss.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in Statement of Profit and Loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through Statement of Profit and Loss.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. 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. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash in flows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

2.7 Provisions and contingent liabilities

Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date. Where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under such contract, the present obligation under the contract is recognised and measured as a provision.

2.8 Commitments

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

a) estimated amount of contracts remaining to be executed on capital account and not provided for;

b) uncalled liability on shares and other investments partly paid;

c) funding related commitment to subsidiary, associate and joint venture companies; and

d) other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

2.9 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(a) Financial assets

(i) Initial recognition and measurement

At initial recognition, financial asset is measured at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly

Notes forming part of the Consolidated Financial Statements for the Year ended March 31, 2024

(Amount in ₹ lakhs, unless otherwise stated)

attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

(ii) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

a) at amortized cost; or

b) at fair value through other comprehensive income; or

c) at fair value through profit or loss.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method (EIR).

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to Statement of Profit and Loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss: Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

The company has currently excercised the irrevocable option to present in Other comprehensive Income , subsequent changes in the Fair value of Equity Instruments. Such an election has been made on instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

(iii) Impairment of financial assets

In accordance with Ind AS 109, Financial Instruments, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets that are measured at amortized cost and FVOCI.

For recognition of impairment loss on financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent years, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL.

Life time ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the year end.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot

Notes forming part of the Consolidated Financial Statements for the Year ended March 31, 2024

(Amount in ₹ lakhs, unless otherwise stated)

be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income/expense in the statement of profit and loss. In balance sheet, ECL for financial assets measured at amortized cost is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

(iv) Derecognition of financial assets

A financial asset is derecognized only when

a) the rights to receive cash flows from the financial asset is transferred or

b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the financial asset is transferred then in that case financial asset is derecognized only if substantially all risks and rewards of ownership of the financial asset is transferred. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized."

(b) Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

(ii) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

(iii) Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss as finance costs.

(c) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The

Notes forming part of the Consolidated Financial Statements for the Year ended March 31, 2024
(Amount in ₹ lakhs, unless otherwise stated)

legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

3 Significant accounting judgments, estimates and assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

4 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the year end date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(a) Taxes

The extent to which deferred tax assets can be recognized is based on an assessment of the probability that future taxable income will be available against which the deductible temporary differences and tax loss carryforwards can be utilized. In addition, significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

(b) Construction Contracts

Recognizing construction contract revenue requires significant judgement in determining actual work performed and the estimated costs to complete the work, provision for rectification costs, variation claims etc

5 Standards (including amendments) issued but not yet effective

Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

Notes forming part of the Consolidated Financial Statements for the Year ended March 31, 2024

(Amount in ₹ lakhs, unless otherwise stated)

6A Property, plant and equipment - Current Year

Block of Assets	Gross block				Depreciation				Net block	
	As at April 01, 2023	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2024	As at April 01, 2023	For the year	Deductions/ Adjustments	As at March 31, 2024	As at March 31, 2024	As at March 31, 2023
Owned assets										
Freehold land	241.50	-	-	241.50	-	-	-	-	241.50	241.50
Leasehold Improvements	350.15	-	-	350.15	215.85	14.78	-93.53	324.16	25.99	134.30
Buildings	146.86	-	-	146.86	91.07	4.95	12.76	83.26	63.60	55.79
Plant and Machinery	5,216.77	-	-	5,216.77	2,433.54	409.44	72.85	2,770.13	2,446.64	2,783.23
Furniture and Fixtures	68.03	-	-	68.03	56.21	4.55	9.80	50.96	17.07	11.82
Office Equipment	12.17	0.37	0.21	12.33	11.98	0.02	0.80	11.20	1.13	0.19
Computers	93.74	5.01	-	98.75	57.17	10.57	(0.08)	67.82	30.93	36.57
Vehicle	11.79	-	1.00	10.79	2.21	2.79	(1.81)	6.81	3.98	9.58
Total	**6,141.01**	**5.38**	**1.21**	**6,145.18**	**2,868.03**	**447.10**	**0.79**	**3,314.34**	**2,830.84**	**3,272.98**

Property, plant and equipment - Previous Year

Block of Assets	Gross block				Depreciation				Net block	
	As at April 01, 2022	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2023	As at April 01, 2022	For the year	Deductions/ Adjustments	As at March 31, 2023	As at March 31, 2023	As at March 31, 2022
Owned assets										
Freehold land	241.50	-	-	241.50	-	-	-	-	241.50	241.50
Leasehold Improvements	350.15	-	-	350.15	197.29	18.56	-	215.85	134.30	152.86
Buildings	146.86	-	-	146.86	70.61	20.46	-	91.07	55.79	76.25
Plant and Machinery	5,577.72	8.12	369.07	5,216.77	2,283.98	482.42	332.86	2,433.54	2,783.23	3,293.74
Furniture and Fixtures	68.03	-	-	68.03	51.02	5.19	-	56.21	11.82	17.01
Office Equipment	12.17	-	-	12.17	11.33	0.65	-	11.98	0.19	0.84
Computers	90.93	5.79	2.98	93.74	45.79	14.36	2.98	57.17	36.57	45.14
Vehicle	51.75	-	39.96	11.79	37.06	5.28	40.13	2.21	9.58	14.69
Total	**6,539.11**	**13.91**	**412.01**	**6,141.01**	**2,697.08**	**546.92**	**375.97**	**2,868.03**	**3,272.98**	**3,842.03**

The Company has not revalued any Property, Plant and equipment during the year

The immovable properties are held in the name of the Company as at March 31, 2024 and March 31, 2023

Refer Note no 23 for property, plant and equipment pledged as security in respect of borrowings.

The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

The aggregate depreciation expense for the year is included under "Depreciation and Amortisation" expense in the Statement of Profit and Loss- Refer Note 38

Notes forming part of the Consolidated Financial Statements for the Year ended March 31, 2024

(Amount in ₹ lakhs, unless otherwise stated)

6B The details of the right-of-use asset held by the Company is as follows:

Particulars	Building	Total
Balance as at April 01, 2022	233.09	233.09
Additions	153.07	153.07
Depreciation	(63.77)	(63.77)
Balance as at March 31, 2023	**322.39**	**322.39**
Additions	-	-
Depreciation	(80.78)	(80.78)
Balance as at March 31, 2024	**241.61**	**241.61**

Set out below are the carrying amounts of lease liabilities and the movements during the period:

Particulars	Building	Total
Lease liabilities as at April 1, 2022	238.53	238.53
Additions	141.09	141.09
Interest on lease liabilities	29.06	29.06
Payments	(58.19)	(58.19)
As at March 31, 2023	**350.49**	**350.49**
Additions	-	
Interest on lease liabilities	28.66	28.66
Payments	(98.46)	(98.46)
As at March 31, 2024	**280.69**	**280.70**

Breakup of current and non-current lease liabilities

Particulars	31-Mar-23	31-Mar-22
Current lease liabilities	101.20	98.45
Non-current lease liabilities	179.49	252.04

7 Intangible assets - Current Year

Block of Assets	Gross block				Depreciation				Net block	
	As at April 01, 2023	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2024	As at April 01, 2023	For the year	Deductions/ Adjustments	As at March 31, 2024	As at March 31, 2024	As at 31 March 2023
Computer Software	43.12	-	-	43.12	25.12	1.79	-	26.91	16.21	18.00
Technical Knowhow	54.22	-	-	54.22	44.26	2.25	-	46.51	7.71	9.96
Total	**97.34**	**-**	**-**	**97.34**	**69.38**	**4.04**	**-**	**73.42**	**23.92**	**27.96**

Intangible assets - Previous Year

Block of Assets	Gross block				Depreciation				Net block	
	As at 1 April 2022	Additions/ Adjustments	Deductions/ Adjustments	As at 31 March 2023	As at 1 April 2022	For the year	Deductions/ Adjustments	As at 31 March 2023	As at 31 March 2023	As at 31 March 2022
Computer Software	43.12	-	-	43.12	23.33	1.79	-	25.12	18.00	19.79
Technical Knowhow	54.22	-	-	54.22	42.01	2.25	-	44.26	9.96	12.21
Total	**97.34**	**-**	**-**	**97.34**	**65.34**	**4.04**	**-**	**69.38**	**27.96**	**32.00**

Notes forming part of the Consolidated Financial Statements for the Year ended March 31, 2024

(Amount in ₹ lakhs, unless otherwise stated)

8 Contract Assets (Non current)	As at 31 March 2024	As at 31 March 2023
Contract Assets	16,713.70	8,278.88
Less: Provision for Expected Credit Loss	(6,413.25)	(926.98)
Total	**10,300.45**	**7,351.90**

8.1 Non-Current Contract Assets include overdue balances of ₹ 6,959.44 lakhs as at March 31, 2024 (March 31, 2023 ₹ 7,351.90 lakhs), which are net of provisions of ₹ 926.98 lakhs as at March 31, 2024 (March 31, 2023: ₹926.98 lakhs).The above amount pertain to projects which have been stalled due to delays in obtaining approvals from the regulatory authorities. One of the customers in the said projects is undergoing liquidation process, in respect of which the Company is confident of recovering the dues based on the realisability of the assets available with the said customer. Further, considering the ongoing negotiations with the customers, the management of the Company is confident of recovering both these dues in full.

9 Financial Assets- Investments (Non Current)	As at 31 March 2024	As at 31 March 2023
Investment in Others - Equity investments at fair value through other comprehensive income (FVOCI)		
Quoted		
386,526 Equity Shares (Previous year: 386,526 Equity Shares) of ₹ 10/- each fully paid up in Orient Green Power Company Limited	77.81	40.93
Unquoted		
4,076,474 Equity shares (Previous year: 4,076,474 Equity Shares) of ₹ 10/- each fully paid up in Leitwind Shriram Manufacturing Private Limited	407.56	407.56
Less: Provision for Diminition in value of Investments	(407.56)	(407.56)
	77.81	**40.93**
Total (A+B)	**77.81**	**40.93**
Aggregate book value of:		
Quoted investments	77.81	40.93
Unquoted investments	-	-
Aggregate Market value of:		
Quoted investments	77.81	40.93
Unquoted investments	-	-
Aggregate amount of impairment in value of Investments	407.56	407.56

10 Financial assets - Loans (Non current) (at amortised cost)	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good		
Considered Good	752.35	10,968.55
Significant increase in credit risk	306.10	306.10
Less: Provision made	(306.10)	(306.10)
Net amount	752.35	10,968.55
Less: Provision for Expected Credit Loss	(56.18)	(10,271.07)
Total	**696.17**	**697.48**

10.1 During the year ended March 31, 2023 loans amounting to ₹ 7,433.87 Lakhs has been taken over by SVL Limited (Erstwhile entity exercising significant influence over the Company). Also refer to Note 46.

Notes forming part of the Consolidated Financial Statements for the Year ended March 31, 2024

(Amount in ₹ lakhs, unless otherwise stated)

11 Trade Receivables - (Non current) (Unsecured)	As at 31 March 2024	As at 31 March 2023
Trade Receivables - Retention Money		
Considered Good	16,486.00	18,086.76
Significant increase in credit risk	2,748.69	2,680.19
Less: Provision for Expected Credit Loss	(2,748.69)	(2,680.19)
	16,486.00	**18,086.76**
Trade Receivables		
Considered Good (refer note 11.1 below)	119.49	119.49
Significant increase in credit risk	321.70	322.16
Less: Provision for Expected credit loss	(321.70)	(322.16)
	119.49	119.49
Total	**16,605.49**	**18,206.25**

11.1 Trade receivable (Non –Current) includes an amount of ₹575.21 lakh, net of Provisions amounting to ₹82.99 lakhs as at March 31, 2024 (March 31, 2023 ₹575.21 lakhs, net of Provisions amounting to ₹82.99 lakhs) from projects which are stalled due to delays in statutory approvals faced by the customer. Considering the ongoing negotiations with the customers', Management is confident of recovering the dues in full.

11A Trade receivables -Non Current-ageing schedule

31-03-2024

	Outstanding for following periods from due date of payaments						
Particulars	**Not Due**	**Upto 6 months**	**6 months to 1 year**	**1- 2 years**	**2-3 years**	**More than 3 years**	**Total**
Undisputed							
- Considered good	14,719.97	-	-	-	-	-	14,719.97
- Significant increase in credit risk	-	-		-	-	1,757.79	1,757.79
	14,719.97	**-**	**-**	**-**	**-**	**1,757.79**	**16,477.76**
Less: Provision for Expected Credit Loss							(1,757.79)
Sub total (a)							**14,719.97**
Disputed							
- Considered good	1,766.03	-	-	-	-	119.49	1,885.52
- Significant increase in credit risk	-	-	-	-	-	1,312.60	1,312.60
	1,766.03	**-**	**-**	**-**	**-**	**1,432.09**	**3,198.12**
Less: Provision for Expected Credit Loss							(1,312.60)
Sub total (b)	**1,766.03**	**-**	**-**	**-**	**-**	**1,432.09**	**1,885.52**
Total (a) + (b)							**16,605.49**

Notes forming part of the Consolidated Financial Statements for the Year ended March 31, 2024

(Amount in ₹ lakhs, unless otherwise stated)

31-03-2023

Particulars	Outstanding for following periods from due date of payaments						
	Not Due	Upto 6 months	6 months to 1 year	1- 2 years	2-3 years	More than 3 years	Total
Undisputed							
- Considered good	16,386.51	-	-	-	-		16,386.51
- Significant increase in credit risk	-	-		-	-	2,011.45	2,011.45
	16,386.51	**-**	**-**	**-**	**-**	**2,011.45**	**18,397.96**
Less: Provision for Expected Credit Loss							(2,011.45)
Sub total (a)							**16,386.51**
Disputed							
- Considered good	1,700.25	-	-	-	-	119.49	1,819.74
- Significant increase in credit risk	-	-	-	-	-	990.90	990.90
	1,700.25	**-**	**-**	**-**	**-**	**1,110.39**	**2,810.64**
Less: Provision for Expected Credit Loss							(990.90)
Sub total (b)	**1,700.25**	**-**	**-**	**-**	**-**	**1,110.39**	**1,819.74**
Total (a) + (b)							**18,206.25**

12 Other financial assets (Non current)	**As at 31 March 2024**	**As at 31 March 2023**
Deposits	1,163.33	1,174.00
Less: Provision for Expected Credit Losses	(132.86)	(132.86)
	1,030.47	**1,041.14**

13 Deferred Tax Assets (Net)	**As at 31 March 2024**	**As at 31 March 2023**
Deferred Tax Assets (Net) (Refer Note 41)	40,323.55	40,323.55
	40,323.55	**40,323.55**

14 Income Tax Assets (Net)	**As at 31 March 2024**	**As at 31 March 2023**
Advance Tax & Tax deducted at source (Net of Provision for Tax (March 31,2024 ₹ 5,540.74 lakhs (March 31, 2023 ₹ 5,540.74 lakhs))	1,710.37	1,549.39
Total	**1,710.37**	**1,549.39**

15 Contract assets	**As at 31 March 2024**	**As at 31 March 2023**
Contract Assets (Refer Note 15.1 & Note 40)	91,975.82	78,215.17
Less: Provision for Expected Credit Loss	-	(4,968.58)
Total	**91,975.82**	**73,246.59**

Notes forming part of the Consolidated Financial Statements for the Year ended March 31, 2024

(Amount in ₹ lakhs, unless otherwise stated)

15.1 The above Contract Assets includes materials at project site amounting to ₹24,610.00 lakhs (Previous year March 31, 2023 ₹22,651.00 lakhs)

15.2 Movement in loss allowance is as follows:

Particulars	**As at 31 March 2024**	**As at 31 March 2023**
Opening balance(Current & Non Current)	5,895.56	4,247.99
Additions / Transfer	-	4,968.58
Utilizations / Reversals	517.69	(3,321.01)
Closing balance(Current & Non Current)	6,413.25	5,895.56

16 Trade receivables	**As at 31 March 2024**	**As at 31 March 2023**
Unsecured		
-Considered good	20,910.48	21,952.31
-Significant increase in credit risk	9,595.75	9,301.61
Less: Provision for Expected Credit Loss	(9,595.75)	(9,301.61)
Trade Receivable - Retention monies		
-Considered good	9,091.78	7,253.70
-Significant increase in credit risk	-	63.33
Less: Provision for Expected Credit Loss	-	(63.33)
Net	**30,002.26**	**29,206.01**

16.1 The average credit period allowed to customers is between 30 days to 60 days. The credit period is considered from the date of Invoice. Further, a specified amount of bill is held back by the customer as retention money, which is payable as per the credit period, from the date such retention becomes due. The retention monies held by customers become payable on completion of a specified milestone or after the Defect Liability Period of the project, which is normally 1 year after the completion of the project, as per terms of respective contract. No Interest is payable by the customers for the delay in payments of the amounts over due. The Company evaluates, the financial health, market reputation, credit rating of the customer, before entering into the contract. The company's customers comprise of public sector undertakings as well as private entities.

16.2 Trade receivable include due from related parties amounting to ₹1,675.67 Lakhs (March 31, 2023- 3,635.66 Lakhs) Refer Note 46 (C)

Trade receivables ageing schedule

31-03-2024

Particulars	**Outstanding for following periods from due date of payaments**						
	Not Due	**Upto 6 months**	**6 months to 1 year**	**1- 2 years**	**2-3 years**	**More than 3 years**	**Total**
Undisputed							
- Considered good	12,896.55	2,314.59	1,250.01	2,175.21	1,948.87	7,958.14	28,543.37
- Significant increase in credit risk	-	-	-	-	-	9,251.15	9,251.15
	12,896.55	**2,314.59**	**1,250.01**	**2,175.21**	**1,948.87**	**17,209.29**	**37,794.52**
Less: Provision for Expected Credit Loss							(9,251.15)

Notes forming part of the Consolidated Financial Statements for the Year ended March 31, 2024

(Amount in ₹ lakhs, unless otherwise stated)

Particulars	Outstanding for following periods from due date of payaments						
	Not Due	Upto 6 months	6 months to 1 year	1- 2 years	2-3 years	More than 3 years	Total
Sub total (a)							28,543.37
Disputed							
- Considered good	-	-	-	1,434.63	-	24.26	1,458.89
- Significant increase in credit risk	-	-	-	-	-	344.60	344.60
	-	**-**	**-**	**1,434.63**	**-**	**368.86**	**1,803.49**
Less: Provision for Expected Credit Loss							(344.60)
Sub total (b)							1,458.89
Total (a) + (b)							**30,002.26**

31-03-2023

Particulars	Outstanding for following periods from due date of payaments						
	Not Due	Upto 6 months	6 months to 1 year	1- 2 years	2-3 years	More than 3 years	Total
Undisputed							
- Considered good	5,412.35	2,361.98	261.66	3,105.67	7,452.20	9,148.61	27,742.47
- Significant increase in credit risk	-	-		1,837.12	-	7,120.32	8,957.44
	5,412.35	**2,361.98**	**261.66**	**4,942.79**	**7,452.20**	**16,268.93**	**36,699.91**
Less: Provision for Expected Credit Loss							(8,957.44)
Sub total (a)							27,742.47
Disputed							
- Considered good	-	-	1,396.44		3.36	63.74	1,463.54
- Significant increase in credit risk	-	-	267.29	-	-	140.21	407.50
	-	-	1,663.73	-	3.36	203.95	1,871.04
Less: Provision for Expected Credit Loss							(407.50)
Sub total (b)							1,463.54
Total (a) + (b)							**29,206.01**

Notes:

Movement in loss allowance is as follows: (Trade receivables- current and non current)

Particulars	As at 31 March 2024	As at 31 March 2023
Opening balance	12,367.29	11,645.10
Additions / Transfer	298.85	722.19
Utilizations / Reversals		-
Closing balance	12,666.14	12,367.29

Notes forming part of the Consolidated Financial Statements for the Year ended March 31, 2024

(Amount in ₹ lakhs, unless otherwise stated)

17 Cash and cash equivalents	**As at 31 March 2024**	**As at 31 March 2023**
Balances with banks		
In current accounts	1,614.44	2,383.74
Margin Money (Original Maturity of less than 3 Months)	219.56	920.40
Cash on hand	0.96	2.90
Total	**1,834.96**	**3,307.04**

18 Other Bank Balances	**As at 31 March 2024**	**As at 31 March 2023**
Deposit Account (Original Maturity of 3 Months to 12 Months)	1,224.82	223.71
Margin Money (Original Maturity of 3 Months to 12 Months)	3,032.87	1,506.62
Total	**4,257.69**	**1,730.33**

19 Other Current Financial assets (at amortised cost)	**As at 31 March 2024**	**As at 31 March 2023**
Security deposit	139.09	114.06
Less: Allowance for expected credit loss	(13.51)	(13.51)
Security deposit	125.58	100.55
Advances to Employees	69.65	42.63
Interest Receivable	38.95	22.82
Total	**234.18**	**166.00**

20 Other current assets (unsecured, considered good unless otherwise stated)	**As at 31 March 2024**	**As at 31 March 2023**
Balance with Government Authorities	5,178.91	4,794.70
Prepaid Expenses	380.59	35.84
Other Advances	0.29	11.24
Advances to Suppliers		
- Considered good	13,224.75	14,850.63
- Significant increase in credit risk	1,640.30	1,640.30
Less: Provision for Expected Credit Loss	(1,640.30)	(1,640.30)
	13,224.75	**14,850.63**
Total	**18,784.54**	**19,692.41**

21 A. Equity Share capital

Particulars	**As at 31 March 2024**	**As at 31 March 2023**
Authorized		
1,750,000,000 (31 March 2023 1,400,000,000) Equity Shares of ₹ 10 each (Refer note (a) below)	1,75,000.00	1,40,000.00
	1,75,000.00	**1,40,000.00**

Notes forming part of the Consolidated Financial Statements for the Year ended March 31, 2024

(Amount in ₹ lakhs, unless otherwise stated)

Particulars	As at 31 March 2024	As at 31 March 2023
Issued, subscribed and paid up		
1,409,813,633 (31 March 2023: 1,321,529,018) Equity shares of ₹ 10 each fully paid	1,40,981.36	1,32,152.90
	1,40,981.36	**1,32,152.90**

B. Preference Share capital

The Company has preference share capital having a par value of ₹ 100 per share, referred to herein as preference share capital

	As at 31 March 2024	As at 31 March 2023
Authorized		
30,000,000 (31 March 2023: 30,000,000) Convertible Preference Shares of ₹ 100 each	30,000.00	30,000.00
Total	**30,000.00**	**30,000.00**

(a) Pursuant to the resolution of the members passed at the Extraordinary General Meeting held on March 08, 2024, the Authorised Share capital of the company has been increased from ₹1,40,000 lakhs (1,400,000,000 Equity Shares of ₹ 10/- each) to ₹ 1,75,000 lakhs (1,750,000,000 Equity Shares of ₹ 10/- each).

(b) Reconciliation of Equity shares outstanding at the beginning and at the end of the year

Particulars	As at 31 March 2024	As at 31 March 2023
	No of shares	No of shares
Outstanding at the beginning of the year	1,32,15,29,018	97,15,29,018
Add: Issued during the year (refer note g & h)	8,82,84,615	35,00,00,000
Outstanding at the end of the year	1,40,98,13,633	1,32,15,29,018

(c) Details of shareholders holding more than 5% shares

Name of Shareholder	As at 31 March 2024		As at 31 March 2023	
	No of shares	% holding	No of shares	% holding
Equity Shares				
Mark AB Capital Investments LLC (Refer Note (d) below)	35,00,00,000	24.82	35,00,00,000	26.48
SVL Limited	11,24,89,592	7.98	21,35,41,894	16.16
State Bank of India	-	-	12,56,34,843	9.51
Punjab National Bank	10,15,86,630	7.20	10,18,10,880	7.70
Central Bank of India	9,35,70,276	6.64	9,35,70,276	7.08

(d) Details of shares held by Promoters

Name of Shareholder	As at 31 March 2024		As at 31 March 2023	
	No of shares	% holding	No of shares	% holding
Mark AB Capital Investments LLC	35,00,00,000	24.82	35,00,00,000	26.48
Mark AB Welfare Trust	3,01,46,361	2.14	6,07,49,462	4.60

Notes forming part of the Consolidated Financial Statements for the Year ended March 31, 2024

(Amount in ₹ lakhs, unless otherwise stated)

(e) Terms/rights attached to the shares

The Company has issued equity shares having a par value of ₹ 10 per share. All these shares have the same rights and preferences with respect to payment of dividend, repayment of capital and voting rights.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

The Company has only one class of share capital, i.e., equity shares having face value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share.

(f) Preferential issue of equity shares during past five years:

There is no Preferential issue of Equity during the year ended March 31, 2019, March 31, 2020 , March 31, 2021 , March 31, 2022 ,March 31,2024.

Preferential issue of equity shares during the Previous year (2022-23):

Particulars	2022-23
	No.shares
Mark AB Capital Investments LLC	35,00,00,000

g) The Resolution Plan (RP) was implemented by the Company and Lenders, upon completion of compliance of all conditions precedent to the satisfaction of the consortium lenders and RP was effective from September 30, 2022, with change in Management as per the RP formulated under the Reserve Bank of India (Prudential Framework for Resolution of Stressed Assets) Directions, 2019 vide its circular dated June 07, 2019 ('the RBI Circular" / "Regulatory Framework"). Consequent to the implementation of resolution plan, Mark AB Capital Investment LLC, Dubai acquired 26.48% in equity of the Company.

During the year ended March 31, 2023, pursuant to the Resolution Plan, Company has received ₹35,000 Lakhs of equity and has allotted 35,00,00,000 equity shares of ₹ 10 each on preferential basis to Mark AB Capital Investment LLC, Dubai and shall be subject to lock-in for such period as may be prescribed under the ICDR Regulations. As at September 30, 2022 the Company has utilized the entire proceeds towards the intended purpose.

During the Year ended March 31, 2023, pursuant to the Resolution Plan, Company has issued 1,75,00,000 Compulsorily Convertible Debentures(CCD) of ₹100/- each and 1,75,00,000 Non-Convertible Debenture(NCD) of ₹100/- each aggregating to ₹ 35,000 Lakhs by way of conversion of existing loans of lenders. (Refer Note no 23.2)

h) During the year ended March 31, 2024, pursuant to the approval of the Board of Directors, the Company has made a rights issue of 8,82,84,615 Equity Shares. Out of this 4,99,00,000 Equity shares were issued at a par value of ₹10 per share and 3,83,84,615 Equity shares were issued at a premium of ₹3 per Share.

22 Other equity

(A) Other equity	As at 31 March 2024	As at 31 March 2023
Securities premium reserve (Refer Note (i) below)	1,92,376.97	1,91,225.43
General reserve (Refer Note (ii) below)	561.93	561.93
Capital Reserve (Refer Note (iii) below)	12.92	12.92
Deficit in the Statement of Profit and Loss(Refer Note (iv) below)	(2,13,317.52)	(2,15,595.88)
Re-measurement gains on defined benefit plans (Net of Tax)	158.20	107.30
Investments FVTOCI Reserve on equity instruments	33.60	(3.28)
Foreign currency monetary item translation difference account	219.00	188.26
Non Controlling Interest	162.43	159.58
Total	**(19,792.47)**	**(23,343.74)**

Notes forming part of the Consolidated Financial Statements for the Year ended March 31, 2024

(Amount in ₹ lakhs, unless otherwise stated)

(i) Securities premium reserve	As at 31 March 2024	As at 31 March 2023
Opening balance	1,91,225.43	1,91,225.43
Add : Securities premium credited on issue of shares	1,151.54	-
Closing balance	**1,92,376.97**	**1,91,225.43**

(ii) General reserve	As at 31 March 2024	As at 31 March 2023
Opening balance	561.93	561.93
Additions/(Transfers)	-	-
Closing balance	**561.93**	**561.93**

(iii) Capital Reserve	As at 31 March 2024	As at 31 March 2023
Opening balance	12.92	12.92
Additions/(Transfers)	-	-
Closing balance	**12.92**	**12.92**

(iv) Deficit in the Statement of Profit and Loss	As at 31 March 2024	As at 31 March 2023
Opening balance	(2,15,595.88)	(2,15,105.50)
Add: Net loss for year	2,278.36	(490.38)
Closing balance	**(2,13,317.52)**	**(2,15,595.88)**

(v) Investments FVTOCI Reserve on equity instruments	As at 31 March 2024	As at 31 March 2023
Opening balance	(3.28)	8.51
-Fair valuation changes for the year (net of tax)	36.88	(11.79)
Closing balance	**33.60**	**(3.28)**

(vi) Re-measurement (gain)/loss on post employment benefit obligation (net of tax)	As at 31 March 2024	As at 31 March 2023
Opening Balance	107.30	163.68
Additions	50.90	(56.38)
Closing Balance	**158.20**	**107.30**

(vii) Foreign currency monetary item translation diff account	As at 31 March 2024	As at 31 March 2023
Opening Balance	188.26	-219.86
Additions	30.74	408.12
Closing Balance	**219.00**	**188.26**

Nature and Purpose of Reserves

Securities premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve will be utilised in accordance with provisions of the Act.

Notes forming part of the Consolidated Financial Statements for the Year ended March 31, 2024

(Amount in ₹ lakhs, unless otherwise stated)

General Reserve

The Company created a General Reserve in earlier years pursuant to the provisions of the Companies Act wherein certain percentage of profits were required to be transferred to General Reserve before declaring dividends. As per the Companies Act 2013, the requirement to transfer profits to General Reserve is not mandatory. General Reserve is a free reserve available to the Company.

Capital reserve

Capital reserve was created under the previous GAAP out of the profit earned from a specific transaction of capital nature. Capital reserve is not available for the distribution to the shareholders.

23 Borrowings -Non-current (Secured, unless otherwise stated)	As at 31 March 2024	As at 31 March 2023
Secured - At Amortized Cost		
From Banks		
Term Loans	1,078.26	1,397.99
Non Convertible debentures (NCD)	10,081.83	9,288.02
Compulsorily Convertible Debentures (CCD)	10,001.42	9,178.93
From Others		
Term Loans	755.10	799.98
Non Convertible debentures (NCD)	3,084.76	2,846.72
Compulsorily Convertible Debentures (CCD)	3,067.54	2,805.80
Unsecured Loan (Refer note 23.3 and 46)	1,771.33	299.20
Total	**29,840.24**	**26,616.64**

23.1 Terms of Repayment and Security details

S.No	31-Mar-24	31-Mar-23	Terms of Repayment
Term Loans from Banks**	1,078.26	1,397.99	67 Structured Monthly repayment commencing from Sept 2021 to March 2027
Non Convertible debentures (NCD) from Banks**	10,081.83	9,288.02	26 Structured Halfyearly repayment commencing from October 2022 to March 2035
Compulsorily Convertible Debentures(CCD) from Banks**	10,001.42	9,178.93	Fully Convertible on 31st March 2035
Term Loans from Others**	95.19	140.00	48 Structured Monthly repayment commencing from April 2023 till March 2027
Term Loans from Others**	659.91	659.98	4 Equal Half yearly repayment commencing from September 2027 to March 2029
Non Convertible debentures(NCD) from Others**	3,084.76	2,846.72	26 Structured Halfyearly repayment commencing from October 2022 to March 2035
Compulsorily Convertible Debentures(CCD) from Others**	3,067.54	2,805.80	Fully Convertible on 31st March 2035
Unsecured loan	1,771.33	299.20	Bullet repayment on 31-Dec-2035. The loan carries interest rate at 0.10% p.a payable half yearly from March 2023 till December 2035
Total	**29,840.24**	**26,616.64**	

Notes forming part of the Consolidated Financial Statements for the Year ended March 31, 2024

(Amount in ₹ lakhs, unless otherwise stated)

Security

(**) Primarily Secured by First Paripassu charge on Pooled Assets ie., all movable and immovable assets (fixed, current and non-current) of the company and Collateraly secured by Equitable Mortgage of Land and Buildings, Pledge of Equity Shares of the Company and Corporate Guarantee of MARK AB LLC Dubai, Mark AB Capital Investments India Private Limited. The Corporate Guarantees of SVL ltd and SVL Trust gets released on March 31, 2024 upon completion of 18 months from the date of Resolution Plan , as there was no default for a consecutive period of 12 months as defined in RBI Circular dated 7th June 2019.

Rate of Interest- The interest rate is charged @ 9.00% p.a. w.e.f 1st October 2020

23.2 Implementation of Resolution Plan

The Resolution Plan (RP) for restructuring of the debt, submitted to the lenders, under the Reserve Bank of India (Prudential Framework for Resolution of Stressed Assets) Directions, 2019 issued by Reserve Bank of India vide its circular dated June 7, 2019 (the "RBI Circular"), was approved by the consortium lenders and implemented on 30th September 2022.

The key features of the Resolution Plan are as follows:

1. Equity Infusion by Prospective Investor – Minimum of ₹ 35,000 Lakhs. Preferential Issue of Equity Shares subject to the pricing as per the SEBI (ICDR) Regulations 2015 to the Investor for 26.4% stake in the Company.
2. Conversion of a part of the existing bank debts into ₹ 17,500 Lakhs of Non-Convertible Debentures (NCD) and ₹ 17,500 Lakhs of Compulsory Convertible Debenture (CCD).
3. Charging rate of interest @ 9.00% p.a. w.e.f 1st October 2020.
4. Banks to allow utilization of vacancy in Non-Fund Based Facilities and Fund based limits already sanctioned and available to the Company, post implementation of the plan.
5. Prospective Investor to provide Corporate Guarantee to lenders for entire facilities in lieu of Corporate Guarantees of SVL Ltd and SVL Trust. However, the Corporate Guarantees of SVL ltd and SVL Trust shall be released on March 31, 2024 on complaince of the stipullation that after 18 months from the date of RP, if there are no default for a consecutive period of 12 months as defined in RBI Circular dated 7th June 2019.
6. Continuation of Margin of 15% on stock and book debts and cover period of 270 days for receivable.

The Company has accounted for the CCD and NCD as per IND AS 109- Financial Instruments

The CCD and NCD have been classified as financial liability as there is contractual obligation to deliver cash over a period of 14 years in terms of repayment of principal and interest. CCD and NCD are initially recognised at amortised cost using the effective interest method at 9.00%. The resultant gain or loss at initial recognition is recognised as exceptional gain in the statement of profit and loss. (Also refer Note no 40)

23.3 During the year ended March 31, 2024, the Company has obtained unsecured loan from a related party amounting to ₹4,000 Lakhs(March 31, 2023 ₹900 lakhs) . The terms of repayment is bullet repayment of principal on 31-December-2035. The loan carries interest rate at 0.10% per annum payable half yearly from March 2024 till December 2035. The said loan has been recognised at amortised cost and the resultant gain on initial recognition is credited to other income in the statement of profit and loss under INDAS 109-Financial Instruments. (Also refer note 34)

23.4 The Company has not been declared a wilful defaulter by any bank or financial institution or any other lender during the current period.

23.5 The Company has utilised the funds as per the terms of the Borrowings.

Notes forming part of the Consolidated Financial Statements for the Year ended March 31, 2024

(Amount in ₹ lakhs, unless otherwise stated)

24 Other financial liabilities	As at 31 March 2024	As at 31 March 2023
Sundry Creditors- Retention	3,847.21	4,024.26
Total	**3,847.21**	**4,024.26**

Sundry Creditors - Retention

As on 31-03-2024

Particualrs	Outstanding for following periods from due date of payaments					
	Not due	Less than 1 year	1-2 years	2-3 years	More than three year	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	3,847.21	-	-	-	-	3,847.21
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	**3,847.21**	**-**	**-**	**-**	**-**	**3,847.21**

As on 31-03-2023

Particualrs	Outstanding for following periods from due date of payaments					
	Not due	Less than 1 year	1-2 years	2-3 years	More than three year	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	4,024.26	-	-	-	-	4,024.26
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	**4,024.26**	**-**	**-**	**-**	**-**	**4,024.26**

25 Long Term Provisions	As at 31 March 2024	As at 31 March 2023
Provision for gratuity (Refer Note 44)	431.78	479.77
Provision for Compensated Absences(Refer Note 44)	302.37	110.55
Total	**734.15**	**590.32**

26 Contract Liabilities	As at 31 March 2024	As at 31 March 2023
Advance from Customers	4,552.49	2,078.30
Total	**4,552.49**	**2,078.30**

27 Short -term borrowings (Secured unless otherwise stated)	As at 31 March 2024	As at 31 March 2023
From bank		
- Cash Credit and Overdraft facilities	6,538.43	7,952.75
- Working Capital Demand Loans	8,363.99	5,129.28
Current Maturities	312.00	156.00

Notes forming part of the Consolidated Financial Statements for the Year ended March 31, 2024

(Amount in ₹ lakhs, unless otherwise stated)

27 Short -term borrowings (Secured unless otherwise stated)	As at 31 March 2024	As at 31 March 2023
Non Convertible debentures(NCD)	67.02	83.37
From Financial Institutions		
-Cash Credit and Overdraft facilities	-	264.78
Current Maturities	28.01	-
Non Convertible debentures(NCD)	20.48	21.20
From others (Unsecured)	43.73	359.20
Total	**15,373.66**	**13,966.58**

27.1 Primarily Secured by First Paripassu charge on Pooled Assets ie., all movable and immovable assets (fixed, current and non-current) of the company and Collateraly secured by Equitable Mortgage of Land and Buildings, Pledge of Equity Shares of the Company and Corporate Guarantee of MARK AB LLC Dubai, Mark AB Capital Investments India Private Limited. The Corporate Guarantees of SVL ltd and SVL Trust gets released on March 31, 2024 upon completion of 18 months from the date of Resolution Plan , as there was no default for a consecutive period of 12 months as defined in RBI Circular dated 7th June 2019.

27.2 The quarterly statements filed by the Company with the banks and financial institutions are in agreement with the books of accounts

27.3 The Company has utilised the funds as per the terms of the Borrowings. Also, the Company has not used funds raised on short term basis for long term purpose.

27.4 Rate of Interest- The interest rate is charged @ 9.00% p.a. w.e.f 1st October 2020

Net Debt Reconciliation

Particulars	As at 31 March 2024	As at 31 March 2023
Cash & Cash equivalents	1,834.96	3,307.04
Non Current Borrowings	(29,840.24)	(26,616.64)
Current Borrowings	(15,373.66)	(13,966.58)
Net Debt	**(43,378.94)**	**(37,276.18)**

Particulars	Cash & Cash equivalents	Non Current Borrowings	Current Borrowings	Total
Net Debt as on 1st April, 2022	**582.67**	**(15,364.47)**	**(82,462.97)**	**(97,244.77)**
Cash Flows	2,724.37	-	-	2,724.37
Proceeds from availments	-	(16,488.98)	(359.20)	(16,848.18)
Repayments	-	-	48,247.99	48,247.99
Gain on restructuring/ fair value	-	-	20,248.40	20,248.40
Interesr paid/ accrued	-	5,236.81	359.19	5,596.00
Net Debt as on 1st April, 2023	**3,307.04**	**(26,616.64)**	**(13,966.58)**	**(37,276.18)**
Cash Flows	(1,472.08)	-	-	(1,472.08)
Proceeds from availments	-	(4,000.00)	(1,407.08)	(5,407.08)
Repayments	-	424.54	-	424.54
Gain on restructuring/ fair value	-	2,607.07	-	2,607.07
Interest paid/accrued	-	(2,255.21)	-	(2,255.21)
Net Debt as on 31st March, 2024	**1,834.96**	**(29,840.24)**	**(15,373.65)**	**(43,378.94)**

Notes forming part of the Consolidated Financial Statements for the Year ended March 31, 2024

(Amount in ₹ lakhs, unless otherwise stated)

28 Trade payables	As at 31 March 2024	As at 31 March 2023
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		
Acceptances	8,429.51	9,605.31
Trade Payables	21,991.46	28,351.71
Total	**30,420.97**	**37,957.02**

28.1 The average credit period ranges from 30 days to 90 days, depending on the nature of the item or work. The work orders include element of retention, which would be payable on completion of a milestone, completion of the contract or after a specified period from completion of the work. The terms also would include back to back arrangement wherein, certain amounts are payable on realisation of corresponding amounts by the company from the customer. No interest is payable for delay in payments, unless otherwise specifically agreed in the order or as required by a legislation, like Micro, Small and Medium Enterprises Development Act ("MSMED Act"). The company has a well defined process for ensuring regular payments to the vendors.

28.2 Based on the information available with the Company, there are no outstanding dues and payments made to any supplier of goods and services beyond the specified period under Micro, Small and Medium Enterprises Development Act, 2006 [MSMED Act]. There is no interest payable or paid to any suppliers under the said Act.

Particulars	As at 31 March 2024	As at 31 March 2023
(a) Amount remaining unpaid to any supplier at the end of each accounting year:Principal & Interest	-	-
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(c) 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.	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
(e) 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 enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	-	-

28A Ageing Trade payable ageing

As on 31-03-2024

Particulars	Outstanding for following periods from due date of payaments					
	Not due	Less than 1 year	1-2 years	2-3 years	More than three year	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	13,318.62	4,467.49	778.80	1,882.03	9,940.73	30,387.67
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	4.53	1.29	-	-	27.48	33.30
Total	**13,323.15**	**4,468.78**	**778.80**	**1,882.03**	**9,968.21**	**30,420.97**

Notes forming part of the Consolidated Financial Statements for the Year ended March 31, 2024

(Amount in ₹ lakhs, unless otherwise stated)

As on 31-03-2023

Particulars	Outstanding for following periods from due date of payaments					
	Not due	Less than 1 year	1-2 years	2-3 years	More than three year	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	14,708.23	2,405.90	4,837.46	1,146.50	12,815.40	35,913.49
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	32.09	237.13	1,774.31	2,043.53
Total	**14,708.23**	**2,405.90**	**4,869.55**	**1,383.63**	**14,589.71**	**37,957.02**

29 Other Financial Liabilities	**As at 31 March 2024**	**As at 31 March 2023**
Other payables*	10,165.00	1,625.07
Total	**10,165.00**	**1,625.07**

*included employee dues and other routine payable for expenses

30 Other current liabilities	**As at 31 March 2024**	**As at 31 March 2023**
Statutory dues payable	86.67	223.27
Advance Billing	105.25	222.68
Total	**191.92**	**445.95**

31 Contract Liabilities	**As at 31 March 2024**	**As at 31 March 2023**
Advance from customers	4,280.94	3,432.75
Total	**4,280.94**	**3,432.75**

32 Short Term Provisions	**As at 31 March 2024**	**As at 31 March 2023**
Provision for gratuity (Refer Note 44)	29.32	21.02
Provision for compensated Absences(Refer Note 44)	24.65	136.28
Other Provison	-	128.52
Total	**53.97**	**285.82**

33 Revenue from operations	**2023-24**	**2022-23**
Revenue from Engineering and Construction Contracts	56,098.28	37,884.66
Total	**56,098.28**	**37,884.66**

33.1 Unsatisfied performance obligation: Management expects that the transaction price allocated to partially or fully unsatisfied performance obligation of ₹ 1,01,000 lakhs (Order book value) (March 31, 2023: ₹ 1,10,900 Lakhs) will be recognised as revenue over the project life cycle.

33.2 The total revenue recognised under Ind AS 115 during the year is recognised over a period of time.

Notes forming part of the Consolidated Financial Statements for the Year ended March 31, 2024

(Amount in ₹ lakhs, unless otherwise stated)

33.3 Details for revenue from major customers :

Name of the customer	2023-24	2022-23
Customer 1	24%	25%
Customer 2	15%	11%
Customer 3	10%	10%

34 Other income	2023-24	2022-23
Interest income		
- Margin Money deposits	202.33	283.42
- Income tax refund	-	29.30
Gain on initial recognition of unsecured loan	2,607.07	613.58
Liabilities written back	1,500.28	911.59
Profit on Sale of asset	4.66	-
Miscellaneous income	308.86	165.26
Total	**4,623.20**	**2,003.15**

35 Erection, Construction & Operation Exps	2023-24	2022-23
Cost of Materials and Labour	44,225.83	30,507.81
Other Contract Related Costs	2,445.93	1,397.22
Total	**46,671.76**	**31,905.03**

36 Employee benefits expense	2023-24	2022-23
Salaries,wages,bonus and other allowances	2,909.80	3,020.16
Contribution to Provident and Other funds	183.27	197.83
Contribution to Gratuity (refer Note 44)	79.45	76.35
Staff welfare expenses	52.46	45.81
Total	**3,224.98**	**3,340.15**

37 Finance costs	2023-24	2022-23
Interest on Cash Credits*	1,007.23	2,993.93
Interest on Term Loans *	192.91	715.08
Interest on CCD, NCD	35.56	54.07
Interest - Others	946.84	405.88
Interest on financial liabilties measured at Effective interest rates(INDAS)	2,227.35	1,841.73
Interest on Lease Liabilities	28.66	29.06
Total	**4,438.55**	**6,039.75**

*Consequent to implementation of resolution plan, Interest waiver (July'22 – September'22) of ₹ 2,176 Lakhs has been adjusted against Finance cost for the year ended March 31, 2023.

38 Depreciation and amortization expense	2023-24	2022-23
Depreciation on Property, Plant and Equipment (Refer note 6A)	447.10	546.92
Amortization of Intangible Assets (Refer note 7)	4.04	4.04
Amortization of Right to use assets (Refer note 6B)	80.78	63.77
Total	**531.92**	**614.73**

Notes forming part of the Consolidated Financial Statements for the Year ended March 31, 2024

(Amount in ₹ lakhs, unless otherwise stated)

39 Other expenses	2023-24	2022-23
Electricity and water	150.42	521.29
Rates and taxes	369.69	233.65
Rent	67.33	68.86
Repairs and Maintenance:		
Building	21.35	12.07
Plant and Machinery, Equipments	18.01	39.53
Others	16.07	12.94
Auditors' Remuneration (refer note 39.1 below)	49.43	47.63
Bank Charges, Letter of Credit / Guarantee charges	735.77	700.08
Travel and conveyance	373.82	334.46
Insurance premium	162.93	125.49
Printing & Stationery	26.72	16.31
Communication, broadband and internet expenses	24.96	22.79
Sitting Fees	12.15	11.70
Consultancy charges	678.61	410.09
Legal Expenses	154.27	172.32
Advertisement	10.38	46.48
Provision for expected credit loss on trade receivables	298.85	722.19
Bad Debts (net of write off of expected credit loss- March 31, 2024- ₹10,214.89 Lakhs, March 31, 2023- ₹Nil)	0.71	1.61
Company's share in Loss of Integrated Joint Ventures	-	10.36
Donation	0.13	0.14
Provision for expected credit loss on Contract Assets	-	4,968.59
Loss on Sale of Property, plant and equipment	-	336.27
Others	404.31	456.87
Total	**3,575.91**	**9,271.71**

39.1 The following is the break-up of Auditors remuneration (exclusive of GST)

As auditor:	2023-24	2022-23
Statutory audit	27.00	27.00
Other matters	20.50	20.54
Reimbursement of expenses	1.93	0.09
Total	**49.43**	**47.63**

40 Exceptional Items-(income)/ expense	2023-24	2022-23
Gain on Debt restructuring (Refer Note 23.2)	-	(19,634.82)
Contract assets written off	-	5,819.69
Total	**-**	**(13,815.13)**

40.1 (i) (i) Year ended March 31, 2023 includes an amount of ₹ 19,634.82 Lakhs resulting from implementation of Resolution Plan entered into with the lenders dated June 22, 2022, on account of reduction in interest cost with effect from October 01, 2020 till June, 30, 2022, the difference between the carrying amounts of the facilities before restructuring as at

Notes forming part of the Consolidated Financial Statements for the Year ended March 31, 2024

(Amount in ₹ lakhs, unless otherwise stated)

September 30, 2022 and the fair values of the new facilities recognised as income in accordance with INDAS 109 - Financial Instruments.

(ii) During the year ended March 31, 2023,contract assets amounting to ₹5,819.69 lakhs was written off, in respect of projects stopped by the client consequent to an order of the National Green Tribunal restraining the client from proceeding with the project and on account of wrongful termination of a contract and consequent legal disputes / arbitration proceedings initiated during the year in respect of projects with the customers.

41 Income Tax

(A) Components of Deferred Tax Assets and Liabilities recognised in Balance Sheet:

March 31,2024

Particulars	Balance as at April 1, 2023	Recognized in profit or loss during 2023-24	Recognized in OCI during 2023-24	Balance as at March 31, 2024
Deferred tax assets				
Expenditure allowed on payment basis for Income tax purpose	261.23	14.15	-	275.38
Impairment loss on Financial Assets and Contract Assets	5,167.95	2,243.83	-	7,411.78
Deferred tax asset on account of unabsorbed losses and depreciation allowance (Refer Note- 41 (B))	35,409.62	(2,369.80)	-	33,039.82
	40,838.80	**(111.82)**	**-**	**40,726.98**
Deferred tax liabilities				
On Property, Plant and Equipment	515.25	(111.82)	-	403.43
On Others	-	-	-	-
	515.25	**(111.82)**	**-**	**403.43**
Deferred tax asset, net	**40,323.55**	**(0.00)**	**-**	**40,323.55**

(B) The Company has business losses which are allowed to be carried forward and set off against available future taxable profits under the Income Tax Act, 1961, in respect of which the Company has created Deferred Tax Assets ("DTA"). The Company has recognised DTA on the carry forward unabsorbed business losses only to the extent of ₹88,343.94 lakhs (March 31, 2023: ₹1,11,216.10 lakhs) out of the total carry forward unabsorbed business losses of ₹1,04,486.51 lakhs that was available as at March 31, 2024 (March 31, 2023- ₹1,37,510.14 lakhs). The DTA amount recognised by the Company on these carry forward unabsorbed business losses amounts to ₹ 30,870.91 lakhs as at March 31, 2024 (March 31, 2023 - ₹ 33,289.92 lakhs). Considering the potential order book as on date, the expected reduction in finance cost in the light of implementation of resolution plan with its lenders, the current projects in the pipeline and a positive future outlook for the Company, the management of the Company is confident of generating sufficient taxable profits in the future and adjust them against these unabsorbed business losses, and accordingly, the entire DTA can be utilised before the expiry of the period for which this benefit is available.

(C) March 31,2023

Particulars	Balance as at April 1, 2022	Recognized in profit or loss during 2022-23	Recognized in OCI during 2022-23	Balance as at March 31, 2023
Deferred tax assets				
Expenditure allowed on payment basis for Income tax purpose	365.17	(103.94)	-	261.23

Notes forming part of the Consolidated Financial Statements for the Year ended March 31, 2024

(Amount in ₹ lakhs, unless otherwise stated)

Particulars	Balance as at April 1, 2022	Recognized in profit or loss during 2022-23	Recognized in OCI during 2022-23	Balance as at March 31, 2023
Impairment loss on Financial Assets and Contract Assets	3,912.73	1,255.22	-	5,167.95
Deferred tax asset on account of unabsorbed losses and depreciation allowance (Refer Note- 41 (D))	39,645.00	(4,235.38)	-	35,409.62
	43,922.90	**(3,084.10)**	**-**	**40,838.80**
Deferred tax liabilities				
On Property, Plant and Equipment	577.40	(62.15)	-	515.25
On Others	-			
	577.40	**(62.15)**	**-**	**515.25**
Deferred tax asset, net	**43,345.50**	**(3,021.95)**	**-**	**40,323.55**

(D) The Company has business losses which are allowed to be carried forward and set off against available future taxable income under Income Tax Act, 1961. Against the carried forward loss amounting to ₹ 1,37,510.14 lakhs, the Company has recognised Deferred Tax Asset (DTA) on a carry forward loss of ₹ 1,11,216.10 lakhs in an earlier year resulting in DTA of ₹ 33,289.92 lakhs (March 31, 2022 - ₹ 39,645 Lakhs). Considering potential order book as on date, future business prospects in the light of implementation of resolution plan, projects in pipeline etc, the management is confident of adjusting these carry forward losses and reversal of DTA before the expiry of the period for which this benefit is available.

(E) Components of Tax		2023-24	2022-23
Current Tax		-	-
Deferred Tax		-	(3,021.95)
Total		**-**	**(3,021.95)**

(F) Reconciliation of tax charge		2022-23	2021-22
(a) Profit/(Loss) before tax		**2,278.36**	**2,531.57**
(b) Corporate Tax Rate as per Income Tax Act, 1961		34.94%	34.94%
(c) Tax on Accounting Profit/(loss)	(c) = (a) * (b)	**796.15**	**884.53**

(d) Tax adjustments		**2022-23**	**2021-22**
(i) Tax on Non-deductible item for tax purpose		-	-
(ii) Tax effect on expiry of carry forward losses		(2,369.80)	(2,738.79)
(iii) Tax effect of losses of current year on which no deferred tax benefit is recognised		1,896.17	-
(iv) Tax effect on utilisation of carry forward losses		-	(1,496.60)
(v) Tax effect of differential tax rates		-	224.19
(vi) Tax effect of various other items		1,269.78	1,873.78
Total effect of Tax Adjustments		**796.15**	**(2,137.42)**
(e) Tax expenses recognised during the year	(e) = (d) - (c)	-	(3,021.95)

(G) There is no provision for tax in view of the brought forward losses/unabsorbed depreciation relating to earlier years, available for set off, while computing income, both under the provisions of 115 JB and those other than section 115 JB of the Income Tax act 1961

Notes forming part of the Consolidated Financial Statements for the Year ended March 31, 2024

(Amount in ₹ lakhs, unless otherwise stated)

(H) Unrecognised deductible temporary differences, unused tax losses

Particulars	2023-24	2022-23
- Unused tax losses	16,142.57	6,201.00
Total	**16,142.57**	**6,201.00**

1

Expiry period	Unused Tax Loss (₹ Lakhs)
2024-25 to 2029-30	16,142.57

2 The Company has business loss which are allowed to be carried forward and set off against the available future taxable income under Income Tax Act, 1961. No Deferred Tax asset has been recognised on this considering no reasonable certainty.

42 Basic and Diluted Earnings Per Share (EPS) computed in accordance with Indian Accounting Standard (Ind AS) 33 "Earnings Per Share":

Particulars		Year ended 31st March 2024	Year ended 31st March 2023
Basic EPS			
Profit/ (Loss) after Tax as per Accounts (₹ lakhs)	A	2,278.36	(490.38)
Weighted Average Number of Equity Shares Outstanding	B	13,770.61	12,240.86
Basic EPS (₹)	**A/B**	**0.17**	**(0.04)**
Diluted EPS			
Profit/ (Loss) after Tax as per Accounts (₹ lakhs)		2,278.36	(490.38)
Add: Interest cost on CCD		1,102.44	777.12
Profit/ (Loss) after Tax as per Accounts (₹ lakhs) for diluted EPS	A	3,380.80	286.74
Weighted Average Number of Equity Shares Outstanding		13,770.61	12,240.86
Weighted Average Number of shares upon conversion of CCD		175.00	125.81
Weighted Average Number of Equity Shares Outstanding for Diluted EPS	B	13,945.61	12,366.67
Diluted EPS* (₹)	**A/B***	**0.17**	**(0.04)**

*Since the earnings / (loss) per share computation based on diluted weighted average number of shares is antidilutive, the basic and diluted earnings / (loss) per share is the same

43 Disclosures pursuant to EPC Contracts:

S. No	Particulars	Year ended 31st March 2024	Year ended 31st March 2023
1	Contract revenue recognised for the financial year	56,098.28	37,884.66
2	Aggregate amount of Contract costs incurred and recognized profits (less recognized losses) upto the reporting date	46,671.76	31,905.03
3	Advances received for contracts in progress	8,833.43	5,511.05
4	Retention amount by customers for contracts in progress	28,326.47	28,020.65
5	Gross amount due from customers for contract work (Asset)	1,02,276.27	80,598.49
6	Gross amount due to customers for contract work (Liability)	105.25	222.68

Notes forming part of the Consolidated Financial Statements for the Year ended March 31, 2024

(Amount in ₹ lakhs, unless otherwise stated)

44 Disclosure pursuant to Ind AS 19 "Employee Benefits"

(A) Defined Contribution Plans

During the year, the Company has recognized the following amounts in the Statement of Profit and Loss	2023-24	2022-23
Employers' Contribution to Provident Fund and Employee State Insurance (Refer note 36)	183.27	197.83

(B) Defined benefit plans (Unfunded)

Risks associated with plan provisions

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such Company is exposed to various risks as follows:

Investment Risk	The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.
Interest risk	The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.
Salary Escalation Risk	The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.
Demographic Risk	The Company has used certain mortality and attrition assumptions in valuation of the liability. The Group is exposed to the risk of actual experience turning out to be worse compared to the assumption.

In respect of the plan in India, the most recent actuarial valuation of the present value of the defined benefit obligation were carried out as at March 31, 2024 by Mr. Jayaraman, Fellow of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

No other post-retirement benefits are provided to these employees.

i) Actuarial assumptions	2023-24	2022-23
Discount rate (per annum)	7.21%	7.20%
Rate of increase in Salary	5%	5%
Expected average remaining working lives of employees (years)	13.90	12.70
Attrition rate	3.00%	3.00%

ii) Changes in the present value of defined benefit obligation

	Gratuity		Long Term Compensated Absences	
	2023-24	2022-23	2023-24	2022-23
Present value of obligation at the beginning of the year	500.79	564.20	246.83	480.83
Interest cost	33.60	33.93	16.69	32.26
Past service cost				
Current service cost	45.85	42.42	34.25	139.01
Curtailments				
Settlements				

Notes forming part of the Consolidated Financial Statements for the Year ended March 31, 2024

(Amount in ₹ lakhs, unless otherwise stated)

	Gratuity		Long Term Compensated Absences	
	2023-24	**2022-23**	**2023-24**	**2022-23**
Benefits paid	(68.24)	(196.14)	(30.17)	(75.43)
Actuarial gain on obligations	(50.90)	56.38	59.42	(329.84)
Present value of obligation at the end of the year*	**461.10**	**500.79**	**327.02**	**246.83**

*Included in provision for employee benefits (Refer notes 25 and 36)

iii) Expense recognized in the Statement of Profit and Loss

	Gratuity		Long Term Compensated Absences	
	2023-24	**2022-23**	**2023-24**	**2022-23**
Current service cost	33.60	33.93	34.25	139.01
Past service cost				
Interest cost	45.85	42.42	16.69	32.26
Expected return on plan assets				
Actuarial gain on obligations	(50.90)	56.38	59.42	(329.84)
Settlements				
Curtailments				
Total expenses recognized in the Statement Profit and Loss	**79.45**	**76.35**	**110.36**	**(158.57)**
Total expenses recognized in OCI	**(50.90)**	**56.38**		

iv) Assets and liabilities recognized in the Balance Sheet:

	Gratuity		Long Term Compensated Absences	
	2023-24	**2022-23**	**2023-24**	**2022-23**
Present value of unfunded obligation as at the end of the year	(461.10)	(500.79)	(327.02)	(246.83)
Unrecognized actuarial (gains)/losses	-	-	-	-
Unfunded net liability recognized in Balance Sheet*	**(461.10)**	**(500.79)**	**(327.02)**	**(246.83)**

*Included in provision for employee benefits (Refer notes 25 and 36)

v) A quantitative sensitivity analysis for significant assumption as at 31 March 2024 is as shown below:

Impact on defined benefit obligation	**2023-24**	**2022-23**
Discount rate		
0.5% increase	(3.38%)	(3.08%)
0.5% decrease	3.80%	3.27%
Rate of increase in salary		
0.5% increase	3.60%	3.27%
0.5% decrease	(3.50%)	(3.08%)

Notes forming part of the Consolidated Financial Statements for the Year ended March 31, 2024

(Amount in ₹ lakhs, unless otherwise stated)

vi) Maturity profile of defined benefit obligation Period	2023-24	2022-23
By the end of the First Year	29.32	105.03
Between Year 1 and Year 2	89.79	70.24
Between Year 2 and Year 3	64.51	20.37
Between Year 3 and Year 4	126.58	42.28
Between Year 4 and Year 5	134.34	76.82
Between Year 5 and Year 10	881.71	285.78

45 Disclosure in respect of leases pursuant to Indian Accounting Standard (Ind AS) 116, "Leases"

(A) Finance leases where Company is a lessee:

The following is the summary of practical expedients elected on application:

1. Used a single discount rate to a portfolio of leases with reasonably similar characteristics
2. Applied the short-term leases exemptions to leases with lease term that ends within 12 months of the date of initial application
3. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application

The Company has lease contracts for its head office building and furniture and fixtures. lessee is restricted from assigning and subleasing the leased assets. The Company applies the "short term Lease" and "lease of Low value assets" recognition exemptions for these leases.

The effective interest rate for lease liabilities is 9%.

Maturity analysis of lease liabilities

Particulars	31st March 2024	31st March 2023
Within one year	101.20	98.45
After one year but not more than five years	139.35	163.30
More than five years	40.34	88.74

Amounts recognised in the Statement of Profit and Loss:

Particulars	As at 31 March 2024	As at 31 March 2023
Amortization expense of right-of-use assets	80.78	63.77
Interest expense on lease liabilities	28.66	29.06
Expense relating to short-term leases (included in other expenses)	67.33	68.86
Total amount recognised in statement profit or loss	**176.77**	**161.69**

Amounts recognised in statement of Cash Flows:

Particulars	As at 31 March 2024	As at 31 March 2023
Total Cash outflow for leases	98.46	58.19

Notes forming part of the Consolidated Financial Statements for the Year ended March 31, 2024

(Amount in ₹ lakhs, unless otherwise stated)

46 Disclosure of Related Parties/related party transactions pursuant to Ind AS 24 "Related Party Disclosures"

(A) List of related parties and description of relationship as identified and certified by the Company:

Entities exercising significant influence over the Company
Mark AB Capital Investment LLC (efective from 24th September 2022)
SVL limited (upto 23rd September 2022)

Subsidiary of Entites exercising significant influence over the Company
Mark AB Capital Investment India Private Limited(Effective from 24th September 2022)

Key management personnel
N K Suryanarayanan- Managing Director(effective from 24th September 2022)
T.Shivaraman - Managing Director (upto 19th September 2022)
M. Amjad Shariff - Joint Managing Director (Upto 19th September 2022)
Mr. R S Chandrasekharan- Chief Financial Officer
Mr. T.Sriraman- Company Secretary
Mr. Abdulla Mohammad Ibrahim Hassan Abduall- Chairman
Dr. Ravichandran Rajagopalan- Independent Director
Dr. Arun Kumar Gopalaswamy- Independent Director
Mr.Rajesh Kumar Bansal-Independent Director
Ms. Sundaram Gayathri-Independent Director
Mr.P.D Karandikar-Independent Director (Resigned with effect from 22nd September, 2022)
Mr.S. Bapu-Non executive Director (Resigned with effect from 22nd September, 2022)
Ms.Chandra Ramesh- Independent Director (Resigned with effect from 23rd September, 2022)
Mr.K.S. Sripathi- Independent Director (Resigned with effect from 23rd September, 2022)

Joint Operations
Larsen & Toubro Limited Shriram EPC JV
Mokul Shriram EPC JV
Shriram EPC Eurotech Environmental Pvt Ltd - JV
SEPC DRS ITPL JV

(B) Details of transactions with related party in the ordinary course of business for the year ended:

	2023-24	2022-23
(i) Entites exercising significant influence over the Company		
Mark AB Capital Investment LLC (efective from 24th September 2022)		
Amount invested as Equity	-	35,000.00
SVL Ltd (upto 23rd September 2022)		
Transfer of Advances / Receivables	-	7,433.87
(ii) Subsidiary of Entites exercising significant influence over the Company (Effective from 24th September 2022)		
MARK AB Capital Investment India Private Limited (Effective from 24th September 2022)		
Funds Received	4,000.00	900.00
(iii) Key Management Personnel (KMP)		
Compensation of key management personnel #	161.61	318.12
Loan given to key management personnel	35.00	-
Sitting fees paid to Independent & Non executive Directors	12.15	11.70
# Does not include post-employment benefit based on actuarial valuation as this is done for the Company as a whole.		

Notes forming part of the Consolidated Financial Statements for the Year ended March 31, 2024

(Amount in ₹ lakhs, unless otherwise stated)

	2023-24	2022-23
(iv) Joint Operations		
(a) Larsen & Toubro Limited Shriram EPC JV		
Company's share in Loss of Integrated Joint Ventures	-	10.36
(b) Shriram EPC Eurotech Environmental Pvt Ltd - JV		
Progressive Billings/ Revenue	34.13	121.00
(c) SEPC DRS ITPL JV		
Progressive Billings/ Revenue	301.35	102.00
All transactions with related parties are conducted at arm's length price under normal terms of business and all amounts outstanding are unsecured and will be settled in cash.		

(C) Amount due (to)/from related party as on:

(i) Particulars	2023-24	2022-23
(Borrowings):		
MARK AB Capital Investment India Private Limited (Effective from 24th September 2022)	4,900.00	900.00
(Payables):		
Larsen & Toubro Limited Shriram EPC JV	0.09	0.90
Receivables :		
Mokul Shriram EPC JV	1,675.67	1,669.28
Amrit Enviornmental Technologies P Ltd	-	1,966.38

47 Disclosure pursuant to Ind AS 1 "Presentation of Financial Statements"

(A) Current Assets expected to be recovered within twelve months and after twelve months from the reporting date

	As at March 31, 2024			As at March 31, 2023		
	Within twelve months	After twelve months	Total	Within twelve months	After twelve months	Total
Trade Receivables - Note 16	30,002.26	-	30,002.26	29,206.01	-	29,206.01
Other Current Financial Assets - Note 19	234.18	-	234.18	166.00	-	166.00

(B) Current liabilities expected to be settled within twelve months and after twelve months from the reporting date

	As at March 31, 2024			As at March 31, 2023		
	Within twelve months	After twelve months	Total	Within twelve months	After twelve months	Total
Acceptances - Note 28	8,429.51	-	8,429.51	9,605.31	-	9,605.31
Trade and Other Payables - Note 28	21,991.46	-	21,991.46	28,351.71	-	28,351.71
Other Current Financial Liabilities - Note 29	10,165.00	-	10,165.00	1,625.07	-	1,625.07

48 Segment reporting

The Chief Operating Decision Maker (CODM) reviews the operations of the Company for the year ended March 31, 2024 as one operating segment being Construction Contracts. Hence no separate primary segment information has been furnished herewith as required by Ind AS 108, "Operating segment". However, Geographical Segments being secondary segments are disclosed below :

Notes forming part of the Consolidated Financial Statements for the Year ended March 31, 2024
(Amount in ₹ lakhs, unless otherwise stated)

Particulars	31-Mar-24	31-Mar-23
Rest of the World		
Revenue	4,061.37	-
Assets	2,035.29	819.18
India		
Revenue	52,036.91	37,884.66
Assets	2,18,894.85	1,99,363.18
Capital Expenditure	5.38	13.91

49 Expenditure in Foreign Currency

Particulars	31-Mar-24	31-Mar-23
Professsional & Consultancy Fees	2.93	19.29
Material Consumed in Execution of Engineering Contracts	722.77	-
Erection ,Construction & Operation Expenses	3,388.78	32.02
Travelling & Conveyance	0.39	4.68
Salaries and wages	5.82	-
Others	-	12.38
Total	**4,120.69**	**68.37**

50 Fair Value Measurement

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

31-Mar-24

Particulars	Note	Carrying Amount					Fair Value			
		Financial Assets at amortised cost	Mandatorily at FVTPL	Other Financial liabilities at amortised cost	Investments at Fair Value thorugh Other comprehensive income	Total carrying value	Level 1	Level 2	Level 3	Total
Assets										
Financial Assets Measured at Fair Value										
Investments	9	-	-	-	77.81	77.81	77.81	-	-	77.81
						-				
Financial Assets not Measured at Fair Value*						-				
Investments	9	-	-	-		-	-	-	-	-
Loans	10	696.17	-	-		696.17	-	-	-	-
Trade Receivables	11 &16	46,607.75	-	-		46,607.75	-	-	-	-
Cash and Cash Equivalents	17	1,834.96	-	-		1,834.96	-	-	-	-
Other Bank balances	18	4,257.69	-	-		4,257.69	-	-	-	-
Other financial assets	12 &19	1,264.65	-	-		1,264.65	-	-	-	-
Total		**54,661.22**	**-**	**-**	**77.81**	**54,739.03**	**77.81**	**-**	**-**	**77.81**
Liabilities										
Financial Liabilities not Measured at Fair Value*										
Non Current Borrowings	23	-	-	29,840.24		29,840.24	-	-	-	-
Current Borrowings	27	-	-	15,373.66		15,373.66	-	-	-	-

Notes forming part of the Consolidated Financial Statements for the Year ended March 31, 2024

(Amount in ₹ lakhs, unless otherwise stated)

Particulars	Note	Carrying Amount					Fair Value			
		Financial Assets at amortised cost	Mandatorily at FVTPL	Other Financial liabilities at amortised cost	Investments at Fair Value thorugh Other comprehensive income	Total carrying value	Level 1	Level 2	Level 3	Total
Trade payables	28	-	-	30,420.97		30,420.97	-	-	-	-
Other financial liabilities	24 & 29	-	-	14,012.21		14,012.21	-	-	-	-
Total		**-**	**-**	**89,647.08**		**89,647.08**	**-**	**-**	**-**	**-**

31-Mar-23

Particulars	Note	Carrying Amount					Fair Value			
		Financial Assets at amortised cost	Mandatorily at FVTPL	Other Financial liabilities at amortised cost	Investments at Fair Value thorugh Other comprehensive income	Total carrying value	Level 1	Level 2	Level 3	Total
Assets										
Financial Assets Measured at Fair Value										
Investments	9	-	-	-	40.93	40.93	40.93	-	-	40.93
						-				
Financial Assets not Measured at Fair Value*						**-**				
Investments	9	-	-	-		-	-	-	-	-
Loans	10	697.48	-	-		697.48	-	-	-	-
Trade Receivables	11 &16	47,412.26	-	-		47,412.26	-	-	-	-
Cash and Cash Equivalents	17	3,307.04	-	-		3,307.04	-	-	-	-
Other Bank balances	18	1,730.33	-	-		1,730.33	-	-	-	-
Other financial assets	12 & 19	1,207.14	-	-		1,207.14	-	-	-	-
Total		**54,354.25**	**-**	**-**	**40.93**	**54,395.18**	**-**	**-**	**-**	**-**
Liabilities										
Financial Liabilities not measured at fair value*										
Non Current Borrowings	23	-	-	26,616.64		26,616.64	-	-	-	-
Current Borrowings	27	-	-	13,966.58		13,966.58	-	-	-	-
Trade payables	28	-	-	37,957.02		37,957.02	-	-	-	-
Other financial liabilities	24 & 29	-	-	5,649.33		5,649.33	-	-	-	-
Total		**-**	**-**	**84,189.57**		**84,189.57**	**-**	**-**	**-**	**-**

* The company has not disclosed the fair value for Financial instruments mentioned above because their carrying amounts are a reasonable approximation of fair value.

51 Financial risk management objectives and policies

The Company is exposed to various financial risks. These risks are categorized into market risk, credit risk and liquidity risk. The Company's risk management is coordinated by the Board of Directors and focuses on securing long term and short term cash flows. The Company does not engage in trading of financial assets for speculative purposes.

Notes forming part of the Consolidated Financial Statements for the Year ended March 31, 2024

(Amount in ₹ lakhs, unless otherwise stated)

(A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include borrowings and financial instruments.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's outstanding debt in local currency is on fixed rate basis and hence not subject to interest rate risk.

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a different currency from the Company's functional currency).

The net exposure to foreign currency in respect of recognized financial assets, recognized financial liabilities and derivatives is as follows:

a) Forward exchange contracts entered into by the Company and outstanding as on March 31, 2024 - Nil (March 31, 2023-Nil)

b) Foreign Currency exposure

Particulars	**31-Mar-24**		
	Currency	**Amount in Foreign Currency (In Lakhs)**	**In ₹ lakhs**
Bank Balances	IQD	2.43	0.16
	USD	1.43	119.47
	TZS	8.06	0.27
Trade Payables (including Payables on purchase of fixed assets)	AED	0.20	4.54
	USD	8.07	672.92
	EUR	8.93	803.46
Advance To Supplier	EUR	4.22	379.59
	USD	2.59	215.93
Trade and Other Receivables	USD	35.98	2,999.65
	TZS	4.00	0.13

Particulars	**31-Mar-23**		
	Currency	**Amount in Foreign Currency (In Lakhs)**	**In ₹ lakhs**
Bank Balances	IQD	2.43	0.13
Trade Payables (including Payables on purchase of fixed assets)	EURO	5.74	513.39
Trade and Other Receivables	USD	22.18	1,822.12

Notes forming part of the Consolidated Financial Statements for the Year ended March 31, 2024

(Amount in ₹ lakhs, unless otherwise stated)

Foreign currency sensitivity analysis:

Movement in the functional currencies of the various operations of the Company against major foreign currencies may impact the Company's revenues from its operations. Any weakening of the functional currency may impact the Company's import payments and cost of borrowings.

The foreign exchange rate sensitivity is calculated for each currency by aggregation of the net foreign exchange rate exposure of a currency and a parallel foreign exchange rates shift in the foreign exchange rates of each currency by 2%, which represents Management's assessment of the reasonably possible change in foreign exchange rates.

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments. The following table details the Company's sensitivity movement in the increase / decrease in foreign currencies exposures (net):

USD Impact

Particulars	March 31, 2024
Profit or Loss	53.24
Equity	53.24

IQD Impact

Particulars	March 31, 2024
Profit or Loss	0.00
Equity	0.00

EUR Impact

Particulars	March 31, 2024
Profit or Loss	8.48
Equity	8.48

TZS Impact

Particulars	March 31, 2024
Profit or Loss	0.01
Equity	0.01

(B) Credit risk

The credit risk to the company arises from two sources:

a) Customers, who default on their contractual obligations, thus resulting in financial loss to the Company

Company evaluates the credentials of a customer at a very early stage of the bid. Company has adopted a policy of 3 tier verification before participating for any bid. The first step of such verification includes verification of customer credentials. The company, as part of verification of the customer credentials, ensures the compliance with the following criterion

(i) Customer's financial health by examining the audited financial statements

(ii) Whether the Customer has achieved the financial closure for the work for which the company is bidding

(iii) Where the customer is Public Sector Undertaking, sanction and availability of adequate financial resources for the proposed work.

Notes forming part of the Consolidated Financial Statements for the Year ended March 31, 2024

(Amount in ₹ lakhs, unless otherwise stated)

Company makes provision on it's financial assets, on every reporting period, as per Expected Credit Loss Method. The provision is made separately for each financial assets of each business line. The percentage at which the provision is made, is determined on the basis of historical experience of such provisions, modified to the current and prospective business and customer profile.

Trade receivables consist of large number of customers, spread across diverse industries and geographical areas. Majority of the customers of the company comprise of Public Sector Undertakings, with whom the company does not perceive any credit risk. As regards the customers from private sector, company carries out financial evaluation on regular basis and provides for any amount perceived as non realisable, in the books of accounts.

b) Non certification by the customers, either in part or in full, the works billed as per the contract, being non claimable cost as per the terms of the contract with the customer

Non certification of works billed The Company has contract claims from customers including costs on account of account of delays / changes in scope / design by them etc. which are at various stages of discussions / negotiations or under arbitrations. The realisability of these claims are estimated based on contractual terms, historical experience with similar claims as well as legal opinion obtained from internal and external experts, wherever necessary. Changes in facts of the case or the legal framework may impact realisability of these claims

The Company provides for doubtful receivables/advances and expected credit loss based on 12 months and lifetime expected credit loss basis for following financial assets:

31-Mar-24

Particulars	Estimated Gross Carrying Amount at default	Provision/ Expected Credit Loss	Carrying amount net of impairment provision
Trade receivables	39,598.01	(9,595.75)	30,002.26
Contract Assets	91,975.82	-	91,975.82
Advances to Suppliers	14,865.05	(1,640.30)	13,224.75

31-Mar-23

Particulars	Estimated Gross Carrying Amount at default	Provision/ Expected Credit Loss	Carrying amount net of impairment provision
Trade receivables	38,570.95	(9,364.94)	29,206.01
Contract Assets	78,215.17	(4,968.58)	73,246.59
Advances to Suppliers	16,490.93	(1,640.30)	14,850.63

Reconciliation of Provision and Expected Credit Loss

Particulars	Trade receivables	Contact Asset	Advances to suppliers
Provision and Expected Credit Loss on March 31, 2023	**9,364.94**	**4,968.58**	**1,640.30**
Moved to Non current	0.00	(4,968.58)	-
Allowance for Doubtful Debts	230.81	-	-
Provision and Expected Credit Loss on March 31, 2024	**9,595.75**	**-**	**1,640.30**

(C) Liquidity risk

Company being an EPC contractor, has a constant liquidity pressures to meet the project requirements. These requirements are met by a balanced mix of borrowings and project cash flows. Cash flow forecast is made for all projects on monthly basis

Notes forming part of the Consolidated Financial Statements for the Year ended March 31, 2024

(Amount in ₹ lakhs, unless otherwise stated)

and the same are tracked for actual performance on daily basis. Shortfall in cash flows are matched through short term borrowings and other strategic financing means. The daily project requirements are met by allocating the daily aggregated cash flows among the projects. Company has established practice of prioritising the site level payments and regulatory payments above other requirements.

The table below summarizes the maturity profile of the Company's financial liabilities:

31-Mar-24	Within 12 months	More than 12 months	Total
Short term borrowings	15,373.66	-	15,373.66
Long-term borrowings	-	29,840.24	29,840.24
Trade payables	30,420.97		30,420.97
Other financial liability	10,165.00	3,847.21	14,012.21
	55,959.64	**33,687.45**	**89,647.09**

31-Mar-23			
Short term borrowings	13,966.58		13,966.58
Long-term borrowings	-	26,616.64	26,616.64
Trade payables	37,957.02	-	37,957.02
Other financial liability	1,625.07	4,024.26	5,649.33
	53,548.67	**30,640.90**	**84,189.57**

52 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximize the shareholder value and to ensure the Company's ability to continue as a going concern.

The Company has not distributed any dividend to its shareholders. The Company monitors Net Debt to Capital ratio i.e. total debt in proportion to its overall financing structure, i.e. equity and debt. Total debt comprises of term loans and cash credits. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

		31-Mar-24	31-Mar-23
Total equity	(i)	1,21,188.89	1,08,809.16
Total debt	(ii)	45,213.91	40,583.22
Cash and Cash Equivalents	(iii (a))	1,834.96	3,307.04
Other bank balances	(iii (b))	**4,257.69**	**1,730.33**
Net Debt	(iv) = (ii) - (iii(a)-(iii(b))	39,121.26	35,545.85
Total Capital	(v) = (i) + (iv)	1,60,310.15	1,44,355.01
Net Debt to Capital ratio	(iv)/ (v)	0.24	0.25

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2024 and 31 March 2023.

Notes forming part of the Consolidated Financial Statements for the Year ended March 31, 2024

(Amount in ₹ lakhs, unless otherwise stated)

53 Disclosures pursuant to Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets"

Movement in Provisions:

Particulars	Provision for Expected Credit Losses		Provision for Advances
	Current	Non-Current	Current
Opening Balance as on April 01, 2023	**14,333.51**	**14,333.26**	**1,640.30**
Add: Additional Provision during the year	230.81	585.73	-
Amount written off		(10,214.89)	
Transfer between current and non current	(4,968.58)	4,968.58	
Closing Balance as on March 31, 2024	**9,595.75**	**9,672.68**	**1,640.30**

54 Assets under charge for borrowings

The carrying amounts of assets under charge for current and non-current borrowings are:

	31-Mar-24	31-Mar-23
Current assets		
Trade receivables	30,002.26	29,206.01
Contract asset	91,975.82	73,246.59
Cash and cash equivalents	1,834.96	3,307.04
Other bank balances	4,257.69	1,730.33
Other Financial Assets	234.18	166.00
Other current assets	18,784.54	19,692.41
Total Current assets under charge	**1,47,089.45**	**1,27,348.38**
Non-Current assets	**73,840.68**	**72,833.98**
Total Assets under charge	**2,20,930.13**	**2,00,182.36**

Primarily Secured by First Paripassu charge on Pooled Assets ie., all movable and immovable assets (fixed, current and non-current) of the company and Collateraly secured by Equitable Mortgage of Land and Buildings, Pledge of Equity Shares of the Company and Corporate Guarantee of MARK AB LLC Dubai, Mark AB Capital Investments India Private Limited. The Corporate Guarantees of SVL ltd and SVL Trust gets released on March 31, 2024 upon completion of 18 months from the date of RP , as there was no default for a consecutive period of 12 months as defined in RBI Circular dated 7th June 2019.

The quarterly statements filed by the Company with the banks and financial institutions are in agreement with the books of accounts.

55 Commitments

	As at 31 March 2024	As at 31 March 2023
Estimated amount of contracts remaining unexecuted on capital account (net of advances paid) and not provided for	Nil	Nil

Notes forming part of the Consolidated Financial Statements for the Year ended March 31, 2024

(Amount in ₹ lakhs, unless otherwise stated)

56 Contingent liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
a) Claims against the Company not acknowledged as debts*	10,036.55	10,188.40
b) Central Excise, Service Tax and customs Duties demands contested in Appeals , not provided for*	779.77	408.00
c) Disputed VAT/ Central Sales tax demands contested in Appeals, not provided for*	2,038.04	3,166.00
d) Bank Guarantees given to Customers for performance and advances #	37,613.23	33,636.06

*Management is confident of winning the appeals in respect of the above , hence no provision has been made. Future cash outflows in respect of the above matters are determinable only on receipt of judgments / decisions pending at various forums / authorities.

"#In respect of matters at (d), the cash outflows, if any, could generally occur up to two years, being the period over which the validity of the guarantees extends.

57 There are no transactions with vendors under the Micro, Small and Medium Enterprises Development Act, 2006, this has been determined on the basis of information available with the Company

58 The Company (SEPC) and Twarit Consultancy Services Private Limited (TCPL) were the Respondents in respect of an International Arbitration before The Singapore International Arbitration Centre (SIAC) filed by GPE (INDIA) Ltd, GPE JV1Ltd, Gaja Trustee Company Private Ltd (the Claimants) in connection with the investments made by the claimants in an associate company of the Company. SIAC vide its award dated January 07, 2021 awarded damages jointly and severally on the Respondents to the tune of ₹19,854.10 lakhs and a sum of SGD 372,754.79 towards Arbitration expenses. These are to be paid along with simple interest @ 7.25% pa from July 21, 2017 until the date of payment.

The Respondents preferred an appeal before the High Court of Republic of Singapore against the award of SIAC and the same is held in favour of the claimants. Recognition and Enforcement petition was filed by the claimants before Madras High Court which recognised the foreign award subject to obtaining of prior approval from the RBI. Aggrieved by this the claimants have moved the Supreme Court for certain directions. Supreme Court vide Order dated 17.05.2024 directed the respondents to remit ₹12,500 lakhs with Interest @ 7.25% pa from 07.09.2021 till the date of payment, on or before July 29, 2024 being the date of next hearing. However, the Company has entered into an Inter-se arrangement dated September 29, 2015 with TCPL and Shri Housing Pvt Ltd by which, Company will be fully indemnified, in case of any liability arising out of any Suits, Proceedings, Disputes, Damages payable by the Company on any defaults arising out of the above.

The management is confident that there will be no liability which would devolve on the Company from the proceedings as the Company is fully indemnified by virtue of the said Inter-se arrangement.

59 Mokul Shriram EPC JV (JV Company) where SEPC Limited is a JV partner,have won the complaint against Export Credit Guarantee Corporation of India Limited (ECGC) before the National Consumer Disputes Redressal Commission,(NCDRC) New Delhi, in connection with the project executed in Basra, Iraq. NCDRC, vide their order dated January 27, 2021, allowed the claims and directed ECGC to pay a sum of ₹ 26,501 lakhs along with simple interest @ 10% pa. with effect from September 19, 2016 till the date of realisation to the JV Company within a period of three months from the date of order, failing which ECGC will be liable to pay compensation in the form of simple interest @ 12% pa. ECGC had filed an appeal against the order of NCDRC New Delhi, before Supreme Court, and the case is pending for disposal.

60 The Company has made net profit during the year ended March 31, 2024 amounting to ₹2,278.36 lakhs and as of that date has accumulated losses aggregating ₹ 2,13,317.52 Lakhs. Considering the positive developments of implementation of resolution plan approved in the previous year, completion of Rights issue, additional funding by Investor for working capital together with plans to meet financial obligations in future out of the cash flows from execution of the pipeline of orders in hand, business plans, sanctioned non-fund based facilities etc, these financial statements are prepared on a going concern basis.

Notes forming part of the Consolidated Financial Statements for the Year ended March 31, 2024

(Amount in ₹ lakhs, unless otherwise stated)

61 The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued.

The Company will assess the impact of the Code and will give appropriate impact in the financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

62 Relationship with Struck off Companies under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956,

The Company does not have transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 , during the year

63 Utilisation of Borrowed funds and Securities Premium:

(i) 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

ii) 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

64 Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

65 Undisclosed income

The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year (previous 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.)"

66 Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

67 Registration of charges or satisfaction with Registrar of Companies (ROC)

The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

68 Subsequent events

1) The Board of directors in their meeting held on January 29, 2024,have approved the issuance of equity shares of the Company for an amount not exceeding ₹20,000 lakhs by way of rights issue to the eligible equity shareholders in accordance with the applicable laws, including Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2015 , Companies Act 2013 and Rules made thereunder from time to time, subject to regulatory and statutory approvals. Consequently , on April 17, 2024, the Company has filed the Draft letter of Offer with the Securities and Exchange Board of India ('SEBI') for which requisite regulatory approval is awaited.

Notes forming part of the Consolidated Financial Statements for the Year ended March 31, 2024

(Amount in ₹ lakhs, unless otherwise stated)

2) Subsequent to year ended March 31, 2024,the Company has newly incorporated a wholly owned subsidiary namely - SEPC Arabia Limited One Person Company, in Saudi Arabia for the purpose of exploiting the market potential in the kingdom of Saudi Arabia as well as strengthen our presence in Gulf Cooperation Council region (GCC) using Company's qualifications and promoter MARK AB experience in that region.

69 The Board, duly taking into account all the relevant disclosures made has approved these financial statements in its meeting held on May 28, 2024.

70 The figures for the previous year have been reclassified/ regrouped wherever necessary for better understanding and comparability.

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date
For MSKA & Associates
Chartered Accountants
Firm Registration No. 105047W

For and on behalf of the Board of Directors of
SEPC Limited
CIN - L74210TN2000PLC045167

Geetha Jeyakumar
Partner
Membership No: 029409

N K Suryanarayanan
Managing Director & CEO
DIN: 01714066

R Ravichandran
Director
DIN: 01920603

T.Sriraman
Company Secretary
Membership No:A68102

R S Chandrasekharan
Chief Financial Officer

Place: Chennai
Date: May 28, 2024

Place: Chennai
Date: May 28, 2024

MATERIAL DEVELOPMENTS

Except as stated in this Letter of Offer and as disclosed below, to our knowledge, no circumstances have arisen since December 31, 2024, 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:

a) The Board of Directors of our Company in their meeting held on November 14, 2024 approved an increase in the authorised share capital of our Company from ₹ 17,50,00,00,000 divided into 1,75,00,00,000 Equity Shares of face value of ₹ 10/- each to ₹ 22,50,00,00,000 divided into 2,25,00,00,000 Equity Shares of face value of ₹ 10/- each. The Shareholders have approved the aforementioned increased through postal ballot, wherein the voting had commenced from November 21, 2024 and concluded on December 20, 2024.

b) Central Bank of India and Asset Reconstruction Company (India) Limited have *vide* their letter dated November 18, 2024 and mail dated November 14,2024, respectively, requested for conversion of 37,68,000 and 33,15,000 CCDs into Equity Shares of our Company. Our Board of Directors pursuant to a resolution passed in the meeting held on November 28, 2024 approving conversion of 37,68,000 Compulsorily Convertible Debentures into 2,64,98,317 equity shares of face value of ₹ 10 each of the Company, and allot 1,40,96,521 Equity Shares and 1,24,01,796 Equity Shares to Central Bank of India and Asset Reconstruction Company (India) Limited, respectively. As on date of this Letter of Offer, our Company has applied for listing approval from the Stock Exchanges for the aforementioned equity shares, and is awaiting approval for the same.

c) An outside expert committee ("**OEC**"), an alternate dispute resolution mechanism, constituted by SAIL RSP for resolving certain disputes between our Company and SAIL RSP awarded ₹ 420.98 lakhs in favour of our Company, which was accepted by the parties and a settlement agreement dated February 12, 2025 was executed. Our Company received ₹ 479.92 lakhs from SAIL on February 27, 2025.

d) Our Company had executed a framework agreement with M/s Roshn Group Company, Riyadh, Kingdom of Saudi Arabia to carry out infrastructure works in the said region.

e) Our company received the final acceptance certificates from Steel Authority of India Limited, Durgapur Steel Plant (SAIL-DSP) 2014 for a value of ₹ 3,977.82 lakhs relating to "Coal Dust Injection System in Blast Furnace NO. 3 & 4 forming part of Contract Agreement No. PUR/PC/CDI-01828 in the year 2006. The said certificates declare that parts of the said facilities were completed satisfactorily, including completion of defects liability periods of twelve months after commissioning, on March 15, 2025 in accordance with the terms of the contract.

f) Pursuant to a letter dated May 17, 2025, CRISIL has downgraded our credit rating for our long term credit facilities from Crisil BBB-/ Negative to Crisil BB+/ Negative and short term credit facilities from Crisil A3 to Crisil A4+. The downgrade was on account of (i) lower-than-expected recovery in the operating performance in Fiscal 2025, resulting in a stretch in the liquidity position of our Company; (ii) issuance of LC's by a supplier for a period of 90 days instead of the usual 180 days to procure raw material which brought forward the timelines for LC repayments; and (iii) delayed payment collections resulting in delayed payments.

ACCOUNTING RATIOS

Unless context requires otherwise, the following tables present certain accounting and other ratios derived from the relevant Audited Financial Statements. For details see "*Financial Information*" on page 165.

(₹ in Lakhs)

Particulars	For nine month period ended December 31, 2024	For the year ended March 31	
		2024	2023
Basic and Diluted Earnings Per Share (Rs.)			
Basic Earnings Per Share (Basic EPS)			
Net profit / (loss) after tax, attributable to equity shareholders	1,481.60	2,278.36	(490.38)
Weighted average number of Equity Shares outstanding	14,998.84	13,770.61	12,240.86
Basic EPS in Rs.	0.10	0.17	(0.04)
Face value in Rs.	10	10	10
Diluted Earnings Per Share (Diluted EPS)			
Net profit / (loss) after tax, attributable to equity shareholders	1,489.88	3,380.80	286.74
Weighted average number of Equity Shares considered for calculating Diluted EPS	14,998.84	13,945.61	12,336.67
Diluted EPS in Rs.	0.10	0.17	(0.04)
Face value in Rs.			
Net Asset Value Per Equity Share (Rs.)			
Net Asset Value (Net-worth)	1,49,296.24	1,21,188.89	1,08,809.16
Number of equity shares outstanding at the end of the period/year	1,56,36,59,786	1,40,98,13,633	1,32,15,29,018
Number of adjusted equity shares outstanding at the end of the period /year	1,56,36,59,786	1,40,98,13,633	1,32,15,29,018
Net Assets Value per equity share (Rs.)	9.55	8.60	8.23
Return on Net worth			
Net Profit / (loss) after tax	1481.60	2,278.36	(490.38)
Net worth	1,49,296.24	1,21,188.89	1,08,809.16
Return on net worth	0.01	0.02	(0.005)
EBITDA			
Profit / (loss) after tax (A)	1,481.60	2278.36	(490.38)
Income tax expense (B)	1033.93	--	--
Finance costs (C)	3,247.30	4,438.55	6,039.75
Depreciation and amortization expense (D)	381.61	531.92	614.73
EBITDA (A+B+C+D)	6,144.44	7,248.83	9,186.06

The ratios have been computed as per the following formulae:

(i) Basic and Diluted Earnings per Share

Net Profit after tax for the year/period, attributable to equity shareholders
Weighted average number of equity shares outstanding during the year/period

(ii) Net Assets Value (NAV)

Net Asset Value at the end of the year/period
Number of equity shares outstanding at the end of the year/period

(iii) Return on Net worth (%)

Net Profit after tax for the year/period, attributable to equity shareholders
Net worth (excluding revaluation reserve) at the end of the year/period

Net-worth (excluding revaluation reserve), means the aggregate value of the paid-up share capital (including shares pending allotment) and securities premium account, after adding surplus in Statement of Profit and Loss.

(iv) EBITDA

Profit/(loss) after tax for the period adjusted for income tax, expense, finance costs, depreciation and amortization expense, as presented in the restated financial statement of profit and loss.

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

You should read the following discussion of our financial condition and results of operations together with our audited consolidated financial statements as of and for the Fiscal 2023 and 2022 and our limited reviewed unaudited consolidated Financial Results as of and for nine months period ended December 31, 2024 and corresponding nine months period ended December 31, 2024 included in this Letter of Offer. Our audited consolidated financial statements for Fiscal 2023 and 2022, are prepared in accordance with Ind – AS. Unless otherwise stated, the financial information used in this chapter is derived from the Audited Consolidated Financial Statements of our Company.

Our fiscal year ends on March 31 of each year, so all references to a particular fiscal year are to the twelve-month period ended March 31 of that year.

*In this section, unless the context otherwise requires, any reference to "we", "us" or "our" refers to SEPC Limited, our Company. Unless otherwise indicated, financial information included therein are based on our **"Audited Consolidated Financial Statements"** for Financial Years 2023 and 2022 along with limited reviewed unaudited consolidated financial results for the nine months period ended December 31, 2023 and corresponding nine months period ended December 31, 2024 included in this Letter of Offer beginning on page 165 of this Letter of Offer.*

*Note: Statement in the Management Discussion and Analysis Report describing our objectives, outlook, estimates, expectations or prediction may be **"Forward Looking Statements"** within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to our operations include, among others, economic conditions affecting demand/supply and price conditions in domestic and overseas market in which we operate, changes in Government Regulations, Tax Laws and other Statutes and incidental factors.*

OVERVIEW OF OUR BUSINESS

Primary Business of Issuer

The Company is in the business of executing turnkey contracts in Engineering, Procurement, and Construction (EPC) and providing end-to-end solutions offering multi-disciplinary services and project management solutions.

Details of Technology, process & infrastructure facilities

The Company is responsible for design, procurement and construction of projects on turnkey basis and the main resource comprising of Engineers and employees specialised in a dedicated sector who offer appropriate solutions for a project in a cost-effective way. In addition, the company has a suite of software on project management control like MS Project, Primavera, design software like AutoCADD, Teckla etc.

Company also owns batching plants, equipment for civil construction and Material handling equipment like cranes, hydra etc. Further, Company also owns shaft sinking equipment which are specialised equipment for mine development.

Nature of products/ services, etc

SEPC is focused on providing turnkey solutions in the following business areas:

1 Infrastructure

a. Installation of drinking water distribution system
b. Installation of sewerage treatment system
c. Road works.

2 Industrial EPC

a. Green filed and brown field projects on Turnkey basis in respect of Steel Plants, Coke oven plants, Cement, Power plants both conventional and Non-conventional etc.
b. Balance of Plants and utility services in respect of the above including civil and structural work.

c. Providing infrastructure for mine development for various minerals like, copper, gold, coal, etc.

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 24. 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:

- Growth of unorganized sector and threat from local regional players;
- Bidding and Execution Capabilities and competition;
- General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
- Our Company's ability to successfully implement our growth strategy;
- Changes in laws and regulations relating to the industry in which we operate;
- Any adverse outcome in the legal proceedings in which our Company is involved;
- Any adverse changes in central or state government policies;
- Any qualifications or other observations made by our statutory auditors which may affect our results of operations;
- Loss of one or more of our key customers and/or suppliers;
- An increase in the productivity and overall efficiency of our competitors;
- Our ability to maintain and enhance our brand image;
- Occurrences of natural disasters or calamities affecting the areas in which we have operations;
- Market fluctuations and industry dynamics beyond our control;
- Our ability to compete effectively, particularly in new markets and businesses;
- Inability to collect our dues and receivables from, or invoice our unbilled services to, our customers, our results of operations;
- Other factors beyond our control;
- Termination of customer contracts without cause and with little or no notice or penalty; and
- Inability to obtain, maintain or renew requisite statutory and regulatory permits and approvals or noncompliance with and changes in, safety, health and environmental laws and other applicable regulation, may adversely affect our business, financial condition, results of operations and prospects.

SIGNIFICANT ACCOUNTING POLICIES

The accounting policies have been applied consistently to the periods presented in the Consolidated Financial Statements. For details of our significant accounting policies, please refer section titled ***"Financial Information"*** beginning on page 165 of this Letter of Offer.

CHANGE IN ACCOUNTING POLICIES IN PREVIOUS 3 YEARS

Except as mentioned in chapter ***"Financial Information"*** on page 165, there has been no change in accounting policies in last 3 years.

RESERVATIONS, QUALIFICATIONS AND ADVERSE REMARKS

For details, see section titled ***"Financial Information"*** on page 165.

OVERVIEW OF REVENUE & EXPENDITURE

Revenue and Expenses

Our revenue and expenses are reported in the following manner:

Total Income

Our Total Income comprises of revenue from operations and other income.

Revenue from operations - Our revenue from operations consists of revenue from Engineering and Construction Contracts, other operating revenue and Company's share in profit of Integrated Joint Ventures.

Other Income - Other income primarily comprises interest income from Margin Money Deposit, Interest Income on Financial Assets and Income Tax refund, Liabilities Written back and miscellaneous income.

Expenses

Our expenses comprise of Erection, Construction & Operation Expenses, changes in inventories of Finished Goods, Stock-in-Trade and Work-in-Progress, employee benefit expenses, finance costs, depreciation & amortization expenses and other expenses.

- **Erection, Construction & Operation Expenses** – Erection, Construction & Operation Expenses comprises of Cost of Material and Labor and other Contract Related Costs**.**

- **Changes in inventories of Finished Goods** - Changes in inventories of Finished Goods includes increase / decrease in the finished goods during the year.

- **Employee benefit expenses** – Our employee benefit expenses mainly include salaries & wages expense, bonus and allowance, contribution to provident fund and other funds, contribution to Gratuity and staff welfare expenses.

- **Finance Cost –** Finance Cost comprise of Interest on Cash Credits, Term Loans, Lease Liabilities and interest on financial liabilities measures at effective interest rates and others.

- **Depreciation and amortization expenses** – Our depreciation and amortization expenses comprise of depreciation on tangible fixed assets and amortization of intangible assets.

- **Other expenses** – Other expenses mainly include expenses towards Electricity and Water, Rates and taxes, Rent, Repairs and Maintenance w.r.t. Building, Plant and Machinery, Equipment and others, Auditors remuneration, Bank Charges, Travel and Conveyance, Insurance premium, Printing and Stationary, Communication, broadband and internet expenses, sitting fees, Consultancy charges, Legal Expenses, Advertisement, Bad debts, Donations, Provision for doubtful trade and Other receivables and Loans and Advances, Loss on Sale of assets and others.

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 asset is recognized based on the difference between taxable profit and book profit due to the effect of timing differences. 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.

Our Results of Operations

The following table sets forth, for the limited reviewed unaudited consolidated financial results for the nine months period ended December 31, 2024 and December 31, 2023, certain items derived from our Summary Statements, in each case also stated as a percentage of our total income:

(Amount in lakhs)

Particulars	Nine months period ended December 31, 2024		Nine months period ended December 31, 2023	
	Amount	**(%)***	**Amount**	**(%)***
Revenue				
Revenue from Operations	47,985.09	92.30	41,315.87	92.75
Other Incomes	4,005.18	7.70	3,228.67	7.25
Total Income	**51,990.27**	**100.00**	**44,544.54**	**100.00**
Erection, Construction & Operation Expenses	39,082.04	75.17	34,733.62	77.98
Changes in inventories of finished goods, stock-in-trade and work-in-progress	(136.87)	(0.26)	-	-
Employee Benefit Expenses	2,443.94	4.70	2,356.56	5.29
Finance Costs	3,247.30	6.25	3,159.99	7.09
Depreciation & Amortization expenses	381.61	0.73	398.39	0.89
Other Expenses	3,067.47	5.90	2,284.27	5.13
Total Expenses	**48,085.49**	**92.49**	**42,932.83**	**96.38**
Profit/(Loss) before exceptional items and tax	**3,904.78**	**7.51**	**1,611.71**	**3.62**
Exceptional Items	**1,389.25**	2.67	-	-
Profit/(Loss) before tax	**2,515.53**	**4.84**	**1,611.71**	**3.62**
(i) Current tax				
(ii) Deferred Tax	1,033.93	1.99	-	-
Total Tax Expenses	**1,033.93**	**1.99**	**-**	**-**
Profit/ (Loss) After Tax	**1,481.60**	**2.85**	**1,611.71**	**3.62**
Other comprehensive income not to be reclassified to profit or loss in subsequent periods	-	-	-	-
Re-measurement gains on defined benefit plans (Net of Taxes)	(11.35)	(0.02)	(1.19)	(0.00)
Fair Value of Equity Instruments through OCI (Net of Taxes)	(12.30)	(0.02)	48.86	0.11
Total Other Comprehensive Income for the year	**(23.65)**	**(0.05)**	**47.67**	**0.11**
Total Comprehensive Income/(Loss) for the year	**1,457.95**	**2.80**	**1,659.38**	**3.73**

**(%) column represents percentage of total income.*

COMPARISION OF NINE MONTHS PERIOD ENDED DECEMBER 31, 2024 WITH NINE MONTHS PERIOD ENDED DECEMBER 31, 2023

Our total income has increased by 16.89% to ₹ 51,990.27 lakhs for the nine months period ended December 31, 2024 from ₹ 44,544.54 lakhs for the nine months period ended December 31, 2023 bifurcated into revenue from operations and other income.

Revenue from operations

Our revenue from operations for nine months period ended December 31, 2024 was ₹ 47,985.09 lakhs (comprising of 92.30% of our total income for the nine months period ended December 31, 2024) from ₹ 41,315.87 lakhs for the nine months period ended December 31, 2023 (comprising 92.89% of our total income for the nine months period ended December 31, 2023), representing an increase of 16.14%.

Other income

Our other income for the nine months period ended December 31, 2024 was ₹ 4,005.18 lakhs from ₹ 3,228.67 for the nine months period ended December 31, 2023 representing an increase of 26.62%. This increase was mainly due to one time gain on initial recognition of unsecured loan from promoter.

Total Expenses

Our total expenses increased from ₹ 42,932.83 lakhs for the nine months period ended December 31, 2023 to ₹ 48,085.49 lakhs for the nine months period ended December 31, 2024, representing 12.16% increase. This increase was mainly due to increase in Erection, Construction and Operation expenses, Finance Cost and other expenses for nine months period ended December 31, 2024.

Cost of Material, Erection, Construction & Operation Expenses

Erection, Construction & Operation Expenses for the nine months period ended December 31, 2024 increased to ₹ 39,082.04 lakhs from ₹ 34,733.62 lakhs for nine months period ended December 31, 2023, representing an increase of 12.52%. This correlates with the increases in revenue to the tune of 16.14% % during the same period.

Employee Benefit Expenses

Our Company has incurred ₹ 2,443.94 lakhs of employee benefit expenses for the nine months period ended December 31, 2024, as compared to ₹ 2,356.56 lakhs for the nine months period ended December 31, 2023, reflecting an increase of 3.71%. This was mainly due to increase in employee turnover in the nine -months period ended December 31, 2024 compared to previous nine month period.

Finance Cost

Finance costs increased to ₹ 3,247.30 lakhs for the nine months period ended December 31, 2024 from ₹ 3,159.99 lakhs for the nine months period ended December 31, 2023 representing an increase of 2.76%% from the corresponding previous nine months. One time refund of interest of Rs 243 lakhs in the previous period contributed for the reduction in the previous period.

Depreciation & Amortization expense

Depreciation and amortization expenses decreased to ₹ 381.61 lakhs for the nine months period ended December 31, 2024 from ₹ 398.39 lakhs for the nine months period ended December 31, 2023. This minor decrease was due to decrease cost of amortization of Intangible assets.

Other expense

Our other expenses increased to ₹ 3,067.47 Lakhs for the nine months period ended December 31, 2024 from ₹ 2,284.27 lakhs for the nine months period ended December 31, 2023 representing 38.12%. This increase was mainly due to increase in LC and BG charges on account of higher utilisation of LC and BG during this period compared to previous period.

Profit / (Loss) before Tax

Our profit before tax for the nine months period ended December 31, 2024 was ₹ 2,515.53 (comprising 4.87%% of our total income) as compared to the profit before tax ₹ 1,611.71 lakhs (comprising 3.65% of our total income) for the nine months period ended December 31, 2023.

Taxation

Our tax expenses increased from ₹ Nil for the nine months period ended December 31, 2023 to ₹ 1,033.93 (comprising 1.99%of the total income) for the nine months period ended December 31, 2024 representing a 100% increase due to increase in deferred tax charge.

Profit/Loss after Tax

Our profit after tax for the nine months period ended December 31, 2024 was ₹ 1,481.60 lakhs (comprising 2.88% of our total income) as compared to the profit after tax ₹ 1,611.71 lakhs (comprising 3.65% of our total income), for the nine months period ended December 31, 2023, representing a decrease of (7.67)%.

OUR RESULTS OF OPERATIONS

The following table sets forth, for the audited consolidated financial results for the Year ended March 31, 2024 and March 31, 2023, certain items derived from our Summary Statements, in each case also stated as a percentage of our total income:

(Amount in lakhs)

Particulars	Year ended March 31, 2024		Year ended March 31, 2023	
	Amount	(%)*	Amount	(%)*
Revenue				
Revenue from Operations	56,098.28	92.39%	37,884.66	94.98%
Other Incomes	4,623.20	7.61%	2,003.15	5.02%
Total Income	**60,721.48**	**100%**	**39,887.81**	**100%**
Expenses:				
Erection, Construction & Operation Expenses	46,671.76	76.86%	31,905.03	79.99%
Changes in inventories of finished goods, stock-in-trade and work-in-progress	0	0%	0	0%
Employee Benefit Expenses	3,224.98	5.31%	3,340.15	8.37%
Finance Costs	4,438.55	7.31%	6,039.75	15.14%

Particulars	Year ended March 31, 2024		Year ended March 31, 2023	
	Amount	(%)*	Amount	(%)*
Depreciation & Amortization expenses	531.92	0.88%	614.73	1.54%
Other Expenses	3,575.91	5.89%	9,271.71	23.24%
Total Expenses	**58,443.12**	**96.25%**	**51,171.37**	**128.29%**
Profit/(Loss) before exceptional items and tax	**2,278.36**	**3.75%**	**(11,283.56)**	**(28.29%)**
Exceptional Items			**(13,815.13)**	**(34.63%)**
Profit/(Loss) before tax	**2,278.36**	**3.75%**	**2,531.57**	**6.35%**
(i) Current tax				
(ii) Deferred Tax			3,021.95	7.58%
Total Tax Expenses				
Profit/ (Loss) After Tax	**2,278.36**	**3.75%**	**(490.38)**	**(1.23%)**
Other Comprehensive Income				
Other comprehensive income not to be reclassified to profit or loss in subsequent periods	0	-	0	-
Re-measurement gains on defined benefit plans (Net of Taxes)	50.90	0.08%	(56.38)	(0.14%)
Fair Value of Equity Instruments through OCI (Net of Taxes)	36.88	0.06%	(11.79)	(0.03%)
Total Other Comprehensive Income for the year	**87.78**	**0.14%**	**(68.17)**	**(0.17%)**
Total Comprehensive Income/(Loss) for the year	**2,366.14**	**3.90%**	**(558.55)**	**(1.40%)**

**(%) column represents percentage of total income.*

COMPARISION OF YEAR ENDED MARCH 31, 2023 WITH YEAR ENDED MARCH 31, 2024

Our total income has increased by 52.23.% to ₹ 60,721.48 lakhs for the years period ended March 31, 2024 from ₹ 39,887.81 lakhs for the year ended March 31, 2023 bifurcated into revenue from operations and other income.

Revenue from operations

Our revenue from operations for year ended March 31, 2024 was ₹ 56,098.28 lakhs (comprising of 92.39% of our total income for the year ended March 31, 2024) from ₹ 37,884.66 lakhs for the year ended March 31, 2023 (comprising 94.98% of our total income for the year ended March 31, 2023), representing an increase of 48.08 %.

Other income

Our other income for the year ended March 31, 2024 was ₹ 4,623.20 lakhs from ₹ 2,003.15 for the year ended March 31, 2023 representing an increase of 130.80%. This increase was mainly due to one off income to the tune of ₹ 2,607.07 lakhs in year ended March 31, 2024 relating to fair value gain on unsecured loans, which was not available in previous year ended March 31, 2023.

Total Expenses

Our total expenses increased from 51,171.37 lakhs for the Year ended March 31, 2024 to ₹ 58,443.12 lakhs for the year ended March 31, 2023, representing 14.21% increase. This increase was mainly due to increase in Erection, Construction and Operation expenses for year ended March 31, 2024.

Cost of Material, Erection, Construction & Operation Expenses

Erection, Construction & Operation Expenses for the year ended March 31, 2024 increased to ₹ 46,671.76 lakhs from ₹ 31,905.03 lakhs for year ended March 31, 2023, representing an increase of 46.28%. This correlates with the increases in revenue to the tune of 48.08% during the same period.

Employee Benefit Expenses

Our Company has incurred ₹ 3,224.98 lakhs of employee benefit expenses for the year ended March 31, 2024, as compared to ₹ 3,340.15 lakhs for the year ended March 31, 2023, reflecting a decrease of 3.45%. This was mainly due to decrease in employee turnover in the year ended March 31, 2024 compared to previous year.

Finance Cost

Finance costs decreased to ₹ 4,438.55 lakhs for the year ended March 31, 2024 from ₹ 6,039.75 lakhs for the year ended March 31, 2023 representing a decrease of 26.51% from the corresponding previous year. The major reasons for reduction in finance costs includes reduction in interest rate to 9%, conversion of debt of Rs 350 crores into NCD and CCD, consequent to implementation of Resolution Plan.

Depreciation & Amortization expense

Depreciation and amortization expenses decreased to ₹ 531.92 lakhs for the year ended March 31, 2024 from ₹ 614.73 lakhs for the year ended March 31, 2023. This minor decrease was due to decrease cost of amortization of Intangible assets.

Other expense

Our other expenses decreased to ₹ 3,575.91 Lakhs for the year ended March 31, 2024 from ₹ 9,271.71 lakhs for the year ended March 31, 2023 representing 61.43%. This decrease was mainly due to reduction in one time provisions made on contract assets and trade receivable in previous year ended March 31, 2023.

Profit / (Loss) before Tax

Our profit before tax for the year ended March 31, 2024 is Rs 2,278.36 (comprising 3.75% of our total income) as compared to the profit before tax ₹ 2,531.57 lakhs (comprising 6.35% of our total income) for the year ended March 31, 2023.

Taxation

Our tax expenses are ₹ NIL for the both year ended March 31, 2024 and year ended March 31, 2023.

Profit/Loss after Tax

Our profit after tax for the year ended March 31, 2024 was ₹ 2,278.36 lakhs (comprising 3.75% of our total income) as compared to the loss after tax of ₹ 490.38 lakhs (comprising 1.23% of our total income), for the year ended March 31, 2023, representing an increase of 3.65% due to better operational performance.

Comparison of Cash Flow for the Year Ended March 31, 2024 and March 31, 2023:

The table below summaries our cash flows from our audited consolidated financial information for the financial years ended March 31, 2023 and 2022.

(Amount in lakhs)

Particulars	For the year ended March 31	
	2024	**2023**
Net (Loss)/Profit before tax	2,278.36	2,531.57
Net cash generated from / (used in) operating activities	(12,082.93)	2,090.46
Net cash generated from / (used in) Investing Activities	(2,390.92)	1,248.11
Net cash generated from / (used in) from financing activities	13,001.77	(614.20)
Net Increase / (decrease) in Cash & Cash Equivalents	**(1,472.08)**	**2,724.37**
Cash and cash equivalents at the beginning of the year	3,307.04	582.67
Cash and cash equivalents at the end of the year	1,834.96	3,307.04

Operating Activities

Our net cash used in operating activities was ₹ (12,082.93) lakhs for the financial year 2023-24. Our operating profit before working capital changes was ₹ 6,443.26 lakhs for the financial year 2023-24 which was primarily adjusted for increase in working capital by ₹ (11,921.96) lakhs.

Our net cash used in operating activities was ₹ 2,090.46 lakhs for the financial year 2022-23. Our operating profit before working capital changes was ₹ 3,931.08 lakhs for the financial year 2022-23 which was primarily adjusted for decrease in working capital by ₹ 2,227.43 lakhs.

Investing activities

Net cash generated from investing activities was ₹ (2,390.92) lakhs for the financial year 2023-24. This was primarily on account of movement in margin money.

Net cash generated from investing activities was ₹ 1,248.11 lakhs for the financial year 2022-23. This was primarily on account of movement in margin money.

Financing activities

Net cash used in financing activities for the financial year 2023-24 was ₹ 13,001.77 lakhs. This was on account of rights issue and funding by promoter.

Net cash generated from financing activities for the financial year 2022-23 was ₹ (614.20) lakhs. This was on account of repayment of borrowing

Related party transactions

Related party transactions with certain of our Promoter, directors and their entities and relatives primarily relate to purchase and sale of remuneration, sitting fees, borrowing, deposits, rent, interest, quality complain, reimbursements, disinvestments, employee benefit expenses, corporate social responsibility, contribution to gratuity fund, etc. The details of related party transaction for the Financial Years ended March 31, 2024 and March 31, 2023 have been provided below:

(₹ in lakhs)

Entities exercising significant influence over the Company	2023-24	2022-23
Transfer of Advances/Receivables & Investment	-	7,433.87
Fund Received (Net)	-	-

Entities exercising significant influence over the Company	**2023-24**	**2022-23**
Amount invested as Equity (Mark A B Capital Investment LLC- effective from 24th September 2022)	-	35,000.00
Unsecured Loans	4,000	900
Key Management Personnel (KMP)		
Compensation of key management personnel	161.61	318.12
Loan given to KMP	35.00	--
Other enterprises under the control of the key management personnel		
(a) Orient Green Power Company Limited		
Payments made	-	
(b) Bharath Wind Farm Limited		
Fund Receipts	-	-
Joint Operations		
(a) Larsen & Toubro Limited Shriram EPC JV		
Company's share in profit of Integrated Joint Ventures	-	-
Company's share in Loss of Integrated Joint Ventures	-	10.36
(b) Shriram EPC Eurotech Environmental Pvt Ltd - JV		
Progressive Billings/ Revenue	34.13	121.00
Expenses reimbursed by the party		
(c) SEPC DRS ITPL JV		
Progressive Billings/ Revenue	301.35	102.00
Expenses reimbursed by the party	-	-
(d) Mokul Shriram EPC JV		
Progressive Billings/ Revenue	-	-
Cost incurred for Materials and Labour	-	-
Expenses reimbursed by the party	-	-

Amount due (to)/from related party as on:

Particulars	**As at March 31, 2024^**	**As at 31 March 2023**
Advances / (Borrowings):		
Mark AB Capital Investment India Private Limited (Effective from 24th September 2022)	4,900	900.00
Receivables /(Payables):		
Amrit Environmental Technologies P Ltd (upto 20th September 2022)	-	1,966.38
Larsen & Toubro Limited Shriram EPC JV	(9.00)	(0.90)
Mokul Shriram EPC JV	1,675.67	1,669.28

For further details, please refer to the section titled "*Financial Information*" at page no. 165 of this Letter of Offer.

Capital Expenditure

In the financial year ended March 31, 2024 and 2023, our capital expenditure was ₹ 5.38 lakhs and ₹ 13.91 lakhs, respectively. Our capital expenditures are mainly related to the purchase of computer, plant & machinery. The primary source of financing for our capital expenditures has been cash generated fr
om our operations and capital infused by the Promoter of our company.

Indebtedness

As of March 31, 2024, we had long-term borrowings of ₹ 29,840.24 lakhs and short-term borrowings of ₹ 15,373.66 lakhs. The following table sets forth certain information relating to our outstanding indebtedness and our repayment obligations in the periods indicated:

(Amount in Lakhs)

Category of Borrowings	O/s as on March 31, 2024	O/s as on March 31, 2023
Long-term Borrowings		
- Non – current borrowing	29,840.24	26,616.64
- Current maturities	427.51	260.57
Short-term borrowings	14,946.15	13,706.01
Grand Total	**45,213.90**	**40,583.22**

For further details regarding our indebtedness, see ***"Financial Information"*** on page 165, respectively.

Contingent Liabilities

The following table sets forth our contingent liabilities and commitments for the as on March 31, 2024 and March 31, 2023:

(₹ in lakhs)

S. No.	Particulars	As at March 31, 2024	As at 31st March, 2023
1.	Claims against the company not acknowledged as debts	10,036.55	10,188.40
2.	Central Excise, Service tax and customs duties demand contested in Appeals, not provided for	779.77	408.00
3.	Disputed VAT/ Central Sales tax demands contested in Appeals, not provided for	2,038.04	3,166.00
4.	Income tax demands contested in appeals not provided for	-	-
5.	Bank Guarantees Outstanding	37,613.23	33,636.06
	Total	**50,467.59**	**47,398.46**

Note:

Management is confident of winning the appeals in respect of the above, hence no provision has been made. Future cash outflows in respect of the above matters are determinable only on receipt of judgements / decisions pending at various forums / authorities

Off-Balance Sheet Items

We do not have any other off – balance sheet arrangements, derivative instruments or other relationships with any entity that have been established for the purposes of facilitating off – balance sheet arrangements.

QUALITATIVE DISCLOSURE ABOUT MARKET RISK

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include borrowings and financial instruments.

Interest rate risk Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's outstanding debt in local currency is on fixed rate basis and hence not subject to interest rate risk.

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a different currency from the Company's functional currency).

Credit risk

The credit risk to the company arises from two sources:

a) Customers, who default on their contractual obligations, thus resulting in financial loss to the Company 0.01 0.01 Company evaluates the credentials of a customer at a very early stage of the bid. Company has adopted a policy of 3 tier verification before participating for any bid. The first step of such verification includes verification of customer credentials. The company, as part of verification of the customer credentials, ensures the compliance with the following criterion.

   i. Customer's financial health by examining the audited financial statements
   ii. Whether the Customer has achieved the financial closure for the work for which the company is bidding
   iii. Where the customer is Public Sector Undertaking, sanction and availability of adequate financial resources for the proposed work. Company makes provision on it's financial assets, on every reporting period, as per Expected Credit Loss Method. The provision is made separately for each financial assets of each business line. The percentage at which the provision is made, is determined on the basis of historical experience of such provisions, modified to the current and prospective business and customer profile. Trade receivables consist of large number of customers, spread across diverse industries and geographical areas. Majority of the customers of the company comprise of Public Sector Undertakings, with whom the company does not perceive any credit risk. As regards the customers from private sector, company carries out financial evaluation on regular basis and provides for any amount perceived as non-realisable, in the books of accounts.

b) Non certification by the customers, either in part or in full, the works billed as per the contract, being non-claimable cost as per the terms of the contract with the customer.

c) Non-certification of works billed The Company has contract claims from customers including costs on account of account of delays changes in scope / design by them etc. which are at various stages of discussions / negotiations or under arbitrations. The realisability of these claims are estimated based on contractual terms, historical experience with similar claims as well as legal opinion obtained from internal and external experts, wherever necessary. Changes in facts of the case or the legal framework may impact realisability of these claims.

Liquidity risk

Company being an EPC contractor, has a constant liquidity pressures to meet the project requirements. These requirements are met by a balanced mix of borrowings and project cash flows. Cash flow forecast is made for all projects on monthly basis and the same are tracked for actual performance on daily basis. Shortfall in cash flows are matched through short term borrowings and other strategic financing means. The daily project requirements are met by allocating the daily aggregated cash flows among the projects. Company has established practice of prioritising the site level payments and regulatory payments above other requirements.

OTHER QUALITATIVE FACTORS

Reservations, qualifications and adverse remarks

For Details, see section titled "*Financial Information*" on page 165.

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements of the current period. The same has been addressed in chapter titled ***"Financial***

information" beginning on page 165 of this Letter of Offer.

Unusual or infrequent events or transactions

During the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

Significant economic changes that materially affected or are likely to affect income from continuing operations.

Indian rules and regulations as well as the overall growth of Indian economy have a significant bearing on our operations. Major changes in these factors can significantly impact income from continuing operations.

Other than as described in the section titled ***"Risk Factors"*** beginning on page 24 of this Letter of Offer to our knowledge there are no significant economic changes that materially affects or are likely to affect income of our Company from continuing operations.

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. 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 24 of this 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.

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"*** beginning on page 24 and 233, respectively, and elsewhere in this 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.

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"*** beginning on page 24 and 233, respectively, 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.

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

Not Applicable

The extent to which the business is seasonal

Our Company's business is not seasonal in nature.

Competitive Conditions

We expect competition in the sector from existing and potential competitors to vary. However, on account of our core strengths like quality products, brand loyalty, timely supply and better sourcing of raw-material. Due to which, we are able to stay competitive. For further details, kindly refer the chapter titled ***"Our Business"*** beginning on page 143 of this Letter of Offer.

Total Turnover of Each Major Business Segment

We operate in the sole activity of carrying on the business of "Engineering, Procurement and Construction" (EPC) and therefore have only one reportable segment. The turnover details are given in "*Financial Information*" at page 165.

New Product or Business Segment

Our Company has not announced any new product or business segment.

Significant dependence on a Single or Few Suppliers or Customers

Our Company does not significantly depend on single or few suppliers or Customers.

SIGNIFICANT DEVELOPMENTS SINCE LAST BALANCE SHEET DATE

Except as disclosed above and in this Letter of Offer, including under ***"Our Business"*** and ***"Risk Factors"*** on pages 143 and 24, respectively, to our knowledge no circumstances have arisen since December 31, 2024, the date of the last financial information disclosed in this 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.

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND DEFAULTS

Our Company is involved in certain legal proceedings from time to time, which are primarily in the nature of tax disputes, criminal complaints, civil suits, and petitions pending before various authorities. Except as disclosed below, there is no outstanding litigation with respect to (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; (iv) any pending matters, which if they result in an adverse outcome, would materially and adversely affect our operations or our financial position; and (v) other litigation involving our Company, including civil or tax litigation proceedings, which involves an amount in excess of the Materiality Threshold (as defined below) or is otherwise material in terms of the Materiality Policy.

*For the purpose of (v) above, as per the materiality policy in accordance with our Company's 'Policy on determination of materiality of events' framed in accordance with Regulation 30 of the SEBI Listing Regulations, the materiality threshold considered for disclosure of pending matters, which if they result in an adverse outcome, would materially and adversely affect our operations or our financial position if the aggregate monetary claim made by or against the Relevant Parties, in any pending civil litigation proceeding exceeds the lower of the following: (a) two percent of turnover, as per the last Audited Financial Statements of the listed entity; (b) two percent of net worth, as per the last Audited Financial Statements of the listed entity, except in case the arithmetic value of the net worth is negative; (c) five percent of the average of absolute value of profit or loss after tax, as per the last three Audited Financial Statements of the listed entity shall be considered material and will be disclosed in the Offer Documents. 2% of turnover as per the Audited Financial Statements amounts to ₹ 1,121.97 lakhs. Accordingly, all outstanding civil litigation proceedings where the aggregate monetary claim made by or against the Relevant Parties, in any such pending litigation proceeding is in excess of ₹ 1,121.97 lakhs shall be considered material for the purposes of disclosure in this section of this Draft Letter of Offer ("**Materiality Threshold**").*

A summary of the pending tax proceedings and other material litigations involving our Company is provided below:

Name of entity	Proceedings involving issues of moral turpitude or criminal liability	Civil proceedings where the amount involved is equivalent to or in excess of the Materiality Threshold	Proceedings before regulatory authorities involving material violations of statutory regulations	Matters involving economic offences where proceedings have been initiated	Other pending matters which, if they result in an adverse outcome, would materially and adversely affect the operations or the financial position	Aggregate amount involved (₹ in lakhs)*
By the Company and Subsidiary	Nil	8	Nil	Nil	Nil	33,746
Against the Company and Subsidiary	Nil	7	9	Nil	Nil	33,174.32

**To the extent quantifiable*

Litigations involving our Company

Proceedings involving issues of moral turpitude or criminal liability on the part of our Company

Nil

Proceedings involving material violations of statutory regulations by our Company

a) The Regional Provident Fund Commissioner-II, Regional Office – Ambattur had *vide* an order dated October 17, 2023 levied damages of ₹ 15.56 lakhs on our Company for delay in making payment towards provident fund contribution, administrative charges, family pension fund/pension fund and administrative chases for the period between April 2017 to February 2020 (the "**Order**"). Further, additional damages of ₹ 101.34 lakhs were levied on our Company for delay in making payment towards provident fund contribution, administrative charges, family pension fund/pension fund and administrative chases for the period between March 2020 to May 2022. Further, the Regional Provident Fund Commissioner-II, Regional Office – Ambattur has also levied an additional interest of ₹ 70.49 lakhs on our Company. Our Company challenged the order before the Employees' Provident Fund Appellate Tribunal and seeking an order from the tribunal imposing an interim stay on the operation of the Order. However, on account of lack of regular sitting of the presiding officer in the Employees' Provident Fund appellate Tribunal, our Company filed a writ petition before the Hon'ble High Court of Madras seeking an interim stay on the operation of the Order. The Hon'ble High Court of Madras pursuant to an order granted an interim stay on the operation of the Order on condition that our Company shall deposit a sum of ₹ 50.00 lakhs as against the demand of Rs.175.00 lakhs in *toto*. Our Company has deposited the sum with the Employees' Provident Fund Organization, in accordance with the directions of the Hon'ble High Court of Madras. Further, the Employees' Provident Fund Organization pursuant to its letter dated May 6, 2024 noted the interim stay on the Order as directed by the Hon'ble High Court of Madras and accordingly suspended its operation until further orders. The matter is pending before the Employees' Provident Fund Appellate Tribunal and the Hon'ble High Court of Madras and has not been listed for hearing.

b) A complaint bearing complaint no. SEBIP/KN25/TUMA/003679/1 was registered by Shivananda Padiyar on the SEBI Scores Portal on January 16, 2025 alleging price manipulation of Equity Shares by our Promoters and their related parties, and requesting that the authorities withhold approval of the Issue. Our Company pursuant to an email dated January 30, 2025 had replied to the aforementioned complaint denying the allegations on the grounds of being vague and speculative. Our Company also stated that it has been compliant with applicable laws, including, but not limited to the provisions of the Companies Act, 2013, SEBI Regulations and Stock Exchange prescriptions in the matter of the rights issues undertaken in the recent past. Further, independent external monitoring agency had also reviewed and certified the end use and due compliances of the objects of the rights issue and the same was duly notified to the Stock Exchanges in terms of the SEBI Listing Regulations. On the aforementioned grounds, the allegations raised in the complaint were denied and disputed.

c) The Assistant Provident Fund Commissioner issued two orders each dated December 30, 2024 levied a penalty of ₹ 17.11 lakhs as penalty and ₹ 8.76 lakhs as interest at the rate of 12% per annum on delayed payments, for the delayed remittances made by our Company during the period starting from November 2019 to February 2023. Our Company has paid an amount of ₹ 25.87 lakhs as penal charges and interest on February 27, 2025 for delayed remittance of dues under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952.

d) Our Company has paid certain fines and penalties levied by BSE Limited and National Stock Exchange of India Limited, for non-compliances committed by us under the SEBI Listing Regulations and SEBI ICDR Regulations. We have paid the fines levied by the Stock Exchanges. The details of such fines and penalties have been provided below:

S. No.	Non-compliance alleged	Fine/ penalty levied (in ₹)	Date of payment of fine
1.	Failure to obtain approval of Stock Exchange(s) before filing request for change of name with the registrar of companies under Regulation 45 of the Listing Regulations.	59,000	March 24, 2021
2.	Non-compliance under Regulation 6(1) of the SEBI Listing Regulations	63,280	March 22, 2022
3.	Late submission of the financial results within the period prescribed under Regulation 33 of the Listing Regulations	3,06,800	July 2, 2022
4.	Non-compliance under Schedule XIX – Para 2 of the SEBI ICDR Regulations for not approaching the Stock Exchange for listing of equity shares issued under preferential issue within twenty days from the date of allotment	5,43,200	August 25, 2022
5.	Non Compliance under Regulation17(1) of the SEBI pertaining to the composition of the Board including failure to appoint woman director (BSE)	53,100	February 22, 2023

S. No.	Non-compliance alleged	Fine/ penalty levied (in ₹)	Date of payment of fine
6	Non Compliance under Regulation17(1) of the SEBI pertaining to the composition of the Board including failure to appoint woman director(NSE)	-*	March 10, 2023
	Total	**10,25,380**	

**NSE pursuant to its letter dated August 7, 2024 has reversed the fines levied on our Company.*

Economic offences where proceedings have been initiated against our Company

Nil

Other proceedings involving our Company and our Subsidiaries which involve an amount exceeding the Materiality Threshold or are otherwise material in terms of the Materiality Policy, and other pending matters which, if they result in an adverse outcome would materially and adversely affect the operations or the financial position of our Company and our Subsidiaries

Legal Proceedings involving our Company

Material civil proceedings filed against our Company:

a) GPE JV1 Limited, GPE (India) Limited and Gaja Trustee Company Private Limited (the "**Claimants**") had invested through preference shares in Haldia Coke and Chemicals Private Limited ("**Haldia**") in the year 2010. Subsequently, our Company, Twarit Consultancy Private Limited ("**TCPL**") and the Claimants had entered into share purchase agreements in September 2015 whereby our Company and TCPL had agreed to purchase the preference shares held in Haldia by the Claimants. On account of alleged failure to consummate the said share purchase agreements, the Claimants initiated arbitration under the Rules of the Singapore International Arbitration Centre ("**SIAC**") as per the provisions of the share purchase agreements, against our Company and TCPL (the "**Respondents**")The Claimants. SIAC *vide* their Order dated January 07, 2021 awarded damages jointly and severally against the Respondents to the tune of ₹ 19,854.11 lakhs and a sum of SGD 372,754.79 towards arbitration expenses (the "**Award**"). These are to be paid along with simple interest @ 7.25% pa from July 21, 2017 until the date of payment. The Respondents had preferred an appeal before the High Court of Republic of Singapore against the award of SIAC and the same is held in favour of the Claimants. The Claimants have filed a petition before the Hon'ble Madras High Court for recognition and enforcement of the Award under Section 47 of the Arbitration and Conciliation Act, 1996 ("**Arbitration Act**"). The application was allowed by the Madras High Court by an order dated January 5, 2023. The said Madras High Court order required the Claimants to obtain approval from the Reserve Bank of India before initiating execution proceedings. Aggrieved by the same, the Claimants challenged the said order by filing a special leave petition before the Hon'ble Supreme Court of India. Our Company had also challenged the order dated January 5, 2023 of the Hon'ble High Court of Madras by filing a Special Leave Petition before the Supreme Court of India. The Hon'ble Supreme Court of India vide its order dated January 29, 2024 directed the Respondents to pay and repatriate ₹ 12,500 lakhs along with interest at the awarded rate, that is 7.25% per annum from the date of award, being January 7, 2021, until the date of repatriation. The payment was required to be made within two months from the date of the order and in connection with the same, the Respondents had already preferred a modification application in February 2024 before the Hon'ble Supreme Court. In the meanwhile, the Hon'ble Supreme Court vide its order dated May 17, 2024 *inter alia* directed the payment to be made on or before next date of hearing in the week commencing from July 29, 2024 and directed the appearance of directors of the Respondents before it. The said matter along with all connected applications, including the Respondents' application seeking modification of directions dated January 29, 2024, is pending before the Hon'ble Supreme Court of India for final hearing. The Hon'ble Supreme Court of India passed an order dated April 29, 2025 directing the Respondents to deposit an amount of ₹ 12,000 lakhs, along with interest at the rate of 7.25% per annum from the date of the Award till the date of repatriation. TCPL has deposited the aforementioned amount before the Hon'ble Supreme Court of India on May 1, 2025. Subsequently, the Hon'ble Supreme Court of India directed the Respondents to deposit the interest amount Rs 3,950 lakhs. In parallel to the same proceedings, for the enforcement of the SIAC award, the Claimants have already filed Execution Petitions before the Hon'ble Madras High Court seeking attachment and sale of certain assets of the Respondents, in which proceedings, TCPL (being one of the Respondents) had also deposited an amount of Rs.500 lakhs with the Madras High Court registry and the matters are presently pending final disposal. The Company highlights that in the event of any adverse payment obligations arising out of the pending Madras High Court or the Supreme Court proceedings the same will not have any financial impact on the Company and the same will be fully discharged, indemnified and honoured by TCPL in the light of the indemnification arrangement the Company has with TCPL and

Shri Housing Private Limited. The Madras High Court pursuant to its order dated June 11, 2024 has allowed the plea of the Claimants to withdraw an amount of ₹ 500.00 lakhs which was deposited by the Respondents, subject to filing of an application in respect of the same. Additionally, the Claimants had alleged that our Company pursuant to the Issue proposes to earn a profit and has not reported the same in the affidavit of assets filed before the Hon'ble Court, to which the Hon'ble Court replied stating that the same is at an initial stage and the objects and other details of the same should be reported by the Claimants in the next hearing. Our Company has filed declaration of assets as per the format directed by the Hon'ble Court and the Claimants have been directed to make necessary amendments in accordance with the disclosures made in the affidavits filed by our Company relating to the assets and liabilities. The matter is pending before the Hon'ble Madras High Court and the Hon'ble Supreme Court of India. The matter shall be listed for hearing on June 10, 2025 before the Hon'ble Madras High Court and on July 14, 2025 before the Hon'ble Supreme Court of India.

b) M/s. Sai Sudhir Infrastructure Private Limited **("Sai Sudhir"),** Sub contractor challenged the cancellation of contract and claimed damages of ₹ 4,652 lakhs in arbitration in respect of sub contract work awarded by Bangalore Water Supply & Sewerage Board ("**BWSSB**") to which SEPC has filed its Defence Statement and Counter Claims. Initially Hon'ble Mr. Justice Shiv Shankar Bhat (Retd.) was the sole arbitrator and once due to poor health Hon'ble Mr. Justice Shiv Shankar Bhat (Retd.) recused himself from the said office of the arbitrator, Hon'ble Mr. Justice Patri Basavan Goud (Retd. Judge, High Court of Karnataka) was appointed as the Sole Arbitrator who has also resigned in view of health issues. Sai Sudhir approached Hon'ble High Court of Karnataka, Bangalore in an application under Section 11 of the Arbitration and Conciliation Act 1996 for appointment of an arbitrator by the Court. Pursuant to the said application, Hon'ble High Court of Karnataka, Bangalore has appointed Hon'ble Mr. Justice A.V. Chandrashekar (Retd. Judge, High Court of Karnataka) to be the Sole Arbitrator to fill in the above casual vacancy. The said Sole Arbitrator, Hon'ble Mr. Justice A.V. Chandrashekar is yet to start arbitration proceedings by issuing necessary notice to the parties. Pursuant to an order passed by September 27, 2024 on October 3, 2024 an insolvency resolution practitioner ("**IRP**") has been appointed in the matter, and our Company has submitted a claim before the IRP on October 17, 2024, which was acknowledged. The matters are presently pending.

c) M/s. IDEB Construction Project Limited **("IDEB"),** the claimant filed a claim amount of ₹ 903 lakhs before the Hon'ble Arbitrator and our Company has filed their counter disputing the claim. The Learned Arbitrator has fixed the fees as ₹15 Lakhs towards his remuneration by the Parties. Our Company feels that the remuneration fixed is on the higher side and has filed an O.P. 876 of 2005 in the High Court of Madras to terminate the mandate of Arbitrator since the fees charged by him for the proceedings are on the higher side. The petition has been admitted and notice ordered. The said O.P. is pending. In view of the above the arbitration has been stayed. The matter is pending before the High Court of Madras and has not been listed for hearing.

d) R.P. Singh ("**Plaintiff**") had filed a summary suit before the Addl. Chief Judge, City Civil Court at Hyderabad in respect of the severance package ₹ 746.37 lakhs payable consequent to his resignation from service of the cement business upon sale and transfer of the same to a third party in August 2013 against our Company. Our Company prayed for leave to defend the suit, which was allowed on October 4, 2018. Aggrieved by the same, the Plaintiff had preferred a petition before the High Court of Telangana and an interim stay on the aforementioned order was granted by the High Court *vide* its order dated February 7, 2019 until the disposal of the said petition. Plaintiff withdrew his petition before the High Court and the matter restored to the Addl Chief Judge City Civil Court, Hyderabad and the case is listed for hearing on Jun 12, 2025.

e) A company petition was filed by Ace Technologies and Infrastructure Limited ("**Petitioner**") before the National Company Law Tribunal, having its bench at Chennai under Section 9 of the Insolvency and Bankruptcy Code, 2016 read with Rule 6 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016. The petition was filed alleging failure of making payment of ₹ 617.92 lakhs by our Company in relation to a memorandum of understanding dated June 20, 2016 entered into with our Company, wherein the Petitioner was appointed as a sub-contractor for undertaking the work with respect to a project. The Petitioner issued a demand notice dated September 6, 2024 under Section 8 of the Insolvency and Bankruptcy Code, 2016. Our Company replied to the said notice pursuant to its letter dated September 19, 2024 and subsequently a rejoinder dated November 12, 2024 to our reply was issued by the Petitioner. The matter is presently pending and shall be listed for hearing on July 10, 2025.

f) An execution petition was filed by Steel Authority of India Limited before the High Court of Madras against M/s. Waterbury Farrel and our Company (the "**Respondents**") seeking execution of the arbitral award dated

February 28, 2019 passed by the arbitral tribunal consisting of Justice A.K Patnaik, Justice R.V Raveendran and Justice SS. Nijjar ("**Arbitral Award**") through attachment of immovable properties. In accordance with the Arbitral Award, the Respondents were jointly and severally liable to pay (i) an amount of ₹ 1952 lakhs as damages; (ii) 401.74 lakhs as pre-award simple interest at the rate of 12% per annum on ₹ 1952 lakhs from June 12, 2017 till the date of the Arbitral Award; (iii) award simple interest at 12% per annum on the awarded sum of INR 2,353.74 lakhs from the date after the date of the award to the date of full payment of the said sum; and (iv) USD 1,20,000 (approximately ₹ 102.00 lakhs) towards the costs of the arbitration which is 75% of USD 1,60,000 (approximately ₹ 136.00 lakhs) paid by the claimant out of the total costs of the arbitration of USD 626,750 (approximately ₹ 53,274 lakhs) as fixed by the ICC Court. Steel Authority of India Limited prayed the High Court of Madras to order attachment and sale of immovable properties of the Respondents for recovering the amount of the Arbitral Award. The matter is presently pending for adjudication and shall be listed for hearing on June 11, 2025.

Material civil proceedings filed by our Company:

a) Our Company invoked an arbitration clause against Hindustan Copper Limited, ("**HCL**") in respect of breach of the terms and conditions of the contract and made a claim of ₹ 11,913.72 lakhs including illegal encashment of bank guarantee of ₹ 920.52 lakhs, before the three-member panel of Arbitrators constituted for the purpose. HCL filed the statement of defense and counter claim for an amount of ₹14,817.17 lakhs and also made jurisdictional objection of the tribunal. The Hon'ble Tribunal rejected the jurisdictional objection of HCL and provided interim protection against the invocation of the bank guarantees for an amount of ₹ 3,024.92 lakhs. The mandate of the arbitral Tribunal expired on September 20, 2023, therefore the Arbitrator directed the parties to file an application before the Hon'ble High Court on before September 20, 2023 for extending the mandate of the Arbitral Tribunal for a further reasonable period. Hence our Company has filed Section 29A application of the Arbitration and Conciliation Act extension of the mandate of the Arbitral Tribunal before the Learned Commercial Court at Alipore. The matter is pending before the Learned Commercial Court at Alipore and the next date of listing is yet to be finalized.

b) Our Company invoked an arbitration clause against National Mineral Development Corporation ("**NMDC**") in respect of contract value for ₹ 27,499 lakhs and made a claim of ₹ 8,486.62 lakhs including illegal encashment of bank guarantee for ₹ 2,625.01 lakhs before the sole arbitrator. NMDC filed their statement of defense with counter claim of ₹ 16,807.78 lakhs. Our Company filed a rejoinder to the counter claim and statement of defense. NMDC had requested the sole arbitrator to file an application for submitting additional documents in respect of the arbitration, however the application is yet to be filed. The proceedings are pending. The matter is pending before the sole arbitrator and shall be listed for hearing on May 26, 2025.

c) Our Company filed a winding up proceeding (Company Petition No.173/2014) against Prakash Industries Limited ("**PIL**") before the Punjab & Haryana High Court, Chandigarh for recovery of ₹ 1,472 lakhs. In the wake of the enforcement of the Insolvency and Bankruptcy Code, 2016 ("**IBC**"), the abovesaid Company Petition was transferred by the Punjab & Haryana High Court *vide* order dated January 29, 2020 to the NCLT, Chandigarh Bench. Our Company filed an interim application before the National Company Law Tribunal, having its bench at Chandigarh under Section 60(5) IBC, seeking an order restraining PIL and its directors from alienating, encumbering or creating any third party interest on the assets of the corporate debtor. The petition and the interim application are presently pending. The matter is pending before NCLT Chandigarh, Bench II and shall be listed for hearing on June 4, 2025.

d) Our Company initiated Arbitration against Centrum for non-performance as mandated in the engagement letter and initiated an Arbitration proceeding. Bombay high court vide its Order dated July 26, 2018 appointed Mr. Arif Doctor as Sole Arbitrator. SEPC filed Statement of Claim for an amount of ₹ 3,631 lakhs, Centrum filed their Statement of Defense and Counter Claim. In the meanwhile, the Sole Arbitrator appointed by the High Court of Bombay has been elevated as Judge of Bombay High Court. No further proceedings have happened. The said matter is currently pending. Pursuant to an order dated July 10, 2024 passed by the Bombay High Court, Mr. R. D. Dhanuka, Chief Justice (Retd.) was appointed as the sole Arbitrator The matter is pending before the sole arbitrator and next date of hearing not yet fixed.

e) Our Company initiated Arbitration proceedings to recover ₹ 1,476 lakhs against Kerala Feeds Limited (KLF) in respect of the Kozhikode Project before sole arbitrator appointed by Kerala High Court. KFL filed their Statement of Defense, Counter Claim and Section 16 application. The matter is presently pending. The matter is pending before the Sole Arbitrator and shall be listed for hearing on May 29,2025.

f) Our Company filed a petition before the High Court of Madras under Section 11(4) of the Arbitration and Conciliation Act, 1996 against M/s. Ace Technologies and Infrastructure Limited ("**Respondent**") alleging failure to complete the work sub contracted under the memorandum of understanding dated June 20, 2016 aggregating to ₹ 571 lakhs, leading to loss and imposition of liquidated damages of ₹ 177.27 lakhs on our Company. In order to resolve the dispute and recover the losses incurred, our Company has prayed the High Court of Madras to pass an order appointing a sole arbitrator in terms of Section 11 (5) of the Arbitration and Conciliation Act, 1996 to resolve the disputes that have arisen between the parties, on account of failure of the Respondent to accord consent for appointment of an arbitrator. The Respondent had filed a counter affidavit denying the allegations and claims made by us and prayed for dismissal of the petition. The matter is presently pending and proceedings before the sole arbitrator are yet to commence.

Material civil proceedings filed against our Subsidiaries:

a) M/s Towell Construction & Co LLC (Towell) had initiated recovery suit in Seeb Primary Court in Sultanate of Oman against Shriam EPC Arkan LLC (SEPCA), step down subsidiary of our Company, demanding a payment of OMR 7,65,903.83 equivalent to ₹ 1,654.35 lakhs. SEPCA filed the Settlement Agreement dated March 16, 2022 signed between Towell, MISCO (Client and owner of project in Oman) & SEPCA for direct payment of ₹ 1,654.35 lakhs by MISCO to Towell with the Court and requested for disposal of the case and the same is pending. The matter is pending before SEEB Primary Court in Sultanate of Oman and has not been listed for hearing.

b) M/s Jal Engineering has initiated recovery suit in Supreme Council, Sultanate of Oman against Shriam EPC Arkan LLC (SEPCA), step down subsidiary of our Company, demanding a payment of USD 9,97,355 equivalent to ₹ 817.83 lakhs. SEPCA filed the Settlement Agreement dated December 20, 2021 signed between Jal Engineering, MISCO (Client and owner of project in Oman) & SEPCA for direct payment of ₹ 817.83 lakhs by MISCO to Jal Engineering with the Court and requested for disposal of the case and the same is pending. The matter is pending before Supreme Council Sultanate of Oman and has not been listed for hearing.

GOVERNMENT AND OTHER STATUTORY APPROVALS

Our Company has obtained necessary consents, licenses, permissions and approvals from governmental and regulatory authorities that are material for carrying on our present business activities. Some of the approvals and licenses that our Company requires for our business operations may expire in the ordinary course of business, and our Company will apply for the renewal from time to time.

We are not required to obtain any licenses or approvals from any government or regulatory authority for the objects of this Issue. For further details, please refer to the chapter titled "*Objects of the Issue*" at page 108 of this Letter of Offer.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

The Board of Directors in its meeting dated November 14, 2024 have authorised this Issue under Section 62(1) (a) and other applicable provisions of the Companies Act, 2013.

Our Board, at its meeting held on May 13, 2024, determined the Issue Price as ₹ 10/- per Rights Equity Share and the Rights Entitlement as eleven (11) Rights Equity Share(s) for every fifty (50) Equity Share(s) held on the Record Date, i.e., Friday, May 23, 2025. The Issue Price of ₹ 10/-per Rights Equity Share has been arrived at, in consultation with the Lead Manager, prior to the determination of the Record Date.

Our Company has received in-principle approvals from NSE and BSE for listing of the Equity Shares to be allotted in this Issue pursuant to their respective letters each dated February 24, 2025 and February 20, 2025, respectively. Our Company will also make applications to BSE and NSE to obtain their trading approvals for the Rights Entitlements as required under the SEBI Rights Issue Circular.

Our Company has been allotted the ISIN INE964H20055 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"* beginning on page 264.

Prohibition by SEBI or other Governmental Authorities

Our Company, our Promoter, our Directors, the members of our Promoter Group and persons in control of our 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 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 Promoter 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 Letter of Offer.

Our Directors have not 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 wilful defaulters or fraudulent borrowers by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters and fraudulent borrowers 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 Promoter 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 Letter of Offer.

Eligibility for the Issue

Our Company is a listed company, incorporated under Companies Act, 1956. The Equity Shares of our Company are presently listed on the Stock Exchanges i.e. BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**"). Our Company is eligible to undertake and offer the Equity Shares pursuant to this Issue in terms of Chapter III of the SEBI ICDR Regulations. Further, our Company is undertaking this Issue in compliance with Part B of Schedule VI to the 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 Limited is the Designated Stock Exchange for the Issue.

Compliance with Part B of Schedule VI of the SEBI ICDR Regulations

Our Company is in compliance with the provisions specified in Clause (1) of Part B of Schedule VI of SEBI ICDR Regulations as explained below:

1. Our Company has been filing periodic reports, statements and information in compliance with the SEBI Listing Regulations, as applicable for the last one year immediately preceding the date of filing of this Letter of Offer with SEBI;
2. The reports, statements and information referred to above are available on the website of BSE and NSE; and
3. Our Company has an investor grievance-handling mechanism which includes meeting of the Stakeholders' Relationship Committee at frequent intervals, 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.

As our Company satisfies the conditions specified in Clause (1) of Part B of Schedule VI of SEBI ICDR Regulations, and given that the conditions specified in Clause (3) of Part B of Schedule VI of SEBI ICDR Regulations are not applicable to our Company, the disclosures in this Letter of Offer are in terms of Clause (4) of Part B of Schedule VI of the SEBI ICDR Regulations.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT LETTER OF OFFER TO THE SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI") SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT LETTER OF OFFER. THE LEAD MANAGER, SUMEDHA FISCAL SERVICES LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT LETTER OF OFFER ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 ("SEBI ICDR REGULATIONS"). THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT LETTER OF OFFER, THE LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER, SUMEDHA FISCAL SERVICES LIMITED HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED DECEMBER 23, 2024 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SEBI ICDR REGULATIONS, WHICH READS AS FOLLOWS:

1. **WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE DRAFT LETTER OF OFFER PERTAINING TO THE ISSUE;**

2. **ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE COMPANY, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE COMPANY, WE CONFIRM THAT:**

a) **THE DRAFT LETTER OF OFFER IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;**

b) **ALL THE MATERIAL LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS, GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY SEBI, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**

c) **THE MATERIAL DISCLOSURES MADE IN THE DRAFT LETTER OF OFFER ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 2013, TO THE EXTENT APPLICABLE, SEBI ICDR REGULATIONS AND OTHER APPLICABLE LEGAL REQUIREMENTS.**

3. **WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT LETTER OF OFFER ARE REGISTERED WITH SEBI AND THAT TILL DATE SUCH REGISTRATION IS VALID.**

4. **WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS – NOT APPLICABLE.**

5. **WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTER HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT LETTER OF OFFER WITH THE SEBI TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT LETTER OF OFFER – NOT APPLICABLE.**

6. **WE CERTIFY THAT REGULATION 15 OF THE SEBI ICDR REGULATIONS, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT LETTER OF OFFER – NOT APPLICABLE.**

7. **WE UNDERTAKE THAT SUB-REGULATION (3) OF REGULATION 14 AND CLAUSE (C) AND (D) OF SUB-REGULATION (9) OF REGULATION 25 OF THE SEBI ICDR REGULATIONS SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO SEBI. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE COMPANY ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE – NOT APPLICABLE.**

8. **WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE CREDITED/TRANSFERRED IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SECTION 40(3) OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE DRAFT LETTER OF OFFER. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION. – NOT APPLICABLE. THIS BEING A RIGHTS ISSUE, SECTION 40(3) OF THE COMPANIES ACT, 2013 IS NOT APPLICABLE. FURTHER, TRANSFER OF MONIES RECEIVED PURSUANT TO THE ISSUE SHALL BE RELEASED TO**

THE COMPANY AFTER FINALISATION OF THE BASIS OF ALLOTMENT IN COMPLIANCE WITH REGULATION 90 OF THE SEBI ICDR REGULATIONS, AS AMENDED.

9. **WE CERTIFY THAT THE EXISTING BUSINESS AS WELL AS ANY NEW BUSINESS OF THE COMPANY FOR WHICH THE FUNDS ARE BEING RAISED FALL WITHIN THE "MAIN OBJECTS" IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE COMPANY AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED IN LAST 10 YEARS ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION. - COMPLIED TO THE EXTENT APPLICABLE.**

10. **WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT LETTER OF OFFER:**

    a) **AN UNDERTAKING FROM THE COMPANY THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE COMPANY. AS ON THE DATE OF THE DRAFT LETTER OF OFFER, OUR COMPANY HAS NOT ISSUED ANY SR EQUITY SHARES AND THERE ARE NO OUTSTANDING SR EQUITY SHARES; AND**

    b) **AN UNDERTAKING FROM THE COMPANY THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY SEBI FROM TIME TO TIME.**

11. **WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SEBI ICDR REGULATIONS, AS AMENDED WHILE MAKING THE ISSUE – NOTED FOR COMPLIANCE.**

12. **WE CONFIRM THAT THE ISSUER IS ELIGIBLE TO LIST ON THE INNOVATORS GROWTH PLATFORM IN TERMS OF THE PROVISIONS OF CHAPTER X OF THE SEBI ICDR REGULATIONS – NOT APPLICABLE.**

13. **WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OR THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS' EXPERIENCE, ETC.- COMPLIED WITH.**

14. **WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SEBI ICDR REGULATIONS, AS AMENDED, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT LETTER OF OFFER WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.- COMPLIED WITH.**

THE FILING OF THE DRAFT LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE DRAFT LETTER OF OFFER.

Disclaimer from our Company and the Lead Manager

Our Company and the Lead Manager accept no responsibility for statements made otherwise than in this 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.sepc.in or the respective websites of our Promoter Group or an affiliate of our Company would be doing so at his or her own risk.

All information shall be made available by our Company and the Lead Manager 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 who invest in this Issue will be deemed to have represented to our Company, the Lead Manager and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Rights Equity Shares of our Company, and are relying on independent advice/ evaluation as to their ability and quantum of investment in this Issue. Our Company, the Lead Manager and their directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any Applicant on whether such Applicant is eligible to acquire any Rights 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 centers.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this Letter of Offer. You must not rely on any unauthorized information or representations. This 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 Letter of Offer is current only as at its date.

Cautions

Our Company and the Lead Manager shall make all relevant information available to the Eligible Equity Shareholders in accordance with the SEBI ICDR Regulations and no selective or additional information would be available for a section of the Eligible Equity Shareholders in any manner whatsoever, including at presentations, in research or sales reports, etc., after filing this Letter of Offer. No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this Letter of Offer. You must not rely on any unauthorized information or representations. This Letter of Offer is an offer to sell only the Rights Equity Shares and the Rights Entitlements, but only under circumstances and in the applicable jurisdictions. Unless otherwise specified, the information contained in this Letter of Offer is current only as at its date.

Disclaimer in respect of Jurisdiction

This 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 Tamil Nadu, India only.

Disclaimer Clause of BSE

As required, a copy of the Draft Letter of Offer was submitted to BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of the Draft Letter of Offer, has been provided below:

"*BSE Limited ("**the Exchange**") has given vide its letter dated February 20, 2025, permission to this Company to use the Exchange's name in this Letter of Offer as the stock exchange on which this Company's securities are proposed to be listed. The Exchange has scrutinized this letter of offer for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner:*

- *Warrant, certify or endorse the correctness or completeness of any of the contents of this letter of offer; or*
- *Warrant that this Company's securities will be listed or will continue to be listed on the Exchange; or*
- *Take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company;*

and it should not for any reason be deemed or construed that this letter of offer has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection *with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.*"

Disclaimer Clause of NSE

As required, a copy of the Draft Letter of Offer has been submitted to NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of the Draft Letter of Offer, has been provided below:

"*As required, a copy of this letter of offer has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref. No. NSE/LIST/46347 dated February 24, 2025, permission to the Issuer to use the Exchange's name in this letter of offer as one of the stock exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized this letter of offer for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer.*

It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the letter of offer has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this letter of offer; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever."

Designated Stock Exchange

The Designated Stock Exchange for the purposes of the Issue is BSE Limited.

Listing

Our Company will apply to BSE and NSE 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.

Selling Restrictions

This Letter of Offer is solely for the use of the person who has received it from our Company or from the Registrar. This Letter of Offer is not to be reproduced or distributed to any other person.

The distribution of the Draft Letter of Offer/ this Letter of Offer, Abridged Letter of Offer, Application Form and the Rights Entitlement Letter (**"Issue Materials"**) 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 the Draft Letter of Offer/ this 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 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 this the 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 Letter of Offer has been filed with SEBI and the Stock Exchanges.

Accordingly, the Rights Entitlement or Equity Shares may not be offered or sold, directly or indirectly, and this 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 Letter of Offer will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer.

This 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.

Neither the delivery of this 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 of any time subsequent to this date or the date of such information. Each person who exercises Rights Entitlements and subscribes for Equity Shares, or who purchases Rights Entitlements or Equity Shares shall do so in accordance with the restrictions set out below.

THE CONTENTS OF THIS LETTER OF OFFER SHOULD NOT BE CONSTRUED AS BUSINESS, LEGAL, TAX OR INVESTMENT ADVICE. PROSPECTIVE INVESTORS MAY BE SUBJECT TO ADVERSE FOREIGN, STATE OR LOCAL TAX OR LEGAL CONSEQUENCES AS A RESULT OF BUYING OR SELLING OF RIGHTS EQUITY SHARES OR RIGHTS ENTITLEMENTS. AS A RESULT, 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 RIGHTS EQUITY SHARES OR RIGHTS ENTITLEMENTS. IN ADDITION, NEITHER OUR COMPANY NOR THE LEAD MANAGER NOR ANY OF THEIR RESPECTIVE AFFILIATES ARE MAKING ANY REPRESENTATION TO ANY OFFEREE OR PURCHASER OF THE EQUITY SHARES REGARDING THE LEGALITY OF AN INVESTMENT IN THE RIGHTS EQUITY SHARES BY SUCH OFFEREE OR PURCHASER UNDER ANY APPLICABLE LAWS OR REGULATIONS.

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 LETTER OF OFFER ARE BEING OFFERED IN INDIA, BUT NOT IN THE UNITED STATES. THE OFFERING TO WHICH THE 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 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 Letter of Offer. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders and the 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 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, in consultation with the Lead Manager, 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 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 SOLICIATION 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 OTHERJURISDICTION AT ANY TIME.

Consents

Consents in writing of: our Directors, Company Secretary and Compliance Officer, Chief Financial Officer, the Lead Manager, Statutory Auditor, legal advisor, the Registrar to the Issue, the Monitoring Agency and the Bankers 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 Letter of Offer.

Expert Opinion

Our Company has received written consent dated March 28, 2025 from the Statutory Auditor to include their name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations in this 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) report dated May 28, 2024 on our Audited Financial Statements for the financial year ended March 31, 2024; (ii) limited review report dated February 13, 2025 on our Limited Review Financial Results for the nine-month period ended December 31, 2024; and (iii) statement of tax benefits dated December 13, 2024 in this Letter of Offer and such consent has not been withdrawn as on the date of this Letter of Offer. The term 'expert' and consent thereof, does not represent an expert or consent within the meaning under the U.S. Securities Act.

Our Company has received written consent dated April 1, 2025, from B N C A & Co, Chartered Accountants, to include their name as required under Section 26 of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Letter of Offer, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as the Independent Chartered Accountant, and such consent has not been withdrawn as on the date of this Letter of Offer. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

Except for the abovementioned documents, our Company has not obtained any expert opinions.

NOTICE TO INVESTORS

NO ACTION HAS BEEN TAKEN OR WILL BE TAKEN THAT WOULD PERMIT A PUBLIC OFFERING OF THE RIGHTS ENTITLEMENTS OR RIGHTS EQUITY SHARES TO OCCUR IN ANY JURISDICTION OTHER THAN INDIA, OR THE POSSESSION, CIRCULATION OR DISTRIBUTION OF THIS LETTER OF OFFER OR ANY OTHER MATERIAL RELATING TO OUR COMPANY, THE RIGHTS ENTITLEMENTS OR THE RIGHTS EQUITY SHARES IN ANY JURISDICTION WHERE ACTION FOR SUCH PURPOSE IS REQUIRED. ACCORDINGLY, THE RIGHTS ENTITLEMENTS OR RIGHTS EQUITY SHARES MAY NOT BE OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, AND NEITHER THIS LETTER OF OFFER NOR ANY OFFERING MATERIALS OR ADVERTISEMENTS IN CONNECTION WITH THE RIGHTS ENTITLEMENTS OR RIGHTS EQUITY SHARES MAY BE DISTRIBUTED OR PUBLISHED IN OR FROM ANY COUNTRY OR JURISDICTION EXCEPT IN ACCORDANCE WITH THE LEGAL REQUIREMENTS APPLICABLE IN SUCH COUNTRY OR JURISDICTION. THIS ISSUE WILL BE MADE IN COMPLIANCE WITH THE APPLICABLE SEBI REGULATIONS. EACH PURCHASER OF THE RIGHTSENTITLEMENTS OR THE RIGHTS EQUITY SHARES IN THIS IS SUE WILL BE DEEMED TO HAVE MADE ACKNOWLEDGMENTS AND AGREEMENTS

Filing

A copy of the Draft Letter of Offer was filed electronically with SEBI at cfddil@sebi.gov.in, in accordance with the instructions issued by SEBI on March 27, 2020, in relation to "Easing of Operational Procedure –Division of Issues and Listing –CFD", and was also uploaded on the SEBI intermediary portal at siportal.sebi.gov.in as specified in Master Circular no. SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024 issued by SEBI. The DLOF was also filed with BSE and NSE, where the Rights Equity Shares are proposed to be listed.

Further, a copy of this Letter of Offer has been filed with SEBI and the Stock Exchanges, in accordance with the SEBI ICDR Regulations.

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 at least once a year and 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. Cameo Corporate Services Limited is our Registrar and Share Transfer Agent. 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, 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, 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. For details on the ASBA process, see "*Terms of the Issue*" beginning at page 264 of this Letter of Offer. The contact details of our Registrar to the Issue and our Company Secretary are as follows:

Registrar to the Issue

Cameo Corporate Services Limited
No. 01, Club House Road, Mount Road,
Chennai- 600 002, Tamil Nadu, India.

Telephone: +91 44 4002 0700/ 2846 0390
Facsimile: N.A.
Email: rights@cameoindia.com
Website: www.cameoindia.com
Online Investor Portal: https:// wisdom.cameoindia.com
Investor Grievance Email id: investor@cameoindia.com
Contact Person: K. Sreepriya
SEBI Registration No.: INR000003753

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.

Thiruppathi Sriraman, Company Secretary and Compliance Officer of our Company. His contact details are set forth hereunder.

4th Floor, Bascon Futura SV,
IT Park Venkatanarayana Road,
Parthasarathy Puram,
T. Nagar Chennai – 600 017,
Tamil Nadu, India
Telephone: +91 44 4900 5555
E-mail: tsr@sepc.in

SECTION VII – ISSUE INFORMATION

TERMS OF THE ISSUE

This section is for the information of the Investors proposing to apply in the Issue. Investors should carefully read the provisions contained in this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form, before submitting the Application Form. Our Company and the Lead Manager are not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this 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 this Letter of Offer. Unless otherwise permitted under the SEBI ICDR Regulations read with the SEBI Master Circular, Investors proposing to apply in the Issue can apply only through ASBA or by mechanism as disclosed in this Letter of Offer.

Investors are requested to note that application in the Issue can only be made through ASBA or any other mode which may be notified by SEBI.

The Rights Entitlement on the Equity Shares, the ownership of which is currently under dispute and including any court proceedings or are currently under transmission or are held in a demat suspense account and for which our Company has withheld the dividend, shall be held in abeyance and the Application Form along with the Rights Entitlement Letter in relation to these Rights Entitlements shall not be dispatched pending resolution of the dispute or court proceedings or completion of the transmission or pending their release from the demat suspense account. On submission of such documents /records confirming the legal and beneficial ownership of the Securities with regard to these cases on or prior to the Issue Closing Date, to the satisfaction of our Company, our Company shall make available the Rights Entitlement on such Equity Shares to the identified Eligible Equity Shareholder. The identified Eligible Equity Shareholder shall be entitled to subscribe to the Rights Equity Shares pursuant to the Issue during the Issue Period with respect to these Rights Entitlement and subject to the same terms and conditions as the Eligible Equity Shareholder.

The Issue is proposed to be undertaken on a rights basis and is subject to the terms and conditions contained in the Letter of Offer, this 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 of our Company, the provisions of the Companies Act, 2013, the FEMA, the FEMA Rules, the SEBI ICDR Regulations, the SEBI LODR Regulations and the guidelines, notifications, circulars and regulations issued by SEBI, the RBI, the Government of India and other statutory and regulatory authorities from time to time, approvals, if any, from RBI or other regulatory authorities, the terms of the Listing Agreements entered into by our Company with Stock Exchanges and the terms and conditions as stipulated in the Allotment Advice.

I. DISPATCH AND AVAILABILITY OF ISSUE MATERIALS

In accordance with the SEBI ICDR Regulations and SEBI Master Circular, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent/ dispatched only to the Eligible Equity Shareholders who have provided their Indian 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 jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions. 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. Further, the Draft Letter of Offer and this Letter of Offer will be sent/ dispatched to the Eligible Equity Shareholders who have provided Indian address and who have made a request in this regard. In case such Eligible Equity Shareholders have provided their valid e-mail address, this Letter of Offer 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 this Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Investors can access the Draft Letter of Offer, this 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 laws) on the websites of:

(i) our Company at www.sepc.in;

(ii) the Registrar at https://rights.cameoindia.com/sepc4;
(iii) the Lead Manager at www.sumedhafiscal.com; and
(iv) the Stock Exchanges at www.bseindia.com and www.nseindia.com.

In case the Eligible Equity Shareholders have provided their valid e-mail address, this Letter of Offer 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 this Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., https://rights.cameoindia.com/sepc4) by entering their DP ID and Client ID or folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) and PAN. The link for the same shall also be available on the website of our Company (i.e., www.sepc.in).

Further, our Company along with the Lead Manager will undertake all adequate steps to reach out 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 nor the Lead Manager shall be responsible for not sending the physical copies of Issue materials, including the Draft Letter of Offer, this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form or delay in the receipt of the Draft Letter of Offer, this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form attributable to non-availability of the email 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.

The distribution of the Draft Letter of Offer, this Letter of Offer, 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 the Issue in any jurisdiction where action would be required for that purpose, except that this Letter of Offer is being filed with the Stock Exchanges. Accordingly, the Rights Entitlements and Rights Equity Shares may not be offered or sold, directly or indirectly, and the Draft Letter of Offer, this 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 the 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 Draft Letter of Offer, this 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 Draft Letter of Offer, this 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 Draft Letter of Offer, this 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 Draft Letter of Offer, this 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 or the Lead Manager or their respective affiliates to any filing or registration requirement (other than in India). If the Draft Letter of Offer, this 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 Draft Letter of Offer, this 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 authorized 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 or the Lead Manager or their respective affiliates to make any filing or registration (other than in India).

Our Company is undertaking the Issue on a rights basis to the Eligible Equity Shareholders and will send the Draft Letter of Offer, this 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 email addresses and an Indian address to our Company.

This Letter of Offer is being provided, primarily through e-mail, by the Registrar on behalf of our Company or the Lead Manager to the Eligible Equity Shareholders who have provided their Indian addresses to our Company and who make a request in this regard.

Terms of Payment:

The Issue Price of ₹10/- per Rights Equity Share is payable as follows:

Amount payable per Rights Equity Share(₹)	Face Value	Premium	Total
On Application	5.00	Nil	5.00
On First and Final Call	5.00	Nil	5.00
Total	**10.00**	**Nil]**	**10.00**

**Investors shall be required to make the balance payment towards the Call notice by the due date, which shall be separately notified by our Company.*

Note:

1. Out of the amount of ₹5 paid on the Application, ₹ 5 would be adjusted towards the face value of the Rights Equity Shares and ₹ Nil shall be adjusted towards the premium of the Rights Equity Shares; and
2. Out of the amount of ₹ 5 paid on First and Final Call, ₹ 5 would be adjusted towards the face value of the Rights Equity Shares and ₹ Nil shall be adjusted towards the premium of the Rights Equity Shares.
3. Call notice for First and Final Call shall be sent by our Company for making the payment towards the balance amount due.
4. Rights Equity Shares in respect of which the Call payable remains unpaid may be forfeited at any time after the due date for payment of the balance amount due.

Procedure for Call Notice(s)

The Company would convene a meeting of the Board or its committee thereof, to pass the required resolutions for making the Call and suitable intimation would be given by the Company to the Stock Exchanges. Further, advertisements for the same will be published in one (1) English national daily newspaper, one (1) regional language daily newspaper, one (1) in Hindi national daily newspaper and one (1) regional language daily newspaper, all with wide circulation. The First and Final Call shall be deemed to have been made at the time when the resolution authorizing each such Call is passed at the meeting of the Board. The Call may be revoked or postponed at the discretion of the Board. Pursuant to the provisions of the Articles of Association of the Company, the Investors would be given at least fourteen (14) days' notice for the payment of the Call. The Board may, from time to time at its discretion, extend the time fixed for the payments of the Call. If the Investors fail to pay the First and Final Call within the due date fixed by the Board or any extension thereof, the application money already paid may be forfeited.

Record date for Call(s) and suspension of trading

The Company would fix record date giving at least seven (07) days prior notice to the Stock Exchanges for the purpose of determining the list of Equity Shareholders to whom the notice for the Call pursuant to the First and Final Call would be sent. Once the record date has been fixed, trading in the partly paid Rights Shares for which the Call has been made would be suspended prior to such record date that has been fixed for such Call.

Separate ISIN for Partly Paid-up Shares

In addition to the present ISIN for the existing Equity Shares, our Company would obtain a separate ISIN Rights Equity Shares, until fully paid-up. The Rights Equity Shares offered under the Issue will be traded under a separate ISIN for the period as may be applicable under the rules and regulations prior to the record date for the First and Final Call. The ISIN representing the Rights Equity Shares will be terminated after the Record Date for the First and Final Call. On payment of the First and Final Call money in respect of the Rights Equity Shares, such Rights Equity Shares would be fully paid up and merged with the existing ISIN for our Equity Shares.

Listing of Partly Paid-up Equity Shares

The partly paid-up Rights Equity Shares would be listed on the Stock Exchange. For an applicable period, under the rules and regulations, prior to the record date for the Call, the trading of the Rights Equity Shares would be terminated. The process of corporate action for crediting the Rights Equity Shares to the Investors' demat accounts may take about two (02) weeks' time from the last date of payment of the account under the Call notice. The process of corporate action for crediting the fully paid-up Rights Equity Shares to the Investors' demat accounts may take about two (02) weeks' time from the last date of payment of the account under the First and Final Call.

The listing and trading of the partly paid-up Rights Equity Shares shall be based on the current regulatory framework applicable thereto. Any change in the regulatory regime would accordingly affect the schedule.

Rights of instrument holder

Each Rights Equity Share shall rank pari passu with the existing Equity Shares of the Company, once fully paid up.

II. PROCESS OF MAKING AN APPLICATION IN THE ISSUE

In accordance with Regulation 76 of the SEBI ICDR Regulations, the SEBI Master Circular, all Investors desiring to make an Application in the 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 Renouncees, to make Applications in the Issue basis the Rights Entitlement credited in their respective demat accounts or demat suspense escrow account, as applicable. For further details on the Rights Entitlements and demat suspense escrow account, see "*- Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders*" on page 277 of this 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 escrow account in case of resident Eligible Equity Shareholders holding shares in physical form as on Record Date and applying in the 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 the ASBA Account in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB.

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, see "*- Grounds for Technical Rejection*" on page 273 of this Letter of Offer.

Our Company, the Lead Manager, 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 the 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 the Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, see "*- Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process*" on page 269 of this 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. Details of each of the Eligible Equity Shareholders' Rights Entitlement will be sent to the Eligible Equity shareholder separately along with the Application Form and would also be available on the website of the Registrar to the Issue at https://rights.cameoindia.com/sepc4 and link of the same would also be available on the website of our Company at www.sepc.in. Respective Eligible Equity Shareholder can check their entitlement by keying their requisite details therein.

If the Eligible Equity Shareholder applies in the Issue, then such Eligible Equity Shareholder can:

1. apply for its Rights Equity Shares to the full extent of its Rights Entitlements; or
2. apply for its Rights Equity Shares to the extent of part of its Rights Entitlements (without renouncing the other part); or
3. apply for Rights Equity Shares to the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements; or
4. apply for its Rights Equity Shares to the full extent of its Rights Entitlements and apply for Additional Rights Equity Shares; or
5. renounce its Rights Entitlements in full.

Making of an Application through the ASBA process

An Investor, wishing to participate in the 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 the 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 authorizing 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 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 the Issue and clear demarcated funds should be available in such account for such an Application.

The Lead Manager, our Company, their directors, employees, affiliates, associates and their respective directors and officers 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:

1. Ensure that the necessary details are filled in the Application Form including the details of the ASBA Account.

2. 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 dematerialized form only.

3. 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.

4. Ensure that there are sufficient funds (equal to {number of Rights Equity Shares (including Additional Rights Equity Shares) applied for} X {Application Money of Rights Equity Shares}) available in ASBA Account mentioned in the Application Form before submitting the Application to the respective Designated Branch of the SCSB.

5. 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.

6. 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.

7. 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.

8. 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.

9. 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:

1. Do not apply if you are not eligible to participate in the Issue under the securities laws applicable to your jurisdiction.

2. Do not submit the Application Form after you have submitted a plain paper Application to a Designated Branch of the SCSB or vice versa.

3. Do not send your physical Application to the Lead Manager, the Registrar, the Banker to the Issue, 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.

4. Do not instruct the SCSBs to unblock the funds blocked under the ASBA process upon making the Application.

5. Do not submit Application Form using third party ASBA account.

6. Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application.

7. Do not submit multiple Applications.

8. Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.

9. Do not pay the Application Money in cash, by money order, pay order or postal order.

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 the Issue on plain paper in case of non-receipt of Application Form as detailed above and only such plain paper applications which provide all the details required in terms of Regulation 78 of SEBI ICDR Regulations shall be accepted by SCSBs. 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 the Issue on plain paper with the same details as per the Application Form that is available on the website of the Registrar, the Stock Exchanges or the Lead Manager.

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.

Please note that the Eligible Equity Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize 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 SEPC 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 on 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 Equity Shares applied for pursuant to the Issue;
5. Number of Equity Shares held as on 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 ₹10 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); and
16. All such Eligible Equity Shareholders shall be deemed to have made the representations, warranties and agreements set forth in "*Restrictions on Foreign Ownership of Indian Securities*" on page 291, of this Letter of Offer and shall include the following:

"*I/ We hereby make representations, warranties and agreements set forth in "Restrictions on Foreign Ownership of Indian Securities" on page 291 of the Letter of Offer.*

I/ We acknowledge that the Company, the Lead Manager, 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 escrow 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, the Lead Manager 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 https://rights.cameoindia.com/sepc4.

Our Company, the Lead Manager 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.

<u>Making of an Application by Eligible Equity Shareholders holding Equity Shares in physical form</u>

Please note that in accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Master Circular, 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 on Record Date and desirous of subscribing to Rights Equity Shares in the 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 escrow account opened by our Company.

Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have opened their demat accounts after the Record Date, shall adhere to following procedure for participating in the 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 *"- Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process*" on page 269 of this Letter of Offer.

In accordance with the SEBI Master Circular, Resident Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date will not be allowed to renounce their Rights Entitlements in the Issue. However, such Eligible Equity Shareholders, where the dematerialized Rights Entitlements are transferred from the suspense escrow demat account to the respective demat accounts within prescribed timelines, can apply for Additional Rights Equity Shares while submitting the Application through ASBA process.

PLEASE NOTE THAT THE ELIGIBLE EQUITY SHAREHOLDERS, WHO HOLD EQUITY SHARES IN PHYSICAL FORM AS ON RECORD DATE AND WHO HAVE NOT FURNISHED THE DETAILS OF THEIR RESPECTIVE DEMAT ACCOUNTS TO THE REGISTRAR OR OUR COMPANY AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE, SHALL NOT BE ELIGIBLE TO MAKE AN APPLICATION FOR RIGHTS EQUITY SHARES AGAINST THEIR RIGHTS ENTITLEMENTS WITH RESPECT TO THE EQUITY SHARES HELD IN PHYSICAL FORM.

<u>Application for Additional Rights Equity Shares</u>

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 "-*Basis of Allotment*" on page 285.

Eligible Equity Shareholders who renounce their Rights Entitlements in full or part, cannot apply for Additional Rights Equity Shares. Non-resident Renouncees who are not Eligible Equity Shareholders cannot apply for Additional Rights Equity Shares.

INVESTORS TO KINDLY NOTE THAT AFTER PURCHASING THE RIGHTS ENTITLEMENTS THROUGH ON MARKET RENUNCIATION / OFF MARKET RENUNCIATION, AN APPLICATION HAS TO BE MADE FOR SUBSCRIBING TO THE RIGHTS EQUITY SHARES. IF NO SUCH

APPLICATION IS MADE BY THE RENOUNCEE ON OR BEFORE ISSUE CLOSING DATE, THEN SUCH RIGHTS ENTITLEMENTS WILL GET LAPSED AND SHALL BE EXTINGUISHED AFTER THE ISSUE CLOSING DATE AND NO RIGHTS EQUITY SHARES FOR SUCH LAPSED RIGHTS ENTITLEMENTS WILL BE CREDITED. FOR PROCEDURE OF APPLICATION BY SHAREHOLDERS WHO HAVE PURCHASED THE RIGHT ENTITLEMENT THROUGH ON MARKET RENUNCIATION / OFF MARKET RENUNCIATION, PLEASE REFER TO THE HEADING TITLED "PROCESS OF MAKING AN APPLICATION IN THE ISSUE" ON PAGE 267 OF THIS LETTER OF OFFER.

RIGHTS ENTITLEMENTS (RES) WHICH ARE NEITHER SUBSCRIBED NOR RENOUNCED ON OR BEFORE THE ISSUE CLOSING DATE SHALL LAPSE AND SHALL BE EXTINGUISHED AFTER THE ISSUE CLOSING DATE. IF NO APPLICATION IS MADE BY THE PURCHASER OF RES ON OR BEFORE ISSUE CLOSING DATE THEN SUCH RES WILL GET LAPSED AND SHALL BE EXTINGUISHED AFTER THE ISSUE CLOSING DATE. NO SHARES / OTHER SECURITIES FOR SUCH LAPSED RES WILL BE CREDITED, EVEN IF SUCH RES WERE PURCHASED FROM MARKET AND PURCHASER WILL LOSE THE PREMIUM PAID TO ACQUIRE THE RES. PERSONS WHO HAVE BOUGHT RIGHTS ENTITLEMENTS (RES), SHALL REQUIRE TO MAKE AN APPLICATION AND APPLY FOR SHARES / OTHER SECURITIES OFFERED UNDER RIGHTS ISSUE, IF THEY WANT TO SUBSCRIBE TO THE SHARES / OTHER SECURITIES OFFERED UNDER RIGHTS ISSUE

Additional general instructions for Investors in relation to making of an Application

(a) Please read this 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 regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of the Draft Letter of Offer, this 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 "*Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process*" on page 269.
(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 Exchanges.
(e) Applications should not be submitted to the Banker to the Issue, our Company or the Registrar or the Lead Manager.
(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 the Issue shall be made into the accounts of such Investors.
(g) Ensure that the demographic details such as address, PAN, DP ID, Client ID, folio number, bank account details and occupation ("**Demographic Details**") are updated, true and correct, in all respects. Investors applying under the 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 the 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, Registrar or the Lead Manager 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) Investor will be solely responsible for any error or inaccurate detail provided in the Application. Our Company, the Lead Manager, SCSBs or the Registrar will not be liable for any such rejections.
(k) 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 the Issue quoting the name of the first/sole Applicant, folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on 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 for by them do not exceed the prescribed limits under the applicable law.
(n) Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application.
(o) An Applicant being an OCB is required not to be under the adverse notice of RBI and in order to apply for the Issue as an incorporated non-resident must do so in accordance with the FDI Policy and FEMA Rules.
(p) 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 the Issue are liable to be rejected on the following grounds:

(a) DP ID, folio number and Client ID mentioned in Application does not match with the DP ID, folio number 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, the Lead Manager, Registrar, Banker to the Issue, 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 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 s.
(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) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States (other than from persons in the United States who are U.S. QIBs and “qualified purchasers” (as defined under the U.S. Investment Company Act of 1940, as amended and referred to in this Letter of Offer as “QPs”) or other jurisdictions where the offer and sale of the 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 (a) both a U.S. QIB and a QP, if in the United States or a U.S. Person or (b) outside the United States and is a non-U.S. Person, and in each case such person is eligible to subscribe for the 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 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 (other than from persons in the United States who are U.S. QIBs and QPs).
(s) Applicants not having the requisite approvals to make application in the Issue.
(t) IT IS MANDATORY FOR ALL THE INVESTORS APPLYING UNDER THIS ISSUE TO APPLY THROUGH THE ASBA PROCESS, TO RECEIVE THEIR RIGHTS EQUITY SHARES IN DEMATERIALISED FORM AND TO THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY THE INVESTOR AS ON THE RECORD DATE. ALL INVESTORS APPLYING UNDER THIS ISSUE SHOULD MENTION THEIR DEPOSITORY PARTICIPANT’S NAME, DP ID AND BENEFICIARY ACCOUNT NUMBER/ FOLIO NUMBER IN THE APPLICATION FORM. INVESTORS MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE APPLICATION FORM IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE APPLICATION FORM OR PLAIN PAPER APPLICATIONS, AS THE CASE MAY BE.
(u) Investors applying under this Issue should note that on the basis of name of the Investors, Depository Participant’s name and identification number and beneficiary account number 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. Hence, Investors applying under this Issue should carefully fill in their Depository Account details in the Application.
(v) 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. By signing the Application Forms, the Investors would be deemed to have authorized the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.
(w) The Allotment advice and the email intimating unblocking of ASBA Account or refund (if any) would be emailed to the address of the Investor as per the email 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.
(x) 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) the DP ID, and (c) the beneficiary account number, then such Application Forms s are liable to be rejected.
(y) Application forms supported by the amount blocked from a third party bank account.

Multiple Applications

In case where multiple Applications are made using same demat account in respect of the same Rights Entitlement, 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 dematerialized form and Equity Shares held in physical form, and such Applications shall not be treated as multiple applications. Further, additional applications in relation to additional Rights Equity Shares with/without using additional Rights Entitlements 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, see *"- Procedure for Applications by Mutual Funds*" on page 276.

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 through ASBA, such Applications shall be treated as multiple applications and are liable to be rejected, other than multiple applications submitted by our Promoter to meet the minimum subscription requirements applicable to the Issue as described in "*General Information – Minimum Subscription*" on page 95.

<u>*Procedure for Applications by certain categories of Investors*</u>

Procedure for Applications by FPIs

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the multiple entities having common ownership, directly or indirectly, of more than 50% or common control) must be below 10% of our post- Issue Equity Share capital. Further, in terms of FEMA Rules, the total holding by each FPI shall be below 10% of the total paid-up equity share capital of a company on a fully-diluted basis and the total holdings of all FPIs put together shall not exceed 24% of the paid-up equity share capital of a company on a fully diluted basis.

Further, pursuant to the FEMA Rules the investments made by a SEBI registered FPI in a listed Indian company will be reclassified as FDI if the total shareholding of such FPI increases to more than 10% of the total paid-up equity share capital on a fully diluted basis or 10% or more of the paid up value of each series of debentures or preference shares or warrants.

FPIs are permitted to participate in the 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 the 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 the Issue. Other categories of AIFs are permitted to apply in the 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.

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 the 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 Policy 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

Applications made by asset management companies or custodians of Mutual Funds should clearly and specifically state names of the concerned schemes for which such Applications are made.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Procedure for applications by Systemically Important NBFCs

In case of application made by Systemically Important NBFCs registered with the RBI, (i) the certificate of registration issued by the RBI under Section 45 –IA of the RBI Act, 1934 and (ii) networth 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 Monday, June 09, 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 Exchanges 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 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 *"- Basis of Allotment*" on page 285.

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 Exchanges. 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 the Issue may withdraw their Application at any time during Issue Period by approaching the SCSB where application is submitted. However, no Investor, applying through ASBA facility, may withdraw their Application post 5.00 p.m. (Indian Standard Time) on 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. 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 four 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 on 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 (i.e., https://rights.cameoindia.com/sepc4) by entering their DP ID and Client ID or folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) and PAN. The link for the same shall also be available on the website of our Company (i.e., www.sepc.in).

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 dematerialized form. A separate ISIN for the Rights Entitlements has also been generated which is INE964H20055. 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 escrow account to the Stock Exchanges 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 Issue for subscribing to the Rights Equity Shares offered under Issue.

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 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 escrow 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 (i.e. https://rights.cameoindia.com/sepc4). 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 Master 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 (namely, "SEPC LTD RIGHTS ISSUE SUSPENSE ESCROW DEMAT 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 LODR 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 on 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 Wednesday, June 18, 2025 to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow 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 the 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 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 the Issue shall apply to the Renouncee(s) as well.

- *Renunciation of Rights Entitlements*

  The 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 Exchanges or through an off market transfer.

- *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 Exchanges (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.

In accordance with the SEBI Master Circular, the resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date shall be required to provide their demat account details to our Company or the Registrar to the Issue for credit of REs not later than two Working Days prior to Issue Closing Date, such that credit of REs in their demat account takes place at least one day before Issue Closing Date, thereby enabling them to renounce their Rights Entitlements through Off Market Renunciation.

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.

Terms of Payment:

The Issue Price of ₹ 10 per Rights Equity Share is payable as follows:

Amount payable per Rights Equity Share(₹)	Face Value	Premium	Total
On Application	5.00	Nil	5.00
On First and Final Call	5.00	Nil	5.00
Total	**10.00**	**Nil**	**10.00**

**Investors shall be required to make the balance payment towards the Call notice by the due date, which shall be separately notified by our Company.*

The Lead Manager and our Company accept 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 Exchanges through a registered stock-broker in the same manner as the existing Equity Shares of our Company. In this regard, in terms of provisions of the SEBI ICDR Regulations and the SEBI Master Circular, the Rights Entitlements credited to the respective demat accounts of the Eligible Equity Shareholders shall be admitted for trading on the the Stock Exchanges under ISIN: INE964H20055 subject to requisite approvals. Prior to the Issue Opening Date, our Company will obtain the approval from the Stock Exchanges 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 Exchanges from time to time.

The Rights Entitlements are tradable in dematerialized 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 Monday, June 09, 2025 to Tuesday, June 17, 2025 (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: INE964H20055 and 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 the Stock Exchanges 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 Exchanges 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 Renouncees on or prior to the Issue Closing Date to enable Renouncees 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: INE964H20055, 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.

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.

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.

The Investor agrees to block the entire amount payable on Application with the submission of the Application Form, by authorizing 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 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 finalization 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 in accordance with 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 the 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 Renouncees who are not Eligible Equity Shareholders must submit regulatory approval for applying for Additional Rights Equity Shares.

VI. BASIS FOR THE ISSUE AND TERMS OF THE 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, see "*The Issue*" beginning on page 88.

Fractional Entitlements

The Rights Equity Shares are being offered on a rights basis to Eligible Equity Shareholders in the ratio of eleven (11) Rights Equity Shares for every fifty (50) Equity Shares held on the Record Date. 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 five (05) Rights Equity Shares or not in the multiple of fifty (50), 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.

For example, if an Eligible Equity Shareholder holds five (05) Equity Shares, such Equity Shareholder will be entitled to one (01) Equity Share and will also be given a preferential consideration for the Allotment of one Additional Rights Equity Share if such Eligible Equity Shareholder has applied for Additional Rights Equity Shares, over and above his/her Rights Entitlements, subject to availability of Rights Equity Shares in the Issue post allocation towards Rights Entitlements applied for.

Further, the Eligible Equity Shareholders holding less than five (05) 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 the Issue shall be subject to the provisions of the Draft Letter of Offer, this 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 LODR 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 Exchanges and the terms and conditions as stipulated in the Allotment advice. The Rights Equity Shares to be issued and Allotted under the Issue shall 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 the 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 NSE and BSE. Unless otherwise permitted by the SEBI ICDR Regulations, the Rights Equity Shares Allotted pursuant to the 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 and NSE through their letters bearing reference number LOO/RIGHT/ MV/ FIP/ 1839/2024-25 dated February 20, 2025 and NSE/LIST/46347 dated February 24, 2025, respectively. Our Company will apply to the Stock Exchanges for final approval for the listing and trading of the Rights Equity Shares subsequent to its 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. The existing Equity Shares are listed and traded on BSE Limited (Scrip Code: 532945) and NSE (Symbol: SEPC) under the ISIN: INE964H01014. 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 Exchanges.

Upon receipt of such listing and trading approvals, the Rights Equity Shares shall be debited from such temporary ISIN and credited to the new ISIN for the Rights Equity Shares and thereafter be available for trading 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 the 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 Exchanges, 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 Exchanges, 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 the Issue by our Promoter and members of the Promoter Group*

For details of the intent and extent of subscription by our Promoter, see "*Capital Structure – Intention and extent of participation by our Promoter and Promoter Group in the Issue*" on page 96.

VII. GENERAL TERMS OF THE ISSUE

- *Market Lot*

The Equity Shares of our Company shall be tradable only in dematerialized form. The market lot for 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 Equity Shares offered in the Issue.

- *Nomination*

Nomination facility is available in respect of the 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 the 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 Equity Shares shall be traded in dematerialised form only and, therefore, the marketable lot shall be one Equity Share and hence, no arrangements for disposal of odd lots are required.

- *Restrictions on transfer and transmission of shares and on their consolidation/splitting*

There are no restrictions on transfer and transmission and on their consolidation/splitting of shares issued pursuant to this Issue. However, the Investors should note that pursuant to provisions of the SEBI LODR Regulations, with effect from April 1, 2019, except in case of transmission or transposition of securities, the request for transfer of securities shall not effected unless the securities are held in the dematerialized form with a depository.

- *Notices*

In accordance with the SEBI ICDR Regulations and the SEBI Master Circular, and MCA General Circular No. 21/2020 dated May 11, 2020, our Company will send through email and speed post, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other 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 regional Tamil daily newspaper with wide circulation (Tamil also being the regional language in the place where our Registered Office is located).

The Draft Letter of Offer, this Letter of Offer, the Abridged Letter of Offer and the Application Form shall also be submitted with the the Stock Exchanges for making the same available on its website.

- *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 priya@cameoindia.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 the Lead Manager 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 Draft Letter of Offer, this 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, the Lead Manager and the Stock Exchanges.

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 and the Lead Manager.

ALLOTMENT OF THE RIGHTS EQUITY SHARES IN DEMATERIALIZED FORM

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR IN THE 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, SEE "- ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS" ON PAGE 286.

VIII. ISSUE SCHEDULE

Issue Opening Date	Monday, June 09, 2025
Last date for receiving requests for Application Form and Rights Entitlement Letter#	Wednesday, June 18, 2025
Issue Closing Date	Monday, June 23, 2025
Finalising the basis of allotment with the Designated Stock Exchange (on or about)	Friday, June 27, 2025
Date of Allotment (on or about)	Friday, June 27, 2025
Initiation of refunds	Friday, June 27, 2025
Date of credit (on or about)	Wednesday, July 02, 2025
Date of listing (on or about)	Tuesday, July 08, 2025

**Our Board may, however, decide 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).*

***Investors are advised to ensure that the Application Forms are submitted on or before the Issue Closing Date. Our Company, the Lead Manager and/or the Registrar to the Issue will not be liable for any loss on account of non-submission of Application Forms or on before the Issue Closing Date.*

#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 Renouncee(s)on or prior to the Issue Closing Date.

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 clear Working Days prior to the Issue Closing Date, i.e., Wednesday, June 18, 2025 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, i.e., Friday, June 20, 2025.

IX. BASIS OF ALLOTMENT

Subject to the provisions contained in the Draft Letter of Offer, this 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, as adjusted for fraction entitlement.

(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 the 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 in consultation with the Designated Stock Exchange, as a part of the 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 the 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 (d) 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 the Issue, along with:

1. The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for the 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 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 1 day from the finalisation of Basis of allotment T+1, T being the date of approval of basis of allotment. 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 1 day' period.

The Rights Entitlements will be credited in the dematerialized 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 refunded/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*

  In case of Applicants not eligible to make an application through ASBA process, the payment of refund, if any, including in the event of oversubscription or failure to list or otherwise would be done through unblocking amounts blocked using ASBA facility.

- *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 Dematerialized Form*

  PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR UNDER THE 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 ON THE RECORD DATE, OR (C) DEMAT SUSPENSE ACCOUNT PENDING RECEIPT OF DEMAT ACCOUNT DETAILS FOR RESIDENT ELIGIBLE EQUITY SHAREHOLDERS HOLDING EQUITY SHARES FORM/ WHERE THE CREDIT OF THE RIGHTS ENTITLEMENTS RETURNED/REVERSED/FAILED.

  Investors shall be Allotted the Rights Equity Shares in dematerialized (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 dematerialized form, instead of holding the Equity Shares in the form of physical certificates: tripartite agreements dated October 12, 2007 and October 12, 2007 amongst our Company, NSDL and CDSL, respectively, 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 the 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 dematerialized 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. Renouncees will also have to provide the necessary details about their beneficiary account for Allotment of Rights Equity Shares in the Issue. In case these details are incomplete or incorrect, the Application is liable to be rejected.
  8. Dividend or other benefits with respect to the Equity Shares held in dematerialized form would be paid to those Equity Shareholders whose names appear in the list of beneficial owners given by the Depository Participant to our Company as on the date of the book closure.
  9. Resident Eligible Equity Shareholders, who hold Equity Shares in physical form 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, shall not be able to apply in this Issue

Impersonation

As a matter of abundant caution, attention of the Investors is specifically drawn to the provisions of Section 38 of the Companies Act, 2013 which is reproduced below:

"Any person who:
(i) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
(ii) 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
(iii) 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 ten years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount. Where such fraud (i) involves an amount which is less than ₹ 10 lakhs or 1% of the turnover of the Company, whichever is lower, and (ii) does not involve public interest, then such fraud is punishable with imprisonment for a term extending up to five years or fine of an amount extending up to ₹ 50 lakhs or with both.

Utilization of Issue Proceeds

Our Board of Directors declares that:

(a) All monies received out of the Issue shall be transferred to a separate bank account;

(b) Details of all monies utilized out of the Issue shall be disclosed, and shall continue to be disclosed until the time any part of the Issue Proceeds remains unutilized, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized;

(c) Details of all unutilized monies out of the Issue, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested; and

(d) Our Company may utilize the funds collected in the Issue only after final listing and trading approvals for the Rights Equity Shares Allotted in the Issue is received.

Undertakings by our Company

Our Company undertakes the following:

(i) The complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily.

(ii) All steps for completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges where the Rights Equity Shares are to be listed will be taken within the time prescribed by the SEBI.

(iii) The funds required for making refunds to unsuccessful Applicants as per the mode(s) disclosed shall be made available to the Registrar by our Company.

(iv) Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the Investor 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.

(v) Other than any Equity Shares that may be issued pursuant to exercise options under the ESOP 2016 and ESOP 2018, no further issue of securities affecting our Company's Equity Share capital shall be made until the

Rights Equity Shares are listed or until the Application Money is refunded on account of non-listing, under subscription etc.

(vi) In case of unblocking of the application amount for unsuccessful Applicants or part of the application amount in case of proportionate Allotment, a suitable communication shall be sent to the Applicants.

(vii) Adequate arrangements shall be made to collect all ASBA Applications and to consider them similar to non-ASBA Applications while finalizing the Basis of Allotment.

(viii) At any given time, there shall be only one denomination for the Rights Equity Shares of our Company.

(ix) Our Company shall comply with all disclosure and accounting norms specified by the SEBI from time to time.

(x) Our Company accepts full responsibility for the accuracy of information given in this Letter of Offer and confirms that to the best of its knowledge and belief, there are no other facts the omission of which makes any statement made in this Letter of Offer misleading and further confirms that it has made all reasonable enquiries to ascertain such facts.

Minimum Subscription

The objects of the Issue involve financing other than financing of capital expenditure for a project. However, our Promoter and members of our Promoter Group have, *vide* their letters each dated December 17, 2024 and December 20, 2024 (the "**Subscription Letters**"), informed us that they may renounce their Rights Entitlement in favour of third parties.

Accordingly, the minimum subscription criteria provided under Regulation 86 (1) of the SEBI ICDR Regulations shall apply to this Issue. In accordance with Regulation 86 of the SEBI ICDR Regulations, if our Company does not receive minimum subscription of at least 90% of the Equity Shares being offered under this Issue, on an aggregate basis, our Company shall refund the entire subscription amount received within 4 (four) days from the Issue Closing Date in accordance with the SEBI Master Circular. If there is a delay in making refunds beyond such period as prescribed by applicable laws, our Company will pay interest for the delayed period at rate as prescribed under the applicable laws.

Filing

A copy of this Letter of Offer shall be filed electronically with SEBI at cfddil@sebi.gov.in, in accordance with the instructions issued by SEBI on March 27, 2020, in relation to "Easing of Operational Procedure –Division of Issues and Listing –CFD", and was also uploaded on the SEBI intermediary portal at siportal.sebi.gov.in as specified in Master Circular no. SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024 issued by SEBI. The DLOF will also filed with BSE and NSE, where the Rights Equity Shares are proposed to be listed.

Further, a copy of the Letter of Offer shall be filed with SEBI and the Stock Exchanges, in accordance with the SEBI ICDR Regulations.

Withdrawal of the Issue

Subject to provisions of the SEBI ICDR Regulations, the Companies Act and other applicable laws, our Company in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time before the Issue Opening Date without assigning any reason thereof.

If our Company withdraws the Issue any time after the Issue Opening Date, a public notice within two (2) Working Days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue shall be issued by our Company. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisement has appeared and the Stock Exchanges will also be informed promptly.

The Lead Manager, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within one (1) working Day from the day of receipt of such instruction. Our Company shall also inform the same to the Stock Exchanges.

If our Company withdraws the Issue at any stage including after the Issue Closing Date and subsequently decides to proceed with an Issue of the Equity Shares, our Company will file a fresh offer document with the Stock Exchanges where the Equity Shares may be proposed to be listed.

Important

Please read this 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 the Letter of Offer and must be carefully followed; otherwise the Application is liable to be rejected. It is to be specifically noted that this Issue of Rights Equity Shares is subject to the risk factors mentioned in "*Risk Factors*" on page 24.

All enquiries in connection with this Letter of Offer or Application Form and the Rights Entitlement Letter must be addressed (quoting the Registered Folio Number or the DP and Client ID number, the Application Form number and the name of the first Eligible Equity Shareholder as mentioned on the Application Form and super scribed "***SEPC Limited– Rights Issue***" on the envelope to the Registrar at the following address:

Cameo Corporate Services Limited
No. 01, Club House Road, Mount Road,
Chennai- 600 002, Tamil Nadu, India.
Telephone: +91 44 4002 0700/ 2846 0390
Facsimile: N.A.
Email: rights@cameoindia.com
Website: https://rights.cameoindia.com/sepc4 / www.cameoindia.com
Online Investor Portal: https:// wisdom.cameoindia.com
Investor Grievance Email id: investor@cameoindia.com
Contact Person: K. Sreepriya
SEBI Registration No.: INR000003753

The Issue will remain open for a minimum period of 7 (seven) days. However, our Board 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).

The Investors can visit following links for the below-mentioned purposes:

(a) Frequently asked questions are available on the website of the Registrar (https://rights.cameoindia.com/sepc4) or call helpline numbers (+91-44-40020700 (5 Lines)) and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors: ;
(b) Updation of email address/ mobile number in the records maintained by the Registrar or our Company https://rights.cameoindia.com/sepc4;
(c) Updation of Indian address can be sent to Registrar at email id rights@cameoindia.com or by way of Registered post/Courier at Cameo Corporate Services, No 1 Subramaniam Building, Club House Road, Chennai – 600002
(d) Updation of demat account details by Eligible Equity Shareholders holding shares in physical form: https://rights.cameoindia.com/sepc4.
(e) Submission of self-attested PAN, client master sheet and demat account details by non- resident Eligible Equity Shareholders at priya@cameoindia.com.

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, of the Government of India, 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. The Union Cabinet, as provided in the Cabinet Press Release dated May 24, 2017, has given its approval for phasing out the FIPB. 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 now 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 knows as the Department of Industrial Policy and Promotion) ("**DPIIT**"), Ministry of Finance, Department of Economic Affairs, FIPB section, through a memorandum dated June 5, 2017, has notified the specific ministries handling relevant sectors.

The Government has, from time to time, made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated FDI Policy Circular of 2017 ("**FDI Circular 2017**"), which, with effect from August 28, 2017, consolidated and superseded all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on August 28, 2017. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Circular 2017 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 between FEMA and such policy pronouncements, FEMA prevails. The Consolidated FDI Policy, issued by the DIPP, consolidates the policy framework in place as on August 27, 2017, and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP that were in force and effect as on August 27, 2017. The Government proposes to update the consolidated circular on FDI Policy once every year and therefore the Consolidated FDI Policy will be valid until the DIPP issues an updated circular.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the 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.

As per the existing policy of the Government of India, erstwhile OCBs cannot participate in this Issue.

The above information is given for the benefit of the Applicants / Investors. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

SECTION VIII – STATUTORY AND OTHER INFORMATION

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 working days prior to the Issue Closing Date by the Eligible Equity Shareholder holding Equity Shares in physical form as on the Record Date.

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 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 on the website of the Company at www.sepc.in until the Issue Closing Date.

1. MATERIAL CONTRACTS FOR THE ISSUE

(i) Issue Agreement dated December 20, 2024 entered into between our Company and the Lead Manager.

(ii) Registrar Agreement dated December 20, 2024 entered into amongst our Company and the Registrar to the Issue.

(iii) Rights Issue Account Agreement dated May 14, 2025 amongst our Company, the Lead Manager, the Registrar to the Issue and the Banker to the Issue.

(iv) Monitoring Agency agreement dated March 28, 2025 entered into between our Company and the Monitoring Agency.

2. MATERIAL DOCUMENTS

(i) Certified copies of the updated Memorandum of Association and Articles of Association of our Company as amended from time to time.

(ii) Annual Reports of the Company for the past three years.

(iii) Certificate of incorporation dated June 12, 2000 and certificate of commencement of business dated June 30, 2000.

(iv) Fresh certificate of incorporation dated February 12, 2021 issued by Ministry of Corporate Affairs, pursuant to change of name of our Company to '*SEPC Limited'*.

(v) Prospectus dated February 8, 2008 filed with SEBI, Stock Exchange, RoC and other regulatory authorities during the initial public offering of our Company.

(vi) Draft letter of offer dated February 7, 2023 and Letter of offer dated March 23, 2023 issued pursuant to the first rights issue of our Company.

(vii) Draft letter of offer dated October 13, 2023 and Letter of offer dated November 23, 2023 issued pursuant to the second rights issue of our Company.

(viii) Draft letter of offer dated April 17, 2024 and Letter of offer dated June 27, 2024 issued pursuant to the third rights issue of our Company.

(ix) Resolution of the Board of Directors at its meeting held on November 14, 2024 in relation to the Issue authorization.

(x) Resolution of the Rights Issue Committee dated December 23, 2024 approving and adopting the Draft Letter of Offer.

(xi) Resolution of the Rights Issue Committee of the Board of Directors dated May 22, 2025 approving and adopting the Letter of Offer.

(xii) Resolution of the Rights Issue Committee of the Board of Directors dated May 13, 2025, finalizing the terms of the Issue including Issue Price, Record Date and the Rights Entitlement Ratio.

(xiii) Consent of our Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor, Independent Chartered Accountant, Lead Manager, Bankers to the Issue, Legal Advisor, the Registrar to the Issue and Monitoring Agency for inclusion of their names in the Letter of Offer in their respective capacities.

(xiv) Complaint bearing complaint no. SEBIP/KN25/TUMA/003679/1 was registered by Shivananda Padiyar on the SEBI Scores Portal on January 16, 2025 and email dated January 30, 2025 sent by the Company for replying to the complaint.

(xv) Audited financial statements of our Company and its Subsidiaries, prepared as per Ind AS for Fiscal 2024, prepared in line with Ind AS notified under the Companies Act, 2013, as amended read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

(xvi) Limited reviewed report dated February 13, 2025 on the unaudited consolidated financial results of our Company and its Subsidiaries for the nine-month period ended December 31, 2024.

(xvii) Statement of Tax Benefits dated December 13, 2024 from the Statutory Auditor included in this Letter of Offer.

(xviii) Tripartite Agreement dated October 12, 2007 between our Company, NSDL and the Registrar to the Issue.

(xix) Tripartite Agreement dated October 12, 2007 between our Company, CSDL and the Registrar to the Issue.

(xx) Due Diligence Certificate dated December 23, 2024 addressed to SEBI from the Lead Manager.

(xxi) In principle listing approvals dated February 20, 2025 and February 24, 2025 issued by BSE and NSE respectively.

(xxii) Letter bearing reference no. SEBI/HO/CFD/RAC-DIL3/P/OW/2025/8593/1 dated March 19, 2025 issued by Securities Exchange Board of India for the purpose of issuing final observations to our Company.

Any of the contracts or documents mentioned in this 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

We hereby declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Letter of Offer is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all the statements and disclosures made in this Letter of Offer are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

Sd/-

Abdulla Mohammad Ibrahim Hassan Abdulla
(Chairman and Non-Executive Director)

Sd/-

Nemmara Krishnan Suryanarayanan
(Managing Director and Chief Executive Officer)

Sd/-

Dr. Ravichandran Rajagopalan
(Independent Director)

Sd/-

Dr. Arun Kumar Gopalaswamy
(Independent Director)

Sd/

Rajesh Kumar Bansal
(Independent Director)

Sd/

Sundaram Gayathri
(Independent Director)

SIGNED BY THE CHIEF FINANCIAL OFFICER

Sd/-

Chandrasekharan Sivaprakasam Ramalingam

Place: Chennai, Tamil Nadu

Date: May 22, 2025

SEBI ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER

FOR THE ELIGIBLE EQUITY SHAREHOLDERS OF THE COMPANY ONLY

This is an Abridged Letter of Offer containing salient features of the Letter of Offer dated May 22, 2025, ("**Letter of Offer**"), which is available on the websites of the Registrar, our Company, the Lead Manager and the Stock Exchanges where the Equity Shares of our Company are listed, *i.e.*, BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**") (referred as, the "**Stock Exchanges**"). You are encouraged to read greater details available in the Letter of Offer. Capitalised terms not specifically defined herein shall have the meaning ascribed to them in the Letter of Offer.

THIS ABRIDGED LETTER OF OFFER CONTAINS 24 PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.

Our Company has made available on the Registrar's website at www.cameoindia.com and the Company's website at www.sepc.in, the Abridged Letter of Offer and the Application Form, to the Eligible Equity Shareholders who have provided an Indian address to the Company. You may also download the Letter of Offer from the websites of the Company, the Securities and Exchange Board of India ("**SEBI**"), the Stock Exchanges and the Registrar, *i.e.*, www.sepc.in, www.sebi.gov.in, www.bseindia.com, www.nseindia.com and www.cameoindia.com, respectively. The Application Form is available on the website of our Company and the Stock Exchanges.

SEPC LIMITED

Registered Office: 4th Floor, Bascon Futura SV, IT Park Venkatanarayana Road, Parthasarathy Puram, T. Nagar Chennai – 600 017, Tamil Nadu, India;

Tel: +91 44 4900 5555; **Fax:** N.A. **E-mail:** info@sepc.in; **Website:** www.sepc.in;

Contact Person: Thiruppathi Sriraman, Company Secretary and Compliance Officer;

Corporate Identification Number: L74210TN2000PLC045167

FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF SEPC LIMITED

PROMOTERS OF OUR COMPANY: MARK A B CAPITAL INVESTMENT LLC

ISSUE DETAILS, LISTING AND PROCEDURE

ISSUE OF UPTO 35,00,00,000* PARTLY PAID-UP EQUITY SHARES OF FACE VALUE ₹ 10 EACH ("RIGHTS EQUITY SHARES") OF OUR COMPANY FOR CASH AT A PRICE OF ₹ 10/- PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ NIL PER EQUITY SHARE) (THE "ISSUE PRICE"), AGGREGATING UPTO ₹ 35,0000 LAKHS* ON A RIGHTS BASIS TO THE EXISTING EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF ELEVEN (11) RIGHTS EQUITY SHARES FOR EVERY FIFTY (50) FULLY PAID-UP EQUITY SHARES HELD BY THE EXISTING EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON FRIDAY, MAY 23, 2025 (THE "ISSUE"). THE ISSUE PRICE FOR THE RIGHTS EQUITY SHARES IS ONE (01) TIME OF THE FACE VALUE OF THE EQUITY SHARES. FOR FURTHER DETAILS, PLEASE REFER TO THE CHAPTER TITLED "TERMS OF THE ISSUE" ON PAGE 264 OF THE LETTER OF OFFER.

**Assuming full subscription. Subject to finalisation of the Basis of Allotment.*

Listing: The existing Equity Shares are listed on BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**") (the "**Stock Exchanges**"). Our Company has received 'in-principle' approvals from BSE and NSE for listing the Rights Equity Shares to be allotted pursuant to this Issue vide their letters dated February 20, 2025 and February 24, 2025.

Procedure: If you wish to know about processes and procedures applicable to a rights issue, you may refer to the section titled "*Terms of the Issue*" on page 264 of the Letter of Offer. You may download a copy of the Letter of Offer from the websites of our Company, SEBI, the Stock Exchanges, Lead Manager and the Registrar, as stated above. You can also request the Company or the Stock Exchanges to provide a hard copy of the Letter of Offer. Please note that in terms of Regulation 72(5) of SEBI ICDR Regulations, the Stock Exchanges may charge a reasonable amount for providing hard copy of the Letter of Offer.

PAYMENT SCHEDULE FOR THE RIGHTS EQUITY SHARES			
Amount Payable per Rights Equity Share i.e. Issue Price	**Face value (₹)**	**Premium (₹)**	**Total**
On Application	5.00	5.00	10.00
On First and Final Call (as determined by our Board in consultation with Rights Issue Committee)	5.00	5.00	10.00

*For further details on Payment Schedule, see "*Terms of the Issue*" on page 264 of the Letter of Offer.

ELIGIBILITY FOR THE ISSUE

Our Company is a listed company, incorporated under Companies Act, 1956. The Equity Shares of our Company are presently listed on the Stock Exchanges *i.e.*, BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**"). Our Company is eligible to undertake and offer the Equity Shares pursuant to this Issue in terms of Chapter III of the SEBI ICDR Regulations. Further, our Company is undertaking this Issue in compliance with Part B-1 of Schedule VI to the SEBI ICDR Regulations.

Minimum Subscription: Our Promoter and members of our Promoter Group have, *vide* their letters each dated December 17, 2024 and December 20, 2024 (the "**Subscription Letters**"), informed us that they may renounce their Rights Entitlement in favour of third parties. Accordingly, the minimum subscription criteria provided under Regulation 86 (1) of the SEBI ICDR Regulations shall apply to this Issue. In accordance with Regulation 86 of the SEBI ICDR Regulations, if our Company does not receive minimum subscription of at least 90% of the Equity Shares being offered under this Issue, on an aggregate basis, our Company shall refund the entire subscription amount received within 4 (four) days from the Issue Closing Date in accordance with the SEBI Master Circular. If there is a delay in making refunds beyond such period as prescribed by applicable laws, our Company will pay interest for the delayed period at rate as prescribed under the applicable laws.

In accordance with Regulation 10(4)(b) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, an Eligible Equity Shareholder who wishes to subscribe to additional Rights Entitlements, shall be exempt from the obligation of making an open offer under Regulation 3(2) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, if (a) the Eligible Equity Shareholder has not renounced any of its Rights Entitlements in the Issue; and (b) the Issue Price shall not be higher than the ex-rights price of the Equity Shares of our Company. We shall ensure that the Issue Price is not higher than the ex-rights price of the Equity Shares of our Company. Our Promoters and members of our Promoter Group as of the date of the Letter of Offer hold 53,06,88,255 Equity Shares aggregating to 33.37% of the paid-up Equity Share Capital. On account of renunciation of their Rights Entitlements, the shareholding of our Promoters and members of our Promoter Group shall be diluted to the extent of their renunciation.

In the event our Company does not receive the minimum subscription of 90% of the total Issue Size or the subscription level falls below 90% of the total Issue Size after the Issue Closing Date on account of withdrawal of Applications or technical rejections or any other reason, our Company shall refund the entire subscription amount received within such period as may be prescribed under applicable law. Further, in the event, there is delay in making a refund of the subscription monies, our Company shall be required to pay interest for the delayed period at such a rate prescribed under applicable law. For further details, please see "*General Information - Minimum Subscription*" on page 95.

For risks relating to the above, please see Risk Factor 20 of the Letter of Offer, which has been provided below for ease of reference:

If our Company does not receive the minimum subscription of 90% of the total Issue Size, the Issue may fail.

Our Promoter and members of our Promoter Group have, *vide* their letters each dated December 17, 2024 and December 20, 2024 (the "**Subscription Letters**"), informed us that they may renounce their Rights Entitlement in favour of third parties. Accordingly, the minimum subscription criteria provided under Regulation 86 (1) of the SEBI ICDR Regulations shall apply to this Issue. In accordance with Regulation 86 of the SEBI ICDR Regulations, if our Company does not receive minimum subscription of at least 90% of the Equity Shares being offered under this Issue, on an aggregate basis, our Company shall refund the entire subscription amount received within 4 (four) days from the Issue Closing Date in accordance with the SEBI Master Circular. If there is a delay in making refunds beyond such period as prescribed by applicable laws, our Company will pay interest for the delayed period at rate as prescribed under the applicable laws.

In accordance with Regulation 10(4)(b) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, an Eligible Equity Shareholder who wishes to subscribe to additional Rights Entitlements, shall be exempt from the obligation of making an open offer under Regulation 3(2) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, if (a) the Eligible Equity Shareholder has not renounced any of its Rights Entitlements in the Issue; and (b) the Issue Price shall not be higher than the ex-rights price of the Equity Shares of our Company. We shall ensure that the Issue Price is not higher than the ex-rights price of the Equity Shares of our Company.

In the event our Company does not receive the minimum subscription of 90% of the total Issue Size or the subscription level falls below 90% of the total Issue Size after the Issue Closing Date on account of withdrawal of Applications or technical rejections or any other reason, our Company shall refund the entire subscription amount received within such period as may be prescribed under applicable law. Further, in the event, there is delay in making a refund of the subscription monies, our Company shall be required to pay interest for the delayed period at such a rate prescribed under applicable law. For further details, please see "*General Information - Minimum Subscription*" on page 95.

INDICATIVE TIMETABLE			
Issue Opening Date	Monday, June 09, 2025	**Date of Allotment/ Initiation of Refunds (on or about)**	Friday, June 27, 2025
Last Date for On Market Renunciation#	Tuesday, June 17, 2025	**Date of credit of Equity Shares to demat account of Allottees (on or about)**	Wednesday, July 02, 2025
Issue Closing Date* **	Monday, June 23, 2025	**Date of listing / Commencement of trading of Equity Shares on the Stock Exchanges (on or about)**	Tuesday, July 08, 2025
Finalising the basis of allotment with the Designated Stock Exchanges (on or about)	Friday, June 27, 2025		

**Our Board may, however, decide 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).*
***Investors are advised to ensure that the Application Forms are submitted on or before the Issue Closing Date. Our Company, the Lead Manager and/or the Registrar to the Issue will not be liable for any loss on account of non-submission of Application Forms or on before the Issue Closing Date.*
#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 Renouncee(s)on or prior to the Issue Closing Date.

GENERAL RISKS
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 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 the Letter of Offer. Specific attention of the investors is invited to the section titled "*Risk Factors*" on page 24 of the Letter of Offer.

Name of the Lead Manager and contact details	**SUMEDHA FISCAL SERVICES LIMITED** 6A Geetanjali, 6th Floor, 8B Middleton Street, Kolkata – 700 071, West Bengal, India. **Telephone: +91** (033) 2229 8936 / 6813 5900 **Fax No.:** N.A. **Email id:** rightsissue_mb@sumedhafiscal.com **Website:** www.sumedhafiscal.com **Investor grievance:** mb_compliance@sumedhafiscal.com **SEBI Registration Number:** INM000008753 **Contact Person:** Ajay K Laddha

Name of the Registrar to the Issue and contact details	**Cameo Corporate Services Limited** No. 01, Club House Road, Mount Road, Chennai- 600 002, Tamil Nadu, India. **Telephone:** +91 44 4002 0700/ 2846 0390 **Facsimile:** N.A. **Email:** rights@cameoindia.com **Website:** www.cameoindia.com **Online Investor Portal:** https:// wisdom.cameoindia.com **Investor Grievance Email id:** investor@cameoindia.com **Contact Person:** K. Sreepriya **SEBI Registration No.:** INR000003753 Validity of Registration: Permanent
Name of the Statutory Auditors	**M S K A & Associates, Chartered Accountants** No.304 and 305, Anna Salai Teynampet, Chennai-600 018 Tamil Nadu, India **Telephone:** +91 44 6131 0200 **Email:** geethajeyakumar@mska.in **Contact Person:** Geetha Jeyakumar **Membership No:** 029409 **Firm Registration No:** 105047W **Peer Review No:** 013267
Self-Certified Syndicate Banks ("SCSBs")	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.
Banker to the Issue/ Refund Bank	**Axis Bank Limited** No.82, Dr.Radhakrishnan Salai, Mylapore, Chennai-600 004 Tamil Nadu, India **Telephone:**044-2830 6900 **Facsimile:** N.A **Email:** chennai.bb@axis.com **Website:** www.axisbank.com **Contact Person:** MS Rajaram **SEBI Registration Number:** INBI00000017 **Designated Intermediaries**
Monitoring Agency	Infomerics Valuation and Rating Private Limited

SUMMARY OF BUSINESS

We are engaged in Engineering Procurement and Construction (EPC Contractor) business with the experience of executing turnkey contracts in Engineering, Procurement, and Construction (EPC) areas and providing end-to-end solutions offering multi-disciplinary services and project management solutions.

We have a robust clientele comprising of various Central and State Government agencies such as Ahmedabad Urban Development Authority (AUDA), Kerala Water Authority, Gujarat Water Supply & Sewerage Board (GWSSB), Ahmedabad Municipal Corporation (AMC), Gujarat Water supply & Sewerage Board, Tamilnadu Water and Drainage Board, Karnataka Urban Infrastructure Development Finance Corporation, Bangalore Water Supply & Sewerage Board, Chennai Metro Water

Supply & Sewerage Board, Durgapur Steel Plant, Bokaro Steel Plant, SAIL LISCO, Vizag Steel Plant.

SEPC Limited ("**SEPC**") is focused on providing turnkey solutions in the following business areas:

1. **Infrastructure**
a. Water & Sewer
b. Road

2. **Industrial EPC**
a. Process Plants
b. Steel Plants
c. EPC under deep shaft Mining
d. Power Plants

OBJECTS OF THE ISSUE AND MEANS OF FINANCE

Our company proposes to utilize the net proceeds from the issue towards funding the following objects:

- Funding for Payment of Non-Convertible Debentures including redemption and interest.
- Repayment/Pre-payment, in full or part, of certain borrowings availed by the Company;
- Funding for increasing the additional Margin of Non- Fund Based Limits;
- To augment the existing and incremental working capital requirement of our Company; and
- General Corporate Purposes

(collectively, referred to hereinafter as the "**Objects**")

Requirement of Funds, Schedule of Implementation and Utilization of Net Proceeds

We intent to utilize the Net Proceeds are set forth in the following table:

(₹ in lakhs)

Sr. No.	Particulars	Estimated Amount*
1.	Funding for Payment of Non-Convertible Debentures including redemption and Interest	14,000.00
2.	Repayment/Pre-payment, in full or part, of certain borrowings availed by the Company	1,500.00
3.	Funding for increasing the additional Margin of Non- Fund Based Limits	1,500.00
4.	To augment the existing and incremental working capital requirement of our Company	16,000.00
5.	General Corporate Purposes*	1,500.00
Net proceeds from the Issue**		34,500.00

** Subject to the finalization of the Basis of Allotment and the Allotment. The amount is subject to adjustment upon finalization of Issue related expenses, however, in no event, shall general corporate purposes exceed 25% of the Gross Proceeds.*

*** Assuming full subscription in the Issue and subject to finalization of the Basis of Allotment and to be adjusted per the Rights Entitlement ratio.*

Proposed Schedule of Implementation and Deployment of Funds

We propose to deploy the Net Proceeds towards the aforesaid objects in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below:

(₹ in lakhs)

Sr. No.	Particulars	Estimated Amount to be funded from the Net Proceeds*	Proposed schedule for deployment of the Net Proceeds in Financial year 2025- 2026	Proposed schedule for deployment of the Net Proceeds in Financial year 2025- 2026

			At Application	Through First and Final call
1	Funding for Payment of Non-Convertible Debentures including redemption and Interest	14,000.00	-	14,000.00
2.	Repayment/Pre-payment, in full or part, of certain borrowings availed by the Company	1,500.00	1,000.00	500.00
3.	Funding for increasing the additional Margin of Non- Fund Based Limits	1,500.00	-	1,500.00
4.	To augment the existing and incremental working capital requirement of our Company	16,000.00	16,000.00	-
5.	General Corporate Purposes*	1500.00	250.00	1,250.00
Net proceeds from the Issue**		34,500.00	17,250.00	17,250.00

#The amount to be utilized for General corporate purposes will not exceed 25% of the Gross Proceeds;
**Assuming full subscription in the Issue and subject to finalization of the Basis of Allotment and to be adjusted per the Rights Entitlement ratio;*

Monitoring Agency

Our Company has appointed Infomerics Valuation and Rating Private Limited to monitor the utilization of the Gross Proceeds and the Monitoring Agency shall submit a report to our Board as required under Regulation 82 of the SEBI ICDR Regulations. For more details, please refer to the section "*Objects of the Issue*" beginning on page 108 of the Letter of Offer.

EQUITY SHAREHOLDING PATTERN

i. The shareholding pattern of our Company as on March 31, 2025, can be accessed on the website of the BSE at: https://www.bseindia.com/stock-share-price/sepc-ltd/sepc/532945/shareholding-pattern/ and the website of NSE at: https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=SEPC&tabIndex=equity

ii. Statement showing shareholding pattern of the Promoter including details of lock-in, pledge of and encumbrance thereon, as on March 31, 2025 can be accessed on the website of the BSE at: https://www.bseindia.com/corporates/shpPromoterNGroup.aspx?scripcd=532945&qtrid=125.01&QtrName=31-Mar-25 and NSE at https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=SEPC&tabIndex=equity

iii. Statement showing holding of Equity Shares of persons belonging to the category "Public" including shareholders holding more than 1% of the total number of Equity Shares as on March 31, 2025 can be accessed on the website of the BSE at https://www.bseindia.com/corporates/shpPublicShareholder.aspx?scripcd=532945&qtrid=125.01&QtrName=31-Mar-25 and NSE at https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=SEPC&tabIndex=equity

For more details, please refer to the section titled "*Capital Structure*" beginning on page 96 of the Letter of Offer

BOARD OF DIRECTORS

S. No.	Name	Designation	Other Directorships
1.	Abdulla Mohammad Ibrahim Hassan Abdulla	Chairman and Non-Executive Director	*Indian Companies* (i) Valiance Engineers Private Limited; and (ii) Mark AB Capital Investment India Private Limited. *Foreign Companies* Mark A B Capital Investment LLC
2.	Nemmara Krishnan Suryanarayanan	Managing Director and Chief Executive Officer	Nil
3.	Dr. Ravichandran Rajagopalan	Independent Director	Indo-Latin American Chamber of Commerce & Industry

BOARD OF DIRECTORS			
S. No.	Name	Designation	Other Directorships
			Mobismart Card Technology Limited
4.	Arun Kumar Gopalaswamy	Independent Director	Nil
5.	Rajesh Kumar Bansal	Independent Director	Rahee Infratech Limited Khayati Steel Industries Limited Rahee Track Technologies Private Limited
6.	Sundaram Gayathri	Independent Director	S & S Power Switchgear Limited

For more details, see the chapter titled "*Our Management*" on page 161 of the Letter of Offer.

NEITHER OUR COMPANY NOR OUR PROMOTER OR ANY OF OUR DIRECTORS HAVE BEEN DECLARED AS A WILFUL DEFAULTER BY THE RBI OR ANY OTHER GOVERNMENT AUTHORITY

FINANCIAL INFORMATION

Given below is a summary of financial statements as per the Consolidated Financial Information as at and for the Financial Years ended on March 31, 2024, 2023 and 2022:

(₹ in lakhs)

S. No.	Particulars	For the period ended December 31, 2024	March 31, 2024	March 31, 2023
1.	Share Capital	1,56,365.98	1,40,981.36	1,32,152.90
2.	Net Worth	1,49,296.24	1,21,188.89	1,08,809.16
3.	Revenue from operations	51,990.27	56,098.28	37,884.66
4.	Profit/(Loss) before Tax	2,515.53		
5.	Profit/(Loss) after Tax	1,481.60	2,278.36	(490.38)
6.	Earnings per Share	0.10	0.17	(0.04)
7.	Net Asset Value per equity share	9.55	8.60	8.23
8.	Reserves and Surplus	(6,637.61)	(19,792.47)	(23,343.74)
9.	Return on Net Worth (RONW)	0.99 %	1.88%	(0.45%)

INTERNAL RISK FACTORS

The below mentioned risks are the top five risk factors as per the Letter of Offer:

The below mentioned are top 5 risk factors as per the Letter of Offer:

- There have been instances in the past of default in payment of dues to our lenders. Further, our Company has implemented a resolution plan with its lenders under the Reserve Bank of India (Prudential Framework for Resolution of Stressed Assets) Directions 2019, involving change of management. In the event of any further defaults in making repayment of its loans or payment of interest by our Company, it may impact its continued business operation and financial condition;

- Projects included in our Order Book and our future projects may be delayed, modified or cancelled for reasons beyond our control which may materially and adversely affect our business, prospects, reputation, profitability, financial condition and results of operation;

- We derive majority of our revenue from our water and sewer segment and our financial condition would be materially and adversely affected if we fail to obtain new contracts or our current contracts are terminated;

- Our Statutory Auditor has included matter of uncertainties, emphasis of matters and qualifications, in the limited review report issued for the nine month period ended December 31, 2024 and in the audit report issued for the Financial Years ended March 31, 2024 and March 31, 2023; and

- We are dependent on and derive a substantial portion of our revenue from a limited number of customers. Cancellation by customers or delay or reduction in their orders could have a material adverse effect on our business, results of operations and financial condition.

For further details, see the section "*Risk Factors*" on page 24 of the Letter of Offer.

SUMMARY OF OUTSTANDING LITIGATION, CLAIMS AND REGULATORY ACTION

A summary of the pending tax proceedings and other material litigations involving our Company and our Subsidiaries is provided below:

Name of entity	**Proceedings involving issues of moral turpitude or criminal liability**	**Civil proceedings where the amount involved is equivalent to or in excess of the Materiality Threshold**	**Proceedings before regulatory authorities involving material violations of statutory regulations**	**Matters involving economic offences where proceedings have been initiated**	**Other pending matters which, if they result in an adverse outcome, would materially and adversely affect the operations or the financial position**	**Aggregate amount involved (₹ in lakhs)***
By the Company and Subsidiary	Nil	8	Nil	Nil	Nil	33,746
Against the Company and Subsidiary	Nil	7	9	Nil	Nil	33,174.32

#*To the extent quantifiable.*

For further details in relation to the pending litigation involving our Company, see section "*Outstanding Litigation and Material Developments*" on page 247 of the Letter of Offer.

TERMS OF THE ISSUE

In accordance with the SEBI ICDR Regulations and SEBI Master Circular, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent/ dispatched only to the Eligible Equity Shareholders who have provided their Indian 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 jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions. 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. Further, the Draft Letter of Offer and the Letter of Offer will be sent/ dispatched to the Eligible Equity Shareholders who have provided Indian address and who have made a request in this regard. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Letter of Offer 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 Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them. Investors can access the Draft

Letter of Offer, 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 laws) on the websites of:

(i) our Company at www.sepc.in;
(ii) the Registrar at https://rights.cameoindia.com/sepc4;
(iii) the Lead Manager at www.sumedhafiscal.com; and
(iv) the Stock Exchanges at www.bseindia.com and www.nseindia.com.

In case the Eligible Equity Shareholders have provided their valid e-mail address, the Letter of Offer 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 Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them. Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., https://rights.cameoindia.com/sepc4) by entering their DP ID and Client ID or folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) and PAN. The link for the same shall also be available on the website of our Company (i.e., www.sepc.in).

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., https://rights.cameoindia.com/sepc4) by entering their DP ID and Client ID or folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) and PAN. The link for the same shall also be available on the website of our Company (i.e., www.sepc.in).

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 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 escrow 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 (i.e. https://rights.cameoindia.com/sepc4). 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 Master 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 (namely, "**SEPC Limited – Rights Issue Suspense Escrow Demat 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 LODR 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 on 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 Wednesday, June 18, 2025 to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow 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 the Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard.

Please note that in accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Master Circular, 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 on Record Date and desirous of subscribing to Rights Equity Shares in the 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.

PLEASE NOTE THAT THE ELIGIBLE EQUITY SHAREHOLDERS, WHO HOLD EQUITY SHARES IN PHYSICAL FORM AS ON RECORD DATE AND WHO HAVE NOT FURNISHED THE DETAILS OF THEIR RESPECTIVE DEMAT ACCOUNTS TO THE REGISTRAR OR OUR COMPANY AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE, SHALL NOT BE ELIGIBLE TO MAKE AN APPLICATION FOR RIGHTS EQUITY SHARES AGAINST THEIR RIGHTS ENTITLEMENTS WITH RESPECT TO THE EQUITY SHARES HELD IN PHYSICAL FORM.

In case where multiple Applications are made using same demat account in respect of the same Rights Entitlement, 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 dematerialized form and Equity Shares held in physical form, and such Applications shall not be treated as multiple applications. Further, additional applications in relation to additional Rights Equity Shares with/without using additional Rights Entitlements 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, see *"- Procedure for Applications by Mutual Funds*" page 276 of the 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 through ASBA, such Applications shall be treated as multiple applications and are liable to be rejected, other than multiple applications submitted by our Promoter to meet the minimum subscription requirements applicable to the Issue as described in "*General Information – Minimum Subscription*" on page 95 of the Letter of Offer.

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 the ASBA Account in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB. 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, see *"- Grounds for Technical Rejection*" page 273 of the Letter of Offer.

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in the 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 the Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, see *"- Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process*" on page

269 of the Letter of Offer.

Rights Entitlement Ratio

The Rights Equity Shares are being offered on a rights basis to the Eligible Equity Shareholders in the ratio of up to eleven (11) Rights Equity Share for every fifty- (50) Equity Shares fully paid-up Equity Share(s) held on the Record Date, being Friday, May 23, 2025.

Fractional Entitlements

The Rights Equity Shares are being offered on a rights basis to Eligible Equity Shareholders in the ratio of eleven (11) Rights Equity Shares for every fifty (50) Equity Shares held on the Record Date. 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 five (05) Rights Equity Shares or not in the multiple of fifty (50), 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.

For example, if an Eligible Equity Shareholder holds five (05) Equity Shares, such Equity Shareholder will be entitled to one (01) Equity Share and will also be given a preferential consideration for the Allotment of one Additional Rights Equity Share if such Eligible Equity Shareholder has applied for Additional Rights Equity Shares, over and above his/her Rights Entitlements, subject to availability of Rights Equity Shares in the Issue post allocation towards Rights Entitlements applied for.

Further, the Eligible Equity Shareholders holding less than five (05) 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.

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 Exchanges (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.

In accordance with the SEBI Master Circular, the resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date shall be required to provide their demat account details to our Company or the Registrar to the Issue for credit of REs not later than two Working Days prior to Issue Closing Date, such that credit of REs in their demat account takes place at least one day before Issue Closing Date, thereby enabling them to renounce their Rights Entitlements through Off Market Renunciation.

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

₹5 per Rights Equity Share (including premium of Nil per Rights Equity Share) shall be payable on Application and the remaining amount of ₹ 5 per Rights Equity Share (including premium of Nil per Rights Equity Share) shall be payable on the First and Final Call.

Amount payable per Rights Equity Share(₹)	**Face Value**	**Premium**	**Total**
On Application	5.00	Nil	5.00
On First and Final Call	5.00	Nil	5.00
Total	**10.00**	**Nil]**	**10.00**

The Lead Manager and our Company accept 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 Exchanges through a registered stock-broker in the same manner as the existing Equity Shares of our Company. In this regard, in terms of provisions of the SEBI ICDR Regulations and the SEBI Master Circular, the Rights Entitlements credited to the respective demat accounts of the Eligible Equity Shareholders shall be admitted for trading on the the Stock Exchanges under ISIN: INE964H20055 subject to requisite approvals. Prior to the Issue Opening Date, our Company will obtain the approval from the Stock Exchanges 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 Exchanges from time to time.

The Rights Entitlements are tradable in dematerialized 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 Monday, June 09, 2025 to Tuesday, June 17, 2025 (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: INE964H20055 and 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 the Stock Exchanges 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 Exchanges 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 Renouncees on or prior to the Issue Closing Date to enable Renouncees 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: INE964H20055, 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.

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.

INVESTORS TO KINDLY NOTE THAT AFTER PURCHASING THE RIGHTS ENTITLEMENTS THROUGH ON MARKET RENUNCIATION / OFF MARKET RENUNCIATION, AN APPLICATION HAS TO BE MADE FOR SUBSCRIBING THE SHARES OFFERED UNDER RIGHTS ISSUE. IF NO APPLICATION IS MADE BY THE PURCHASER OF RIGHTS ENTITLEMENTS ON OR BEFORE ISSUE CLOSING DATE THEN SUCH RES WILL GET LAPSED AND SHALL BE EXTINGUISHED AFTER THE ISSUE CLOSING DATE. NO SHARES FOR SUCH LAPSED RES WILL BE CREDITED, EVEN IF SUCH RES WERE PURCHASED FROM MARKET AND PURCHASER WILL LOSE THE AMOUNT PAID TO ACQUIRE THE RES. PERSONS WHO HAVE BOUGHT RIGHTS ENTITLEMENTS, SHALL REQUIRE TO MAKE AN APPLICATION AND APPLY FOR SHARES OFFERED UNDER RIGHTS ISSUE, IF THEY WANT TO SUBSCRIBE TO THE SHARES OFFERED UNDER RIGHTS ISSUE.

FOR PROCEDURE OF APPLICATION BY SHAREHOLDERS WHO HAVE PURCHASED THE RIGHT ENTITLEMENT THROUGH ON MARKET RENUNCIATION / OFF MARKET RENUNCIATION, PLEASE REFER TO THE HEADING TITLED "PROCEDURE FOR APPLICATION THROUGH THE ASBA PROCESS" ON PAGE 269 OF THE LETTER OF OFFER AND PAGE 10 OF THIS ABRIDGED LETTER OF OFFER.

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 "-*Basis of Allotment*" on page 285.

Eligible Equity Shareholders who renounce their Rights Entitlements in full or part, cannot apply for Additional Rights Equity Shares. Non-resident Renouncees who are not Eligible Equity Shareholders cannot apply for Additional Rights Equity Shares.

Options available to the Eligible Equity Shareholders

Details of each Eligible Equity Shareholders RE will be sent to the Eligible Equity shareholder separately along with the Application Form and would also be available on the website of the Registrar to the Issue at www.cameoindia.com and link of the same would also be available on the website of our Company at (www.sepc.in). Respective Eligible Equity Shareholder can check their entitlement by keying their requisite details therein.

The Eligible Equity Shareholders will have the option to:

- Apply for his Rights Entitlement in full;
- Apply for his Rights Entitlement in part (without renouncing the other part);
- Apply for his Rights Entitlement in full and apply for additional Rights Equity Shares;
- Apply for his Rights Entitlement in part and renounce the other part of the Rights Equity Shares; and
- Renounce his Rights Entitlement in full.

PLEASE NOTE THAT THE ELIGIBLE EQUITY SHAREHOLDERS, WHO HOLD EQUITY SHARES IN PHYSICAL FORM AS ON RECORD DATE AND WHO HAVE NOT FURNISHED THE DETAILS OF THEIR RESPECTIVE DEMAT ACCOUNTS TO THE REGISTRAR OR OUR COMPANY AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE, SHALL NOT BE ELIGIBLE TO MAKE AN APPLICATION FOR RIGHTS EQUITY SHARES AGAINST THEIR RIGHTS ENTITLEMENTS WITH RESPECT TO THE EQUITY SHARES HELD IN PHYSICAL FORM.

RIGHTS ENTITLEMENTS ("RES") WHICH ARE NEITHER SUBSCRIBED NOR RENOUNCED ON OR BEFORE THE ISSUE CLOSING DATE SHALL LAPSE AND SHALL BE EXTINGUISHED AFTER THE ISSUE CLOSING DATE.

IF NO APPLICATION IS MADE BY THE PURCHASER OF RES ON OR BEFORE ISSUE CLOSING DATE THEN SUCH RES WILL GET LAPSED AND SHALL BE EXTINGUISHED AFTER THE ISSUE CLOSING DATE. NO SHARES/OTHER SECURITIES FOR SUCH LAPSED RES WILL BE CREDITED, EVEN IF SUCH RES WERE PURCHASED FROM MARKET AND PURCHASER WILL LOSE THE PREMIUM PAID TO ACQUIRE THE RES.

PERSONS WHO HAVE BOUGHT RIGHTS ENTITLEMENTS (RES), SHALL REQUIRE TO MAKE AN APPLICATION AND APPLY FOR SHARES/OTHER SECURITIES OFFERED UNDER THE ISSUE, IF THEY WANT TO SUBSCRIBE TO THE SHARES / OTHER SECURITIES OFFERED UNDER THE ISSUE.

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

The objects of the Issue involve financing other than financing of capital expenditure for a project. However, our Promoter and members of our Promoter Group have, vide their letters each dated December 17, 2024 and December 20, 2024 (the "**Subscription Letters**"), informed us that they may renounce their Rights Entitlement in favour of third parties.

Accordingly, the minimum subscription criteria provided under Regulation 86 (1) of the SEBI ICDR Regulations shall apply to this Issue. In accordance with Regulation 86 of the SEBI ICDR Regulations, if our Company does not receive minimum subscription of at least 90% of the Equity Shares being offered under this Issue, on an aggregate basis, our Company shall refund the entire subscription amount received within 4 (four) days from the Issue Closing Date in accordance with the SEBI Master Circular. If there is a delay in making refunds beyond such period as prescribed by applicable laws, our Company will pay interest for the delayed period at rate as prescribed under the applicable laws.

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.

Availability of offer document of the immediately preceding public issue or rights issue for inspection

Our Company has made rights issue during the five years immediately preceding the date of the Letter of Offer. The draft letter of offer dated February 7, 2023 and Letter of offer dated March 23, 2023 issued pursuant to the first rights issue of our Company; and draft letter of offer dated October 13, 2023 and Letter of offer dated November 23, 2023 issued pursuant to the second rights issue of our Company: and draft letter of offer dated April 17, 2024 and Letter of offer dated June 17, 2024 issued pursuant to the third rights issue have been uploaded on the website of our Company at www.sepc.in.

There have been no instances in the past, wherein our Company has failed to achieve the objects in its previous issues.

ANY OTHER IMPORTANT INFORMATION AS PER THE COMPANY

Facilities for Application in this Issue:

In accordance with Regulation 76 of the SEBI ICDR Regulations, the SEBI Master Circular, all Investors desiring to make an Application in the 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 Renouncees, to make Applications in the Issue basis the Rights Entitlement credited in their respective demat accounts or demat suspense escrow account, as applicable. For further details on the Rights Entitlements and demat suspense escrow account, see *"- Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders*" on page 277 of the Letter of Offer. For details, see "*Procedure for Application through the ASBA Process*" on page 269 of the Letter of Offer.

Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders:

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 on 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 (i.e., https://rights.cameoindia.com/sepc4) by entering their DP ID and Client ID or folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) and PAN. The link for the same shall also be available on the website of our Company (i.e., www.sepc.in).

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 dematerialized form. A separate ISIN for the Rights Entitlements has also been generated which is INE964H20055. 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 escrow account to the Stock Exchanges 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 Issue for subscribing to the Rights Equity Shares offered under Issue.

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 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 escrow 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 (i.e. https://rights.cameoindia.com/sepc4). Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts.

Application by Resident 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 Master Circular, 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 on Record Date and desirous of subscribing to Rights Equity Shares in the 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 escrow account opened by our Company.

Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have opened their demat accounts after the Record Date, shall adhere to following procedure for participating in the 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 *"- Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process*" on page 269 of the Letter of Offer.

In accordance with the SEBI Master Circular, Resident Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date will not be allowed to renounce their Rights Entitlements in the Issue. However, such Eligible Equity Shareholders, where the dematerialized Rights Entitlements are transferred from the suspense escrow demat account to the respective demat accounts within prescribed timelines, can apply for Additional Rights Equity Shares while submitting the Application through ASBA process.

Important instructions while applying for Rights Equity Shares

Investors should note that Rights Entitlements which are neither subscribed nor renounced on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date. Further, if no Application is made by the purchaser of Rights Entitlements on or before the Issue Closing Date then such Rights Entitlements will get lapsed and shall be extinguished after the Issue Closing Date. No Equity Shares against 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 such Rights Entitlements.

Therefore, after purchase of Rights Entitlements, an Investor shall be required to make an Application in the Issue and apply for Rights Equity Shares offered in this Issue, in order to subscribe to the Rights Equity Shares offered in this Issue.

Other important links and helpline:

The Investors can visit following links for the below-mentioned purposes:

(a) Frequently asked questions are available on the website of the Registrar (https://rights.cameoindia.com/sepc4) or call helpline numbers (+91-44-40020700 (5 Lines)) and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors: ;
(b) Updation of email address/ mobile number in the records maintained by the Registrar or our Company https://rights.cameoindia.com/sepc4;
(c) Updation of Indian address can be sent to Registrar at email id rights@cameoindia.com or by way of Registered post/Courier at Cameo Corporate Services, No 1 Subramaniam Building, Club House Road, Chennai – 600002
(d) Updation of demat account details by Eligible Equity Shareholders holding shares in physical form: https://rights.cameoindia.com/sepc4.
Submission of self-attested PAN, client master sheet and demat account details by non- resident Eligible Equity Shareholders at priya@cameoindia.com.

INVESTORS TO KINDLY NOTE THAT THE RIGHT ENTITLEMENTS WOULD TRADE UNDER THE FOLLOWING ISIN: INE964H20055. THIS ISIN IS DIFFERENT FROM THE ISIN UNDER WHICH THE EQUITY SHARES OF OUR COMPANY TRADE ON THE PLATFORM OF THE STOCK EXCHANGE. INVESTORS ARE REQUESTED TO QUOTE THE ISIN: INE964H01014 WHILE TRADING THE RIGHT ENTITLEMENTS.

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.

Applications 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 the Issue on plain paper in case of non-receipt of Application Form as detailed above and only such plain paper applications which provide all the details required in terms of Regulation 78 of SEBI ICDR Regulations shall be accepted by SCSBs. 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 the Issue on plain paper with the same details as per the Application Form that is available on the website of the Registrar, the Stock Exchanges or the Lead Manager.

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.

Please note that the Eligible Equity Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize 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 SEPC 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 on 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 Equity Shares applied for pursuant to the Issue;
5. Number of Equity Shares held as on 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 ₹10/- 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); and
16. All such Eligible Equity Shareholders shall be deemed to have made the representations, warranties and agreements set forth in "*Restrictions on Foreign Ownership of Indian Securities*" on page 291, of the Letter of Offer and shall include the following:

"*I/ We hereby make representations, warranties and agreements set forth in "Restrictions on Foreign Ownership of Indian Securities" on page 291 of the Letter of Offer.*

I/ We acknowledge that the Company, the Lead Manager, 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 escrow 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, the Lead Manager 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 https://rights.cameoindia.com/sepc4.

Our Company, the Lead Manager 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.

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, SEE "ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS" ON PAGE 286.

IT IS MANDATORY FOR ALL THE INVESTORS APPLYING UNDER THIS ISSUE TO APPLY THROUGH THE ASBA PROCESS, TO RECEIVE THEIR RIGHTS EQUITY SHARES IN DEMATERIALISED FORM AND TO THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY THE INVESTOR AS ON THE RECORD DATE. ALL INVESTORS APPLYING UNDER THIS ISSUE SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DP ID AND BENEFICIARY ACCOUNT NUMBER/ FOLIO NUMBER IN THE APPLICATION FORM. INVESTORS MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE APPLICATION FORM IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE APPLICATION FORM OR PLAIN PAPER APPLICATIONS, AS THE CASE MAY BE.

Important

Please read the 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 the Letter of Offer and must be carefully followed; otherwise the Application is liable to be rejected. It is to be specifically noted that this Issue of Rights Equity Shares is subject to the risk factors mentioned in "*Risk Factors*" on page 24.

All enquiries in connection with the Letter of Offer or Application Form and the Rights Entitlement Letter must be addressed (quoting the Registered Folio Number or the DP and Client ID number, the Application Form number and the name of the first Eligible Equity Shareholder as mentioned on the Application Form and super scribed "***SEPC Limited– Rights Issue***" on the envelope to the Registrar at the following address:

Cameo Corporate Services Limited
No. 01, Club House Road, Mount Road,
Chennai- 600 002, Tamil Nadu, India.
Telephone: +91 44 4002 0700/ 2846 0390
Facsimile: N.A.
Email: rights@cameoindia.com
Website: https://rights.cameoindia.com/sepc4 / www.cameoindia.com
Online Investor Portal: https:// wisdom.cameoindia.com
Investor Grievance Email id: investor@cameoindia.com
Contact Person: K. Sreepriya

SEBI Registration No.: INR000003753

The Issue will remain open for a minimum period of 7 (seven) days. However, our Board 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).

DECLARATION BY OUR COMPANY

We hereby declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in the Letter of Offer is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all the statements and disclosures made in the Letter of Offer are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

Sd/-

Abdulla Mohammad Ibrahim Hassan Abdulla
(Chairman and Non-Executive Director)

Sd/-

Nemmara Krishnan Suryanarayanan
(Managing Director and Chief Executive Officer)

Sd/-

Dr. Ravichandran Rajagopalan
(Independent Director)

Sd/-

Dr. Arun Kumar Gopalaswamy
(Independent Director)

Sd/

Rajesh Kumar Bansal
(Independent Director)

Sd/

Sundaram Gayathri
(Independent Director)

SIGNED BY THE CHIEF FINANCIAL OFFICER

Sd/-

Chandrasekharan Sivaprakasam Ramalingam

Place: Chennai, Tamil Nadu

Date: May 22, 2025

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APPLICATION FORM FOR ELIGIBLE EQUITY SHAREHOLDERS OF THE COMPANY AND RENOUNCEES ONLY USING ASBA FACILITY *The Investors may also apply in the Issue only using ASBA facility. Further, the Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account to the Registrar or our Company shall not be eligible to apply in this Issue.*	SEPC Engineering the Future **SEPC LIMITED** **Registered Office**: 4th Floor, Bascon Futura SV, IT Park Venkatanarayana Road, Parthasarathy Puram, T. Nagar Chennai – 600 017, Tamil Nadu, India; **Tel**: +91 44 4900 5555; **Fax**: N.A. E-mail: info@sepc.in; **Website**: www.sepc.in; **Contact Person**: Thiruppathi Sriraman, Company Secretary and Compliance Officer; **Corporate Identification Number**: L74210TN2000PLC045167	**NOT INTENDED FOR ELIGIBLE EQUITY SHAREHOLDERS IN THE UNITED STATES** **ISSUE OPENS ON**: Monday, June 09, 2025 **LAST DATE FOR ON MARKET RENUNCIATION**: Tuesday, June 17, 2025 **ISSUE CLOSES ON**: Monday, June 23, 2025 *#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 a duly authorized committee thereof 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.* *Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.*
Application No.:		
Collecting SCSBs Sign and Seal		

Please read the letter of offer dated May 22, 2025 (**"Letter of Offer"** or **"LOF"**), the Abridged Letter of Offer, the Rights Entitlement Letter and instructions on the reverse of this Application Form carefully. All capitalised terms not defined herein shall carry the same meaning as ascribed to them in the Letter of Offer.

DO NOT TEAR OR DETACH ANY PART OF THIS APPLICATION FORM

THIS DOCUMENT IS NOT NEGOTIABLE.

ISSUE OF UPTO 35,00,00,000 PARTLY PAID-UP EQUITY SHARES OF FACE VALUE ₹ 10 EACH ("RIGHTS EQUITY SHARES") OF OUR COMPANY FOR CASH AT A PRICE OF ₹ 10/- PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ NIL PER EQUITY SHARE) (THE "ISSUE PRICE"), AGGREGATING UPTO ₹ 35,000 LAKHS* ON A RIGHTS BASIS TO THE EXISTING EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF ELEVEN (11) RIGHTS EQUITY SHARES FOR EVERY FIFTY (50) FULLY PAID-UP EQUITY SHARES HELD BY THE EXISTING EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON FRIDAY, MAY 23, 2025 (THE "ISSUE"). THE ISSUE PRICE FOR THE RIGHTS EQUITY SHARES IS ONE (01) TIME OF THE FACE VALUE OF THE EQUITY SHARES. FOR FURTHER DETAILS, PLEASE REFER TO THE CHAPTER TITLED "TERMS OF THE ISSUE" ON PAGE [•] OF THE LETTER OF OFFER.**

**Assuming full subscription. Subject to finalisation of the Basis of Allotment.*

Amount Payable per Rights Equity Share i.e. Issue Price	Face value (₹)	Premium (₹)	Total
On Application	5.00	5.00	10.00
On First and Final Call (as determined by our Board in consultation with Rights Issue Committee)	5.00	5.00	10.00

On application, investors will be required to pay ₹5.00 per Rights Equity Share, constituting 50% of the issue price. The balance of ₹5.00 per Rights Equity Share, constituting 50% of the issue price, will be payable in one or more subsequent calls, as determined by the Board or the Rights Issue Committee, at their sole discretion, within a period of 12 months.

*For details on the payment method, please refer to the chapter titled "*Terms of the Issue*" on page 264 of the Letter of Offer.

The Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the United States Securities Act of 1933, as amended (the **"U.S. Securities Act"**), or any U.S. State securities laws and may not be offered, sold, resold or otherwise transferred within the United States or the territories or possessions thereof (the **"United States"** or **"U.S."**), except in a transaction exempt from the registration requirements of the U.S. Securities Act. The Rights Equity Shares referred to in the letter of offer are being offered and sold in offshore transactions outside the United States in compliance with Regulation S under the U.S. Securities Act (**"Regulation S"**) to existing shareholders located in jurisdictions where such offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions.

To, **Date**: ________________

The Board of Directors,
SEPC LIMITED

Dear Sir/ Madam,

- I/We hereby accept and apply for Allotment of the Rights Equity Shares (including Additional Rights Equity Shares "if applicable") mentioned in **Block I** below in response to the Abridged Letter of Offer/ Letter of Offer dated May 22, 2025 and any addenda thereto offering the Rights Equity Shares to me/us on rights basis.
- I/We agree to pay the amount specified in **Block II** below at the rate of ₹ 5/- per Rights Equity Share payable on Application on the total number of Rights Equity Shares specified in **Block I** below.
- I/We agree to accept the Rights Equity Shares Allotted to me/us and to hold such Rights Equity Shares upon the terms and conditions of the Abridged Letter of Offer/ Letter of Offer dated May 22, 2025 and any addendum thereto, this Application Form, Rights Entitlement Letter and subject to the provisions of the Companies Act, 2013, SEBI ICDR Regulations, SEBI Master Circular bearing reference number SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024 ("**SEBI Master Circular**") as applicable and the rules made thereunder and the Memorandum and Articles of Association of the Company.
- I/We undertake that I/we will sign all such other documents and do all other such acts, if any, necessary on my/our part to enable me/us to be registered as the holder(s) of the Rights Equity Shares in respect of which this application may be accepted.
- I/We also agree to accept the Rights Equity Shares subject to laws, as applicable, guidelines, circulars, notifications and regulations relating to the issue of capital and listing of securities issued from time to time by SEBI/Government of India/RBI and/or other authorities.
- I/We hereby solemnly declare that I am/we are not applying for the Rights Equity Shares in contravention of section 269SS of the Income-Tax Act, 1961.
- I/We authorise you to place my/our name(s) on the Register of Members / Register of Significant Beneficial Owners. All such Resident Eligible Equity Shareholders are deemed to have accepted the following:
- *"I/ We understand that neither the Rights Entitlements nor the Rights Equity Shares have been, or will be, registered under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States or to the territories or possessions thereof (the "**United States**"), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. I/ we understand the Rights Equity Shares referred to in this application are being offered and sold in offshore transactions outside the United States in compliance with Regulation S under the U.S. Securities Act ("**Regulation S**") to existing shareholders located in jurisdictions where such offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions. I/ we understand that the Issue is not, and under no circumstances is to be construed as, an offering of any Rights 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 Right Equity Shares or Rights Entitlements in the United States. I/ we confirm that I am/ we are (a) not in the United States and eligible to subscribe for the Rights Equity Shares under applicable securities laws, (b) complying with laws of jurisdictions applicable to such person in connection with the Issue, and (c) understand that neither the Company, nor the Registrar or any other person acting on behalf of the Company will accept subscriptions from any person, or the agent of any person, who appears to be, or who the Company, the Registrar or any other person acting on behalf of the Company have reason to believe is in the United States or is outside of India and ineligible to participate in this Issue under the securities laws of their jurisdiction.*
- *I/ We will not offer, sell or otherwise transfer any of the Rights Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale or invitation. I/ We satisfy, and each account for which I/ we are acting satisfies, (a) all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of my/our residence, and (b) is eligible to subscribe and is subscribing for the Rights Equity Shares and Rights Entitlements in compliance with applicable securities and other laws of our jurisdiction of residence.*
- *I/we hereby make the representations, warranties, acknowledgments and agreements set forth in the section of the Letter of Offer titled "Other Regulatory and Statutory Disclosures – Selling Restrictions" on page 254 of the Letter of Offer.*
- *I/ We understand and agree that the Rights Entitlements and Rights Equity Shares may not be reoffered, resold, pledged or otherwise transferred except in an offshore transaction in compliance with Regulation S, or otherwise pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act.*
- *I/ We acknowledge that we will rely upon the truth and accuracy of the foregoing representations and agreements."*

1. **NAME AND CONTACT DETAILS OF APPLICANT**

Name of Sole/First Applicant	

Name of Second Applicant	

Name of Third Applicant	

Indian Address	

Email	

Telephone / Mobile No.	

2. **PERMANENT ACCOUNT NUMBER (PAN)**

Sole/First Applicant										
Second Applicant										
Third Applicant										

3. **TYPE OF APPLICANTS (Please tick):** ☐ Resident ☐ Non-Resident

Note: Non-resident Applicants applying on non-repatriation basis should select "Resident".

4. **DEPOSITORY ACCOUNT DETAILS :** *please provide your DP ID and Client ID (Please tick for NSDL or CDSL)* **: –** ☐ NSDL ☐ CDSL
For NSDL enter 8-digit DP ID followed by 8-digit Client ID / For CDSL enter 16-digit Client ID

Note: Allotment of Rights Equity Shares shall be made in dematerialized form only.

5. **APPLICATION DETAILS**

Rights Equity Shares (Including additional Rights Equity Shares) applied for [Block I]

Total amount payable on application @ ₹ 5 /- per Equity Share [Block II] = [Block I] x ₹ 5/-	
(₹ in Figures)	**(₹ in Words)**

6. **PAYMENT DETAILS [IN CAPITAL LETTERS]**

Amount Blocked (₹ in figures):	**(₹ in Words)**

ASBA BANK A/c No.																	

Name of ASBA Bank Account Holder: ____

SCSB Name and Address: ____

____

I/We authorise the SCSB to block the amount specified above as part of the ASBA process. I/ We confirm that I/ we are making the payment towards my/our Application through my/ our bank account only and not using any third party bank account for making such payment. Further, I/we confirm that the ASBA Account is held in my/our own name.

I/We understand that on Application, Investors will have to pay t, i.e., ₹ 5/- per Rights Equity Share. Further, I/we understand that Rights Equity Shares in respect of which the calls payable remain unpaid may be forfeited, at any time after the due date for payment of the balance amount due in accordance with the Companies Act, 2013 and the Articles of Association

7. **SIGNATURE OF ASBA BANK ACCOUNT HOLDER**

______________________	______________________	______________________
Sole/First Account Holder	**Second Joint Account Holder**	**Third Joint Account Holder**

Note: Signature(s) as per the specimen recorded with the SCSB. In case of joint shareholders, all the joint shareholders must sign in the same sequence as per specimen recorded with the SCSB.

8. **SIGNATURE OF APPLICANT(S)**

I/We hereby confirm that I/We have read, understood and accept the terms and conditions of this Application Form, Rights Entitlement Letter, Abridged Letter of Offer/ Letter of Offer dated May 22, 2025 and any addenda thereto. I/We hereby confirm that I/We have read the Instructions for filling up this Application Form given overleaf. I/We understand that in case of Allotment of Rights Equity Shares to me/ us, my/our Beneficiary Account as mentioned in this Application Form would get credited to the extent of allotted Rights Equity Shares.

______________________	______________________	______________________
Sole/First Applicant	**Second Joint Applicant**	**Third Joint Applicant**

Note: Signature(s) as per the specimen recorded with the Depository. In case of joint shareholders, all the joint shareholders must sign in the same sequence as per specimen recorded with the Depository.

-- Tear Here --

SEPC LIMITED – RIGHTS ISSUE
ACKNOWLEDGEMENT SLIP FOR APPLICANT

APPLICATION FORM NO.

Received from			
PAN			
DP ID and Client ID			Collecting SCSB's Sign & Seal
Amount blocked (₹ in figures)	Bank & Branch		
ASBA Account No.			Date
Tel. / Mobile No.	Email Id:		

GENERAL INSTRUCTION

(a) Please read the instructions printed on the Application Form carefully.

(b) The Application Form can be used by the Eligible Equity Shareholders as well as the Renouncees.

(c) Please read the Letter of Offer, and any addenda thereto carefully to understand the Application process and applicable settlement process. All references in this Application Form to the "Abridged Letter of Offer" are to the Abridged Letter of Offer read together with the Letter of Offer and any addenda thereto. For accessing the Letter of Offer, the Abridged Letter of Offer, and any addenda thereto and the Application Form, please refer to the links provided below on page 5 of this Application Form.

(d) **In accordance with Regulation 76 of the SEBI ICDR Regulations, SEBI Master Circular, all Investors desiring to make an Application in this Issue are mandatorily required to use either the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA. For details, see *"Procedure for Application through the ASBA Process"* on page 269 of the Letter of Offer.**

(e) **Applications should be submitted 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. Please note that on the Issue Closing Date, i.e., Monday, June 23, 2025, Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges.**

(f) In accordance with the SEBI Master Circular, the Eligible Equity Shareholders, who hold Equity Shares in physical form as on the Record Date *i.e.* **Friday, May 23, 2025** are requested to provide relevant details (such as copies of self-attested PAN and details of address proof by way of uploading on Registrar website the records confirming the legal and beneficial ownership of their respective Equity Shares) not later than two Working Days prior to the Issue Closing Date i.e., **Wednesday, June 18, 2025** in order to be eligible to apply for this Issue. Such Resident Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to the Company or the Registrar account is active to facilitate the aforementioned transfer. For further details, please refer to the chapter titled "*Terms of the Issue*" at page 264 of the Letter of Offer.

(g) The Eligible Equity Shareholders, who hold Equity Shares in physical form as on 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 *i.e.*, **Wednesday, June 18, 2025**, shall not be eligible to make an Application for Rights Equity Shares against their Rights Entitlements with respect to the equity shares held in physical form, post which they can apply to the Issue through ASBA mode. Eligible Equity Shareholders holding Equity Shares in physical form must check the procedure for Application by Resident Eligible Equity Shareholders holding Equity Shares in physical form and credit of Rights Equity Shares in *"Making of an Application by Eligible Equity Shareholders holding Equity Shares in physical form"* on page 271.

(h) The Application should be completed in all respects. Any Application Form found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of the Letter of Offer, and any addenda thereto and 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.**

(i) An Investor, wishing to participate in this Issue, is required to have an ASBA enabled bank account with an SCSB, prior to making the Application and required to provide necessary details, including details of the ASBA Account, authorizing the SCSB to block an amount equal to the Application Money in the ASBA Account mentioned in the Application Form. Please note that only those Investors who have a demat account can apply through ASBA facility.

(j) In case of non-receipt of Application Form, Investors can also make Application on plain paper under ASBA process mentioning all necessary details as mentioned under the heading *"Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process"* on page 269 of the Letter of Offer and any addenda thereto.

(k) The plain paper Application should be submitted at a Designated Branch of the SCSB for authorising such SCSB to block Application Money in the said bank account maintained with the same SCSB and not to the Bankers to the Issue or Escrow Collection Banks (assuming that such Escrow Collection Bank is not a SCSB) or to our Company or the Registrar.

(l) **All Applicants, and in the case of Application in joint names, each of the joint Applicants, should mention his/her PAN allotted under the Income Tax Act, 1961, 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, Application Forms 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 the Issue shall be made into the accounts of such Investors.

(m) In case of Application through ASBA facility, all payments will be made only by blocking the amount in the ASBA Account. **Cash payment or payment by cheque or demand draft or pay order or NEFT or RTGS or through any other mode is not acceptable for Application.** In case payment is effected in contravention of this, the Application may be deemed invalid and the Application Money will be refunded and no interest will be paid thereon.

(n) 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 English or Hindi and 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 the SCSB.

(o) 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) 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.

(p) All communication in connection with Application for the Rights Equity Shares, including any change in address 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, Physical folio number and Application Form number, as applicable. In case of any change in address of the Eligible Equity Shareholders, the Eligible Equity Shareholders should send the intimation for such change to the respective depository participant for shares held in electronic corm, and to our Company or the Registrar in case of Eligible Equity Shareholders holding Equity Shares in physical form.

(q) Only Eligible Equity Shareholders who are eligible to subscribe for Rights Entitlement and Rights Equity Shares in their respective jurisdictions under applicable securities laws are eligible to participate.

(r) Only the Investors holding Equity Shares in demat form or the Physical Shareholders who furnish the details of their demat accounts to the Registrar not later than two Working Days prior to the Issue Closing Date *i.e.*, **Wednesday, June 18, 2025**, are eligible to participate in the Issue. In accordance with the SEBI Master Circular, the Eligible Equity Shareholders, who hold Equity Shares in physical form as on 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 i.e., **Wednesday, June 18, 2025**, shall not be eligible to apply in this Rights Issue.

(s) Please note that ASBA Applications may be submitted at all designated branches of the SCSBs available on the SEBI website at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes, updated from time to time, or at such other website as may be prescribed by SEBI from time to time.

(t) Investors are required to ensure that the number of Rights Equity Shares applied by them do not exceed the investment limits or maximum number of Equity Shares that can be held by them prescribed under applicable law.

(u) **The Investors shall submit only one Application Form for the Rights Entitlements available in a particular demat account.** In case of Investors who have provided details of demat account in accordance with the SEBI ICDR Regulations such the 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 the Application Form separately from each demat account.

(v) **Please note that Applications without depository account details shall be treated as incomplete and shall be rejected.**

(w) The Company reserves the right to treat as invalid any Application Form 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.

(x) PLEASE NOTE THAT CREDIT OF THE RIGHTS ENTITLEMENTS IN THE DEMAT ACCOUNT DOES NOT, PER SE, ENTITLE THE INVESTORS TO THE RIGHTS EQUITY SHARES AND THE INVESTORS HAVE TO SUBMIT APPLICATION FOR THE RIGHTS EQUITY SHARES ON OR BEFORE THE ISSUE CLOSING DATE AND MAKE PAYMENT OF THE APPLICATION MONEY. FOR DETAILS, SEE "TERMS OF THE ISSUE – PROCESS OF MAKING AN APPLICATION IN THE ISSUE" ON PAGE 267 OF THE LETTER OF OFFER.

(y) 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.

(z) Please ensure that the Application Form and necessary details are filled in. In place of the Application number, Investors can mention the reference number of the Entitlement Letter received from the Registrar informing them about their Rights Entitlement or the last eight digits of the demat account. Alternatively, SCSBs may mention their internal reference number in place of the application number.

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LAST DATE FOR APPLICATION

The last date for submission of the duly filled in the Application Form or a plain paper Application is Monday, June 23, 2025, *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 Exchanges 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 the 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 Rights Equity Shares hereby offered, as provided under the section, *"Terms of the Issue - Basis of Allotment"* on page 285 of the 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 Exchanges.

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, may withdraw their Application post the Issue Closing Date.

LIST OF SELF CERTIFIED SYNDICATE BANKS (SCSBs)

The list of banks who have registered with SEBI to act as SCSBs for the ASBA Process is https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34. For this Issue, following banks would be acting as SCSB: 1. Allahabad Bank 2. Andhra Bank 3. Axis Bank Ltd 4. Bank of Baroda.5. Bank of India 6. Bank of Maharashtra 7. Barclays Bank PLC 8. BNP Paribas 9. Canara Bank 10. CSB Bank 11. Central Bank of India 12. CITI Bank 13. City Union Bank Ltd. 14. Corporation Bank 15. DBS Bank Ltd. 16. Deutsche Bank 17. Dhanlaxmi Bank Limited 18. HDFC Bank Ltd. 19. HSBC Ltd. 20. ICICI Bank Ltd 21. IDBI Bank Ltd. 22. Indian Bank 23. Indian Overseas Bank 24. IndusInd Bank 25. J P Morgan Chase Bank, N.A. 26. Janata Sahakari Bank Ltd. 27. Karnataka Bank Ltd. 28. Karur Vysya Bank Ltd. 29. Kotak Mahindra Bank Ltd. 30. Mehsana Urban Co-operative Bank Limited 31. Nutan Nagarik Sahakari Bank Ltd. 32. Oriental Bank of Commerce 33. Punjab & Sind Bank 34. Punjab National Bank 35. Rajkot Nagarik Sahakari Bank Ltd 36. RBL Bank Limited 37. South Indian Bank 38. Standard Chartered Bank 439. State Bank of India 40. SVC Co-operative Bank Ltd. 41. Syndicate Bank 42. Tamilnad Mercantile Bank Ltd. 43. The Ahmedabad Mercantile Co-Op. Bank Ltd. 44. The Federal Bank 45. The Jammu & Kashmir Bank Limited. 46. The Kalupur Commercial Cooperative Bank Ltd. 47. The Lakshmi Vilas Bank Ltd. 48. The Saraswat Co-Opearative Bank Ltd 49. The Surat Peoples Co-op Bank Ltd 50. TJSB Sahakari Bank Ltd 51. UCO Bank 52. Union Bank of India 53. Ratnakar Bank Limited 54. YES Bank Ltd 55. DCB Bank 56. Shamrao Vithal Co-Op Bank Ltd.

In accordance with the SEBI ICDR Regulations, SEBI Master Circular, our Company will at least three days before the Issue Opening Date, dispatch the Abridged Letter of Offer, the Rights Entitlement Letter, Application Form and other issue material, only to the Eligible Equity Shareholders who have provided an Indian 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 jurisdiction 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 Indian addresses provided by them. 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.sepc.in;
b) the Registrar at https://rights.cameoindia.com/sepc4;
c) the Lead Manager at www.sumedhafiscal.com; and
d) the Stock Exchanges at www.bseindia.com and www.nseindia.com.

The Investors can visit following links for the below-mentioned purposes:

a) Frequently asked questions are available on the website of the Registrar (https://rights.cameoindia.com/sepc4) or call helpline numbers (+91-44-40020700 (5 Lines)) and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors: ;
b) Updation of email address/ mobile number in the records maintained by the Registrar or our Company https://rights.cameoindia.com/sepc4;
c) Updation of Indian address can be sent to Registrar at email id rights@cameoindia.com or by way of Registered post/Courier at Cameo Corporate Services, No 1 Subramaniam Building, Club House Road, Chennai – 600002
d) Updation of demat account details by Eligible Equity Shareholders holding shares in physical form: https://rights.cameoindia.com/sepc4.
e) Submission of self-attested PAN, client master sheet and demat account details by non- resident Eligible Equity Shareholders at priya@cameoindia.com.

Investors may contact the Registrar to the Issue or our Company Secretary and Compliance Officer for any pre-Issue or post- Issue related matters. 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. The Eligible Equity Shareholders, who hold Equity Shares in physical form as on the Record Date *i.e.* **Friday, May 23, 2025** requested to provide relevant details (such as copies of self-attested PAN and details of address proof by way of uploading on Registrar website the records confirming the legal and beneficial ownership of their respective Equity Shares) not later than two Working Days prior to the Issue Closing Date i.e. **Wednesday, June 18, 2025** in order to be eligible to apply for this Issue, after which they can apply in this Issue through ASBA mode only.

COMPANY DETAILS	REGISTRAR TO THE ISSUE	LEAD MANAGER TO THE ISSUE
SEPC Engineering the Future	CAMEO	SUMEDHA adding values to value
SEPC LIMITED 4th Floor, Bascon Futura SV, IT Park Venkatanarayana Road, Parthasarathy Puram, T. Nagar, Chennai – 600 017, Tamil Nadu, India **Telephone:** +91 44 4900 5555 **E-mail:** info@sepc.in **Website:** www.sepc.in **Registration Number:** 045167 **CIN:** L74210TN2000PLC045167 **Contact Person:** Thiruppathi Sriraman, Company Secretary and Compliance Officer	**CAMEO CORPORATE SERVICES LIMITED** No. 01, Club House Road, Mount Road, Chennai- 600 002, Tamil Nadu, India. **Telephone:** +91 44 4002 0700/ 2846 0390 **Facsimile:** N.A. **Email:** rights@cameoindia.com **Website:** www.cameoindia.com **Online Investor Portal:** https:// wisdom.cameoindia.com **Investor Grievance Email id:** investor@cameoindia.com **Contact Person:** K. Sreepriya **SEBI Registration No.:** INR000003753	**SUMEDHA FISCAL SERVICES LIMITED** 6A Geetanjali, 6th Floor, 8B Middleton Street, Kolkata – 700 071, West Bengal, India. **Telephone:** +91 332 229 8936 / 6813 5900 **Facsimile:** N.A. **Email id:** rightsissue_mb@sumedhafiscal.com **Website:** www.sumedhafiscal.com **Investor grievance:** mb_compliance@sumedhafiscal.com **Contact Person:** Ajay K Laddha **SEBI Registration Number:** INM000008753

RIGHTS ENTITLEMENT LETTER FOR THE RIGHTS ISSUE OF SEPC LIMITED

FOR THE ELIGIBLE EQUITY SHAREHOLDERS OF THE COMPANY ONLY.

THIS LETTER CONTAINS 4 PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES

SEPC
Engineering the Future

SEPC LIMITED
Registered Office: 4th Floor, Bascon Futura SV, IT Park Venkatanarayana Road, Parthasarathy Puram, T. Nagar Chennai – 600 017, Tamil Nadu, India;
Tel: +91 44 4900 5555; **Fax:** N.A. **E-mail:** info@sepc.in; **Website:** www.sepc.in;
Contact Person: Thiruppathi Sriraman, Company Secretary and Compliance Officer;
Corporate Identification Number: L74210TN2000PLC045167

Sole/First Holder Name:

Dear Shareholder,
Date:

Sub: ISSUE OF UPTO 35,00,00,000* PARTLY PAID-UP EQUITY SHARES OF FACE VALUE ₹ 10 EACH (“RIGHTS EQUITY SHARES”) OF OUR COMPANY FOR CASH AT A PRICE OF ₹ 10/- PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ NIL PER EQUITY SHARE) (THE “ISSUE PRICE”), AGGREGATING UPTO ₹ 35,000 LAKHS* ON A RIGHTS BASIS TO THE EXISTING EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF ELEVEN (11) RIGHTS EQUITY SHARES FOR EVERY FIFTY (50) FULLY PAID-UP EQUITY SHARES HELD BY THE EXISTING EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON FRIDAY, MAY 23, 2025 (THE “ISSUE”). THE ISSUE PRICE FOR THE RIGHTS EQUITY SHARES IS ONE (01) TIME OF THE FACE VALUE OF THE EQUITY SHARES. FOR FURTHER DETAILS, PLEASE REFER TO THE CHAPTER TITLED “TERMS OF THE ISSUE” ON PAGE 264 OF THE LETTER OF OFFER.
Assuming full subscription. Subject to finalisation of the Basis of Allotment.

Ref: Letter of Offer dated May 22, 2025 and Abridged Letter of Offer dated May 22, 2025, issued by the Company to the Eligible Equity Shareholders pursuant to the Rights Issue.

We are happy to inform that our Company is proposing a Rights Issue of partly-paid up Equity Shares as mentioned in the captioned subject in the ratio of eleven (11) Rights Equity Shares for every fifty (50) fully paid-up Equity Shares held by the Eligible Equity Shareholders of our Company on the Record Date, i.e., **Friday, May 23, 2025**.

With reference to the above, please find below the details of the Equity Shares held by you as on the Record Date, i.e., **Friday, May 23, 2025** along with your Rights Entitlements calculated on the basis of the above-mentioned ratio for your kind information:

FOLIO NUMBER/ DP OR CLIENT ID	NUMBER OF EQUITY SHARES HELD BY YOU ON RECORD DATE I.E.,FRIDAY, MAY 23, 2025	NUMBER OF RIGHTS ENTITLEMENT

The Issue Price of ₹10/- per Rights Equity Share is payable as follows:

Amount payable per Rights Equity Share(₹)	Face Value	Premium	Total
On Application	5.00	Nil	5.00
On First and Final Call	5.00	Nil	5.00
Total	**10.00**	**Nil]**	**10.00**

**Investors shall be required to make the balance payment towards the Call notice by the due date, which shall be separately notified by our Company.*

You are requested to take note of the Issue Schedule as provided

ISSUE OPENS ON	LAST DATE FOR ON MARKET RENUNCIATION	ISSUE CLOSES ON**
MONDAY, JUNE 09, 2025	TUESDAY, JUNE 17, 2025	MONDAY, JUNE 23, 2025

****Eligible Equity Shareholders are requested to ensure that renunciation through off market transfer is completed in such a manner that the Rights Entitlement are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.***
*****Our Board or a duly authorized 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.***

Kindly note that pursuant to the provisions of the SEBI ICDR Regulations and the SEBI Master Circular bearing reference number SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated November 11, 2024 (“**SEBI Master Circular**”), the Rights Entitlements, as mentioned above, shall be credited only in dematerialized form in your demat account before the Issue Opening Date i.e., **Monday, June 09, 2025** with ISIN –

INE964H20055.

In accordance with the SEBI Master Circular, 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., **Wednesday, June 18, 2025** 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, i.e., **Friday, June 20, 2025**. Such Resident Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to the Company or the Registrar account is active to facilitate the aforementioned transfer. For further details, please refer to the chapter titled "*Terms of the Issue*" at page 264 of the Letter of Offer.

You can obtain the details of your Rights Entitlements from the website of the Registrar at https://rights.cameoindia.com/sepc4 by entering your DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form). The link for the same shall also be available on the website of the Company (i.e., www.sepc.in).

Fractional Entitlements

The Rights Equity Shares are being offered on a rights basis to Eligible Equity Shareholders in the ratio of eleven (11) Rights Equity Shares for every fifty- (50) fully paid-up Equity Shares held by the Eligible Equity Shareholders of our Company on the Record Date, i.e., **Friday, May 23, 2025**. 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 fifty (50) Equity Shares or Rights Entitlement is not in multiples of fifty f (50), 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. For further details, see "*Terms of the Issue*" beginning on page 264 of the Letter of Offer.

Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders

Pursuant to provisions of the SEBI ICDR Regulations read with SEBI Master Circular and in terms of the Letter of Offer, the Rights Entitlements of the Eligible Equity Shareholders have been credited in their respective demat account under the ISIN – INE964H20055. For details of credit of the Rights Entitlements, see "*Terms of the Issue - Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders*" on pages 277 of the Letter of Offer.

Trading of the Rights Entitlements

In accordance with the SEBI Master Circular, the Rights Entitlements credited shall be admitted for trading on the Stock Exchanges under ISIN – INE964H20055. Prior to the Issue Opening Date, our Company will obtain the approval from the Stock Exchanges for trading of Rights Entitlements. Investors shall be able to trade/ transfer their Rights Entitlements either through On Market Renunciation or through Off Market Renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism. For more details, see "*Procedure for Renunciation of Rights Entitlements*" on page 279 of the Letter of Offer.

Renunciation of Rights Entitlement

The Issue includes a right exercisable by you to renounce the Rights Entitlements credited in your demat account either in full or in part in favour of any other person or persons in India only. The renouncement of Rights Entitlements credited in your demat account can be made either a) by using the secondary market platform of the Stock Exchanges through a registered stock broker ("***On Market Renunciation***") or b) through off market transfer through a depository participant ("***Off Market Renunciation***") during the Renunciation Period. For more details, see "- *Procedure for Renunciation of Rights Entitlements*" on page 279 of the Letter of Offer.

Kindly note that, in accordance with the SEBI Master Circular, the resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date i.e., **Friday, May 23, 2025** shall be required to provide their demat account details to our Company or the Registrar to the Issue for credit of REs (Rights Entitlements) not later than two working days prior to Issue Closing Date i.e., **Wednesday, June 18, 2025** such that credit of REs in their demat account takes place at least one day before Issue Closing Date, thereby enabling them to renounce their Rights Entitlements through Off Market Renunciation.

PLEASE NOTE THAT CREDIT OF THE RIGHTS ENTITLEMENTS IN THE DEMAT ACCOUNT DOES NOT, PER SE, ENTITLE THE INVESTORS TO THE RIGHTS EQUITY SHARES AND THE INVESTORS HAVE TO SUBMIT APPLICATION FOR THE RIGHTS EQUITY SHARES ON OR BEFORE THE ISSUE CLOSING DATE AND MAKE PAYMENT OF THE APPLICATION MONEY. FOR DETAILS, SEE "PROCESS OF MAKING AN APPLICATION IN THE ISSUE " ON PAGE 267 OF THE LETTER OF OFFER.

PLEASE NOTE THAT THE RIGHTS ENTITLEMENTS WHICH ARE NEITHER RENOUNCED NOR SUBSCRIBED ON OR BEFORE THE ISSUE CLOSING DATE SHALL LAPSE AND SHALL BE EXTINGUISHED AFTER THE ISSUE CLOSING DATE.

Calls(s)

The Company would convene a meeting of the Board or its committee thereof, to pass the required resolutions for making the Call and suitable intimation would be given by the Company to the Stock Exchanges. Further, advertisements for the same will be published in one (1) English national daily newspaper, one (1) regional language daily newspaper, one (1) in Hindi national daily newspaper and one (1) regional language daily newspaper, all with wide circulation. The First and Final Call shall be deemed to have been made at the time when the resolution authorizing each such Call is passed at the meeting of the Board. Pursuant to the provisions of the Articles of Association of the Company, the Investors would be given at least fourteen (14) days' notice for the payment of the Call. The Board may, from time to time at its discretion, extend the time fixed for the payments of the Call. If the Investors fail to pay the First and Final Call within the due date fixed by the Board or any extension thereof, the application money already paid may be forfeited.

The partly paid-up Rights Equity Shares would be listed on the Stock Exchange. For an applicable period, under the rules and regulations, prior to the record date for the Call, the trading of the Rights Equity Shares would be terminated. The process of corporate action for crediting the Rights Equity Shares to the Investors' demat accounts may take about two (02) weeks' time from the last date of payment of the account under the Call notice. The process of corporate action for crediting the fully paid-up Rights Equity Shares to the Investors' demat accounts may take about two (02) weeks' time from the last date of payment of the account under the First and Final Call.

The listing and trading of the partly paid-up Rights Equity Shares shall be based on the current regulatory framework applicable thereto. Any change in the regulatory regime would accordingly affect the schedule.

Application Process for Rights Issue

If you are desiring to make an Application in this Issue, kindly note that you are mandatorily required to use either the ASBA process. Further, if you are holding Equity Shares in physical form as on the Record Date, you will have to apply through ASBA facility only. For details, see "*Process of Making an application in the Issue*" and "*Making of an Application by Eligible Equity Shareholders holding Equity Shares in physical form*" on page 267 and 271 respectively.

ASBA facility – Investors can submit the Application Form in physical mode to the designated branch of the Self-Certified Syndicate Banks ("**SCSBs**"), or make online/electronic Application through the website of the SCSBs (if the facility is made available by such SCSB). SCSBs are self-certified syndicate banks registered with SEBI, which offer the facility of ASBA. For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process and details on designated branches of SCSBs collecting the Application Form, please refer to - https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35.

Please note that Applications made with payment using third party bank accounts are liable to be rejected.

If you are desirous of making an application in this Issue, you should carefully read the provisions applicable to such Applications before making their Application through ASBA. For details, see "*Terms of the Issue- Process of Making an application in the Issue*" on page [•] of the Letter of Offer.

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, you may choose to accept the offer to participate in this Issue by making plain paper Applications. The SCSBs shall accept such application forms only if all details required for making the application as per these regulations are specified in the plain paper application. Please note that Eligible Equity Shareholder making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. If you make an application both in an application form as well as on a plain paper, both applications are liable to be rejected. For details, see "*Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process*" on page 269 of the Letter of Offer.

PLEASE NOTE THAT THE ELIGIBLE EQUITY SHAREHOLDERS, WHO HOLD EQUITY SHARES IN PHYSICAL FORM AS ON RECORD DATE AND WHO HAVE NOT FURNISHED THE DETAILS OF THEIR RESPECTIVE DEMAT ACCOUNTS TO THE REGISTRAR OR THE COMPANY AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE, SHALL NOT BE ELIGIBLE TO MAKE AN APPLICATION FOR RIGHTS EQUITY SHARES AGAINST THEIR RIGHTS ENTITLEMENTS WITH RESPECT TO THE EQUITY SHARES HELD IN PHYSICAL FORM.

In accordance with the SEBI ICDR Regulations, SEBI Master Circular, we are sending 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 Indian address to the 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 jurisdiction 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 Indian addresses provided by them.

ATTENTION FOR PHYSICAL SHAREHOLDERS

In accordance with the SEBI Master Circular, 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., **Wednesday, June 18, 2025** 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, i.e., **Friday, June 20, 2025**. Such Resident Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to the Company or the Registrar account is active to facilitate the aforementioned transfer. For further details, please refer to the chapter titled "*Terms of the Issue*" at page 264 of the Letter of Offer.

Please note that in accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Master Circular, the credit of Rights Entitlements and Allotment of Equity Shares shall be made in dematerialised form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Equity Shares in this Issue are advised to furnish the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, *i.e.*, **Wednesday, June 18, 2025**, to enable the credit of their Rights Entitlements in their respective demat accounts at least one day before the Issue Closing Date.

Resident Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date cannot renounce until the details of their demat account are provided to our Company or the Registrar and the dematerialized Rights Entitlements are transferred from suspense escrow demat account to the respective demat accounts of such Eligible Equity Shareholders within prescribed timelines. However, such Eligible Equity Shareholders, where the dematerialized Rights Entitlements are transferred from the suspense escrow demat account to the respective demat accounts within prescribed timelines, can apply for additional Rights Equity Shares while submitting the Application through ASBA process only.

PLEASE NOTE THAT THE ELIGIBLE EQUITY SHAREHOLDERS, WHO HOLD EQUITY SHARES IN PHYSICAL FORM AS ON RECORD DATE AND WHO HAVE NOT FURNISHED THE DETAILS OF THEIR RESPECTIVE DEMAT ACCOUNTS TO THE REGISTRAR OR OUR COMPANY AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE, SHALL

NOT BE ELIGIBLE TO MAKE AN APPLICATION FOR RIGHTS EQUITY SHARES AGAINST THEIR RIGHTS ENTITLEMENTS WITH RESPECT TO THE EQUITY SHARES HELD IN PHYSICAL FORM.

Availability of Issue materials

You can also access the Letter of Offer, the Abridged Letter of Offer and Application Form (provided that you are eligible to subscribe for the Rights Equity Shares under applicable securities laws) on the websites of:

(i) our Company at www.sepc.in;
(ii) the Registrar at https://rights.cameoindia.com/sepc4
(iii) the Lead Manager at www.sumedhafiscal.com; and
(iv) the Stock Exchanges at www.bseindia.com and www.nseindia.com.

Other important links and helpline numbers

You can visit the following links for below-mentioned purposes:

(a) Frequently asked questions are available on the website of the Registrar (https://rights.cameoindia.com/sepc4) or call helpline numbers (+91-44-40020700 (5 Lines)) and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors: ;
(b) Updation of email address/ mobile number in the records maintained by the Registrar or our Company https://rights.cameoindia.com/sepc4;
(c) Updation of Indian address can be sent to Registrar at email id rights@cameoindia.com or by way of Registered post/Courier at Cameo Corporate Services, No 1 Subramaniam Building, Club House Road, Chennai – 600002
(d) Updation of demat account details by Eligible Equity Shareholders holding shares in physical form: https://rights.cameoindia.com/sepc4.
(e) Submission of self-attested PAN, client master sheet and demat account details by non- resident Eligible Equity Shareholders at priya@cameoindia.com.

THE RIGHTS ENTITLEMENTS AND THE RIGHTS EQUITY SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**U.S. SECURITIES ACT**")**,** OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OF AMERICA AND MAY NOT BE OFFERED, SOLD, IN THE UNITED STATES OF AMERICA, ITS TERRITORIES AND POSSESSIONS ANY STATE OF THE UNITED STATES, AND THE DISTRICT OF COLUMBIA ("**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 RIGHTS ENTITLEMENTS AND RIGHTS EQUITY SHARES ARE BEING OFFERED AND SOLD ONLY (A) TO PERSONS IN THE UNITED STATES WHO ARE REASONABLY BELIEVED TO BE QUALIFIED INSTITUTIONAL BUYERS AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT ("**U.S. QIBS**") PURSUANT TO SECTION 4(A)(2) OF THE SECURITIES ACT AND (B) TO PERSONS OUTSIDE THE UNITED STATES IN RELIANCE ON REGULATION S UNDER THE SECURITIES ACT ("**REGULATION S**"). 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 IN THE UNITED STATES BY A DEALER (WHETHER OR NOT IT IS PARTICIPATING IN THE ISSUE) MAY VIOLATE THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT IF SUCH OFFER OR SALE IS MADE OTHERWISE THAN IN ACCORDANCE WITH AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT. THE RIGHTS EQUITY SHARES ARE TRANSFERABLE ONLY IN ACCORDANCE WITH THE RESTRICTIONS DESCRIBED IN "*SELLING RESTRICTIONS*" IN CHAPTER TITLED "*OTHER REGULATORY AND STATUTORY DISCLOSURES*" ON PAGE 259 OF LETTER OF OFFER.

In case of any queries, you may contact the Company or the Lead manager or Registrar as per the details mentioned herein:

COMPANY DETAILS	REGISTRAR TO THE ISSUE	LEAD MANAGER TO THE ISSUE
SEPC Engineering the Future	CAMEO	SUMEDHA adding values to value
SEPC LIMITED 4th Floor, Bascon Futura SV, IT Park Venkatanarayana Road, Parthasarathy Puram, T. Nagar, Chennai – 600 017, Tamil Nadu, India **Telephone:** +91 44 4900 5555 **E-mail:** info@sepc.in **Website:** www.sepc.in **Registration Number:** 045167 **CIN:** L74210TN2000PLC045167 **Contact Person:** Thiruppathi Sriraman, Company Secretary and Compliance Officer	**CAMEO CORPORATE SERVICES LIMITED** No. 01, Club House Road, Mount Road, Chennai- 600 002, Tamil Nadu, India. **Telephone:** +91 44 4002 0700/ 2846 0390 **Facsimile:** N.A. **Email:** rights@cameoindia.com **Website:** www.cameoindia.com **Online Investor Portal:** https:// wisdom.cameoindia.com **Investor Grievance Email id:** investor@cameoindia.com **Contact Person:** K. Sreepriya **SEBI Registration No.:** INR000003753	**SUMEDHA FISCAL SERVICES LIMITED** 6A Geetanjali, 6th Floor, 8B Middleton Street, Kolkata – 700 071, West Bengal, India. **Telephone:** +91 332 229 8936 / 6813 5900 **Facsimile:** N.A. **Email id:** rightsissue_mb@sumedhafiscal.com **Website:** www.sumedhafiscal.com **Investor grievance:** mb_compliance@sumedhafiscal.com **Contact Person:** Ajay K Laddha **SEBI Registration Number:** INM000008753

Note: All capitalized terms, unless defined herein, shall have the meaning ascribed to them in the Letter of Offer.

For **SEPC LIMITED**

Sd/-
Thiruppathi Sriraman,
Company Secretary and Compliance Officer