September 05, 2026

To,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai - 400001

Scrip Code: 539762

Sub: Notice convening the 80th Annual General Meeting ("AGM") and Integrated Annual Report for Financial year 2025-26

Dear Sir/Madam,

Please take note that:

(a) Pursuant to the MCA Circulars and SEBI Circulars issued from time to time, the 80th Annual General Meeting (AGM) of the Company will be held Tuesday, September 29, 2026 at 11:00 a.m. through Video Conferencing facility/Other Audio Visual Means.

(b) The Company has fixed Tuesday, September 22, 2026, as the "Cut-off Date" for determining the eligibility of Members to vote by remote e-voting or e-voting at the Annual General Meeting.

(c) The Company will be availing remote e-voting system of Central Depository Services Limited (CSDL) for casting vote for AGM. The remote e-voting period shall commence on Friday, September 25, 2026 (9:00 A.M.) and end on Monday, September 28, 2026 (5:00 P.M.).

(d) Pursuant to Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Register of Members and Share Transfer Books of the Company will remain closed for the purpose of Annual General Meeting, as detailed below;

Symbol	Type of Security	Book Closure Date	Cut-Off Date
539762	Equity Shares	Book Closure will start from Wednesday, September 23, 2026, to Tuesday, September 29, 2026 (both days inclusive) for the purpose of Annual General Meeting for financial year 2025-26	Tuesday, September 22, 2026,

Pursuant to Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Annual Report for the Financial Year 2025-2026 along with the Notice of the 80th Annual General Meeting ("AGM") of the Company to be held on Tuesday, September 29, 2026, at 11:00 A.M. (IST) through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM") which is being sent electronically to the Members whose e-mail IDs are registered with the Company/Registrar and Share Transfer Agents of the Company/Depositories.

The Notice of the AGM and the Annual Report has also been uploaded on the website of the Company at www.mep.ltd

Kindly take the same in your records.

Thanking you,

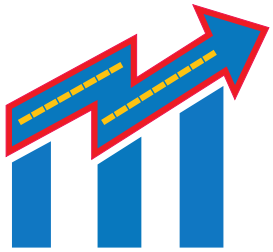
Yours faithfully,

For Modern Engineering and Projects Limited

FATTEHSINGH KRISHNRAO PATIL
Digitally signed by FATTEHSINGH KRISHNRAO PATIL
Date: 2026.09.05 11:46:34 +05'30'

Fattehsingh Krishnrao Patil
Managing Director
DIN: 10738344
Email id: fattehsingh@gmail.com

Encl: As above



Modern Engineering and Projects Limited

Shaping the Road Ahead

80th Annual Report

Table of Contents:

Sr. No.	Contents	Page No.
1.	Corporate Information	2
2.	Notice of Annual General Meeting	4
3.	Board Report	11
4.	Annexures to Board's Report	21
5.	Management Discussion and Analysis	28
6.	Corporate Governance Report	31
7.	Certificates on Compliance of Corporate Governance	45
8.	Auditor's Report on Standalone Financial Statements	46
9.	Standalone Financial Statements	56
10.	CFO & CEO Certificate on Financial Statements	92

CORPORATE INFORMATION

BOARD OF DIRECTORS :

Mr. Fattehsingh Krishnrao Patil	Managing Director
Mr. Radheshyam Laxmanrao Mopalwar	Chairman & Non- Executive Director
Mrs. Vaishali Sahebrao Mulay	Non-Executive Director
Mr. Shivratan Krishnakumar Agarwal	Non-Executive, Independent Director
Mr. Ajit Arvind Sagane	Non-Executive, Independent Director
Mr. Abhijit Jayant Deshpande **	Non-Executive, Independent Director

** Appointed with effect from May 12, 2026

KEY MANAGERIAL PERSONNEL:

Mrs. Francisca Rosario **	Chief Financial Officer
Mr. Navraj Bhatt**	Chief Financial Officer

**Mrs. Francisca Rosario resigned with effect from June 30, 2026. Mr. Navraj Bhatt was appointed with effect from July 1, 2026.

STATUTORY AUDITORS:	S K Patodia & Associates LLP, Chartered Accountants

SECRETARIAL AUDITORS:	M/s. Nidhi Bajaj & Associates, Company Secretaries

BANKERS:	Union Bank of India & ICICI Bank

REGISTRAR & SHARE TRANSFER AGENT	**Purva Sharegistry (India) Pvt. Ltd.,** 9 Shiv Shakti Industrial Estate, J R Boricha Marg, Near Lodha Excelus, Lower Parel (East), Mumbai - 400011 Tele No: +91 022- 31998810/ 49614132, Fax: +91 022- 31998810/ 49614132 Email: support@purvashare.com. Website: www.purvashare.com.

REGISTERED OFFICE:	**Modern Engineering and Projects Ltd** Unit no. 1106, 11th Floor, Hallmark Business Plaza, Near Guru Nanak Hospital, Bandra (E), Mumbai, Maharashtra, 400051 Tel: + 91 022-66666007; website: https://mep.ltd/ Email: cs@mep.ltd. CIN: L01132MH1946PLC381640

COMPOSITION OF COMMITTEES:

Audit Committee:

Sr. No.	Name of the Director	Category	Chairperson/ Member
1.	Mr. Shivratan Krishnakumar Agarwal	Non-Executive- Independent Director	Chairperson
2.	Mr. Ajit Arvind Sagane	Non-Executive- Independent Director	Member
3.	Mr. Radheshyam Laxmanrao Mopalwar	Non-Executive-Non-Independent Director	Member

Nomination and Remuneration Committee:

Sr. No.	Name of the Director	Category	Chairperson/ Member
1.	Mr. Shivratan Krishnakumar Agarwal	Non-Executive- Independent Director	Chairperson
2.	Mr. Ajit Arvind Sagane	Non-Executive- Independent Director	Member
3.	Mr. Radheshyam Laxmanrao Mopalwar	Non-Executive-Non-Independent Director	Member

Stakeholders Relationship Committee:

Sr. No.	Name of the Director	Category	Chairperson/ Member
1.	Mr. Shivratan Krishnakumar Agarwal	Non-Executive- Independent Director	Chairperson
2.	Mrs. Vaishali Sahebrao Mulay	Non-Executive-Non-Independent Director	Member
3.	Mr. Radheshyam Laxmanrao Mopalwar	Non-Executive-Non-Independent Director	Member

NOTICE OF 80TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the 80th Annual General Meeting (AGM) of the Shareholders of **Modern Engineering and Projects Limited** ("the Company") will be held on Tuesday, September 29, 2026, at 11.00 a.m. (IST') through Video Conferencing facility/Other Audio Visual Means (VC/OAVM') to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2026, and the reports of the Board of Directors and the Statutory Auditors thereon.
2. To appoint a director in place of Mrs. Vaishali Sahebrao Mulay (DIN:06444900), who retires by rotation and being eligible, offers herself for re-appointment

For Modern Engineering and Projects Limited

Sd/-
Fattehsingh Krishnrao Patil
Managing Director
DIN: 10738344

Place: Mumbai
Dated: August 13, 2026

Registered Office:
Unit no. 1106, 11th Floor, Hallmark Business Plaza,
Near Guru Nanak Hospital, Bandra (East), Mumbai - 400051.

NOTES:

1. The Ministry of Corporate Affairs, Government of India ('MCA') has vide its circular no. 03/2025 dated September 22, 2025, read with general circulars no. 14/2020 dated April 08, 2020, no. 17/2020 dated April 13, 2020, no. 20/2020 dated May 05, 2020 (collectively referred to as 'MCA Circulars') permitted the holding of the Annual General Meeting ('AGM' or 'Meeting') through Video Conferencing facility/Other Audio Visual Means ('VC/OAVM'), till further orders, in accordance with the requirements laid down in Para 3 and Para 4 of the General Circular No. 20/2020 dated May 05, 2020. In compliance with the provisions of the Companies Act, 2013 (the Act'), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and MCA & SEBI Circulars, the 80th AGM of the Company is being held through VC/OAVM.
2. The Company has availed the services of Central Depository Services (India) Limited ('CDSL') for conducting the AGM through VC/OAVM and enabling participation of Shareholders at the Meeting thereto and for providing services of remote e-voting and e-voting during the AGM.
3. As there is no special business to be transacted at the AGM, explanatory statement pursuant to section 102 of the Act, is not required to be given. Details of the Director proposed to be appointed/re-appointed as required in terms of Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standards on General Meetings ('Secretarial Standards–2') issued by the Institute of Company Secretaries of India, is annexed hereto.
4. Pursuant to the provisions of the Act, a shareholder entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a shareholder of the Company. As this AGM is being held through VC/OAVM, physical attendance of Shareholders has been dispensed with. Accordingly, the facility for appointment of proxies by the Shareholders will not be available for the AGM and hence the proxy form, attendance slip and route map are not annexed to this Notice.
5. The Meeting shall be deemed to be held at the registered office of the Company at Unit no. 1106, 11th Floor, Hallmark Business Plaza, Near Guru Nanak Hospital, Bandra (East), Mumbai - 400051.
6. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which Directors are interested under Section 189 of the Act and any other documents referred to in the accompanying Notice and Explanatory Statements shall be made available for inspection in accordance with the applicable statutory requirements based on the requests received by the Company at **cs@mep.ltd**.
7. Pursuant to Sections 101 and 136 of the Act read with the relevant rules made thereunder and Regulation 36 of the SEBI Listing Regulations, companies can send Annual Reports and other communications through electronic mode to those Shareholders who have registered their e-mail addresses either with the Company / RTA or with the Depository. Accordingly, the Annual Report contains financial statements (including Report of Board of Directors, Auditor's report or other documents required to be attached therewith), and such statements including the Notice of 80th AGM are being sent through electronic mode to those Shareholders whose email address is registered with the Company/RTA or the

Depositories. Physical copy of the Annual Report shall be sent to those Shareholders who request for the same. Additionally, a letter providing the web link to access the Notice of the 80th AGM and Annual Report is being sent to those Shareholders whose e-mail Ids are not registered with the Company/RTA or the Depositories.

8. The Notice of AGM and Annual Report will also be available on the website of the Company **www.mep.ltd**, website of the Stock Exchange i.e. BSE Limited at **www.bseindia.com** and on the website of CDSL i.e. **www.evotingindia.com**.

9. Shareholders, who have not registered their email address, are requested to register the same in the following manner:

   - For shares held in physical form – By sending an email to **cs@mep.ltd** or Registrar and Share Transfer Agent ('RTA') at **support@purvashare.com**
   - For shares held in demat form – By contacting their respective Depository Participant(s).

   Please note that registration of email address and mobile number is now mandatory while voting electronically and joining virtual Meetings.

10. Pursuant to the provisions of Section 72 of the Act read with the rules made thereunder and in terms of SEBI Circulars, Shareholders holding shares in a single name may avail of the facility of nomination in respect of the shares held by them. Shareholders holding shares in physical form may avail this facility by sending a nomination in the prescribed Form SH-13 to the RTA. The said form is available on the Company's website and can be downloaded. Further, if shares are held in dematerialized form, Shareholders can contact their respective Depository Participant(s) to update their nomination details.

11. SEBI has, through relevant circulars issued in this regard, mandated furnishing of PAN, KYC details (i.e., postal address with pin code, email address, mobile number, bank account details) and nomination details by Shareholders holding securities in physical form. In view of the same, concerned Shareholders are requested to furnish the requisite documents/information to the RTA at the earliest. Any service requests or complaints received from the Shareholders will not be processed by RTA till the aforesaid details/ documents are provided to RTA. Dividend payments in respect of such folios wherein PAN or KYC details are not available shall only be made electronically, upon registering all the required details. Relevant details and forms prescribed by SEBI in this regard are available on the website of the Company at **www.mep.ltd.** Further, SEBI has vide its circular dated January 25, 2022, mandated listed companies to issue securities in demat form only while processing service requests viz. issue of duplicate securities certificate, claim from unclaimed suspense account, renewal/exchange of securities certificate, endorsement, sub-division/ splitting of securities certificate, consolidation of securities certificates/folios, transmission and transposition. Accordingly, Shareholders are requested to make service requests in prescribed Form ISR–4, as available on the Company's website at aforesaid link. The Company / RTA shall verify and process the investor service requests and thereafter issue a 'Letter of Confirmation ('LOC') in lieu of physical share certificate(s). The LOC shall be valid for a period of one hundred and twenty days from the date of issuance within which the shareholder/claimant shall make a request to the Depository Participant for dematerializing the said shares. In case the demat request is not submitted within the aforesaid period, the shares shall be credited to the Company's Suspense Escrow Demat Account.

12. SEBI vide circular no. SEBI/HO/OIAE/OIAE_IAD-1/P/ CIR/2023/131 dated July 31, 2023 has specified that a shareholder shall first take up his/her/their grievance with the listed entity by lodging a complaint directly with the concerned listed entity and if the grievance is not redressed satisfactorily, the shareholder may, in accordance with the SCORES guidelines, escalate the same through the SCORES portal in accordance with the process laid out therein. Only after exhausting all available options for resolution of the grievance, if the shareholder is not satisfied with the outcome, he/she/they can initiate dispute resolution through the Online Dispute Resolution (ODR') portal. Shareholders are requested to take note of the same. The aforesaid Online Dispute Resolution (ODR) portal can be viewed at: **www.mep.ltd**

13. The Board has adopted Investor Grievance Redressal Policy, which outlines the grievance redressal framework of the Company and the same is available on the website on **www.mep.ltd**.

Instructions for remote e-voting:

14. Any person, whose name is recorded in the register of Members or in the register of beneficial owners (in case of electronic shareholding) maintained by the depositories as on Tuesday, September 22, 2026, shall be entitled to avail the facility of remote e-voting. The remote e-voting period commences Friday, September 25, 2026, at 9:00 a.m. and ends on Monday, September 28, 2026, at 5:00 p.m. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, he/she/they shall not be allowed to change it subsequently.

15. The voting right of Shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date.

16. Pursuant to the provisions of Section 108 of the Act read with rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI Listing Regulations (as amended), and MCA Circulars, the Company is providing facility of remote e-voting to its Shareholders in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with CDSL to facilitate voting through electronic means, as the authorized e-voting agency. The facility of casting votes by a shareholder using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

17. In order to increase the efficiency of the voting process, and pursuant to the SEBI Circular SEBI/HO/CFD/ CMD/CIR/P/ 2020/242 dated December 09, 2020, the demat account holders, are provided a single login credential, through their demat accounts/ websites of Depositories/Depository Participants. Demat account holders will now be able to cast their vote without having to register again with the E-voting Service Providers (ESPs'), thereby facilitating seamless authentication and convenience of participating in e-voting process.

18. **The procedure for remote e-voting is as under:**

(A) The detailed process and manner for remote e-voting for individual Shareholders holding securities in demat mode are explained herein below:

Individual shareholders holding securities in Demat mode with **CDSL**	• Users who have opted for CDSL Easi / Easiest facility, can login through their existing User ID and Password. Option will be made available to reach e-voting page without any further authentication. The users to login to Easi / Easiest are requested to visit CDSL website **www.cdslindia.com** and click on 'Login' icon & 'My Easi New (Token)' tab • After successful login the Easi / Easiest user will be able to see the e-voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-voting page of the e-voting service provider for casting their vote during the remote e-voting period or joining virtual Meeting and voting during the Meeting. Additionally, there are links provided to access the system of all ESPs, so that the user can visit the ESPs website directly • If the user is not registered for Easi / Easiest, option to register is available at CDSL website **www.cdslindia.com** and click on 'Login' & 'My Easi New (Token)' and then click on registration option.
Individual shareholders holding securities in Demat mode with **NSDL**	• If you are already registered for NSDL IDeAS facility, please visit the e-services Alternatively, the user can directly access e-voting page by providing demat account number and PAN from an e-voting link available on **www.cdslindia.com** home page. The system will authenticate the user by sending OTP on registered mobile & email as recorded in the demat account. After successful authentication, user will be able to see the e-voting option where the e-voting is in progress and also able to directly access the system of all ESPs website of NSDL. Open web browser by typing the following URL: **https://eservices.nsdl.com** either on a personal computer or on a mobile. Once the home page of e-services is launched, click on the 'Beneficial Owner' icon under 'Login' which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-voting services. Click on 'Access to e-Voting' under e-voting services and you will be able to see e-voting page. Click on company name or e-voting service provider name and you will be re-directed to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual Meeting and voting during the Meeting • If the user is not registered for IDeAS e-services, option to register is available at **https://eservices.nsdl.com**. Select 'Register Online for IDeAS' portal or click at **https://eservices.nsdl. com/SecureWeb/IdeasDirectReg.jsp.** • Visit the e-voting website of NSDL: Open web browser by typing the following URL: **https://www.evoting.nsdl.com/** either on a personal computer or on a mobile. Once the home page of e-voting system is launched, click on the icon 'Login' which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual Meeting and voting during the Meeting.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL / CDSL for e-voting facility. After successful login, you will be able to see e-voting option. Once you click on e-voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual Meeting and voting during the Meeting

Important note: Shareholders who are unable to retrieve User ID / Password are advised to use Forget User ID and Forget Password option available at above mentioned websites.

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

Login Type	Helpdesk Details
Individual Shareholders holding securities in Demat mode with **CDSL**	Shareholders facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll-free no. 1800 21 09911
Individual Shareholders holding securities in Demat mode with **NSDL**	Shareholders facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll-free no. 022-4886 7000 and 022-2499 7000

(B) Login method for e-voting and joining virtual Meeting for Shareholders holding shares in physical mode and non-individual Shareholders holding shares in demat form:

i. Shareholders should log on to the e-voting website www.evotingindia.com.
ii. Click on 'Shareholders' module.
iii. Enter your User ID:
   a. For CDSL: 16 digits beneficiary ID
   b. For NSDL: 8 Character DP ID followed by 8 digits Client ID
   c. Shareholders holding shares in physical form should enter Folio Number registered with the Company.
iv. Next enter the Image Verification as displayed and click on 'Login'.
v. If you are holding shares in dematerialized form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
vi. If you are a first time user follow the steps given below:

	For Shareholders holding shares in physical mode and non-individual Shareholders holding shares in demat form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/ RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. • If both the details are not recorded with the depository or Company, please enter the member id / folio number in the Dividend Bank details field.

vii. After entering these details appropriately, click on 'SUBMIT' tab.
viii. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, Shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
ix. For Shareholdersholding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
x. Click on the EVSN of 'Modern Engineering and Projects Limited.
xi. On the voting page, you will see 'RESOLUTION DESCRIPTION' and against the same the option 'YES/NO' for voting. Select the option YES or NO as desired. The option YES implies that you assent to a resolution and option NO implies that you dissent to a resolution.
xii. Click on the 'RESOLUTIONS FILE LINK' if they wish to view the entire resolution details.
xiii. After selecting the resolution, you have decided to vote on, click on 'SUBMIT'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'OK', else to change your vote, click on 'CANCEL' and accordingly modify your vote.
xiv. Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.

xv. You can also take a print of the votes cast by clicking on 'CLICK HERE TO PRINT' option on the voting page.

xvi. If a demat account holder has forgotten the login password then enter the User ID and the image verification code and click on 'Forgot Password' and enter the details as prompted by the system.

xvii. Process for those Shareholders whose email addresses are not registered with the Depositories for obtaining login credentials for remote e-voting for the resolutions proposed in this Notice:

a) For Shareholdersholding shares in physical form, please provide necessary details like folio no., name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar card) by email to Company / RTA at **support@purvashare.com** or **cs@mep.ltd.**

b) For Shareholders holding shares in dematerialized form, please update your e-mail ID and mobile no. with your respective Depository Participant.

Instructions for Shareholders attending the AGM through VC/OAVM:

19. The procedure for attending Meeting and e-voting on the day of the AGM is same as the instructions mentioned in Note no. 14 for e-voting

20. A person who is not a shareholder as on the cut-off date should treat this Notice of the AGM for information purpose only.

21. As per the provisions of the circulars, Shareholders attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

22. The Shareholders can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.

23. The facility of participation at the AGM through VC/ OAVM will be made available on first come, first served basis but will not apply to large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, Auditors, etc. who are allowed to attend the AGM without any restriction on account of first come first serve basis.

24. Shareholders will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-voting system. Shareholders may access the same at **https://www.evotingindia.com** under Shareholders /Members login by using the remote e-voting credentials. The link for VC/OAVM will be available in Shareholders / Members login where the EVSN of Company will be displayed.

25. Further Shareholders will be required to switch on the video facility and use internet connection with a good speed to avoid any disturbance during the Meeting.

26. Please note that use of mobile hotspot on the device used for attending the Meeting may affect the quality of audio/video due to fluctuations in network. It is therefore recommended to use a stable Wi-Fi or LAN connection for a better virtual experience.

27. Shareholders who need assistance before or during the AGM or have any queries or issues regarding e-voting, can write an email to **helpdesk.evoting@cdslindia.com** or call on toll-free no. 1800 21 09911.

28. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, CDSL, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N. M. Joshi Marg, Lower Parel (East), Mumbai – 400 013 or send an email to **helpdesk.evoting@cdslindia.com** or call 1800 21 09911.

Procedure to raise questions/seek clarifications with respect to Annual Report:

29. Shareholders are requested to send their questions mentioning their name, demat account number / folio number, email ID, mobile **number at cs@mep.ltd** Such questions by the Shareholders shall be taken up during the Meeting and replied suitably.

30. Shareholders who would like to express their views / ask questions during the Meeting may register themselves as a speaker by sending their request in advance mentioning their name, demat account number / folio number, email ID, mobile number at **cs@mep.ltd**.

31. Those Shareholders who have registered themselves as a speaker will only be allowed to express their views / ask questions during the Meeting.

32. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, to ensure the smooth conduct of the AGM, depending on the availability of time.

Instructions for Shareholders for e-voting during the Meeting:

33. Procedure for e-voting on the day of the AGM is same as the remote e-voting as mentioned above.

34. Shareholders who have voted through remote e-voting facility will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

35. In case of joint holder attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

36. Only those Shareholders, who are present in the AGM through VC/OAVM facility and have not cast their votes on the resolutions through remote e-voting and are not otherwise barred from doing so, shall be eligible to vote through e-voting system available during the AGM.
37. If any votes are cast by Shareholders through the e-voting available during the AGM and if the same Shareholders have not participated in the Meeting through VC/OAVM facility, then the votes cast by such Shareholders shall be considered invalid as the facility of e-voting during the Meeting is available only to the Shareholders attending the Meeting.

Instructions for non–individual Shareholders and custodians:

38. Non-individual Shareholders (i.e. other than individuals, HUF, NRI, etc.) and custodians are required to log on to **www.evotingindia.com** and register themselves in the 'Corporates' module.
39. A scanned copy of the registration form bearing the stamp and sign of the entity should be emailed to **helpdesk.evoting@cdslindia.com**
40. After receiving the login details a 'Compliance User' should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on. The list of accounts linked in the login will be mapped automatically & can be delinked in case of any erroneous mapping.
41. A scanned copy of the Board Resolution and Power of Attorney 'POA' which they have issued in favour of the custodian, if any, should be uploaded in pdf format in the system for the Scrutinizer to verify the same.
42. Alternatively, Non-individual Shareholders are required to send the relevant Board Resolution/Authority letter etc., to the Scrutinizer and to the Company at the email ID viz. **mmimani@csrma.in** and **cs@mep.ltd**. respectively if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the Scrutinizer to verify the same.

Voting Results:

43. Mr. Manoj Mimani, Partner of R M Mimani & Associates LLP, Company Secretaries, (Membership No. ACS 17083 and Certificate of Practice No. 11601) has been appointed as the Scrutinizer to scrutinize the remote e-voting and e-voting during the Meeting in a fair and transparent manner.
44. The Scrutinizer shall, immediately after the conclusion of e-voting at the AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-voting and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and whether the resolutions have been carried or not, and such report shall then be sent to the Chairperson or a person authorized by him, within 2 (two) working days from the conclusion of the AGM, who shall then countersign and declare the result of the voting forthwith.
45. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company at **www.mep.ltd**. and on the website of CDSL at **www.evotingindia.com**. immediately after the declaration of results by the Chairperson or any person authorized by them. The results shall also be immediately forwarded to BSE Limited.
46. Subject to the receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the Meeting i.e. Tuesday, September 29, 2026.

For Modern Engineering and Projects Limited

Sd/-
Fattehsingh Krishnrao Patil
Managing Director
DIN: 10738344

Place: Mumbai
Dated: August 13, 2026

Registered Office:
Unit no. 1106, 11th Floor, Hallmark Business Plaza,
Near Guru Nanak Hospital, Bandra (East), Mumbai – 400051

Annexure to Item No. 2 of the Notice: (Details as required to be furnished under the Secretarial Standard–2 para 1.2.5 and Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

Name of the Director	Mrs. Vaishali Sahebrao Mulay (DIN: 06444900)
Age (Years)	53
Nationality	Indian
Date of first Appointment on the Board	April 16, 2021
Qualification	Graduate
Brief resume and Expertise in specific functional area	She is a Graduate from Aurangabad University in Marketing and has an experience of more than 15 years in real estate sector, infrastructure, food & beverage sectors.
Shareholding in the Company	6.81%
No. of Board Meetings attended during the year (2025-26)	3
Terms & Conditions of appointment, including remuneration	Liable to retire by rotation and eligible for sitting fee and commission.
Remuneration last drawn (2025-26)	Nil
Other Directorship	Agriden Cultigro Private Limited
Chairman/Membership in committees of the Board of Directors of Other Listed Company in which he/she is a Director	Nil
Inter-se relationship with other Directors/ Key Managerial Personnel	Nil

For Modern Engineering and Projects Limited

Sd/-
Fattehsingh Krishnrao Patil
Managing Director
DIN: 10738344

Place: Mumbai
Dated: August 13, 2026

Registered Office:
Unit no. 1106, 11th Floor, Hallmark Business Plaza,
Near Guru Nanak Hospital, Bandra (East), Mumbai – 400051

BOARD'S REPORT

To the Members,
Modern Engineering and Projects Limited
Mumbai

Your directors have pleasure in presenting the **80th Board Report** on the business, operational and financial performance of the Company, together with the Audited Standalone Financial Statements for the financial year ended March 31, 2026.

1. FINANCIAL RESULTS:

The Company's financial performance for the financial year ended March 31, 2026, compared with the previous financial year, is summarized below:

(Rs. in Lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Revenue from operation	11,978.71	9,561.11
Other Income	306.25	229.86
Total Income (Revenue)	12,284.96	9,790.97
Profit/(Loss) before taxation	1,142.54	728.24
Less: Tax Expense	293.62	-0.37
Profit/(Loss) after tax	**848.92**	**728.61**

2. OPERATIONS & STATE OF COMPANY'S AFFAIRS:

A summary of the Company's financial performance for the financial year ended March 31, 2026, compared with the previous financial year, is detailed below:

- **Total Income:** During the financial year 2025–26, the Company recorded a total income of **₹11,978.71 Lakhs**, as against **₹9,561.11 Lakhs** in the preceding financial year 2024–25.
- **Net Profit After Tax:** The Company earned a net profit of **₹848.92 Lakhs** for the financial year 2025–26, as compared to a net profit of **₹728.61 Lakhs** in the previous financial year 2024–25

Your Company achieved strong growth in both revenue and profits this year, showing a healthy demand for our products and services. Our total income jumped by **25.29% to ₹11,978.71 Lakhs**, while our net profit after tax rose by **16.51%** to **₹848.92 Lakhs**, demonstrating robust expansion across both our top-line and bottom-line performance.

3. NATURE OF BUSINESS:

The Company is engaged in the business of construction and development of infrastructure projects under Build, Operate and Transfer (BOT), Hybrid Annuity Mode (HAM) and others. Company focus on providing innovative and sustainable solutions that address the unique needs and challenges the end users.

There has been no change in the nature of the business activities of the Company during the financial year ended March 31, 2026.

4. DIVIDEND AND RESERVES:

With a view to conserve financial resources for future business growth and operational requirements, the Board of Directors does not recommend any dividend on the Equity Shares of the Company for the financial year ended March 31, 2026.

During the financial year under review, the Board of Directors has resolved not to transfer any amount to the General Reserve of the Company. Consequently, the entire balance of profits for the financial year ending March 31, 2026, has been carried forward to the Retained Earnings / Surplus in the Statement of Profit and Loss.

5. SHARE CAPITAL:

During the financial year ended March 31, 2026, there was no change in the share capital of the Company. As of that date, the Authorized Share Capital stood at ₹53,15,00,000 (Rupees Fifty-Three Crores Fifteen Lakhs only) divided into 5,31,50,000 equity shares of ₹10/- each, while the Paid-up Equity Share Capital stood at ₹15,45,00,000 (Rupees Fifteen Crores Forty-Five Lakhs only) comprising 1,54,50,000 equity shares of ₹10/- each

The Company has not issued any equity shares with or without differential rights during the year under review and hence no information as per provisions of Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

The Company has not issued any sweat equity shares during the year under review and hence no information as per provisions of Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

There are no shares held by trustees for the benefit of employees and hence no disclosure under Rule 16(4) of the Companies (Share Capital and Debentures) Rules 2014 has been furnished.

6. SUBSIDIARIES:

The Company does not have any Subsidiary, Associate, or Joint Venture Company as on March 31, 2026. During the financial year under review, no company became or ceased to be a Subsidiary, Associate, or Joint Venture of the Company. However, as on March 31, 2026, the Company has the following Joint venture in the form of Association of person (AOP):

- **MEPIDL-MCL JV:** The Company had entered a Joint venture with MEP Infrastructure Developers Limited namely MEPIDL – MCL JV for the eight lining of the existing 4 lane road from 539.202 KM to 563 KM section of NH 3 (new National Highway 848), a distance of 23.800 kilometers to be executed on Engineering, Procurement, Construction (EPC)
- **AQUATECH - MEPL JV:** The Company had entered a Joint Venture with Aquatech Solutions private Limited namely Aquatech – MEPL JV for Jointly execution of Project for construction of underground Sewage network, Pumping Station and Sewage Treatment plant of 13 MLD Capacity of Khopoli Underground Sewerage Scheme for the Khopoli Municipal Council Maharashtra.
- **AQUATECH – MEPL NASHIK JV:** The Company had entered into a Joint Venture with Aqautech Solutions Private Limited namely Aquatech- MEPL Nashik JV for Jointly development / Execution of contract of The Nashik Municipal Corporation for "Design, Construction, Supply, Erection, Testing and Commissioning of 11.5 MLD STP, 29.5 MLD TTP & allied works, followed by O &M of 60 months.

7. CONSOLIDATED FINANCIAL STATEMENTS:

Consequent to the fact that the Company has no Subsidiary, Associate, or Joint Venture Company, the preparation and presentation of Consolidated Financial Statements under Section 129(3) of the Companies Act, 2013, and the Rules made thereunder, are not applicable to the Company for the financial year ended March 31, 2026.

8. CORPORATE GOVERNANCE:

The Company is committed to maintaining the highest standards of Corporate Governance and strictly adheres to the corporate governance requirements stipulated by the Securities and Exchange Board of India ("SEBI").

In compliance with Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), a detailed report on Corporate Governance forms an integral part of this Annual Report.

The requisite compliance certificate from the Secretarial Auditors of the Company, confirming compliance with the conditions of Corporate Governance and a declaration signed by the Managing Director & CEO of the Company, affirming compliance by the Members of the Board and Senior Management personnel with the Company's Code of Conduct are annexed to the **Corporate Governance Report.**

9. MANAGEMENT DISCUSSION AND ANALYSIS:

Pursuant to Regulation 34(2)(e) of the SEBI (LODR) Regulations, 2015, a detailed review of the Company's operations, performance, and outlook is set out under the **Management Discussion and Analysis Report**, which forms a separate and integral part of this Annual Report.

10. ANNUAL RETURN:

Pursuant to Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013, a copy of the Annual Return for the financial year ending March 31,2026, is placed on the website of the Company at **www.mep.ltd.**

11. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

In terms of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Mrs. Vaishali Sahebrao Mulay (DIN: 06444900), Director, retires by rotation at the ensuing Annual General Meeting (AGM) and, being eligible, offers herself for re-appointment. The Board recommends re-appointment for approval by the Members at the AGM.

During the financial year, the following changes took place in the composition of the Board and Key Managerial Personnel (KMPs) of the Company;

- Mrs. Shruti Jigar Shah (DIN: 11222680) was appointed as an Additional Director in the capacity of Non-Executive Independent Director of the Company with effect from August 01, 2025, and subsequently resigned with effect from August 26, 2025.
- Mr. Ajit Arvind Sagane (DIN: 07811647) was appointed as an Additional Director in the capacity of Non-Executive Independent Director of the Company with effect from August 28, 2025, and his appointment was regularized at the Annual General Meeting held on September 30, 2025.

- Dr. Pandit Sawant (DIN: 01314545), Non-Executive Independent Director, resigned from the Directorship of the Company with effect from August 02, 2025.
- Mr. Jashandeep Singh (DIN: 09324003), Whole-time Director, resigned from the Directorship of the Company with effect from March 13, 2026.
- Mrs. Francisca Rosario was appointed as Chief Financial Officer (CFO) of the Company with effect from May 30, 2025.
- Mr. Suraj Dhumale was appointed as Company Secretary & Compliance Officer of the Company with effect from May 30, 2025, and resigned with effect from December 12, 2025.
- Ms. Devanshi Kevin Shah was appointed as Company Secretary & Compliance Officer of the Company with effect from March 24, 2026.

Pursuant to Section 149(7) of the Companies Act, 2013 and Regulation 25(8) read with Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015, all Independent Directors have submitted declarations confirming that they meet the criteria of independence and are not disqualified. In the opinion of the Board, they fulfill all statutory conditions and operate completely independent of the management.

The Company has received written confirmations in Form DIR-8 from all Directors in terms of Section 164(2) of the Companies Act, 2013, read with Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014, stating that they are not disqualified from being appointed or continuing as Directors.

The brief resume, expertise, and other relevant disclosures for the Director seeking re-appointment at the ensuing Annual General Meeting (AGM)—as mandated under Secretarial Standard-2 (SS-2) and the SEBI (LODR) Regulations, 2015, are furnished within the accompanying Notice of the AGM.

As on March 31, 2026, the Key Managerial Personnel (KMPs) of the Company under Section 2(51) and Section 203 of the Companies Act, 2013 were:

- ❖ Mr. Fattehsingh Patil (Managing Director),
- ❖ Mrs. Francisca Rosario (Chief Financial Officer), and
- ❖ Ms. Devanshi Kevin Shah (Company Secretary and Compliance Officer).

After the close of the financial year under review:

- ❖ Ms. Devanshi Kevin Shah resigned from her position with effect from May 30, 2026. Mrs. Anisha Suraj Rajbhar was appointed as the Company Secretary and Compliance Officer with effect from June 01, 2026, and resigned with effect from July 10, 2026.
- ❖ Mrs. Francisca Rosario resigned from her position with effect from June 30, 2026, and Mr. Navraj Bhatt was appointed as the Chief Financial Officer (CFO) with effect from July 01, 2026.
- ❖ Mr. Abhijit Jayant Deshpande (DIN: 02926610) was appointed as an Additional Director in the capacity of (Non-Executive and Independent Director) Director of the Company with effect from May 12, 2026 and the same was approved by the Members through Postal ballot on August 08,2026.

12. MEETINGS:

Meetings of the Board and its Committees are planned in advance. A tentative annual meeting calendar is provided to the Directors in advance to facilitate optimal attendance.

Detailed agendas and notes are circulated prior to the meetings. In instances of administrative urgency, the Board exercises its option to pass resolutions by circulation or hold short-notice meetings as permitted by law.

Resolutions and directives are instantly communicated to the respective departments. Furthermore, an Action Taken Report concerning previous decisions is regularly placed before the Board at its next consecutive meeting to ensure ongoing oversight.

13. BOARD AND COMMITTEES THERE OF:

The Nomination and Remuneration Committee (NRC) defines the requisite skills, expertise, and attributes required for the Board as a whole and its individual Members. The Board has identified the following core competencies as critical in the context of the Company's strategic industrial automation business sectors:

- Strategic Leadership: Corporate strategy, general management, and business planning.
- Industry & Value Chain Expertise: Deep insight into business dynamics, sector verticals, and automation value chains.
- Governance & Compliance: Risk management, legal compliances, tax, finance, and corporate social responsibility.

The Board is satisfied that its current composition reflects an optimal mix of diversity, independence, and technical expertise, ensuring rigorous adherence to ethical standards, transparency, and fiduciary responsibilities.

To ensure focused oversight and streamlined decision-making, the Board has delegated specific functional mandates to its committees. All recommendations of these Committees are placed before the Board for noting or formal approval. As on March 31, 2026, the Company has three statutory Board committees:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders Relationship Committee

Details of the composition of the Board and Committees, Meetings of the Board and Committees held thereof during the financial year, and attendance threats have been provided in the Corporate Governance Report forming part of this Annual Report:

14. A STATEMENT REGARDING OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE, AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF THE INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR:

The Company has received declarations from all Independent Directors confirming compliance with the criteria of independence outlined in Section 149(6) of the Companies Act, 2013, and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Pursuant to the provisions of Rule 8(5)(iiia) of the Companies (Accounts) Rules, 2014, the Board of Directors registers its explicit opinion regarding the Independent Directors appointed or re-appointed during the financial year under review.

15. INDEPENDENT DIRECTORS' MEETING:

In accordance with Section 149(8) read with Schedule IV to the Companies Act, 2013, and Regulation 25(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate meeting of the Independent Directors of the Company was convened on March 24, 2026. The meeting was conducted without the attendance of Non-Independent Directors or any Members of the corporate management team.

During the meeting, the Independent Directors comprehensively evaluated and recorded their assessments regarding:

- The performance of individual Non-Independent Directors and the collective functionality of the Board of Directors.
- The performance of the Chairperson of the Company, based on the views received from both Executive and Non-Executive Directors.
- The structural quality, clarity, and timeline of operational and financial information flow from management, confirming it is optimal for driving informed board-level decision-making.

16. FAMILIARIZATION PROGRAM OF INDEPENDENT DIRECTORS:

In compliance with the provisions of Regulation 25(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has structured and implemented a familiarisation programme for the Independent Directors. This is designed to familiarize with their roles, statutory rights, and strategic responsibilities, alongside updates on the nature of the industry, the Company's operational frameworks, business model, and overall performance dynamics.

Pursuant to Regulation 46(2)(i) of the SEBI Listing Regulations, the complete details of the familiarisation programmes conducted during the year, including the number of programmes attended and hours spent by individual Independent Directors, are hosted on the website of the Company and can be accessed at **www.mep.ltd**

17. PERFORMANCE EVALUATION:

Pursuant to the provisions of Section 134(3)(p) read with Schedule IV to the Companies Act, 2013, and Regulation 17(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out a formal annual evaluation of its own performance, the individual performance of its Directors, as well as the functioning of its operational Committees.

The evaluation framework was designed and administered based on the criteria specified by the Nomination and Remuneration Committee (NRC), on following parameters:

- **Evaluation of the Board as a Whole:** Assessed on broad aspects including Board structure, composition, frequency and diligence of meetings, execution of key fiduciary responsibilities, systemic risk management, and the overall robustness and transparency of information flow from management.
- **Evaluation of Board Committees:** Assessed on the adequacy of their composition, clarity of mandates, compliance with respective Terms of Reference, and the effectiveness of their interactions and decision-making processes.
- **Evaluation of Individual Directors:** Evaluated on individual attributes such as meeting attendance, preparedness, proactive contribution to core strategy, exercise of independent judgment, and active guidance provided to the management team outside of formal boardroom discussions.

In alignment with statutory requirements, the performance of the Non-Independent Directors, the Board as a whole, and the Chairperson was evaluated by the Independent Directors in their separate meeting held on March 24, 2026, taking

into consideration feedback from both Executive and Non-Executive Directors. The outcomes of the evaluation process were discussed at the subsequent meeting of the Board of Directors.

The performance evaluation of individual Independent Directors was concluded by the entire Board, excluding the specific Director being evaluated.

18. CRITERIA FOR SELECTION OF CANDIDATES FOR APPOINTMENT AS DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT PERSONNEL

In accordance with the provisions of Section 178(3) of the Companies Act, 2013, the Nomination and Remuneration Committee (NRC) has formulated a comprehensive Nomination and Remuneration Policy. This policy establishes well-defined criteria for determining qualifications, positive attributes, and independence for selecting and appointing Directors, Key Managerial Personnel (KMP), and Senior Management Personnel.

The policy ensures that the level and composition of remuneration is reasonable, performance-linked, and sufficient to attract and retain talent required to run the Company successfully. The detailed Nomination and Remuneration Policy, along with the specific selection criteria, is hosted on the Company's website and can be accessed at **www.mep.ltd**

19. REMUNERATION POLICY FOR DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT EMPLOYEES:

Pursuant to Section 178(4) of the Companies Act, 2013, and applicable SEBI Listing Regulations, the Board has approved a comprehensive Nomination and Remuneration Policy framework based on the recommendation of the Nomination and Remuneration Committee (NRC).

This Policy governs the criteria for identifying, selecting, appointing, and retiring Directors, Key Managerial Personnel (KMP), and Senior Management Personnel. It explicitly lays down the parameters for determining qualifications, positive attributes, professional expertise, and the independence of Directors, alongside defining a progressive approach toward Board diversity.

The said policy document is available on the Company's website and can be accessed at **www.mep.ltd**

20. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT:

Pursuant to Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, certain listed entities are required to include a Business Responsibility and Sustainability Report (BRSR) as part of their Annual Report, describing the initiatives taken by them from an Environmental, Social, and Governance (ESG) perspective.

Since the Company's average market capitalization does not fall within the threshold, the provisions of the regulation regarding Business Responsibility and Sustainability Report (BRSR) are not applicable to the Company during the financial year 2025-26.

21. CORPORATE SOCIAL RESPONSIBILITY (CSR):

The provisions of Section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility became applicable to the Company as its net profit for the financial year ended March 31, 2025, crossed the threshold limit of ₹5 Crores.

In terms of Section 135(9) of the Act, where the CSR expenditure obligation of a company does not exceed ₹50 Lakhs, the requirement for constituting a CSR Committee is exempt, and the Board of Directors shall discharge all functions of such a committee. Since the CSR expenditure obligation of your Company fell below this ₹50 Lakh threshold, the Company was not required to constitute a separate CSR Committee, and the Board has directly overseen the CSR functions.

The Board of Directors approved the formal CSR Policy in its meeting held on November 13, 2025. The policy outlines the Company's strategy and focus areas for social development, and the same is accessible on the Company's website at **www.mep.ltd**

The detailed Annual Report on CSR activities, as required under the rules, is annexed to this report as **Annexure-I.**

22. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY COMPANY:

Pursuant to the provisions of Section 134(3)(g) and Section 186(4) of the Companies Act, 2013, the full particulars of the loans advanced, guarantees extended, securities provided, and investments made by the Company during the financial year 2025-26 are set out in the Notes to the Financial Statements.

23. PARTICULARS OF EMPLOYEES AND OTHER ADDITIONAL INFORMATION:

Disclosures pertaining to the remuneration and other statistical details as mandated under Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are annexed herewith as **Annexure 'II'** and form an integral part of this Report.

In terms of the first proviso to Section 136(1) of the Act, the Annual Report and Financial Statements are being sent to the Members excluding the statement containing particulars of the top ten employees and those employees' drawing remuneration more than the statutory thresholds prescribed under Rules 5(2) and 5(3) of the said Rules.

The aforesaid statement is available for inspection by the Members. Any Member interested in obtaining a copy of this statement may submit a formal request to the Company Secretary at **cs@mep.ltd**.

24. WHISTLE BLOWER POLICY/VIGIL MECHANISM:

In accordance with the provisions of Section 177(9) and (10) of the Companies Act, 2013, read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, the Company has established a Vigil Mechanism through its Whistle Blower Policy. This framework provides a formal and secure channel for Directors and employees to report genuine concerns regarding unethical behaviour, actual or suspected fraud, or any structural violation of the Company's Code of Conduct and Ethics Policy.

The policy incorporates comprehensive safeguards against the victimization of individuals who utilize this mechanism. It also provides a distinct provision for direct access to the Chairperson of the Audit Committee in exceptional cases. The Board affirms that during the financial year 2025–26, no personnel were denied access to the Audit Committee.

The detailed Whistle Blower Policy and Vigil Mechanism framework are hosted on the Company's website and can be accessed at **www.mep.ltd**

25. RELATED PARTY TRANSACTIONS AND POLICY:

In terms of Section 134(3)(h) and Section 188 of the Companies Act, 2013, read with Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all transactions attracting related party compliance were placed before the Audit Committee and the Board of Directors for review and approval.

Omnibus approval for routine and recurring related party transactions has been obtained from the Audit Committee, subject to the criteria and conditions specified in the Company's Policy. In compliance with statutory requirements, a statement detailing the nature, value, and commercial terms of all transactions executed under this approval is presented to the Audit Committee on a quarterly basis for its review and monitoring.

During the financial year ended March 31, 2026, the Company has not entered any material related party transactions as defined under the Act and all transactions were performed in the ordinary course of business at arm's length, hence particulars of transaction in Form AOC-2 is not required for the financial year 2025-26.

The Related Party Transactions Policy is hosted on the Company website and can be accessed at **www.mep.ltd**

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

There are no significant and material orders passed by any Regulators, Courts, or Tribunals during the financial year under review, that would impact the going concern status of the Company and its future operations.

27. MATERIAL CHANGES AND COMMITMENT IF ANY, AFFECTING FINANCIAL POSITION OF THE COMPANY FROM THE END OF FINANCIAL YEAR TILL THE DATE OF THE REPORT:

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year to which the financial statements relate and the date of this Reports.

28. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the provisions of Section 134(3)(c) and Section 134(5) of the Companies Act, 2013, the Directors confirm that:

i. In the preparation of the Annual Accounts for the financial year ended March 31, 2026, the applicable accounting standards have been followed along with proper explanations relating to material departures, if any;

ii. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2026 and of the profit of the Company for the year ended on that date;

iii. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv. The Annual Accounts have been prepared on a going concern basis;

v. The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

vi. The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

The Statutory Auditors of the Company have opined on the adequacy and operating effectiveness of the Internal Financial Controls over Financial Reporting (IFCOFR) in their Independent Auditor's Report.

29. STATUTORY AUDITORS AND AUDITOR'S REPORT:

The Members of the Company, at their 77th Annual General Meeting ('AGM') held on September 30, 2023, approved the appointment of M/s. S K Patodia & Associates LLP, Chartered Accountant (Firm Registration No. 112723W/W100962),

as the Statutory Auditors of the Company for a term of 5 (five) consecutive years, to hold office from the conclusion of the 77th AGM until the conclusion of the 82nd AGM to be held in the calendar year 2028.

The Auditor's Report issued by the Statutory Auditors on the Financial Statements of the Company for the financial year ended March 31, 2026, does not contain any qualification, reservation, adverse remark, or disclaimer. The notes to the financial statements referred to in the Auditor's Report are self-explanatory and do not call for any further comments.

During the year under review, the Statutory Auditors have not reported any instances of fraud to the Central Government or the Audit Committee/Board of Directors under Section 143(12) of the Companies Act, 2013 and the rules made thereunder.

30. COST RECORDS AND COST AUDIT:

The provisions of Section 148 of the Companies Act, 2013, read with the Companies (Cost Records and Audit) Rules, 2014, are not applicable to the Company for the financial year ending March 31, 2026. Accordingly, the Company is not required to maintain cost records or undergo a cost audit for the year under review.

31. SECRETARIAL AUDIT AND SECRETARIAL AUDITOR'S REPORT:

Pursuant to the provisions of Section 204 of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors appointed M/s. Nidhi Bajaj & Associates, Practicing Company Secretaries (CP No. 14596), to undertake the Secretarial Audit of the Company for the financial year ended March 31, 2026.

The observations of the Secretarial Auditors are self-explanatory and does not require any comments.

The Secretarial Audit was conducted in accordance with the prescribed statutory framework, and the Secretarial Auditor's Report in Form MR-3 is annexed herewith as **Annexure – 'III'**, forming an integral part of this Report.

32. AUDIT TRAIL (EDIT LOG):

Pursuant to the Section 134(5) and relevant rules under the Companies Act, 2013, the Directors confirm that:

- The Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2026, which features an inbuilt audit trail (edit log) facility.
- The audit trail facility operated continuously throughout the financial year for all relevant transactions recorded in the software.
- There has been no tampering with the audit trail feature during the period under review.
- The audit trail logs have been preserved by the Company in accordance with the statutory requirements for the retention of records.

33. SECRETARIAL STANDARDS:

The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) and approved by the Central Government under Section 118(10) of the Companies Act, 2013, specifically SS-1 (Secretarial Standard on Meetings of the Board of Directors) and SS-2 (Secretarial Standard on General Meetings).

34. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has an adequate internal control framework commensurate with the size of its business and the nature of its operations. These systems ensure that the resources of the Company are utilized efficiently and effectively to ensure that:

- Assets are safeguarded and protected against loss from unauthorized use or disposition.
- All significant transactions are authorized, recorded, and reported correctly.
- Financial and other accounting records are reliable for preparing financial information and maintaining accountability of assets.

The internal control systems are supplemented by an extensive internal audit program, continuous reviews by the Management, and documented corporate policies, guidelines, and procedures.

35. INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY:

Pursuant to Section 134(5)(e) of the Companies Act, 2013, the Company has in place an adequate Internal Financial Controls framework commensurate with the size, scale, and complexity of its operations. This framework comprises robust policies and procedures designed to ensure:

- The proper, orderly, and efficient conduct of the Company's business.
- The safeguarding of its corporate assets and resources.
- The prevention and detection of frauds, errors, and irregularities.
- The accuracy and completeness of the accounting and financial records.
- The timely preparation and presentation of reliable financial information.

The Company has adopted accounting policies that strictly align with the applicable Accounting Standards and the provisions of the Act. During the financial year under review, such controls were tested and no reportable material weaknesses in design or operation were observed.

36. RISK MANAGEMENT:

Pursuant to the provisions of Section 134(3)(n) of the Companies Act, 2013, the Company has developed and implemented a robust Business Risk Management framework. This framework is designed to proactively identify, assess, monitor, and mitigate various elements of business risks that may threaten the operations or the going concern status of the Company. The risk management framework defines the risk management approach of the Company and outlines institutional mechanisms for;

- Periodically reviewing external and internal business risk factors.
- Formulating risk mitigation strategies and establishing defensive internal controls.
- Maintaining clear documentation and structured reporting protocols for key risk parameters.

The framework utilizes diverse risk evaluation methodologies to analyse exposure trends and potential operational impacts. This assessment is conducted at both the enterprise level and across individual business segments to safeguard stakeholder value.

37. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company is committed to providing a safe, secure, and conducive work environment that is free from discrimination and harassment, including sexual harassment. In line with this commitment, the Company has implemented a comprehensive Policy on Prevention, Prohibition, and Redressal of Sexual Harassment at the Workplace.

The Company has duly constituted an Internal Committee (IC) across its workplaces in strict compliance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, and the rules framed thereunder. The policy is accessible to all employees and applies universally, regardless of employment nature, to protect individuals against harassment.

Pursuant to the requirements under Rule 8(5)(x) of the Companies (Accounts) Rules, 2014, the details of complaints received and resolved during the financial year ended March 31, 2026, are set out below:

- Number of complaints filed during the financial year : Nil
- Number of complaints disposed of during the financial year : Nil
- Number of complaints pending as on the end of the financial year: Nil

38. COMPLIANCE WITH THE PROVISIONS RELATING TO THE MATERNITY BENEFIT ACT, 1961:

Pursuant to the provisions of the Companies (Accounts) Rules, 2014 (as amended from time to time), the Board of Directors affirms that the Company has complied with all applicable statutory provisions relating to the Maternity Benefit Act, 1961, and the rules framed thereunder.

During the financial year under review, no material complaints or instances of non-compliance were recorded under the provisions of the said Act.

39. ENVIRONMENT AND SAFETY:

The Company is committed to maintaining high standards of Safety, Health and Environmental (SHE) performance across all its activities, products, and services.

To achieve this, the Company continuously refines its operational processes, adopts safer technologies, and invests in process automation to minimize human error and enhance workplace safety. Upgradation and monitoring of the safety management systems are carried out on a continuous basis to ensure a safe, healthy, and sustainable work environment for all stakeholders.

40. INDUSTRIAL RELATIONS:

The industrial relations of the Company remained peaceful, cordial, and harmonious throughout the financial year ended March 31, 2026. The Directors place on record their deep appreciation for the dedication, commitment, and cooperation extended by employees at all levels.

41. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

Pursuant to the provisions of Section 134(3)(m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014, the relevant data and particulars concerning conservation of energy, technology absorption, and foreign exchange earnings and outgo for the financial year ended March 31, 2026, are detailed below [Section 134 Companies Act 2013]:

Conservation of Energy:

(a) **Steps taken or impact on conservation of energy:** The Company maintains an ongoing commitment to energy efficiency across all administrative and operational levels. During the year under review, the Company optimized its power utilization by upgrading to energy-efficient LED lighting, optimizing load configurations of existing machinery, and enforcing strict schedules for peak-load operations to avoid wastage.

(b) Steps taken by the Company for utilizing alternate sources of energy: The Company continuously reviews opportunities to integrate clean energy into its infrastructure. While the primary energy demands are met through the local utility grid, the Company is exploring feasible options for installing commercial solar rooftops or procuring green energy.

(c) Capital investment on energy conservation equipment: No standalone or material capital expenditure was directed specifically toward specialized energy-saving equipment during the financial year under review. Minor costs were absorbed under routine repairs, maintenance, and facility upgrades.

Technology Absorption:

(a) Efforts made towards technology absorption: The Company continues to operate using advanced, modern, and proven indigenous operational technologies. Processes are continuously updated through software upgrades, automated tracking systems, and regular technical training workshops for operational personnel to maximize resource yields and minimize cycle times.

(b) Benefits derived like product improvement, cost reduction, or product development: The steady absorption and monitoring of day-to-day process automation have successfully minimized operational bottlenecks, reduced administrative overheads, enhanced structural accuracy in data reporting, and created a safer operating workflow for employees.

(c) Imported Technology: The Company has not imported any specialized foreign technology or machinery during the last 3 (three) financial years.

(d) Expenditure incurred on Research and Development (R&D): No separate, dedicated capital or revenue expenditure was allocated exclusively to a formalized Research and Development wing during the financial year ended March 31, 2026. Routine product improvement and quality checks are conducted internally as part of regular manufacturing and operations.

Foreign Exchange Earnings and Outgo:

The total actual foreign exchange earnings and outgo recorded on a cash basis during the current and preceding financial years are as follows:

Particulars	FY 2025-26 (Rs. In lakhs)	FY 2024-25 (Rs. In lakhs)
Foreign Exchange Earnings (Inflow)	Nil	Nil
Foreign Exchange Outgo (Outflow)	Nil	Nil

42. PUBLIC DEPOSITS:

During the financial year under review, the Company has not accepted or renewed any deposits falling within the purview of Chapter V of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014. No public deposits were outstanding or remained unpaid or unclaimed at the beginning or end of the financial year ended March 31, 2026.

43. DETAIL OF APPLICATION MADE OR PROCEEDING PENDING UNDER INSOLVENCY AND BANKRUPTCY CODE 2016:

During the financial year under review, no application was made and no corporate insolvency resolution proceedings are pending against or by the Company under the Insolvency and Bankruptcy Code, 2016, before the National Company Law Tribunal (NCLT).

44. DETAILS OF DIFFERENCE BETWEEN VALUATION AMOUNT ON ONE-TIME SETTLEMENT AND VALUATION WHILE AVAILING LOAN FROM BANKS AND FINANCIAL INSTITUTION:

During the financial year under review, the Company has not entered into any One-Time Settlement (OTS) with any Bank or Financial Institution. Consequently, the disclosure of the difference between the valuation amount at the time of the settlement and the valuation while availing the loan is not applicable.

45. DISCLOSURE OF AGREEMENTS:

The disclosures required under Para F of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are not applicable to the Company. During the financial year ended March 31, 2026, the Company has not entered into any such agreements as specified under the said regulations.

46. CAUTIONARY STATEMENT:

Statements in this Board's Report, the Management Discussion and Analysis, the Notice to the Shareholders, or elsewhere in this Annual Report, describing the Company's objectives, projections, estimates, and expectations may constitute "forward-looking statements" within the meaning of applicable securities laws and regulations.

Actual results could differ materially from those expressed or implied in such statements due to various factors. These factors include, but are not limited to, general economic and market conditions, changes in government regulations, tax laws, cyclical demand, and other incidental factors over which the Company does not have direct control.

47. ACKNOWLEDGEMENT AND APPRECIATION:

The Directors place on record their sincere appreciation for the continued cooperation, trust, and support extended to the Company by its valued customers, vendors, business partners, financial institutions, banks, and Shareholders. The Directors also express their gratitude to the Central and State Governments, local authorities, and regulatory bodies for their guidance and ongoing support.

Further, the Board takes this opportunity to recognize and appreciate the dedication, hard work, and commitment of employees at all levels, whose efforts have been instrumental in driving the growth and operational continuity of the Company.

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

Sd/-
Fattehsingh Krishnrao Patil
Managing Director
DIN: 10738344

Sd/-
Radheshyam Mopalwar
Director
DIN: 02604676

Place: Mumbai
Dated: August 13, 2026

Registered Office:
Unit no. 1106, 11th Floor, Hallmark Business Plaza,
Near Guru Nanak Hospital, Bandra (East), Mumbai - 400051.

Annexure - I

REPORT ON CORPORATE SOCIAL RESPONSIBILITY FOR FY 2025-26

Modern Engineering and Projects Limited (hereinafter referred to as 'the Company') believes in integrating its business model with the social welfare of people and society in which it operates.

1. **A brief outline of the CSR policy of the Company:**

   The Corporate Social Responsibility (CSR) Policy of your Company outlines multiple focus areas covered under Schedule VII of the Companies Act, 2013. The primary objective of this policy is to consistently contribute to initiatives that benefit society and the community at large. It charts out a clear mechanism for undertaking CSR activities, actively engages with key stakeholders on social development projects, and ensures that all activities undertaken by the Company are perfectly aligned with the applicable legal framework.

2. **Composition of CSR Committee:**

   In terms of Section 135(9) of the Companies Act, 2013, the requirement for constitution of a Corporate Social Responsibility Committee is not applicable if the CSR expenditure obligation does not exceed ₹50 Lakhs. Since the CSR expenditure obligation of the Company did not exceed the statutory threshold of ₹50 Lakhs, the Company was not required to constitute a CSR Committee, and consequently, no CSR Committee was formed. Accordingly, the Board of Directors directly discharged all the functions and duties of a CSR Committee during the financial year under review

3. **Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:** www.mep.ltd

4. **The details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014 :** During the financial year not applicable to the Company.

5. **Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:** Nil

6. **Average net profit of the Company as per Section 135(5): (In lakh)**

Particulars	31-Mar-25	31-Mar-24	31-Mar-23
Profit under section 198	728.24	669.01	(281.22)

Average net profit: Rs. 372.01 lakh

7. (a) Two percent of the average net profit of the Company as per Section 135 (5): Rs. 7.44 lakh

   (b) Surplus arising out of the CSR projects or programs or activities of the previous financial years: Nil

   (c) Amount required to be set off for the financial year, if any: Rs. Nil

   (d) Total CSR obligation for the financial year (7a+7b-7c): Rs. 7.44 lakh

8. (a) CSR amount unspent for the financial year:

Total Amount Spent for the Financial Year (In Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
2,44,000	Not applicable		PM Care Fund	2,44,000	26-05-2026

   (b) Details of CSR Amount spent against ongoing projects for the Financial Year: **Not Applicable**

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr. No.	**Name of the Project**	**Item from the list of activities in schedule VII to the Act.**	**Local area (Yes/ No)**	**Location of the project.**		**Amount spent for the project (in Rs.)**	**Mode of implementation - Direct (Yes/ No)**	**Mode of implementation - Through implementing agency**	
				State	**District**			**Name**	**CSR registration number**
1.	Cultural heritage of Angul district	Protection of NationalHeritage, art and culture including restoration	No	Odisha	Angul	5,00,000	Yes	NA	NA
	Total					**5,00,000**			

(d) Details of implementing Agency – As above

(e) Amount spent in Administrative Overheads - Nil

(f) Amount spent on Impact Assessment, if applicable - Nil

(g) Total amount spent for the Financial Year (8b+8c+8d+8e) Rs. 5 Lakh

(h) Excess amount for set off, if any: Rs. Nil

Sr. No.	Particular	Amount (in lakh)
(i)	Two percent of average net profit of the company as per section 135(5)	7.44
(ii)	Total amount spent for the Financial Year	5.00
(iii)	Excess amount spent for the financial year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for setting off in succeeding financial years [(iii)-(iv)]	-

9. (a) Details of Unspent CSR amount for the preceding three financial years: Not applicable

Sl No	**Preceding Financial Year.**	**Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.).**	**Amount spent in the reporting Financial Year (in Rs.).**	**Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.**			**Amount remaining to be spent in succeeding financial years (in Rs.)**
				Name of the Fund	**Amount (in Rs.)**	**Date of transfer**	
Not applicable							

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Nil

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl No	**Project ID.**	**Name of the Project**	**Financial Year in which the project was commenced**	**Project duration**	**Total amount allocated for the project (in Rs.).**	**Amount spent on the project in the reporting Financial Year (in Rs)**	**Cumulative amount spent at the end of reporting Financial Year. (in Rs.)**	**Status of the project - Completed / Ongoing.**
Nil								

10. In case of creation or acquisition of capital assets, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (Asset-wise details): **NA**

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).: **NA**

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

Sd/-
Fattehsingh Krishnrao Patil
Managing Director
DIN: 10738344

Sd/-
Radheshyam Mopalwar
Director
DIN: 02604676

Place: Mumbai
Dated: August 13, 2026

Registered Office:
Unit no. 1106, 11th Floor, Hallmark Business Plaza,
Near Guru Nanak Hospital, Bandra (East), Mumbai – 400051

ANNEXURE II

Statement of Disclosure of Remuneration under Section 197 of Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

(i) Ratio of the remuneration of each Executive Director to the median remuneration of the Employees of the Company for the financial year 2025-26

Sr. No.	Name of the Director	Designation	Ratio of remuneration of each Director to median remuneration of employees
1.	Mr. Jashandeep Singh	Whole-time Director	4.01%
2.	Mr. Fattehsingh Patil	Managing Director	11.10%

(ii) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer and Company Secretary or manager during the financial year 2025-26

Sr. No.	Name	Designation	% increase in remuneration
1.	Mr. Jashandeep Singh	Whole-time Director	Nil
2.	Mr. Fattehsingh Patil	Managing Director	Nil
3.	Mr. Radheshyam Mopalwar	Non-Executive Director	Nil
4.	Ms. Francisca Rosario	Chief Financial Officer	Nil
5	Mr. Suraj Dhumale	Company Secretary	Nil
6	Ms. Devanshi Kevin Shah	Company Secretary	Nil

(iii) The Company has 71 permanent employees on the rolls of Company as on March 31, 2026.

(iv) Average percentage increase in the salaries of employees other than the managerial personnel in the financial year is 10%, whereas the increase in the managerial remuneration was Nil.

(v) It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.

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

Sd/-
Fattehsingh Krishnrao Patil
Managing Director
DIN: 10738344

Sd/-
Radheshyam Mopalwar
Director
DIN: 02604676

Place: Mumbai
Dated: August 13, 2026

Registered Office:
Unit no. 1106, 11th Floor, Hallmark Business Plaza,
Near Guru Nanak Hospital, Bandra (East), Mumbai – 400051

ANNEXURE III

Form No. MR-3

Secretarial Audit Report for the financial year ended March31st 2026

(Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

The Members
Modern Engineering and Projects Limited
(CIN: L01132MH1946PLC381640)
Unit no. 1106, 11th Floor, Hallmark Business Plaza, Near Guru Nanak Hospital,
Bandra (East), Mumbai, Maharashtra, India, 400051.

I We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Modern Engineering and Projects Limited (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2026 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2026, according to the provisions of:

I. The Companies Act, 2013 (the Act) and the Rules made there-under;
II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there-under;
III. The Depositories Act, 1996 and the Regulations and byelaws framed there-under;
IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there-under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company;
    a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
    c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not applicable to the Company during the Audit period)
    d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not applicable to the Company during the Audit period)
    e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not applicable to the Company during the Audit period)
    f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
    g. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
    h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (Not applicable to the Company during the Audit period);
    i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during the Audit period).
VI. During the financial year, the Company is engaged in business activities which are not subject to any specific law and hence no specific law is applicable to the Company.

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

(i) Secretarial Standards including the amended Secretarial standards applicable with effect from 1st October 2017 issued by the Institute of Company Secretaries of India under the provisions of the Act.

(ii) The SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015

(iii) Listing Agreements entered into by the Company with BSE Limited read with The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We report that, during the financial year under review, the Company has complied with the provisions of the Act, rules, regulations, guidelines as mentioned above, *except few instances of delayed filing under SEBI (LODR) 2015 for which Company has paid the penalty levied by the stock Exchange.*

We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company and test verification on random basis carried out for compliances under other applicable Acts, Laws and Regulations to the Company

The compliance by the Company of the applicable direct tax laws, indirect tax laws and other financial laws has not been reviewed in this Audit, since the same have been subject to review by the other designated professionals and being relied on the reports given by such designated professionals.

We further report that, based on the information provided and representation made by the Company and also on the review of compliance reports of the respective department heads/Company Secretary/CFO taken on record by the Board of Directors of the Company, in our opinion adequate system and process exits in the company commensurate with the size and operations of the Company to monitor and ensure compliance with the applicable general laws like labour laws, competition law and environmental laws.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent generally at least seven days in advance, and in view of the non-existence formal system, we are not in position to comment on existence of system for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

As per the minutes of the meeting duly recorded and signed by the Chairman, majority decision carried through while the dissenting Members' views are captured and recorded as part of the minutes.

I further report that during the audit period there were no instance of:

i. Public/Right/Preference issue of shares / debentures / sweat equity, etc.
ii. Redemption / buy-back of securities
iii. Major decisions taken by the Members in pursuance to Section 180 of the Companies Act, 2013
iv. Merger / amalgamation / reconstruction, etc.
v. Foreign technical collaborations.

FOR NIDHI BAJAJ & ASSOCIATES
COMPANY SECRETARIES

Sd/-
NIDHI BAJAJ
Proprietor
Membership No. A28907
COP. 14596
UDIN: A028907H001098580
Peer Review Cert. No. 2458/2022

Date: 13-08-2026
Place: Thane

Note: This report is to be read with our letter of even date which is annexed as "Annexure A" and forms and integral part of this report.

Annexure – "A"

The Members
Modern Engineering and Projects Limited
(CIN: L01132MH1946PLC381640)
Unit no. 1106, 11th Floor, Hallmark Business Plaza, Near Guru Nanak Hospital,
Bandra (East), Mumbai, Maharashtra, India, 400051.

Our Secretarial Audit Report of even date is to be read along with this letter;

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

FOR NIDHI BAJAJ & ASSOCIATES
COMPANY SECRETARIES

Sd/-
NIDHI BAJAJ
Proprietor
Membership No. A28907
COP. 14596

UDIN: A028907H001098580
Peer Review Cert. No. 2458/2022

Date: 13-08-2026
Place: Thane

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

[Pursuant to Regulation 34(2)(e) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the Companies Act, 2013]

1. INDUSTRY STRUCTURE AND DEVELOPMENTS

The Indian economy continues to be one of the fastest-growing major economies globally, with the infrastructure and construction sectors serving as its backbone. During the financial year 2025–26, the Government of India sustained its aggressive capital expenditure (Capex) push, treating infrastructure development as a core catalyst for macro-economic growth. Flagship initiatives such as the **PM Gati Shakti National Master Plan, Bharat Mala Pariyojana,** and increased budgetary allocations for urban infrastructure, water supply grids, and smart city developments have provided structural support to the sector.

Modern Engineering & Projects Limited operates primarily within the Engineering, Procurement, and Construction (EPC) arena, executing civil infrastructure contracts, structural works, and public-private utility projects. The industry environment during the period under review was characterized by:

- **Streamlined Regulatory Approvals:** Accelerated digital clearing systems and single-window mechanisms at state levels reduced initial project mobilization lags.
- **Competitive Bidding Dynamics:** Increased entry of mid-sized technical players intensified competitive pressure in standard government tenders.
- **Consolidation of Execution Models:** A clear industry shift toward hybrid annuity models (HAM) and milestone-linked payment frameworks demanded high fiscal discipline from EPC contractors.

2. OPPORTUNITIES AND THREATS

Opportunities

- **National Infrastructure Pipeline (NIP):** The ongoing deployment of multi-billion-dollar state and central projects offers a substantial addressable market for expanding the Company's order-book pipeline.
- **Geographical Expansion:** Substantial urban redevelopment drives across tier-2 and tier-3 cities match the operational agile nature of the Company's regional execution teams.
- **Asset Monetization and Digital Integration:** Integrating IOT-enabled equipment tracking and Building Information Modelling (BIM) presents structural opportunities to reduce material wastage and accelerate execution schedules.

Threats

- **Input Cost Volatility:** Global supply chain movements and local resource constraints caused cyclical price hikes in primary raw materials like structural steel, cement, aggregates, and fuel.
- **Working Capital Pressures:** Extended processing cycles for running-account (RA) bills or delayed milestone certifications by government agencies pose liquidity risks.
- **Regulatory & Environmental Tightening:** Stricter local compliance norms concerning land acquisition, tree translocation, and pollution control can cause unexpected halts at project sites.

3. SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

The Company operates strictly within a **single primary business segment,** which is **Engineering, Procurement, and Construction (EPC) Civil Infrastructure Projects.** Therefore, there are no separate reportable geographic or product-wise segments under Ind AS 108.

During FY 2025–26, project execution was balanced across our active project sites. The operational focus remained on executing existing contract backlogs efficiently, maintaining strict project schedules, and achieving targeted technical billing milestones to optimize revenue recognition.

4. FINANCIAL AND OPERATIONAL PERFORMANCE

The financial metrics of your Company reflect strong operational scalability during the year under review:

- **Top-Line:** The Company recorded an impressive Total Income of **₹11,978.71 Lakhs** during FY 2025–26, showing an expansive growth of **25.29%** against **₹9,561.11 Lakhs** in the preceding financial year 2024–25. This robust increment is attributed to faster milestone completions and higher conversion rates of the order book into revenue.
- **Bottom-Line:** The Company earned a Net Profit after Tax (PAT) of **₹848.92 Lakhs** for FY 2025–26, registering a growth of **16.51%** compared to a PAT of ₹728.61 Lakhs in the previous financial year 2024–25.
- **Profit Margin:** While net profit grew by ₹120.31 Lakhs, the Net Profit Margin slightly down to **7.09%** in FY 2025–26 from **7.62%** in FY 2024–25. This slight reduction is due to inflation in material procurement and mobilization expenses for newly awarded contracts.

5. DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS

In compliance with the disclosure requirements of Schedule V(B)(1)(i) of the SEBI LODR Regulations, 2015, significant changes (defined as a change of 25% or more compared to the previous year) in key financial ratios along with detailed explanations are provided below:

Sr. No.	Key Financial Ratio	FY 2025-26	FY 2024-25	Variance (%)	Explanation for Variance > 25%
1	Debtors Turnover Ratio	1.50	2.15	(30.41)	During the year revenue from operations has increased. however, due to a more than proportionate increase in Trade Receivables, the ratio has seen a decline.
2	Inventory Turnover Ratio	-	-	-	Not applicable
3	Interest Coverage Ratio	13.18	13.27	0.09	Not applicable
4	Current Ratio	1.47	1.36	7.91	Not applicable
5	Debt-Equity Ratio	0.55	0.13	325.41	During the year Borrowing has increased due to sanction of new loans.
6	Operating Profit Margin (%)	9.54	7.71	23.74	Not applicable
7	Net Profit Margin (%)	7.09	7.62	(7.00)	Not applicable
8	Return on Net Worth (%)	12.35	12.40	(0.42)	Not applicable

6. RISKS, CONCERNS, AND MITIGATION FRAMEWORK

Your Company operates under a structured Enterprise Risk Management (ERM) framework to proactively address vulnerabilities:

- **Commodity Price Escalation Risk:** Sharp rises in raw material costs impact fixed-price bids. *Mitigation:* The Company incorporates price-escalation variation clauses in all fresh long-term bidding contracts.
- **Credit & Liquidity Risk:** Capital lock-in during litigation or delayed public department signoffs. *Mitigation:* The Company monitors aging schedules regularly and utilizes non-fund-based banking lines (bank guarantees) prudently.
- **Project Delay Risk:** Liquidated damages due to missing target deadlines. *Mitigation:* Modern project management dashboards provide real-time tracking of milestones directly to the top management.

7. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has instituted internal financial control systems that match the size, nature, and complexity of its EPC operations. These controls ensure that all corporate assets are shielded against unauthorized loss or misuse, transactions are recorded accurately, and financial statistics comply with applicable Indian Accounting Standards (Ind AS).

The framework includes regular internal audits conducted by independent auditing experts. Their findings and corrective action plans are presented directly to the Audit Committee of the Board. The management confirms that the internal financial controls are adequate and operated with structural efficiency during FY 2025–26.

8. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS

Your Company views its human capital as its core executing asset. During the financial year, the HR division prioritized field safety compliance, upskilling engineers on digital construction techniques, and executing merit-driven retention structures.

The Company maintained stable and peaceful industrial relations across all active corporate offices and construction project sites. As on March 31, 2026, the total number of permanent employees on the rolls of the Company stood at 71

9. OUTLOOK

The mid-to-long-term outlook for the Company is highly promising. Driven by national infrastructure expansion, the Company is positioned to secure high-value contracts. Management will focus on bid optimization, cost containment, and asset optimization to enhance profit margins and maximize stakeholder returns in the upcoming financial year.

10. CAUTIONARY STATEMENT:

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates, and expectations may constitute "forward-looking statements" within the meaning of applicable securities laws and regulations.

Actual results could differ materially from those expressed or implied due to external variables including general economic conditions, shifts in government policies, tax legislations, raw material price fluctuations, and technological disruptions over which the Company has no direct control.

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

Sd/-
Fattehsingh Krishnrao Patil
Managing Director
DIN: 10738344

Sd/-
Radheshyam Mopalwar
Director
DIN: 02604676

Place: Mumbai
Dated: August 13, 2026

Registered Office:
Unit no. 1106, 11th Floor, Hallmark Business Plaza,
Near Guru Nanak Hospital, Bandra (East), Mumbai – 400051

REPORT ON CORPORATE GOVERNANCE

1. Company's Philosophy on Corporate Governance:

Corporate governance at Modern Engineering Limited ("the Company") is an evolving framework of checks and balances that ensures long-term corporate sustainability and value creation. The Company's philosophy is rooted in the belief that robust governance is vital for driving strategic business objectives, optimizing resource allocation, and enforcing strict fiscal accountability. By fostering a culture of integrity and transparent reporting, the Company ensures equal and fair treatment for all stakeholders—including institutional and retail investors, regulatory authorities, employees, partners, and the stakeholders.

Modern Engineering Limited operates in adherence to the regulatory framework governing listed entities in India. The Company fully complies with the statutory and corporate governance mandates specified under Regulations 17 to 27, Schedule V, and Regulation 46(2)(b) to (i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as amended and continues to strengthen its internal control systems.

2. Board of Directors Composition:

a. Composition and Category of the Board

As of March 31, 2026, the Board of Directors of Modern Engineering Limited comprised 5 (Five) Directors. The Board maintains an optimum mix of executive, non-executive, and independent directors to preserve its independence and separate the functions of governance and management. The composition consists of: 1 (One) Executive Director (the Managing Director), 4 (Five) Non-Executive Directors, of whom 2 (Two) are Independent Directors. Chairman of the Company is Non-Executive, Non Promoter Director.

The composition complies fully with Section 149 of the Companies Act, 2013, and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). Detailed profiles of the Directors are available on the Company's website at www.mep.ltd.

The Board represents a diverse mix of knowledge, skills, experience, and risk-management expertise. It provides strategic leadership, objective oversight, and independent guidance to the management.

The table below outlines the names, categories, and positions of the Board members across other Indian companies as of March 31, 2026;

Name of Directorship	DIN	Category of Directorships	Other * Directorships held	**Other Committee Chairmanships	Other Committee Memberships**
Mr. Radheshyam Mopalwar	02604676	Chairman & Non-Executive, Non-Independent	1	Nil	Nil
Mr. Fattehsingh Patil	10738344	Managing Director	Nil	Nil	Nil
Mrs. Vaishali Mulay	06444900	Non-Executive, Non-Independent	Nil	Nil	Nil
Mr. Shivratan Agarwal	03496765	Non-Executive, Independent	01	Nil	Nil
Mr. Ajit Arvind Sagane	07811647	Non-Executive, Independent	Nil	Nil	Nil

* Excludes directorships in this Company, alternate directorships, private limited companies, foreign companies, and companies registered under Section 8 of the Companies Act, 2013.

** Represents Chairmanships/Memberships of only the Audit Committee and Stakeholders Relationship Committee in Indian public limited companies (excluding this Company) as per Regulation 26(1)(b) of the SEBI Listing Regulations.

b. Explanatory Notes on Board Compliance:

- There are no inter-se relationships or family linkages between any of the Board members.
- None of the Directors serve as a member in more than 10 committees or act as Chairman in more than 5 committees across all public companies. No Director holds directorships exceeding 20 Indian companies (including 10 public companies) or more than 7 listed entities.
- In the opinion of the Board, all Independent Directors fulfil the conditions specified in Regulation 16(1)(b) and Regulation 25(8) of the Listing Regulations and Section 149(6) of the Companies Act, 2013. They are entirely independent of the management

- All Independent Directors have confirmed compliance with Rule 6(3) of the Companies (Appointment and Qualifications of Directors) Rules, 2014, regarding active enrolment in the Independent Directors' Databank maintained by the MCA.
- Mr. Fattehsingh Patil, Managing Director, does not serve as an Independent Director in any other listed company.
- Mr. Pandit Sawant (DIN: 06581946) resigned from his post as an Independent Director effective August 02, 2025
- Formal letters of appointment containing terms and conditions have been issued to all Independent Directors and are posted on the Company's website.

c. Director Shareholding (As of March 31, 2026)

Name of the Director	Category/Nature of Directorship	Number of shares
Mr. Radheshyam Mopalwar	Non-Executive, Non-Independent	10,000
Ms. Vaishali S Mulay	Non-Executive, Non-Independent	1,052,295

d. Directorships in Other Listed Entities

Name of the Director	Other Listed Entity	Category/Nature of Directorship
Mr. Radheshyam Laxmanrao Mopalwar	Hazoor Multi Projects Limited	Managing Director
Mr. Shivratan Krishnakumar Agarwal	Ekansh Concepts Limited	Non-Executive, Independent

e. Board Skills, Expertise, and Competencies

The Nomination and Remuneration Committee (NRC) is responsible for determining the appropriate mix of characteristics, skills, and institutional experience required for the Board as a whole and for its individual members. The Company expects every Board member to possess the highest standards of integrity, professional qualifications, and core expertise. Each Director brings unique insights from sectors relevant to the business, ensuring their collective ability to drive long-term corporate growth.

In alignment with the statutory requirements of the SEBI Listing Regulations, the Board has identified and mapped the following core skills, expertise, and competencies as essential for the effective functioning;

- **Strategic Leadership and General Management:** Experience in corporate strategy, organizational planning, and leading large corporate enterprises or professional associations.
- **Industry and Value Chain Dynamics:** understanding of business dynamics within engineering and manufacturing sectors, including full value chain operations.
- **Finance, Taxation, and Risk Management:** Understanding of corporate finance, financial reporting, corporate tax planning, risk assessment, and internal control frameworks.
- **Legal, Compliance, and Corporate Governance:** Knowledge of regulatory jurisdictions, statutory compliances, corporate law, and the implementation of ethical governance practices.
- **Human Resources and Corporate Social Responsibility (CSR):** Expertise in managing talent pipelines, executive compensation, human resource development, and driving sustainable social impact programs.

The Board has reviewed the current composition and s fully satisfied that all Directors collectively possess these core skills, expertise, and competencies. This combination reflects an optimal mix of knowledge, professional diversity, and independence.

3. Board Meetings and Attendance

The Company follows a structured process for planning and conducting meetings to optimize administrative efficiency and maximize director participation. A tentative annual schedule of the Board and Committee meetings is finalized and circulated to the Directors well in advance. This enables the board members to plan their availability for meaningful deliberations.

Agenda accompanied by detailed explanatory notes are share with all Directors ahead of the scheduled meetings. When immediate business decisions are required, the Board passes resolutions by circulation or calls a meeting at short notice in compliance with the framework permitted under the Companies Act, 2013.

During the financial year ended March 31, 2026, the Board of Directors convened 9 (Nine) times. The maximum interval between any two consecutive meetings was 91 days, ensuring the statutory ceiling of 120 days mandated under Section 173 of the Companies Act, 2013 and Regulation 17(2) of the Listing Regulations.

The dates on which the Board met are; April 18, 2025, May 30, 2025, August 01, 2025, August 12, 2025, August 28, 2025, November 13, 2025, February 12, 2026, March 18, 2026, and March 24, 2026.

The attendance of each Director at the Board Meetings held during the financial year and at the last Annual General Meeting (AGM) held on September 30, 2025, is detailed below:

Name of the Director	Category of Directorship	No. of Board Meetings attended during	Whether attended last AGM
Mr. Radheshyam Mopalwar	Chairman & Non-Executive, Non-Independent	8	Yes
Mr. Fattehsingh Krishnrao Patil	Managing Director	9	Yes
Ms. Vaishali Mulay	Non-Executive, Non-Independent	3	Yes
Mr. Shivratan Agarwal	Non-Executive, Independent	9	Yes
Mr. Ajit Arvind Sagane	Non-Executive, Independent	4	Yes

All operational, regulatory, and financial datasets mandated under Part A of Schedule II of the Listing Regulations are periodically made available to the Board to guarantee well-informed decision-making.

The Company maintains an integrated compliance monitoring mechanism designed to track corporate obligations and provide institutional assurance regarding timely regulatory filings.

Resolutions and executive instructions approved during Board and Committee proceedings are communicated to operational business teams. A formal Action Taken Report detailing the current execution status of past directives is systematically placed before subsequent meetings for evaluation.

4. Board Committees: Statutory Framework & Performance Disclosures

To optimize operational oversight and maintain high standards of governance, the Board has delegated specific functional mandates to three statutory committees: the Audit Committee, the Stakeholders Relationship Committee, and the Nomination and Remuneration Committee. These Committees function within defined frameworks, and their minutes are regularly reviewed and noted by the Board.

A. Audit Committee

- The Committee meets all requirements under Section 177 of the Companies Act, 2013, and Regulation 18 of the SEBI Listing Regulations. Every member is financially literate and experienced in financial management. During the financial year ended March 31, 2026, the Committee met six times i.e. on May 30,2025, August 11, August 28, November 13, 2025, February 12, 2026, and March 24, 2026. The necessary statutory quorum was present across all meetings. The composition of the Audit Committee as of March 31, 2026, and the attendance details of its members during the year under review are set out below;

Name of the Member Director	Designation and category	No. of Meetings attended
Mr. Shivratan Krishnakumar Agarwal	Chairman, Non-Executive, Independent	6
Mr. Ajit Arvind Sagane**	Member, Non-Executive, Independent	3
Mr. Radheshyam Mopalwar	Member, Non-Executive, Non- Independent	6

** Mr. Ajit Arvind Sagane** was inducted with effect from August 28, 2025.

The Committee Chairman was present at the last AGM held on September 30, 2025.

The terms of reference, role, and scope of the Audit Committee are aligned with the statutory mandates prescribed under Section 177 of the Companies Act, 2013 (the "Act") and Regulation 18 read with Part C of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). The core terms of reference and responsibilities of the Committee inter alia include:

- **Financial Reporting Oversight:** Oversight of the Company's financial reporting process, structural disclosures, and the review of financial statements for both the Company and its material subsidiary, ensuring accuracy, sufficiency, and credibility.
- **Auditor Recommendations and Remuneration:** Recommending to the Board the appointment, re-appointment, replacement, or removal of the Statutory Auditors, Internal Auditors, and Cost Auditors, along with the fixation of audit fees and approval of payment for any other permitted non-audit services.

- **Related Party Transactions (RPTs):** Reviewing and granting prior omnibus or specific approvals for all Related Party Transactions and any subsequent modifications thereof, in compliance with legal framework.
- **Internal Controls and Risk Evaluation:** Reviewing and evaluating the adequacy, quality, and structural effectiveness of the Company's internal financial controls, asset safety systems, and risk management frameworks on a periodic basis.
- **Vigil Mechanism / Whistleblower Framework:** Reviewing the operational functionality, safety, and adequacy of the Vigil Mechanism and Whistleblower Policy

The Company Secretary functions as the Secretary to the Committee. Internal and statutory auditors directly interact with the Committee to brief them on audit updates. The Board accepted all committee recommendations during the year.

B. Stakeholders Relationship Committee (SRC)

- The Committee meets all requirements under Section 178 of the Companies Act, 2013, and Regulation 20 of the SEBI Listing Regulations. During the financial year ended March 31, 2026, the Committee met once on March 24, 2026 which was attended by all the Members. The composition of the SRC as of March 31, 2026, and the attendance details of its members during the year under review are set out below;

Name of the Member Director	Designation and category	No. of Meetings attended
Mr. Shivratan Krishnakumar Agarwal	Chairman, Non-Executive, Independent	1
Ms. Vaishali Sahebrao Mulay	Member, Non-Executive, Non- Independent	1
Mr. Radheshyam Mopalwar	Member, Non-Executive, Non- Independent.	1

The terms of reference, role, and operational scope of the Stakeholders Relationship Committee are aligned with the statutory frameworks prescribed under Section 178(5) of the Companies Act, 2013 and Regulation 20 read with Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). The core terms of reference of the Committee inter alia include:

- **Security Holder Grievance Resolution:** Reviewing and ensuring the efficient, timely redressal of grievances faced by all categories of security holders, including issues relating to the non-receipt of declared dividends, non-receipt of annual reports, or delays in credit of shares.
- **Share Transmission and Transfer Oversight:** Monitoring and approving requests concerning the transmission of securities, legal dematerialization/dematerialization, split, consolidation, and the issuance of duplicate share certificates.
- **Compliance Infrastructure Management:** Supervising the performance of the Registrar and Share Transfer Agent (RTA) and recommending structural measures to improve investor service parameters.

Company Secretary & Compliance Officer of the Company is responsible for maintaining the grievance infrastructure and attends all Committee meetings to facilitate corporate updates and regulatory reporting.

C. Nomination and Remuneration Committee (NRC)

The Committee meets all requirements under Section 178 of the Companies Act, 2013, and Regulation 19 of the SEBI Listing Regulations. During the financial year ending March 31, 2026, the Committee met five times i.e. on May 3, 2025, August 0, 2025, August 28, 2025, November 13,2025, and March 24, 2026. The composition of the NRC as of March 28, 2026, and the attendance details of its members during the year under review are set out below;

Name of the Member Director	Designation and category	No. of Meetings attended
Mr. Shivratan Krishnakumar Agarwal	Chairman, Non-Executive, Independent	4
Mr. Ajit Arvind Sagane**	Member, Non-Executive, Independent	2
Mr. Radheshyam Mopalwar	Member, Non-Executive, Non- Independent	4

** Mr. Ajit Arvind Sagane** was inducted with effect from August 28, 2025.

The terms of reference, role, and operational scope of the Nomination and Remuneration Committee are formulated in strict compliance with the statutory provisions of Section 178 of the Companies Act, 2013 and Regulation 19 read with Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). The core terms of reference of the Committee inter alia include;

- **Board Criteria and Qualifications:** Formulating the detailed criteria for determining qualifications, positive attributes, and independence parameters for the appointment of a director.

- **Director Identification and Appointment:** Identifying, screening, and recommending to the Board individuals who are qualified to become Directors or who may be appointed to Senior Management and Key Managerial Personnel (KMP) positions.
- **Remuneration Policy Formulation:** Developing and recommending to the Board a comprehensive corporate policy relating to the remuneration of Directors, Key Managerial Personnel, Senior Management, and other employees, ensuring that the level and composition of remuneration is reasonable, balanced, and performance linked.
- **Performance Evaluation:** Formulating criteria and frameworks for the systematic evaluation of the performance of the Board as a whole, its committees, and individual independent and non-independent Directors.
- **Board Diversity and Succession:** Devising, implementing, and reviewing a structured Policy on Board Diversity to ensure an optimal mix of skills, expertise, backgrounds, and independence on the Board, alongside planning for orderly succession transitions.
- **Mandate and Remuneration Policy:** The NRC identifies qualification criteria, positive attributes, and independent benchmarking for Board candidates. It administers the Policy on Board Diversity and Director Attributes.

The Company has not instituted or implemented any Employee Stock Option Scheme (ESOP). Further, during the financial year under review, the Board of Directors accepted and approved all recommendations submitted by the Nomination and Remuneration Committeee.

D. Directors' Remuneration and Disclosures

- **Executive Director:** Gross salary, allowances, and perquisites evaluated under the Income Tax Act, 1961 paid to Mr. Fattehsingh Patil (Managing Director) stand at Rs. 90,00,000/- for FY 2025–26.
- **Non-Executive Directors:** The Company compensates Non-Executive Directors via sitting fees for attending Board and Committee meetings and Commission. The breakdown of individual payments disbursed during the fiscal period is detailed below

Sr. No.	Name of the Director	Nature of Payment	Amount (In Rs.)
1	Mr. Radheshyam Mopalwar	Sitting Fees & Commission	9,15,000
2	Mr. Shivratan Agarwal	Sitting Fees	3,00,000
3	Ms. Vaishali Sahebrao Mulay	-	-
4	Mr. Ajit Arvind Sagane	-	-
5	Mr. Abhijit Deshpande	-	-

Other than the statutory sitting fees and Commission disclosed, no Independent Director maintains any pecuniary relationship or transaction with the Company. Remuneration Policy for Directors, Key Managerial Personnel and other employees of the Company is posted on Company's website/weblink at **www.mep.ltd**.

5. Senior Management

In accordance with Regulation 16(1)(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), Senior Management comprises the core management team of the Company, excluding the Board of Directors. This consists of personnel heading core functional divisions, the Chief Financial Officer, and the Company Secretary.

The particulars of the Senior Management of the Company as of March 31, 2026, along with relevant changes during the financial year under review;

Sr. No.	Name of the Executive	Designation/Functional Area	Changes Since Last Financial Year
1	Ms. Francisca Rosario	Chief Financial Officer	Yes
2	Ms. Devanshi Shah	Company Secretary and Compliance Officer	Yes
3	Mr. Ganesh Yeshwant Nar	GM Finance & A/c	Nil
4	Mr. Durga Narayanarao Garimella	Vice President Operations	Nil
5	Mr. Kakarlapudi Siva Prasad Seetha Rama Raju	Vice President Operations	Nil
6	Mr. Durga Narayanarao Garimell	President Operations	Nil
7	Mr. Amit S. Khanwalkar	AGM HR & Admin	Nil
8	Mr. Jalal Mustafa Tamboli	DGM Tender	Nil

6. **Separate Meeting of Independent Directors**

In compliance with the provisions of Schedule IV of the Companies Act, 2013, and Regulation 25(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate meeting of the Independent Directors of the Company was held during the financial year on March 24, 2026. The meeting was conducted without the presence of the Chairman, Non-Independent Directors, or any members of the management team.

During this exclusive session, the Independent Directors executed their statutory review functions, which included:

- Evaluating the performance of the Non-Independent Directors and the Board of Directors as a collective entity.
- Assessing the performance of the Chairman of the Company after considering the feedback and viewpoints of both executive and non-executive board members.
- Reviewing the structural quality, quantity, and timelines of the information flow between the management and the Board to ensure robust, well-informed decision-making.

All Independent Directors of Modern Engineering Limited were present at the meeting.

7. **Director Familiarization programmes, Knowledge Sharing, and Code of Conduct**

A. **Familiarisation Programmes for Directors:** The Company provides comprehensive opportunities to all Board members (Executive, Non-Executive, and Independent Directors) to familiarise themselves with the operational dynamics, business models, management structures, and industry-specific challenges of the Company.

Directors regularly interact with Senior Management personnel and are provided with strategic inputs, industry insights, and macro-economic updates affecting the engineering sector.

The Company promptly shares all operational documentation, regulatory updates, and corporate performance reviews requested by the Directors to facilitate an accurate understanding of the business frameworks.

Structured familiarisation programmes were conducted periodically throughout the financial year. The detailed metrics of these sessions, including the number of programmes and hours spent by individual Directors, are uploaded on the Company's website and can be accessed at **www.mep.ltd**

B. **Continuous Knowledge Sharing:** The Board is kept continually appraised of material developments, regulatory changes, and critical business updates. The management leverages secure corporate channels, detailed emails, executive presentations, and teleconferences to maintain seamless, high-utility communication with all board members between scheduled meetings.

C. **Compliance with the Code of Conduct:** The Company has established a robust Code of Conduct applicable to all members of the Board of Directors and the Senior Management cadre.

In compliance with Regulation 17(5) of the SEBI Listing Regulations, all Board members and Senior Management Personnel have formally affirmed their compliance with the Code of Conduct for the financial year ended March 31, 2026.

As required under Schedule V of the Listing Regulations, a formal declaration signed by Mr. Fattehsingh Patil (Managing Director) confirming these annual compliance affirmations is appended to this report.

8. **Prevention of Insider Trading:** In accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended ("PIT Regulations"), the Company has implemented a comprehensive Code of Conduct to Regulate, Monitor, and Report Trading by Designated Persons.

This Code strictly governs all Promoters, Directors, Key Managerial Personnel (KMPs), Designated Employees of the Company and its material subsidiaries, their immediate relatives, and other contractually Connected Persons (such as Statutory Auditors, Internal Auditors, Legal Consultants, and Bankers) who could have access to Unpublished Price Sensitive Information (UPSI).

The Code enforces a complete ban on trading in the equity shares of the Company while the trading window is closed or whenever an individual holds or has access to UPSI.

In terms of these statutory regulations, Mr. Fattehsingh Krishnrao Patil acts as the designated Compliance Officer responsibly charged with administering the trading windows, pre-clearing trades, reviewing structural digital databases (SDD), and enforcing code compliance metrics.

9. **Subsidiary Companies and Materiality Disclosure:** Pursuant to Regulation 16(1)(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Company did not have any "Material Subsidiary" during the financial year ended March 31, 2026.

Policy for Determining Material Subsidiaries has been hosted on the Company's website and can be viewed at **www.mep.ltd**

10. General Body Meetings:

A. Annual General Meetings (AGMs) Held Over the Last Three Years

The particulars of the Annual General Meetings (AGMs) convened by the Company over the last three consecutive financial years, along with the special resolutions approved by the shareholders, are outlined below:

Financial Year 2022–23 (Ended March 31, 2023)

- **Day, Date & Time:** Saturday, September 30, 2023, at 04:00 P.M.
- **Mode & Venue:** Conducted via Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM") from the Company's Registered Office at 103/4 Plot - 215, Free Press House, Floor-10, Free Press Journal Marg, Nariman Point, Mumbai – 400 021.
- **Special Resolutions Passed:**
  1. Appointment of Dr. Pandit P. Sawant as an Independent Director of the Company
  2. Enhancement of the Company's borrowing limits under Section 180(1)(c) of the Companies Act, 2013.
  3. Enhancement of the Company's limit to create charges or mortgages on the properties of the Company under Section 180(1)(a) of the Companies Act, 2013.
  4. Enhancement of statutory limits to extend loans, provide guarantees, give securities, under Section 186 of the Companies Act, 2013.
  5. Approval to extend loans, guarantees, or securities in connection with credit facilities taken by entities in whom any Director is interested under Section 185(2) of the Companies Act, 2013

Financial Year 2023–24 (Ended March 31, 2024)

- **Day, Date & Time:** Monday, September 30, 2024, from 12:30 P.M.
- **Mode & Venue:** Conducted via Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") from the Company's Registered Office.
- **Special Resolutions Passed:**
  1. Appointment of Mr. Shivratan Agarwal (DIN: 03496765) as an Independent Director of the Company.
  2. Appointment of Mr. Sitaram Dhulipala (DIN: 03408989) as the Managing Director of the Company.

Financial Year 2024–25 (Ended March 31, 2025)

- **Day, Date & Time:** Tuesday, September 30, 2025, from 12:30 P.M.
- **Mode & Venue:** Conducted via Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM") from the Company's Registered Office.
- **Special Resolutions Passed:**
  1. Appointment of Mr. Fattehsingh Krishnrao Patil (DIN: 10738344) as the Managing Director of the Company.
  2. Approval for the payment of commission to Mr. Radheshyam Laxmanrao Mopalwar (DIN: 02604676), Chairman & Non-Executive Director of the Company, for the Financial Year 2025–26.
  3. Appointment of Mr. Ajit Sagane (DIN: 07811647) as an Independent Director of the Company.
  4. Appointment of M/s. Nidhi Bajaj & Associates, Practising Company Secretaries, as the Secretarial Auditors of the Company.

B. Postal Ballot Disclosures

- **Resolutions Passed:** During the financial year ended March 31, 2026, no special resolutions were voted on or passed through the Postal Ballot process.
- **Subsequent Event Post-March 31, 2026:** Subsequent to the close of the financial year, the Company initiated a Postal Ballot process for the appointment of Mr. Abhijit Deshpande (DIN: 02926610) an Independent Director. The voting process was successfully completed, and the final results were declared on June 10, 2026, approving the resolution with the requisite majority.
- **Proposed Ballots:** As of the date of this report, there are no special resolutions proposed to be conducted through a postal ballot

C. Electronic Voting (E-Voting) Framework

In compliance with the provisions of Section 108 and Section 110 of the Companies Act, 2013, read with the applicable rules and Regulation 44 of the SEBI Listing Regulations, the Company provides a secure electronic voting platform and engages the services of CDSL to provide the necessary remote e-voting facility.

General meeting notices and postal ballot forms are distributed exclusively via electronic mail to investors whose email addresses are mapped with their Depository Participants (DPs) or the Registrar and Share Transfer Agent (RTA). Shares held by investors on the designated "cut-off date" establish the proportional voting weight allocated to them.

11. Statutory Disclosures:

In accordance with Schedule V, Part C, Clause 10 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Company provides the following mandatory disclosures for the financial year ended March 31, 2026:

A. Related Party Transactions and Conflicts of Interest:

- During the year under review, there were no materially significant related party transactions that presented a potential conflict of interest with the Company at large.
- All transactions entered into with related parties during the financial year were executed in the ordinary course of business and on an arm's-length basis, with prior approval from the Audit Committee.
- The Board has received formal declarations from all Key Managerial Personnel (KMPs) and Senior Management confirmation that they, including their relatives, had no material financial or commercial interest in any transaction that could conflict with the interests of the Company
- Policy on Related Party Transactions is hosted on the Company's website at: **www.mep.ltd**.

B. Regulatory Compliance and Penalties : There have been no instances of non-compliance, nor have any strictures or penalties been imposed on the Company by SEBI, Stock Exchanges, or any other statutory authority on matters related to capital markets during the last three years, except for the historical matter below:

Financial Year	Regulation under which fine imposed	Amount	Management Response
2022-23	Reg-33	1,60,000	Fine paid as levied
2025-26	Reg-31	66,000	Fine paid as levied
2025-26	Reg-13(3)	19,000	Fine paid as levied
2025-26	Reg-23(9)	5,000	Fine paid as levied
2025-26	Reg-13(3)	10,000	Fine paid as levied
2025-26	Reg-29(2)	8,475	Fine paid as levied
2025-26	Reg-27(2)	52,000	Fine paid as levied
2025-26	Reg-27(2)	6,000	Fine paid as levied
2025-26	Reg-29(2)	1,525	Fine paid as levied

C. Whistle Blower Policy and Vigil Mechanism: Pursuant to Section 177(9) of the Companies Act, 2013 and Regulation 22 of the Listing Regulations, the Company has established a Whistle Blower and Vigil Mechanism Policy. This enables employees and directors to report concerns about unethical behaviour, actual or suspected fraud, or violations of the Code of Conduct.

The Company affirms that no personnel or employee has been denied direct access to the Chairman of the Audit Committee. The policy is accessible at: **www.mep.ltd**.

D. Compliance with Mandatory and Non-Mandatory Requirements:

- **Mandatory Frameworks:** The Company has complied with all mandatory corporate governance requirements specified under Regulations 17 to 27 and sub-paras (2) to (10) of Section C of Schedule V to the Listing Regulations except few instances of delayed filing.
- **Discretionary/Non-Mandatory Adoptions (Part E of Schedule II):**
  - **Unmodified Audit Opinion:** The Statutory Auditors have expressed an unmodified/clean opinion on the standalone and consolidated financial statements of the Company.
  - S**eparate Chairperson and MD:** The positions of Chairperson (Non-Executive) and Managing Director are held by separate individuals. They are not related to each other.
  - **Internal Auditor Reporting Line:** The Internal Auditor reports directly to the Audit Committee, preserving operational objectivity.

E. Commodity Price Risk, Hedging, and Capital Raising

- **Risk Exposure:** The Company's core business activities are not exposed to material commodity price risks or price fluctuations. Consequently, the Company did not engage in foreign or domestic commodity hedging activities during the year under review.

- **Capital Sourcing:** The Company did not raise any funds through preferential allotments or Qualified Institutions Placements (QIPs) during the financial year ended March 31, 2026.

F. Core Statutory Certifications and Board Recommendations

- **Director Non-Debarment Certificate:** The Company has obtained a certificate from Nidhi Bajaj & Associates, practicing Company Secretary confirming that none of the Directors on the Board have been debarred or disqualified from being appointed or continuing as directors by SEBI, the Ministry of Corporate Affairs (MCA), or any equivalent statutory authority.
- **Committee Recommendations:** During the financial year, there were zero instances where the Board did not accept a recommendation submitted by any statutory Committee of the Board.
- **CEO/CFO Certification:** In accordance with Regulation 17(8) of the Listing Regulations, the Managing Director and Chief Financial Officer have submitted the mandatory corporate governance certificate to the Board. This was reviewed by the Audit Committee and taken on record.

G. Statutory Auditor Fees

During the year under review, the aggregate fees paid or payable for all services rendered to the Statutory Auditors and all entities operating within the network firm of which the statutory auditor is a part are detailed below:

Particulars	By the Company	By the Subsidiary	Total Amount
Statutory audit	10,00,000	-	10,00,000
Other services	-	-	-
Out-of-pocket expenses	-	-	-
Total	**10,00,000**	**-**	**10,00,000**

H. Sexual Harassment Prevention and Redressal (POSH) : The Company maintains a zero-tolerance framework toward workplace discrimination and harassment. In compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has constituted an Internal Complaints Committee (ICC). The metrics for complaints filed and processed during the financial year 2025–26 are as follows:

- Number of complaints filed during the financial year : Nil
- Number of complaints disposed of during the financial year : Nil
- Number of complaints pending at the end of the financial year : Nil

I. Financial Compliance and Governance Frameworks

- **Accounting Standard Alignment:** The Company meticulously prepares its financial accounts in compliance with the Indian Accounting Standards (Ind AS) issued by the ICAI. No deviations or alternative treatments were adopted during the fiscal period.
- **Loans and Guarantees:** Neither the Company nor its wholly owned subsidiary extended loans or advances in the nature of loans to firms, corporations, or entities in which Directors are contractually interested.
- **D&O Insurance Non-Applicability:** The provisions of Regulation 25(10) of the Listing Regulations regarding mandatory Directors and Officers Liability Insurance (D&O) are not applicable to the Company based on market capitalization criteria.
- **Binding Agreements:** There were no binding agreements executed during the year that attract the disclosure provisions of Clause 5A of Paragraph A of Part A of Schedule III of the Listing Regulations.

J. Mandatory Web Link Disclosures: The following statutory policy documents are hosted on Company's site can be accessed at **www.mep.ltd**

- Policy for Determining 'Material' Subsidiaries
- Policy on Determination of Materiality for Disclosures
- Policy on Archival and Preservation of Documents
- Terms and conditions of appointment/re-appointment of Independent Directors

12. MEANS OF COMMUNICATION

In alignment with Regulation 46 and Schedule V of the SEBI Listing Regulations, the Company ensures that clear, uniform, and timely business updates are delivered to all stakeholders through multiple established media:

A. Financial Results and Publication Channels

The Unaudited Quarterly/Half-Yearly and Audited Annual Financial Results of the Company are processed within the statutorily mandated timelines. Upon approval by the Board of Directors, these results are immediately communicated to BSE Limited (BSE) and published in below leading newspapers:

- **Business Standard** (English nationwide daily) and **Sakal** (Marathi regional daily)

All financial results, operational statements, and official press releases are concurrently uploaded under the 'Investor Relations' section of the Company's website at **www.mep.ltd**.

B. Annual Report Distribution & Regulatory Modifications

- **Electronic Mode:** In accordance with the Companies Act, 2013 and applicable SEBI circulars, the Notice of the Annual General Meeting (AGM) and the comprehensive Annual Report for FY 2025–26 are dispatched via electronic mail to all members whose email IDs are registered with the Company, Depository Participants (DPs), or the Registrar and Share Transfer Agent (RTA).
- **Physical Request Provision:** In compliance with SEBI's amended distribution guidelines, shareholders who have not registered their email addresses or who specifically prefer a hard copy may request one. The Company will dispatch physical copies upon receipt of a written request or an email at **cs@mep.ltd**. containing the member's Folio Number, DP ID, Client ID, and shareholding details.

C. Digital Compliance & XBRL Filing Framework

The Company leverages the secure, web-based online portal provided by the stock exchange—the **BSE Corporate Compliance & Listing Centre**—to submit all statutory disclosures, corporate action notifications, and regular compliance sheets in the formats prescribed by SEBI.

Furthermore, all financial statements, shareholding patterns, and corporate governance compliance forms are formatted and uploaded using the **Extensible Business Reporting Language (XBRL)** platform, ensuring homogenous data structures across the Ministry of Corporate Affairs (MCA) and the Stock Exchange network.

D. Institutional Grievance Redressal and Online Dispute Resolution (ODR): The Company maintains active interfaces on all regulatory portals established to safeguard investor interests and resolve grievances quickly:

- **SEBI SCORES Platform:** Investor grievances are monitored and processed through SEBI's centralized web-based tracking architecture **(SCORES)**.
- **BSE Investor Services Cell:** Shareholders may directly register complaints with the Investor Grievance Redressal Cell of BSE Limited.
- **Online Dispute Resolution (ODR) Portal:** In line with SEBI's integrated compliance mandates, shareholders have access to the common **Smart ODR Portal** to resolve grievances through online conciliation or arbitration. This path is accessible if an investor is unsatisfied with the resolution provided through the SCORES or BSE portals.

13. Shareholding Pattern: (As on March 31, 2026)

Sr. No	Category	No. of shares	%
1	Promoters and Promoter group	5,143,611	33.29
2	Financial Institutions/ Banks	Nil	Nil
3	Central or State Government/Government Companies IEPF A/c	Nil	Nil
4	Bodies Corporate / Trusts / BC-NBFC/ Escrow Account	7,23,631	4.69
5	Individuals and HUFs	82,07,893	53.12
6	FIIs/NRI/Foreign Corporate Bodies	13,74,865	8.90
	Total	**1,54,50,000**	**100.00**

14. Top 10 Shareholders of the Company (As on March 31, 2026)

Sr. No	Name of the Shareholder	No. of shares	%
1	INT Infrastructure Private Limited	17,09,180	11.06
2	Jetra Infrastructure Private Limited	15,27,826	9.89
3	Vaishali S Mulay	10,52,295	6.80
4	Shashikant Bhoge	4,27,295	2.77
5	Jashandeep Singh	4,27,015	2.76
6	Aditya Rashmikant Dharia	3,94,979	2.56
7	Sachin Amrit Nahar	3,55,880	2.30
8	Anoop Jain HUF	3,05,000	1.97
9	Surya Satyanarayana Raju Alluri	2,25,520	1.46
10	Vistaar Trading Service Private Limited	2,20,851	1.43

15. Distribution of Shares as on March 31, 2026:

No. of shares held (Range)	Shareholding	% of Shareholding	No. of Shareholders	% of total Shareholders
1 to 100	42,376	0.27	1318	43.92
101 to 200	41,130	0.27	257	8.56
201 to 500	1,38,727	0.90	377	12.56
501 to 1000	2,29,941	1.49	280	9.33
1001 to 5000	11,82,573	7.65	464	15.46
5001 to 10000	9,98,755	6.46	133	4.43
10001 to 100000	45,46,980	29.43	151	5.03
100001 to Above	82,69,518	53.52	21	0.70
Total	**1,54,50,000**	**100.00**	**3001**	**100.00**

16. Financial Risk and Operations Infrastructure:

- **Convertible Instruments:** The Company has not issued any GDRs, ADRs, Warrants, or other equity-convertible financial instruments.
- **Foreign Exchange & Currency Risk:** The Company's core industrial operations are not exposed to material foreign exchange fluctuations or financial currency tracking exposures on the import of capital electronics or components. No hedging instruments are active.

17. Credit Rating and Debt Metrics: During the financial year 2025–26, the Company did not have any credit ratings assigned to its debt instruments or bank credit lines by registered credit rating agencies, as no such ratings were requested or required for its current financing arrangements.

18. Plant/Works Locations: Not Applicable

19. Corporate Correspondence:

Registered Office: Unit no. 1106, 11th Floor, Hallmark Business Plaza,

Near Guru Nanak Hospital, Bandra (East), Mumbai – 400051

20. Reconciliation of Share Capital Audit: In compliance with SEBI mandates, a qualified practicing Company Secretary conducts the mandatory Reconciliation of Share Capital Audit on a quarterly basis.. This audit reconciles the aggregate admitted equity share capital held with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) against the total issued, allocated, and listed equity share capital of the Company.

21. Secretarial Audit

Pursuant to Section 204 of the Companies Act, 2013, and the rules framed thereunder, the Board of Directors appointed M/s. Nidhi Bajaj & Associates, Practicing Company Secretaries, to conduct the comprehensive Secretarial Audit of the statutory records, corporate minutes, and compliance structures of the Company for the financial year ended March 31, 2026.

The Secretarial Auditor has qualified the Secretarial Audit Report for the financial year ended March 31, 2026. The observations of the Secretarial Auditor and the Management's replies thereto are provided in the Board's Report. The Secretarial Audit Report in Form MR-3 is appended to the Board's Report and forms part of this Annual Report.

22. **Transfer of Unclaimed Dividend to Investor Education and Protection Fund (IEPF):** No amounts or underlying equity shares were liable for transfer to the Investor Education and Protection Fund (IEPF) under Section 125 of the Companies Act, 2013, during the financial year 2025–26, as the Company did not declare or distribute any dividends in past financial years that reached the threshold of seven-year.

23. **Disclosure in respect of the Unclaimed Shares Suspense Escrow Demat Account:** Pursuant to Regulation 39(4) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is in process of opening the suspense escrow demat account to track equity shares that remain unclaimed or undelivered to investors.

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

Sd/-
Fattehsingh Krishnrao Patil
Managing Director
DIN: 10738344

Sd/-
Radheshyam Mopalwar
Director
DIN: 02604676

Place: Mumbai
Dated: August 13, 2026

Registered Office:
Unit no. 1106, 11th Floor, Hallmark Business Plaza,
Near Guru Nanak Hospital, Bandra (East), Mumbai – 400051

Annexure I

Declaration on Code of Conduct as required by Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

I, Fattehsingh Patil, Managing Director of the Company hereby declare that all the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct, as applicable to them, in respect of the financial year ended March 31, 2026.

For Modern Engineering and Projects Limited

Sd/-
Fattehsingh Patil
Managing Director
DIN: 10738344

Place: Mumbai
Dated: August 13, 2026

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

The Members
Modern Engineering and Projects Limited
(CIN: L01132MH1946PLC381640)
Unit no. 1106, 11th Floor, Hallmark Business Plaza, Near Guru Nanak Hospital,
Bandra (East), Mumbai, Maharashtra, India, 400051.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Modern Engineering and Projects Limited** (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on March 31, 2026 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority;

DIN/PAN	Full Name	Designation	Date of Appointment
06444900	Vaishali Sahebrao Mulay	Director	16/04/2021
07811647	Ajit Arvind Sagane	Independent Director	14/11/2020
10738344	Fattehsingh Krishnrao Patil	Managing Director	01/03/2025
02604676	Radheshyam Laxmanrao Mopalwar	Director	19/11/2024
03496765	Shivratan Krishnakumar Agarwal	Independent Director	13/02/2024

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these based on our verification.

FOR NIDHI BAJAJ & ASSOCIATES
COMPANY SECRETARIES

Sd/-
NIDHI BAJAJ
Proprietor

Membership No. A28907
COP. 14596

UDIN: A028907H001098624
Peer Review Cert. No. 2458/2022

Date: 13-08-2026
Place: Thane

Certificate on Compliance with the Corporate Governance Requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Members
Modern Engineering and Projects Limited
(CIN: L01132MH1946PLC381640)
Unit no. 1106, 11th Floor, Hallmark Business Plaza, Near Guru Nanak Hospital,
Bandra (East), Mumbai, Maharashtra, India, 400051.

I have examined the compliance of conditions of Corporate Governance by **Modern Engineering and Projects Limited** ("the Company"), for the year ended March 31, 2026, as specified in Regulation 17 to 27, 46(2)(b) to (i) and Para C, D and E of Schedule V of Chapter IV of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examinations have been limited to a review of the procedure and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of the opinion on the financial statements of the company.

In my opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations for the year ended March 31, 2026.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

FOR NIDHI BAJAJ & ASSOCIATES
COMPANY SECRETARIES

Sd/-
NIDHI BAJAJ
Proprietor

Membership No. A28907
COP. 14596

UDIN: A028907H001098624
Peer Review Cert. No. 2458/2022

Date: 13-08-2026
Place: Thane

INDEPENDENT AUDITOR'S REPORT

To the Members of Modern Engineering & Projects Limited

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of **Modern Engineering and Projects Limited** (*previously known as Modern Converters Limited*) and its joint operations ("the Company"), which comprise of the balance sheet as at March 31, 2026, the statement of profit and loss, statement of changes in equity, and statement of cash flows for the year ended as on date, including a summary of the material accounting policies and other explanatory information (hereinafter referred to as 'the financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("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 the Companies (Indian Accounting Standards) Rules, 2015 as amended ("Ind AS") and accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, and its profit, total comprehensive income, its changes in equity and its cash flows for the year ended on March 31, 2026.

These financial statements include the financial statements of the following joint ventures:

a. MEPIDL-MCL-JV; and

b. Aquatech-MEPL-JV (Khopoli); and

c. Aquatech-MEPL-JV (Nashik).

Basis for Opinion

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

Information other than the financial statements and auditors' report thereon

The Company's management and the Board of Directors are responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our 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. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended March 31, 2026. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matters	Auditors' Response
1	Revenue recognition – accounting for construction contracts	How the Key Audit Matter was addressed
	• Revenues are recognised under Ind AS 115, "Revenue from Contracts with Customers" basis the nature and type of contracts (i.e., products, projects and services) involved. The Company recognizes revenue on the basis of stage of completion in proportion of the contract costs incurred at balance sheet date, relative to the total estimated costs of the contract to completion. The recognition of revenue is therefore dependent on estimates in relation to total estimated costs of each such contract. • Cost estimates need to take into account specific risks of uncertainties or disputed claims against the Company, arising within each contract. Moreover, significant judgements are involved in determining the expected losses on onerous contracts, when such losses become probable based on the expected total contract cost. Such estimates are reviewed by the Company's Management on a regular basis throughout the life of the contract and adjusted where appropriate. The revenue on contracts may also include variable consideration (change orders and claims). • Variable consideration is recognized when recovery is based on the customer's acceptance, or when such consideration is highly probable based on the Company's contractual rights and /or a legal assessment. Revenue and profits for the year may deviate significantly on account of changes in the above judgements and estimates. Therefore, considering the judgements and complexities involved in the estimation process and due to the significance of the amounts to the standalone financial statements, this is a key audit matter.	Our procedures in respect of recognition of construction contract revenue and related cost included the following: (a) Tested the design, implementation and operating effectiveness of key internal financial controls, including those related to estimation of construction contract costs, contract revenue and review and approval thereof. (b) Assessed the appropriateness of the revenue recognition accounting policies in accordance with Ind AS 115 "Revenue from Contracts with Customers". (c) For selected sample of contracts with customers, performed the following procedures: i) Obtained and read customer contracts, customer communications, and price or scope variation orders for the project. ii) Tested the calculation of percentage of completion as per input method adopted by the Management including the testing of costs incurred and recorded against the contracts. iii) Verified relevant supporting documents and performed cut off procedures for construction contract related costs incurred through the period. iv) For variable consideration (variation/claims) recognized we evaluated and verified management's assessment of contractual terms, client communications and legal assessment, wherever considered necessary. v) Evaluated the reasonableness of key assumptions included in the estimated total contract costs by performing retrospective review of Management's forecasting process by reviewing past trends of estimated costs to actual costs over time, discussed variances with project teams and substantively tested where relevant, the elements of the committed

Sr. No.	Key Audit Matters	Auditors' Response
		cost to executed purchase orders and underlying agreements. vi) Discussed progress to date with project teams to determine whether the remaining costs to complete appear sufficient for the residual risks identified for those projects. vii) Performed analytical procedures and conducted inquiries about any unusual trends of revenue recognition, checked exceptions for contracts with low or negative margins, loss making contracts/ onerous contracts, contracts with significant changes in cost estimates and significant overdue net receivable positions for contracts, etc. viii) Assessed the adequacy of presentation and related disclosures in the standalone financial statements are in line with the Indian accounting standards and Schedule III.

Other Matters

a) We did not audit the financial statements of Aquatech-MEPL-JV and Aquatech-MEPL-Nashik JV (the "Joint Ventures"), which include total assets of ₹1,419.19 lakhs as at March 31, 2026, total revenue of ₹1,633.80 lakhs, total net profit after tax of ₹56.10 lakhs, total comprehensive income of ₹56.10 lakhs, and net cash inflows of ₹0.15 lakhs for the year ended March 31, 2026.

The financial statements of the Joint Venture have not been reviewed or audited by their auditors and have been furnished to us by the Management, and, our opinion on the financial statements, in so far as it relates to the amounts and disclosures included in respect of the Joint Venture, is based solely on the information provided by the Management.

b) Additionally, we draw attention to the fact that the Company has not appointed an Internal Auditor for the financial year under review, as required under the provisions of Section 138 of the Companies Act, 2013. Consequently, no internal audit was conducted for the year, and we were unable to consider any internal audit reports during our statutory audit procedures.

Our opinion is not qualified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B".**

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact its financial position.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at March 31, 2026.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub clause (a) and (b) contain any material misstatement.

v. No dividend has been declared or paid during the year by the company.

vi. Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention

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

sd/-
Dhiraj Lalpuria
Partner
Membership Number: 146268
UDIN: 26146268YQSZDF7596

Place: Mumbai
Date : May 26, 2026

Annexure A to the Independent Auditors' Report

Referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of Modern Engineering and Projects Limited (Formerly known as Modern Converters Limited)

To the best of our information and according to the explanations provided to us by the Company and the books of account and the records examined by us in the normal course of audit, we state that:

(i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant & equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a program of physical verification of Property, Plant and Equipment and relevant details of right-of-use assets are verified in a phased manner. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. The frequency of physical verification is reasonable and no material discrepancies were noticed on such verification.

(c) Based on our examination of the conveyance deeds / registered sale deed provided to us, we report that, the title deeds, comprising of all immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.

(d) The company has not revalued its property, plant & equipment and Intangible assets.

(e) No proceedings have been initiated or are pending against the company for holding any Benami property under the "Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and Rules made thereunder.

(ii) (a) The company does not hold any inventory, therefore, the provisions of Clause 3(ii)(a) of the Order are not applicable to the Company.

(b) The company has been sanctioned working capital limit in excess of five crore rupees in aggregate from banks/ financial institutions on the basis of the security of the current assets of the company during the year. The quarterly returns/statements filed by the company with such banks/ financial institutions are in agreement with the books of accounts of the company.

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

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public under the provisions of sections 73 to 76 or any other relevant provisions of the companies Act and the rules made there under have been complied by the company. Hence, reporting under clause 3(v) of the Order is not applicable.

(vi) The maintenance of cost records has been specified by the Central Government of India under sub-section (1) of section 148 of the Companies Act. We have broadly reviewed the books of account maintained by the company pursuant to the rules made by the Central Government for the maintenance of cost records under sub-section(1) of section 148 the Act and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

(vii) In respect of Statutory Dues:

(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the Company is generally regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and services tax, duty of customs, cess and other material statutory dues, as applicable, with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2026 for a period of more than six months from the date they became payable.

(viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender, taken any loans or other borrowings from any lender.

(a) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(b) The Company has not taken term loan during the year which was applied for the purpose for which the loans were obtained.

(c) On an overall examination of the financial statements of the Company, funds raised on short- term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(d) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(e) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies and hence reporting on clause 3(ix)(f) of the Order is not applicable.

(x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) During the year, the Company has not made any private placement or preferential allotment of shares or convertible debentures.

(xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT- 4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report

(c) According to the information and explanations given to us, the Company has not received any whistle blower complaint during the year.

(xii) The Company is not a Nidhi Company. Hence, reporting under clause 3(xii)(a),(b) and (c) of the Order are not applicable.

(xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered the internal audit reports for the year under audit, issued to the company during the year and till date, in determining the nature, timing and extent of our audit procedures.

(xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the order is not applicable.

(b) The company has not conducted any Non-Banking Financial or Housing Finance activities Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) In our opinion, there is no core investment company within the company (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

(xvii) The Company has not incurred any cash losses during the financial year covered by our audit, and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3 (xviii) of the Order is not applicable.

(xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) According to the information and explanations given to us and based on our audit procedures, an amount of ₹ 2.44 lakhs remaining unspent under sub-section (5) of Section 135 of the Companies Act, 2013, pursuant to an ongoing project, has not been transferred to a special account ("Unspent CSR Account") in compliance with the provisions of sub-section (6) of Section 135 of the said Act till the date of our report.

The due date for such transfer was April 30, 2026, and the company is in the process of regularizing the same.

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

sd/-
Dhiraj Lalpuria
Partner
Membership Number : 146268
UDIN : 26146268YQSZDF7596

Place : Mumbai
Date : May 26, 2026

Annexure B to the Independent Auditor's Report

Referred to in paragraph 2(f) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of Modern Engineering and Projects Limited (formerly known as Modern Converters Limited)

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

We have audited the internal financial controls over financial reporting of Modern Engineering and Projects Limited (formerly known as Modern Converters Limited) and its joint operations ("the Company") as of March 31, 2026 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit conducted in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India (ICAI). Those Standards and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these 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 control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included operating and understanding of internal financial controls over financial reporting, 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 judgment, including the assessment of the risk of material misstatement of the financial statement, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls over financial reporting with reference to the financial statements of the Company.

Meaning of Internal Financial controls with Reference to Financial Statements

A company's internal financial controls with reference to the financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to the financial statements include those policies and procedures that:

i. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

ii. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

iii. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or dispositions of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting with Reference to these Financial Statements

Because of the inherent limitations of internal financial controls with reference to 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 financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and as such internal financial controls were operating effectively as at March 31, 2026 based on the criteria for internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI (the “Guidance Note”).

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these financial statements of the Holding Company, in so far as it relates to the separate financial statements of 2 Joint Ventures, is based on the information provided by the Management of such Joint Ventures.

The financial statements of these Joint Ventures have not been reviewed or audited by their auditors and have been furnished to us by the Management, and, our opinion on the financial statements, in so far as it relates to the amounts and disclosures included in respect of the Joint Venture, is based solely on the information provided by the Management.

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

sd/-
Dhiraj Lalpuria
Partner
Membership Number : 146268
UDIN : 26146268YQSZDF7596

Place : Mumbai
Date : May 26, 2026

Modern Engineering and Projects Limited

(Formerly known as Modern Converters Limited)

CIN: L01132MH1946PLC381640

Balance Sheet as at March 31, 2026

₹ in Lakhs

Particulars	Note	As at March 31, 2026	As at March 31, 2025
I ASSETS			
1 Non-current Assets			
(a) Property, Plant and Equipment	3	1,486.80	1,464.68
(b) Capital work - in - progress	3	1,536.50	1,282.80
(c) Right-of-use assets	3	31.54	179.38
(d) Intangible assets	4	0.12	0.20
(e) Financial Assets :			
(i) Investments	5	1,804.31	440.03
(ii) Other financial assets	6	313.30	225.72
(f) Deferred tax assets (net)	7	215.71	213.69
(g) Other non - current assets	8	8.23	19.76
Total Non-Current Assets		**5,396.51**	**3,826.26**
2 Current Assets			-
(a) Financial Assets :			
(i) Trade and other receivables	9	9,356.87	6,654.43
(ii) Cash and cash equivalents	10	278.37	322.34
(b) Other current assets	11	2,174.44	1,040.85
Total Current Assets		**11,809.68**	**8,017.62**
TOTAL ASSETS		**17,206.20**	**11,843.89**
II EQUITY AND LIABILITIES			
1 EQUITY			
a) Equity share capital	12	1,545.00	1,545.00
b) Other Equity	13	4,902.14	4,057.34
Total Equity		**6,447.14**	**5,602.34**
2 Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	14	2,662.42	540.77
(ii) Lease Liabilities	15	5.42	62.25
(b) Other non- current liabilities	16	19.98	-
(c) Provisions	17	24.43	10.80
Total Non Current Liabilities		**2,712.25**	**613.82**

Modern Engineering and Projects Limited

(Formerly known as Modern Converters Limited)

CIN: L01132MH1946PLC381640

Balance Sheet as at March 31, 2026

₹ in Lakhs

Particulars	Note	As at March 31, 2026	As at March 31, 2025
3 Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	14	868.57	18.57
(ii) Lease Liabilities	15	29.08	145.55
(iii) Trade Payables	18		
Micro, Small and Medium Enterprises		8.61	-
Others		4,183.40	4,813.39
(b) Other current liabilities	19	2,776.02	543.35
(c) Provisions	20	0.48	0.08
(d) Current Tax Liabilities(net)	21	180.62	106.78
Total Current Liabilities		**8,046.78**	**5,627.73**
Total Liabilities		**10,759.03**	**6,241.54**
TOTAL EQUITY AND LIABILITIES		**17,206.20**	**11,843.89**

Material accounting policies 1-2

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

As per our attached Report of even date

For and on the behalf of the Board of Directors

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

sd/-	**sd/-**	**sd/-**
Dhiraj Lalpuria	**Radheshyam Mopalwar**	**Fattehsingh Patil**
Partner	**Director**	**Managing Director**
Membership Number: 146268	**DIN: 02604676**	**DIN: 10738344**
	sd/-	**sd/-**
	Francisca Rosario	**Devanshi Kevin Shah**
Place : Mumbai	**Chief Financial Officer**	**Company Secretary**
Date : May 26, 2026		

Modern Engineering and Projects Limited

(Formerly known as Modern Converters Limited)

CIN: L01132MH1946PLC381640

Statement of Profit and Loss for the year ended March 31, 2026

₹ in Lakhs

Particulars	Note	for the Year ended March 31, 2026	for the Year ended March 31, 2025
I Income			
Revenue from Operations	22	11,978.71	9,561.11
Other Income	23	306.25	229.86
Total Income		**12,284.96**	**9,790.97**
II Expenses			
Operating Costs	24	9,212.76	7,834.51
Employee benefits expense	25	843.24	546.99
Finance costs	26	93.83	59.36
Depreciation and amortization expense	27	212.52	179.32
Other expenses	28	780.06	442.56
Total expenses		**11,142.43**	**9,062.73**
III Profit / (loss) before tax		**1,142.54**	**728.24**
IV Tax expense		**293.62**	**(0.37)**
Current tax		294.25	203.78
Deferred tax charge/(credit)		(0.63)	(204.15)
V Profit/(Loss) for the Year		**848.92**	**728.61**
VI Other Comprehensive Income			
Items that will not be reclassified to profit or loss		(5.53)	4.59
Tax impact relating to items that will not be reclassified to profit or loss		1.39	(1.16)
VII Total Comprehensive Income for the year (V + VI)		**844.79**	**732.05**
VIII Earnings Per Share (Face Value of ₹ 10 per share)			
a) Basic EPS (₹)	36	5.49	7.85
b) Diluted EPS (₹)	36	5.49	7.85
Material accounting policies	1-2		0
The accompanying notes form an integral part of the financial statements.	3-45		

As per our attached Report of even date

For and on the behalf of the Board of Directors

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

sd/-	**sd/-**	**sd/-**
Dhiraj Lalpuria	**Radheshyam Mopalwar**	**Fattehsingh Patil**
Partner	**Director**	**Managing Director**
Membership Number: 146268	**DIN: 02604676**	**DIN: 10738344**
Place : Mumbai	**sd/-**	**sd/-**
Date : May 26, 2026	**Francisca Rosario**	**Devanshi Kevin Shah**
	Chief Financial Officer	**Company Secretary**

Modern Engineering and Projects Limited

(Formerly known as Modern Converters Limited)

CIN: L01132MH1946PLC381640

Statement of Cash Flows for the year ended March 31, 2026

₹ in Lakhs

Particulars	Note	for the Year ended March 31, 2026	for the Year ended March 31, 2025
(A) Cashflow from operating activities			
Profit/(Loss) before tax		**1,142.54**	**728.24**
Adjustment for:			
Depreciation and amortization		212.52	179.32
Interest on unwinding of Security deposits		(0.04)	(5.90)
Lease liability written back		-	(13.55)
Sundry balance Written back		(0.69)	(6.39)
Profit on sale of PPE		-	(18.64)
Other interest income		(290.95)	(10.14)
Provision for Gratuity		8.59	7.63
Other Comprehensive Income		5.53	(4.59)
Finance Costs		93.83	59.36
Operating cash flow before working capital changes		**1,171.32**	**915.33**
Changes in working capital:			
(Increase)/decrease Other financial assets		(87.54)	(55.52)
(Increase)/decrease Trade Receivables		(2,702.44)	(4,407.78)
(Increase)/decrease Short Term Loans & Advances		(1,133.60)	(1,793.37)
Increase/(decrease) Other non - current assets		11.53	108.06
Increase/(decrease) Trade Payables		(621.38)	2,452.38
(Increase)/decrease Other Current Liabilities		2,232.67	266.56
Increase/(decrease) Other Provisions		14.03	3.08
Cash generated from operations		**(1,115.41)**	**(2,511.26)**
Tax paid (net of refunds)		(366.53)	(168.83)
Net cashflow from operating activities		**(1,481.95)**	**(2,680.09)**
(B) Cashflow from investing activities			
Purchase of Property, plant and equipment, CWIP & Intangible Assets		(108.02)	(1,347.79)
Additions to RoU		(54.06)	-
Sale of Property, plant and equipment		-	48.02
Purchase of Investments		(1,364.28)	(440.03)
Net cashflow from investing activities		**(1,526.37)**	**(1,739.79)**

Modern Engineering and Projects Limited

(Formerly known as Modern Converters Limited)

CIN: L01132MH1946PLC381640

Statement of Cash Flows for the year ended March 31, 2026

₹ in Lakhs

Particulars	Note	for the Year ended March 31, 2026	for the Year ended March 31, 2025
(C) Cashflow from financing activities			
Proceeds from Right issue		-	4,944.00
Loan Taken		2,157.01	(50.99)
Proceeds from Inter Corporate Deposits Taken		950.00	-
Other Interest Income		290.95	10.14
Repayment of Inter Corporate Deposits		(100.00)	-
Loan Repaid		(66.49)	-
Payment of Lease Liablilties		(173.30)	(362.00)
Finance Costs		(93.83)	(59.36)
Net cashflow from financing activities		**2,964.34**	**4,481.80**
Net increase /(decrease) in cash and cash equivalents (A+B+C)		**(43.97)**	**61.91**
Cash and cash equivalents at the beginning of the year		**322.34**	**260.43**
Cash and cash equivalents at the end of the year		**278.36**	**322.34**
Cash and cash equivalents comprise of:		**278.37**	**322.34**
Cash in hand		17.52	3.92
Balance with banks:			
In current accounts		260.86	318.42

Material accounting policies 1-2

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

As per our attached Report of even date

For and on the behalf of the Board of Directors

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

sd/-	**sd/-**	**sd/-**
Dhiraj Lalpuria	**Radheshyam Mopalwar**	**Fattehsingh Patil**
Partner	**Director**	**Managing Director**
Membership Number: 146268	**DIN: 02604676**	**DIN: 10738344**
	sd/-	**sd/-**
	Francisca Rosario	**Devanshi Kevin Shah**
Place : Mumbai	**Chief Financial Officer**	**Company Secretary**
Date : May 26, 2026		

Modern Engineering and Projects Limited

(Formerly known as Modern Converters Limited)

CIN: L01132MH1946PLC381640

Statement of Changes in Equity as at March 31, 2026

A. EQUITY SHARE CAPITAL

₹ in Lakhs

Particulars	Number of shares	Amount
Balance as at 1st April 2024	**3,090,000**	**309.00**
Changes in equity share during the year	12,360,000	1,236.00
Balance as at 31st March 2025	**15,450,000**	**1,545.00**
Changes in equity share during the year	-	-
Balance as at 31st March 2026	**15,450,000**	**1,545.00**

B. OTHER EQUITY

Particulars	Reserves and Surplus				Other Comprehensive Income	Total
	Capital Redemption Reserve	Retained Earnings	General Reserve	Securities Premium		
Balance as at April 1, 2024	**3.00**	**(457.73)**	**72.89**	**-**	**(0.85)**	**(382.69)**
Changes in accounting policy/prior period errors	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	3.00	(457.73)	72.89	-	(0.85)	(382.69)
Additions During the period	-	-	-	3,708.00	-	3,708.00
Profit for the period	-	728.61	-	-	-	728.61
Loss in JV	-	-	-	-	3.44	3.44
Other Comprehensive Income for the period	-	-	-	-		-
Transfer on disposal of financial instruments	-	-	-	-	-	-
Utilised for issue of bonus equity shares	-	-	-	-	-	-
Balance as at March 31, 2025	**3.00**	**270.87**	**72.89**	**3,708.00**	**2.58**	**4,057.34**
Balance as at April 1, 2025	**3.00**	**270.87**	**72.89**	**3,708.00**	**2.58**	**4,057.34**
Changes in accounting policy/prior period errors	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	3.00	270.87	72.89	3,708.00	2.58	4,057.34
Additions During the period	-	-	-	-	-	-
Profit for the period	-	848.92	-	-	-	848.92
Other Comprehensive Income for the period	-	-	-	-	(4.14)	(4.14)
Transfer on disposal of financial instruments	-	-	-	-	-	-
Utilised for issue of bonus equity shares	-	-	-	-	-	-
Balance as at March 31, 2026	**3.00**	**1,119.78**	**72.89**	**3,708.00**	**(1.54)**	**4,902.13**

Notes to the Financial Statements for the year ended March 31, 2026

1: Corporate Information

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

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

2: Summary of Material Accounting Policies

This note provides a list of the Material accounting policies adopted in the preparation of these financial statements. These accounting policies have been applied to all the years presented by the Company unless otherwise stated.

2.1 Basis of Accounting

The financial statements of Modern Engineering and Projects Limited (previously known as Modern Converters Limited) and its joint operations (**'the Company'**), have been prepared in accordance with Section 133 of Companies Act, 2013, i.e. Indian Accounting Standards ('Ind AS') notified under Companies (Indian Accounting Standards) Rules 2015. The IND AS Financial Statements are prepared on historical cost convention, except in case of certain financial instruments which are recognized at fair value.

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

2.2 Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and reported amounts of revenues and expenses during the reporting period. The estimates and assumptions used in these Ind AS financial statements are based on management's evaluation of the relevant facts and circumstances as of the date of the Ind AS financial statements. The actual amounts may differ from the estimates used in the preparation of the Ind AS financial statements and the differences between actual results and estimates are recognized in the period in which the results are known / materialized.

2.3 Property, Plant and Equipment (PPE)

All items of PPE are stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items. The Company follows cost model for subsequent measurement for all classes and items of PPE. Subsequent costs are included in the carrying amount of asset or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the Statement of Profit and Loss during the period in which

they are incurred. Gains or losses arising on retirement or disposal of assets are recognised in the Statement of Profit and Loss. Spare parts, stand-by equipment and servicing equipment are recognised as PPE if they meet the definition of PPE. PPE which are not ready for intended use as on the date of the Balance Sheet are disclosed as 'Capital work-in-progress'.

2.4 Depreciation

With the applicability of Companies Act, 2013 with effect from April 1, 2014, depreciation / amortization is provided on the Written down Value method (WDV) unless otherwise mentioned, pro-rata to the period of use of assets, based on the useful lives as specified in Part C of Schedule II to the Companies Act, 2013.

Intangible assets are amortized over their respective individual estimated useful lives on a written down basis, commencing from the date the assets is available to company for its use.

PPE which are added / disposed of during the year, depreciation is provided on pro-rata basis with reference to the day of addition / deletion.

Gains and losses on disposals are determined by comparing the proceeds with the carrying value.

The residual values are not more than 5% of the original cost of the asset, wherever applicable.

The residual values, useful lives and method of depreciation of property, plant and equipment are reviewed at each financial year end and any changes there-in are considered as change in estimate and accounted prospectively.

2.5 Intangible Assets

Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Costs comprises purchase price after deducting trade discounts/ rebates, including import duties and non-refundable purchase taxes, borrowing costs and any directly attributable cost of preparing the asset for its intended use. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Cost of items of intangible assets not ready for intended use as on the balance sheet date are disclosed as intangible assets under development.

Amortisation is charged on a straight-line basis over a period of years during which the economic benefits will be derived from their use. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss when the asset is derecognised.

2.6 Impairment

As per IND AS 36 the Impairment Loss is recognized wherever the carrying amount of an asset is in excess of its recoverable amount and the same is recognized as an expense in the Statement of Profit & Loss and carrying amount of the asset is reduced to its recoverable amount.

During the year, no impairment loss recognized in the books of accounts of the company.

2.7 Investments

Investments classified as non-current investments is carried in the financial statements at cost, provision for diminution shall be made to recognize a decline, other than temporary in the value of the investments, if any.

2.8 Borrowing costs

Borrowing cost attributable to the acquisition or construction of qualifying assets are capitalized as a part of such assets. All other borrowing costs are charged to revenue in the year in which they are incurred.

2.9 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria are met before revenue is recognised.

Interest income are recognised on time proportion basis taking into account the amount outstanding and the applicable interest rate except, where the recovery is uncertain, in which case it is accounted for on receipt.

2.10 Other Income

All other income is accounted on accrual basis when no significant uncertainty exists regarding the amount that will be received.

2.11 Inventories

Inventories are valued at lower of cost or net realizable value. Cost, which comprises of expenditure incurred in the normal course of business in bringing inventories to their location and condition including relevant overheads, is calculated on first in first out basis.

The cost of inventories have been computed to include all cost of purchases, cost of conversion and other related costs incurred in bringing the inventories to their present location and condition. Goods and materials in transit are valued at actual cost incurred up to the date of the Balance Sheet.

2.12 Current Tax and Deferred Tax

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions. Deferred tax is recognised for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, the group reassesses unrecognized deferred tax assets, if any.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

2.13 Provisions and Contingent Liabilities

Provisions: Provisions are recognised 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 and are not discounted to its present value.

Contingent Liabilities: 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.

2.14 Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period, if any. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

2.15 Employee Benefits

(i) Short term employee benefits:

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

(ii) Post-Employment Benefits:

The Company operates the following post-employment schemes:

- defined benefit plans and

- defined contribution plans

Defined benefit plans: Gratuity obligations

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

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

Defined contribution plans - Provident fund

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

2.16 Joint Ventures

Interest in joint ventures is identified through Contractual Arrangement/ Agreement made between ventures and according to the arrangement, company identify that it covered under 'Jointly Controlled Operation', 'Jointly Controlled Asset' or, Jointly Controlled Entities.

In case of Jointly Controlled Entity, investments in such joint venture are carried in the financial statements in accordance with IND AS-111 and accounting for investments as described in IND AS–27 ‘Investments in Associates and Joint Ventures’.

2.17 Revenue Recognition

The Company recognizes revenue from engineering, procurement and construction contracts (‘EPC’) over the period of time, as performance obligations are satisfied over time due to continuous transfer of control to the customer. EPC contracts are generally accounted for as a single performance obligation as it involves complex integration of goods and services.

The performance obligations are satisfied over time as the work progresses. The Company recognizes revenue using input method (i.e. percentage-of-completion method), based primarily on contract cost incurred to date compared to total estimated contract costs. Changes to total estimated contract costs, if any, are recognised in the period in which they are determined as assessed at the contract level. If the consideration in the contract includes price variation clause or there are amendments in contracts, the Company estimates the amount of consideration to which it will be entitled in exchange for work performed.

2.18 Contract Balances

Contract Asset:

In a contract, if the entity performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, it shall be presented as a contract asset, excluding any amounts presented as receivable. A contract asset is an entity’s right to consideration in exchange for goods and services that the entity has transferred to the customer.

Contract Liability:

If a customer pays consideration, or an entity has a right to an amount of consideration that is unconditional (i.e. a receivable), before the entity transfers a good or service to the customer, it shall be presented as a contract liability when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs the contract i.e., (transfers control of the related goods or services to the customer).

Trade Receivables:

A receivable is an entity's right to consideration that is unconditional. A right to consideration is unconditional if only the passage of time is required before payment of that consideration is due.

2.19 Recent Pronouncements

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. During the year ended March 31, 2026, MCA has notified following new standards or amendments to the existing standards applicable to the Company.

(i) Ind AS 1 – Presentation of Financial Statements (Liability Classification) Amendments to Ind AS 1 revise how liabilities are classified as current or non-current, effective April 1, 2025. Classification now depends on the entity's "right to defer settlement" at the reporting date. Liabilities are current if a covenant is breached on or before the reporting date. The definition of settlement is broadened, and detailed disclosures about covenant compliance risks are required.

(ii) Ind AS 7 & 107 – Supplier Finance Arrangements These amendments increase transparency for supplier finance arrangements, requiring disclosures in Ind AS 7 about terms, liability amounts, and payment due dates. Ind AS 107 requires disclosures about liquidity risk and the impact of these arrangements on liabilities.

(iii) Ind AS 21 – Foreign Exchange Effects (Lack of Exchangeability) Amendments provide guidance on assessing currency exchangeability and, if not exchangeable, require entities to estimate the spot exchange rate and disclose the methodology.

(iv) Ind AS 12 – Income Taxes (Pillar Two Rules) A temporary exception is introduced for recognizing and disclosing deferred tax assets/liabilities related to the OECD's Pillar Two global minimum tax rules. Companies must disclose qualitative and quantitative information about their exposure to these taxes.

In addition to above, The Government of India has officially announced the implementation of four new Labour Codes, effective 21 November 2025, replacing 29 existing central labour laws. These reforms aim to simplify compliance, modernize labour regulations, and enhance worker protection across the country.

3 Property, Plant and Equipment

₹ in Lakhs

Particulars	Freehold Land	Leasehold Improvement	Electrical Installations & Equipment	Office Equipment	Furniture & Fixtures	Vehicles	Computers	Buildings	Plant & Machinery	Total	Right of Use Assets	Grand Total
Gross Carrying Amount :												
As at April 01, 2024	**1,106.06**	**58.60**	**34.10**	**46.60**	**41.48**	**115.44**	**41.54**	**51.60**	**14.38**	**1,509.80**	**1,272.49**	**2,782.29**
Additions	-	0.23	0.94	3.59	8.12	14.02	1.92	8.40	215.63	252.86	166.78	419.64
Disposals/Adjustments	-	(10.82)	(3.69)	(2.15)	-	(7.08)	(5.65)	-	-	(29.39)	(354.65)	(384.04)
As at March 31, 2025	**1,106.06**	**48.01**	**31.35**	**48.04**	**49.60**	**122.39**	**37.81**	**60.00**	**230.01**	**1,733.27**	**1,084.62**	**2,817.89**
As at April 01, 2025	**1,106.06**	**48.01**	**31.35**	**48.04**	**49.60**	**122.39**	**37.81**	**60.00**	**230.01**	**1,733.27**	**1,084.62**	**2,817.89**
Additions	-	-	0.87	7.66	0.52	10.12	2.59	-	86.26	**108.02**	54.06	**162.09**
Disposals/Adjustments	-	-	-	-	-	-	-	-	-	**-**	(102.25)	**(102.25)**
As at 31st March 2026	**1,106.06**	**48.01**	**32.22**	**55.70**	**50.12**	**132.51**	**40.40**	**60.00**	**316.27**	**1,841.29**	**1,036.44**	**2,877.73**
Accumulated Depreciation :												
As at 1st April 2024	**-**	**23.48**	**14.98**	**37.10**	**30.53**	**50.33**	**32.45**	**18.18**	**6.07**	**213.11**	**781.55**	**994.66**
Depreciation charge for the year	-	7.57	4.25	4.21	3.37	20.10	2.78	4.75	8.45	55.49	123.70	179.19
Disposals/Adjustments	-	-	-	-	-	-	-	-	-	-	-	**-**
As at 31st March 2025	**-**	**31.05**	**19.23**	**41.31**	**33.90**	**70.43**	**35.23**	**22.93**	**14.52**	**268.61**	**905.24**	**1,173.85**
As at 1st April 2025	**-**	**31.05**	**19.23**	**41.31**	**33.90**	**70.43**	**35.23**	**22.93**	**14.52**	**268.61**	**905.24**	**1,173.85**
Depreciation charge for the year	**-**	4.59	3.15	5.32	4.15	19.03	2.51	6.56	40.60	85.91	126.53	**212.44**
Disposals/Adjustments	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	(26.88)	**(26.88)**
As at 31st March 2026	**-**	**35.64**	**22.39**	**46.63**	**38.06**	**89.46**	**37.75**	**29.48**	**55.12**	**354.52**	**1,004.90**	**1,359.42**
Net Carrying Amount :												
As at 31st March 2025	**1,106.06**	**16.97**	**12.11**	**6.73**	**15.70**	**51.96**	**2.58**	**37.08**	**215.48**	**1,464.68**	**179.37**	**1,644.07**
As at 31st March 2026	**1,106.06**	**12.38**	**9.83**	**9.07**	**12.07**	**43.05**	**2.66**	**30.52**	**261.15**	**1,486.80**	**31.54**	**1,518.34**

Capital Work - in - Progress

₹ in Lakhs

Particulars	Capital Work-in-Progress
As at 01 April 2024	**-**
Addition	1,282.80
Disposals/Adjustments	-
As at 31st March 2025	**1,282.80**
Addition	253.70
Disposals/Adjustments	
As at 31st March 2026	**1,536.50**

Captal Work in progress Ageing as at March 31, 2026 is as follows:-

Particulars	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Project in Progress	253.70	1,282.80	-	-	1,536.50
Total	**253.70**	**1,282.80**	**-**	**-**	**1,536.50**

Captal Work in progress Ageing as at March 31, 2025 is as follows:-

Particulars	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Project in Progress	1,282.80	-	-	-	1,282.80
Total	**1,282.80**	**-**	**-**	**-**	**1,282.80**

4 Intangible Assets

Particulars	Total
Gross Carrying Amount	
As at 1st April 2024	**1.23**
Additions	-
Disposals	-
As at 3`1st March, 2025	**1.23**
Additions	-
Disposals	-
As at 31st March, 2026	**1.23**
Accumulated Amortisation	
As at 1st April 2024	**0.89**
Amortisation charge for the year	0.13
Disposals	-
As at 31st March, 2025	**1.02**
Amortisation charge for the year	0.08
Disposals	-
As at 31st March, 2026	**1.10**
Net Carrying Amount	
As at 31st March, 2025	**0.20**
As at 31st March, 2026	**0.12**

5 Financial Assets - Non Current

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Investment		
Fixed Deposit - UBI	1,250.00	-
Investment in joint ventures	554.31	440.03
Total	**1,804.31**	**440.03**

Note:
Fixed deposits held with Union Bank of India are pledged as collateral security against the credit facilities availed by the Company and are subject to lien.

6 Other Financial Assets - Non Current

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Considered good		
Security Deposits with Others	313.30	225.72
Considered doubtful		
Other assets	-	-
Less: Allowance for bad and doubtful assets	-	-
Total	**313.30**	**225.72**

7 Deferred tax assets (net)

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred Tax (Liabilities)/ Assets arising on account of timing differences in:		
Property, Plant and Equipment including Intangible Assets - Depreciation	14.77	9.90
Unabsorbed Losses/Depreciation	193.90	193.90
Gratuity - Provision	6.27	2.74
Financial Instruments - Borrowings	0.03	-
Differences in Right to use	(7.94)	(45.15)
Lease Liability	8.68	52.30
Deferred Tax Liabilities (net)	**215.71**	**213.70**

8 Other Non - Current Assets

Particulars	As at March 31, 2026	As at March 31, 2025
Capital advances	6.96	6.96
Prepaid Lease Rent	1.27	12.79
Total	**8.23**	**19.76**

9 Trade receivables

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured Considered Good	9,356.87	6,654.43
Unsecured Considered doubtful	-	-
Less: Allowance for bad and doubtful debts	-	-
Total	**9,356.87**	**6,654.43**

March 31, 2026

Particulars	Outstanding for following periods from due date of payment							Total
	Unbilled	Not due	Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Trade receivables								
(i) Undisputed Trade receivables – considered good	5,748.11	2,086.33	145.75	613.67	381.64	280.58	100.78	9,356.87
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-	-
	5,748.11	**2,086.33**	**145.75**	**613.67**	**381.64**	**280.58**	**100.78**	**9,356.87**

March 31, 2025

Particulars	Outstanding for following periods from due date of payment							Total
	Unbilled	Not due	Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Trade receivables								
(i) Undisputed Trade receivables – considered good	2,250.05	3,503.19	154.80	746.39	-	-	-	6,654.43
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-	-
	2,250.05	**3,503.19**	**154.80**	**746.39**	**-**	**-**	**-**	**6,654.43**

10 Cash and cash equivalents

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Balances with Banks		
In current accounts	260.86	318.42
Cash in hand	17.52	3.92
Total	**278.37**	**322.34**

11 Other current assets

Particulars	As at March 31, 2026	As at March 31, 2025
Balances with Gov Authorities,etc	534.40	658.47
Advances to suppliers	1,467.47	302.59
Advances to staff	147.73	54.80
Prepaid expenses	0.27	0.41
Other Receivable	24.58	24.58
Total	**2,174.44**	**1,040.85**

12 Equity Share capital
(a)

Particulars	As at March 31, 2026	As at March 31, 2025
Authorised		
Equity shares, of Rs.10 each		
5,31,50,000 shares of Rs. 10 each (March 31, 2025 - 5,31,50,000 shares)	5,315.00	5,315.00
Issued, subscribed and fully paid up		
Equity shares, of Rs.10 each		
1,54,50,000 shares of Rs. 10 each (March 31, 2025 - 1,54,50,000 shares)	1,545.00	1,545.00
Total	**1,545.00**	**1,545.00**

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

Shareholder's Name	As at March 31 2026		As at March 31 2025	
	% of total shares in class	Number of shares	% of total shares in class	Number of shares
Equity shares of ₹10 each fully paid-up held by				
INT Infrastructure Private Limited	11.06%	1,709,180	11.06%	1,709,180
Vaishali S Mulay	6.81%	1,052,295	6.81%	1,052,295
Jetra Infrastructure Private Limited	9.89%	1,527,826	9.89%	1,527,826

(c) Details of shares held by promoters

As at March 31, 2026

Promoter Name	No. of shares the begining of th year	Change during the year	No. of shares the begining of th year	% of Total sharess	% change during the year
Vaishali S Mulay	1,052,295	-	1,052,295	6.81%	-
Shashikant Bhoge	427,295	-	427,295	2.77%	-
Jashandeep Singh	427,015	-	427,015	2.76%	-
Jetra Infrastructure Private Limited	1,527,826	-	1,527,826	9.89%	-
INT Infrastructure Private Limited	1,709,180	-	1,709,180	11.06%	-
Total	**5,143,611**	**-**	**5,143,611**	**33.29%**	**-**

As at March 31, 2025

Promoter Name	No. of shares the begining of th year	Change during the year	No. of shares the begining of th year	% of Total sharess	% change during the year
Vaishali S Mulay	427,295	625,000	1,052,295	6.81%	7.02%
Shashikant Bhoge	427,295	-	427,295	2.77%	11.06%
Jashandeep Singh	427,295	(280)	427,015	2.76%	11.07%
Jetra Infrastructure Private Limited	660,326	867,500	1,527,826	9.89%	11.48%
INT Infrastructure Private Limited	-	1,709,180	1,709,180	11.06%	11.06%
Total	**1,942,211**	**3,201,400**	**5,143,611**	**33.29%**	**51.69%**

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

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

13 Other Equity

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Capital Redemption Reserve	3.00	3.00
Securities Premium	3,708.00	3,708.00
Retained Earnings	1,119.79	270.87
General Reserve	72.89	72.89
Other Comprehensive Income	(1.54)	2.58
Total	**4,902.14**	**4,057.34**

Note:

(a) Capital Redemption Reserve: Created on Buyback of equity shares out of free reserves and securities premium in accordance with Section 69 of the Companies Act, 2013

(b) General reserve: The Company created a General Reserve in earlier years pursuant to the provisions of the Companies Act,1956 where in certain percentage of profits were required to be transferred to General Reserve before declaring dividends. As per Companies Act 2013, the requirements to transfer profits to General Reserve is not mandatory. General Reserve is a free reserve available to the company.

(c) Retained Earnings: The balance represents accumulated retained profits available for distribution to shareholders.

14 Non Current Financial Liabilities - Borrowings

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Long Term - Borrowings		
Secured		
Loans From Bank	2,649.09	527.44
Unsecured		
From Related Parties	13.33	13.33
Total Long Term - Borrowings	**2,662.42**	**540.77**
Short Term - Borrowings		
Current Maturity of Long Term Borrowings	18.57	18.57
Inter Corporate Deposits	850.00	-
Total Short Term - Borrowings	**868.57**	**18.57**
Total	**3,530.99**	**559.34**

Notes

(a) Nature of security and terms of repayment for Secured Borrowings from banks:

Nature of Security	Terms of Repayment
The Secured Commercial Term Loan amounting to a limit of ₹1,800 Lakhs (March 31, 2026 : 914.70 Lakhs; March 31, 2025 : 588.57 Lakhs) is secured by way of a first exclusive equitable mortgage charge on the non-residential commercial property located at The Skycity, Andheri C.T.S. No. 1405 part at Village Marol and C.T.S. No. 1 Part at Village Bapnala, CSIA, Andheri East, Mumbai - 400099, Maharashtra.	Repayable in 180 monthly instalments, Effective Rate of interest - Floating for the Facility shall be sum of the Repo Rate + Spread per annum; (6.5%+3.25%) 9.75%
The Cash Credit facility from Union Bank of India amounting ₹ 2,500 Lakhs secured by way of a primary/exclusive charge via lien on Fixed Deposits maintained with the bank amounting to ₹1,250 Lakhs and Entire Current Assets of the Company (March 31, 2026 : 1,752.96 Lakhs; March 31, 2025 : Nil).	Repayable within 12 Months, Effective Rate of interest is EBLR (Presently, 8.00%) + 0.85%.

15 Leases

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Lease Liablity	5.42	62.25
Current		
Lease Liablity	29.08	145.55
Total	**34.50**	**207.80**

*Refer Note 34 for the maturity of Lease Liabilities.

16 Other Non- current Liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Amount payable to JV partners	19.98	-
Total	**19.98**	**-**

17 Non-Current Provisions

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for Grautity Expenses	24.43	10.80
Total	**24.43**	**10.80**

*Refer Note 31 for the employee benefit obligations.

18 Trade payables

Particulars	As at March 31, 2026	As at March 31, 2025
Due to micro enterprises and small enterprises*	8.61	-
Due to creditors other than micro enterprises and small enterprises	4,183.40	4,813.39
Total	**4,192.01**	**4,813.39**

March 31, 2026

Particulars	Current but not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Total outstanding dues of micro enterprises and small enterprises	-	8.61	-	-	-	8.61
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	2,671.58	849.36	662.46	-	4,183.40
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	**-**	**2,680.19**	**849.36**	**662.46**	**-**	**4,192.01**

March 31, 2025

Particulars	Current but not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	3,488.29	1,325.10	-	-	4,813.39
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	**-**	**3,488.29**	**1,325.10**	**-**	**-**	**4,813.39**

DUES TO MICRO AND SMALL ENTERPRISES

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the company.

19 Other Current liabilities

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Statutory Dues Payable	274.45	222.04
Advance from Customers	-	-
Deposits	9.44	-
Directos Sitting fees Payable	2.21	3.92
Salary Payable	40.73	53.51
Provision for expenses	2,449.20	263.88
Total	**2,776.02**	**543.35**

20 Current Provisions

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for Gratuity	0.48	0.08
Total	**0.48**	**0.08**

21 Current Tax Liabilities(net)

Particulars	As at March 31, 2026	As at March 31, 2025
Current Tax Liabilities (net of TDS Receivable)	180.62	106.78
Total	**180.62**	**106.78**

22 Revenue from Operations

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Sales of Goods		
- Sale of Products	-	-
- Sale of Services - Sale of Products	11,978.71	9,561.11
Total	**11,978.71**	**9,561.11**

23 Other income

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Discount Received	291.02	11.79
Interest income	0.78	6.86
Interest on income tax refund	2.78	9.18
Profit on Sale of PPE	-	18.64
Provision no longer required, written back	0.44	0.15
Insurance Premium Recovery	-	80.98
Sale of scrap	1.74	-
Gain on termination of lease	9.24	13.55
Miscellaneous Income	0.26	88.70
Total	**306.25**	**229.86**

24 Operating Costs

₹ in Lakhs

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Power and Fuel	6.12	6.32
Consumables	8,805.16	7,686.91
Labour Charges	354.31	122.91
Hiring Charges	47.18	18.36
Total	**9,212.76**	**7,834.51**

25 Employee benefits expense

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Salaries and wages including bonus	817.18	528.22
Contribution to provident funds and other funds	17.48	11.13
Gratuity Expenses	8.59	7.63
Total	**843.24**	**546.99**

26 Finance costs

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest expense	93.83	59.36
Total	**93.83**	**59.36**

27 Depreciation and amortization expense

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation on Property, Plant and Equipment	85.91	55.49
Amortization on Intangible assets	0.08	0.13
Depreciation on Right to Use Assets	126.53	123.70
Total	**212.52**	**179.32**

28 Other expenses

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Repairs & Maintenance Others	17.16	10.19
Insurance	2.16	1.58
Rent	35.76	13.72
Rates and Taxes	233.07	18.99
Auditors' Remuneration	10.00	12.50
Legal and Professional Expenses	87.27	155.72
Admin Expenses	63.30	40.44
Travelling & Conveyance	69.78	49.36
Electricity Expense	27.22	19.13
Mess Exp.	-	1.02
Site Expenses	11.01	6.83
CSR Expenses	5.00	0.53
Miscellaneous Expenses	197.66	95.23
Processing fees & Loan Expenses	20.67	-
Income Tax Paid	-	17.32
Total	**780.06**	**442.56**

29 Interests in Joint Operations

The Company's share of interest in joint arrangement as at March 31, 2026 is set out below. The principal place of business of all these joint operations is in India.

Particulars	Principle activities	% of ownership interest	
		As at March 31, 2026	As at March 31, 2025
MEPIDL-MCL-JV	Construction	100%	100%
AQUATECH-MEPL JV	Construction	50%	50%
AQUATECH-MEPL NASHIK JV	Construction	50%	50%

(a) The Company has entered into a Joint Venture agreement, MEPIDL-MCL-JV (the joint venture), for construction of roads. This is classified as joint operations under the accounting standards applicable to the company, which require the company to follow equity method.

(b) The figures of MEPIDL-MCL JV have been accounted at 74% upto December 31, 2023. Since the company is carrying out all the execution and operations of MEPIDL-MCL JV, and the other party has not contributed anything in said execution and operations, the company has accounted for the figures of MEPIDL-MCL JV at 100% for the full year ended March 31 ,2026.

(c) During FY 2023-24, the Company has entered into Joint Venture agreement, Aquatech-MEPL-JV (the joint venture), for "Khopoli Underground Sewerage Scheme". This is classified as joint operations under the accounting standards applicable to the company, which require the company to follow equity method.

(d) On February 13, 2024, the Company has entered into Joint Venture agreement, Aquatech-MEPL Nashik JV (the joint venture), for "Design, Construction, Supply, Erection, Testing and Commissioning of 11.5 MLD STP, 29.5 MLD TTP & allied works, followed by O&M of 60 months, for NMC, Nashik". This is classified as joint operations under the accounting standards applicable to the company, which require the company to follow equity method. The financial statements do not include the same due to said joint operations being in the preliminary stages of operation, and the amounts involved being immaterial.

Classification of Joint Arrangements:

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

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

MEPIDL - MCL - JV

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
(i) Summarised Balance Sheet		
Total Assets	4,887.33	3,774.08
Total Liabilities	4,887.33	3,774.08
(ii) Summarised Statement of Profit and Loss		
Revenue from operations	7,864.35	5,316.93
Other Income	1.61	90.39
Total Expenses (Including taxes)	7,479.56	4,716.40

AQUATECH-MEPL JV

Particulars	As at March 31, 2026	As at March 31, 2025
(i) Summarised Balance Sheet		
Total Assets	566.13	346.25
Total Liabilities	566.13	346.25
(ii) Summarised Statement of Profit and Loss		
Revenue from operations	608.82	178.22
Other Income	0.44	-
Total Expenses (Including taxes)	591.86	168.69

AQUATECH-NASHIK

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
(i) Summarised Balance Sheet		
Total Assets	853.07	707.61
Total Liabilities	853.07	707.61
(ii) Summarised Statement of Profit and Loss		
Revenue from operations	1,024.54	553.42
Other Income	-	-
Total Expenses (Including taxes)	985.85	525.30

30 Related parties

Name of the Party	Nature of relationship
Jetra Infrastructure Private Limited	Company having significant influence
Hazoor Multi Projects Limited	Entity in which KMP has significant influence

Key managerial personnel

Particulars	Nature of relationship
Mr. Radheshyam Mopalwar (w.e.f. November 19, 2024)	Chairman and Non-Executive Director
Mr. Sitaram Dhulipala (upto December 13, 2024)	Managing Director
Mr. Fattehsingh Patil (w.e.f. March 01, 2025)	Managing Director
Mr. Jashandeep Singh (upto March 13, 2026)	Non-Executive Director
Mrs. Vaishali Mulay	Non-Executive Director
Mr. Shivratan Agarwal (w.e.f. February 13, 2024)	Non-Executive Independent Director
Mr. Ajit Arvind Sagane (w.e.f. August 28, 2025)	Independent Director
Mr. Abhijit Jayant Deshpande (w.e.f. May 12, 2025)	Independent Director
Dr. Pandit Sawant (upto August 02, 2025)	Non-Executive Independent Director
Ms. Francisca Rosario (w.e.f. May 30, 2025)	Chief Financial Officer
Mr. Sanjay Jha (upto February 10, 2025)	Company Secretary and Compliance Officer
Mr. Suraj Dhumale (upto December 12, 2025)	Company Secretary and Compliance Officer
Ms. Devanshi Shah (w.e.f. March 24, 2026)	Company Secretary and Compliance Officer

Details of transactions with related parties :

₹ in Lakhs

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Managerial remuneration		
Mr. Jashandeep Singh	56.50	9.03
Mr. Sitaram Dhulipala	-	52.44
Mr. Fattehsingh Patil	90.00	7.50
Key Managerial remuneration		
Mr. Sanjay Jha	-	10.24
Mr. Suraj Dhumale	7.12	-
Ms. Francisca Rosario	59.78	-
Mr. Radheshyam Mopalwar	9.00	3.30
Sitting Fees		
Ms. Vaishali Mulay	-	0.50
Dr. Pandit Sawant	-	7.50
Mr. Shivratan Agarwal	3.00	3.00
Mr. Jashandeep Singh	-	1.00
Mr. Radheshyam Mopalwar	0.15	0.40
Loan Taken		
Mr. Jashandeep Singh	-	12.00
Jetra Infrastructure Private Limited	950.00	-
Loan Repaid		
Ms. Vaishali Mulay	-	250.00
Jetra Infrastructure Private Limited	100.00	347.00
Mr. Jashandeep Singh	-	12.00
Supply of Services		
Hazoor Multi Projects Limited	450.08	2,401.19
Advance Given for Business Expenses		
Mr. Radheshyam Mopalwar	100.00	-

Details of closing banalce with related parties :

₹ in Lakhs

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Managerial remuneration (Advance)/Payable		
Mr. Jashandeep Singh	(11.43)	8.63
Mr. Fattehsingh Patil	6.77	7.26
Key Managerial remuneration Payable		
Mr. Suraj Dhumale	0.43	-
Ms. Francisca Rosario	3.99	-
Mr. Radheshyam Mopalwar	(5.83)	0.68
Sitting Fees		
Ms. Vaishali Mulay	0.32	0.32
Mr. Pandit Sawant	-	2.70
Mr. Shivratan Agarwal	1.35	-
Mr. Jashandeep Singh	0.54	0.54
Mr. Radheshyam Mopalwar	-	0.36
Loan Repayable		
Mr. Jashandeep Singh	-	13.33
Jetra Infrastructure Private Limited	850.00	-
Sundry Debtors		
Hazoor Multi Projects Limited	20.62	2,401.19
Advance Given for Business Expenses		
Mr. Radheshyam Mopalwar	100.00	-

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

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

31 Employee Benefit Obligations

(i) Defined contribution plan

Provident Fund

The contributions to the Provident Fund of the employees are made to a Government administered Provident Fund and there are no further obligations beyond making such contribution. Employer's Contribution to Provident Fund amounting to ₹ 14.90 Lakhs (March 31, 2025 - ₹ 9.98 lakhs) has been recognized as an expense in the Statement of Profit and Loss.

(ii) Leave Encashment

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

The amount of ₹ 5.75 Lakhs (March 31, 2025 - ₹ NIL) has been recognised in statement of profit and loss, since the company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the company does not expect all employee to take the full amount of accrued leave or require payment within the next 12 months.

(iii) Defined benefit plan

Gratuity

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

₹ in Lakhs

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

Particulars	Present value of obligation	Fair value of Plan assets
April 01, 2024	**7.85**	**-**
Current Service cost	7.07	-
Past Service Cost	-	-
Interest expense/(income)	0.56	-
Total amount recognised in profit and loss	**7.63**	**-**
Remeasurements		
Return on plan assets, excluding amounts included in interest expense / (income)	-	-
(Gain)/loss from change in financial assumptions	3.14	-
Experience (gains)/losses	(7.73)	-
Total amount recognised in other comprehensive income	**(4.59)**	**-**
Employer contributions	-	-
Benefit payments	-	-
March 31, 2025	**10.88**	**-**
April 01, 2025	**10.88**	**-**
Current Service cost	7.78	-
Past Service Cost	0.01	-
Interest expense/(income)	0.72	-
Total amount recognised in profit and loss	**8.51**	**-**
Remeasurements		
Return on plan assets, excluding amounts included in interest expense / (income)	-	-
(Gain)/loss from change in financial assumptions	(0.30)	-
Experience (gains)/losses	5.82	-
Total amount recognised in other comprehensive income	**5.53**	**-**
Employer contributions	-	-
Benefit payments	-	-
March 31, 2026	**24.92**	**-**

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

Particulars	March 31, 2026	March 31, 2025
Present value of funded obligations	24.92	10.88
Fair value of plan assets	-	-
Deficit/(Surplus) of gratuity plan	**24.92**	**10.88**

Significant estimates- actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows

Particulars	Modern Engineering & Projects Limited		MEPIDL - MCL - JV	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Discount rate	6.89%	6.59%	6.89%	6.59%
Salary growth rate (per annum)	15.00%	15.00%	15.00%	15.00%
Attrition rate	30.00%	15.00%	30.00%	30.00%
Retirement Age	60 years	60 years	60 years	60 years
Mortality Table	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate

Sensitivity analysis

₹ in Lakhs

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

Particulars	Increase in assumption		Decrease in assumption	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Modern Engineering & Projects Limited				
Discounting (1% movement)	(0.36)	(0.36)	0.38	0.38
Salary increase (1% movement)	0.42	0.42	(0.40)	(0.40)
Employee turnover (1% movement)	(0.37)	(0.37)	0.38	0.38
MEPIDL - MCL - JV				
Discounting (1% movement)	(0.20)	(0.12)	0.22	0.13
Salary increase (1% movement)	0.24	0.14	(0.23)	(0.14)
Employee turnover (1% movement)	(0.14)	(0.11)	0.15	0.11

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

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

Risk Exposure

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

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

32 Financial risk management framework

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

to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations. The Board oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

a) Credit Risk

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

Cash and cash equivalents

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

Trade and other receivables

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

Trade and Other Receivables ₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Within the credit period	9,356.87	6,654.43

(b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due. The Company's treasury maintains flexibility in funding by maintaining liquidity through investments in liquid funds. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows.

Maturities of financial liabilities

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

₹ in Lakhs

Particulars	< 1 Year
March 31, 2026	
Trade Payables	2,680.19
Employee related liabilities	24.43
Total	**2,704.62**
March 31, 2025	
Trade Payables	3,488.29
Employee related liabilities	10.80
Total	**3,499.09**

c) Market risk

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

(i) Currency risk

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

Exposure to currency risk

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

As at March 31, 2026 ₹ in Lakhs

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

As at March 31, 2025

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

Sensitivity analysis

Any change with respect to strengthening (weakening) of the Indian Rupee against various currencies as at March 31, 2026 and March 31, 2025 would have affected the measurement of financial instruments denominated in respective currencies and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates remain constant

Particulars	Impact on profit after tax and equity	
	March 31, 2026	March 31, 2025
USD	-	-
Increase by 5%	-	-
Decrease by 5%	-	-

(ii) Interest rate risk

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

Exposure to interest rate risk

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

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

33 Fair value measurement

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

Financial instruments by category

₹ in Lakhs

March 31, 2026

Particulars	Carrying amount	
	Amortised Cost	Fair Value Level
Financial assets		
Non Current		
Investment	1,804.31	-
Other financial assets	313.30	-
Current		
Trade receivables	9,356.87	-
Cash and cash equivalents	278.37	-
Other financial assets	2,174.44	-
Total Financial assets	**13,927.30**	**-**
Financial Liabilities		
Non Current		
Borrowings	2,662.42	-
Lease Liabilities	5.42	-
Current		
Borrowings	868.57	-
Lease Liabilities	29.08	-
Trade payables	4,183.40	-
Other financial liabilities	-	-
Total Financial Liabilities	**7,748.89**	**-**

March 31, 2025

Particulars	Carrying amount	
	Amortised Cost	Fair Value Level
Financial assets		
Non Current		
Investment	440.03	-
Other financial assets	225.72	-
Current		
Trade receivables	6,654.43	-
Cash and cash equivalents	322.34	-
Other financial assets	1,040.85	-
Total Financial assets	**8,683.37**	**-**
Financial Liabilities		
Non Current		
Borrowings	2,662.42	-
Lease Liabilities	5.42	-
Current		
Borrowings	868.57	-
Lease Liabilities	29.08	-
Trade payables	4,183.40	-
Other financial liabilities	-	-
Total Financial Liabilities	**8,378.88**	**-**

Note: Carrying amounts of Cash and Cash equivalents, Trade and other receivables, Bank balances, Trade payables and Other Payables as at March 31, 2026 and March 31, 2025 approximate the fair value. Difference between carrying amounts and fair values of bank deposits, other financial assets and other financial liabilities subsequently measured at amortised cost is not significant in each of the periods presented.

34 Leases

Operating lease

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

Ind AS 116 – Lease liabilities ₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Non current	5.42	62.25
Current	29.08	145.55
Total	**34.50**	**207.80**

(i) Movement in Lease liabilities:

Particulars	As at March 31, 2026	As at March 31, 2025
Opening Balance	**207.80**	**583.35**
Add: Leases added during the year	54.06	166.78
Add: Finance cost accrued during the year	25.80	41.25
Less: Payment of Lease Liabilities	(253.16)	(583.58)
Closing Balance	**34.50**	**207.80**

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

Particulars	As at March 31, 2026	As at March 31, 2025
Payable within one year	29.08	145.55
Payable later than one year and not later than five years	5.42	62.25
	34.50	**207.80**
Lease payments recognized for short term leases in Statement of Profit and Loss	-	-

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

35 Ratio Analysis and its elements

Ratio	Numerator	Denominator	March 31, 2026	March 31, 2025	Variance %	Reason for variance
Current ratio	Current Assets	Current Liabilities	1.47	1.36	7.91%	During the year, receivables have proprotionately increased due to which the ratio has improved.
Debt equity ratio (in times)	Borrowings and Lease Liabilities	Total Equity	0.55	0.13	325.41%	During the year Borrowing has increased due to sanction of new loans. Thus, ratio is improved.

Ratio	Numerator	Denominator	March 31, 2026	March 31, 2025	Variance %	Reason for variance
Debt service coverage ratio (in times)	Net Profit after Tax + Depreciation and Amortisation expense + Finace Cost (excluding interest on Lease Liabilities)	Finance Cost +Repayment of Borrowings	7.21	7.50	-3.92%	The ratio is above insustry norms but in comparision to previous year it has reduced inspite of positive earnings due to increase in finance costs.
Inventory Turnover Ratio (in times)	Cost of Goods Sold	Average Inventory	-	-	-	NA
Trade Receivables Turnover ratio (in times)	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	1.50	2.15	-30.41%	During the year, revenue from operations has increased. However, due to a more than proportionate increase in Trade Receivables, the ratio has seen a decline.
Trade Payables Turnover ratio (in times)	Cost of Services	Average Trade Payables	2.05	2.18	-6.05%	The company's operating expenses has been reduced during the year, leading to a decline in the ratio.
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital =Current assets – Current liabilities	3.18	4.00	-20.42%	The company's increased working capital has led to an decline in ratio.
Net Profit ratio (in %)	Net Profit	Net sales = Total sales - sales return	7.09%	7.62%	-7.00%	The decline in net profit is mainly due to increase in revenue aat a higher proportion comapred to increase in net profit.
Return on Capital Employed (in %)	EBIT	Capital Employed = Tangible Net Worth + Total Debt	12.35%	12.40%	-0.42%	The company's net worth has seen improvement, coupled with a positive turnaround in EBIT.
Return on Investment	Interest (Finance Income)	Investment	NA	-	NA	NA

36 Earnings per share

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Profit/ (Loss) attributable to the equity holders of the Company (in ₹ lakhs)	848.92	728.61
Weighted average number of equity shares	154.50	92.87
Earnings per share (basic and diluted) (₹)	5.49	7.85
Face value per equity share (₹)	10.00	10.00

37 Income tax expense

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

(i) Income tax expense is as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Recognised in profit and loss		
Current tax		
–For the year	294.25	203.78
–Adjustment for earlier years		
Deferred tax (credit) /charge for the year	**(0.63)**	**(204.15)**
Tax expense	**293.62**	**(0.37)**
(b) Recognised in other comprehensive income		
Deferred tax (credit) /charge for the year	(1.39)	1.16
Total Tax Expense	**292.23**	**0.79**

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

Particulars	As at March 31, 2026	As at March 31, 2025
Profit/ (Loss) before tax for the year	1,142.54	728.24
Tax rate	25.17%	25.17%
Computed tax expense	**287.55**	**183.28**
Tax effect of expenses that are not deductible in determining taxable profit:		
Tax provision relating to earlier periods		
Depreciation	4.04	(0.80)
Brought Forward losses	-	193.90
Right To Use Assets	-	(45.15)
Provision for Gratuity	2.16	2.74
Deffered Tax adjustement	(0.63)	(204.15)
Interest	0.49	
Borrowings		
Lease Liability		52.30
Unconsidered Losses*	-	(182.50)
Tax expense	**293.62**	**(0.37)**

*Unconsidered Losses adjustments to tax expense account for portions of the company's losses that were previously excluded when computing the current tax provision.

(iii) Deferred Tax:

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred tax relates to the following:		
Timing differences in the carrying amount of property, plant and equipment	(4.87)	(0.80)
Timing differences due to unused tax losses	-	193.90
Timing differences in the provision for gratuity	(3.53)	2.74
Timing differences in the carrying amount of Lease	43.62	52.30
Timing differences in the right of use asset	(37.21)	(45.15)
Timing differences in the financial liability	(0.03)	-
Timing differences due to remeasurement of defined benefit plans	-	-
Other adjustments	-	-
Deferred Tax (Income) / Expenses–Net	**(2.02)**	**202.99**

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance as at	(213.69)	(10.70)
Tax (income)/expense during the period recognised in profit or loss	(0.63)	(204.15)
Tax (income)/expense during the period recognised in profit or loss as Other Comprehensive Income	(1.39)	1.16
Closing balance as at:	**(215.71)**	**(213.69)**

38 Disclosure as required by Indian Accounting Standard (Ind AS) 115 - Revenue from contracts with customers

(a) Disaggregation of revenue from contracts with customers :

In the following table, revenue from contracts with customers is disaggregated by primary geographical area.

Particulars	As at March 31, 2026	As at March 31, 2025
Primary Geographical Market		
In India	11,978.71	9,561.11
Outside India	-	-
	11,978.71	**9,561.11**

(b) Reconciliation of the amount for revenue recognised in the Statement of Profit and Loss with the contracted price

Particulars	As at March 31, 2026	As at March 31, 2025
Revenue as per contracted price	11,978.71	9,561.11
Adjustments	-	-
	11,978.71	**9,561.11**

(c) Contract Balances

The following table provides information about receivables, contract assets and contract liabilities from the contracts with customers

Particulars	As at March 31, 2026	As at March 31, 2025
Contract Assets (Unbilled revenue, retention money, withheld amount)	7,053.04	2,788.78
Contract Liabilities (Advances from customers, retention money)	-	76.02
Trade Receivables	**2,303.83**	**3,865.65**

39 Segment reporting

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

40 Other Statutory Information

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company did not have any transactions with companies struck off.

(iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(vii) The Company does not have any such transaction which is not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income–tax Act, 1961

(such as, search or survey or any other relevant provisions of the Income–tax Act, 1961)

(viii) The compliance of number of layers prescribed under clause 87 of Section 2 of the Companies Act read with Companies (Restriction on number of Layers) Rule, 2017 is not applicable to the Company.

(ix) The Company is not declared wilful defaulter by bank or Financial Institutions or any lender during the Financial Year.

(x) Quarterly returns or statements of current assets filed by the company with banks and financial institutions are in agreement with books of accounts.

41 Commitments and contingent liabilities

There is no pending litigation which could impact the company's financial position as on March 31, 2026.

42 Corporate Social Responsibiltiy

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects. A CSR committee has been formed by the Company as per the Act.

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
a) Gross Amount required to be spent by the company during the year	7.44	0.53
b) Amount of expenditure incurred on:		
(i) Construction / acquisition of any asset	-	-
(ii) On purposes other than (i) above	5.00	0.53
c) Shortfall at the end of the year	2.44	-
d) Total of previous years' short fall	-	-
e) Reason for short fall		
f) The nature of CSR activities undertaken by the Company	pertains to promotion of education through contribution made to a college institution	pertains to promo tion of education through contribu-tion made to a college institution

Note: As at March 31, 2026, the Company has not transferred the unspent CSR amount to the Unspent CSR Account within the prescribed timeline under Section 135 of the Companies Act, 2013. However the unspent CSR amount of ₹2.44 Lakhs has been spent on May 26, 2026 before the approval of financial statements.

43 Going concern

The management has taken initiatives directed towards improving the profitability through operational efficiencies. The Company expects that these initiatives would result in sustainable cash flows. The Company, based on the support given by the parent company, is confident of meeting its operating and capital funding requirements. Accordingly, these financial statements have been prepared on going concern basis.

44 Material Developments

The Company has evaluated subsequent events from the balance sheet date to May 26, 2026, the date at which the financial statements were available to be issued and determined that there are no other material developments.

45 Previous year/ period figures

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

As per our attached Report of even date

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

sd/-
Dhiraj Lalpuria
Partner
Membership Number: 146268

Place : Mumbai
Date : May 26, 2026

For and on the behalf of the Board of Directors

sd/-
Radheshyam Mopalwar
Director
DIN: 02604676

sd/-
Francisca Rosario
Chief Financial Officer

sd/-
Fattehsingh Patil
Managing Director
DIN: 10738344

sd/-
Devanshi Kevin Shah
Company Secretary

CEO/CFO CERTIFICATION TO THE BOARD

[As per Regulation 17(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

We, Francisca Rosario, Chief Financial Officer (CFO) and Fattehsingh Krishnrao Patil, Managing Director of Modern Engineering and Projects Limited ('the Company") appointed in terms of provision of Companies Act 2013, certify to the Board that:

1. We have reviewed the financial statements and the cash flow statement for the financial year ended on March 31, 2026, and that to the best of our knowledge and belief:
   - these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   - these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the financial year ended on March 31, 2026 which are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of the internal control, if any, of which we are aware of and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the Auditors and the Audit Committee:
   - Significant changes in internal control over the financial reporting during the financial year 2025-26.
   - Significant changes in accounting policies during the financial year 2025-26 and that the same have been disclosed in the notes to the financial statements; and
   - Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over the financial reporting.

For Modern Engineering and Projects Limited

Sd/-	Sd/-
Francisca Rosario	Fattehsingh Krishnrao Patil
Chief Financial Officer	Managing Director
	DIN No- 10738344

Place: Mumbai
Date: May 27, 2026

Notes

BOOK POST

If undelivered, please return to:

MODERN ENGINEERING AND PROJECTS LIMITED

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