

Date: 31st, January, 2024

To,
The Chief Financial Officer
SEPC Limited
Registered Office: 'Bascon Futura SV'
4th Floor, 10/1, Venkatanarayana Road,
T. Nagar, Chennai- 600 017

Subject: Rights Issue of SEPC Limited

Dear Sir/Ma'am,

This refers to our discussions in connection with the proposed issue of shares to the existing shareholders pursuant to "Rights Issue" by SEPC Limited (formerly known as Shriram EPC Limited (referred to as the "SEPC" or the "Company"), hereinafter referred to as the "Engagement".

At the outset, we thank you for providing Sumedha Fiscal Services Limited ("SFSL"), the opportunity to work with you on the aforesaid engagement. We have outlined in this letter our scope of services, the agreed fee and other standard terms and conditions. We request you to sign two copies of this Engagement Letter and arrange to return one copy for our record.

Background and Our Understanding

We understand that SEPC is engaged in the business of providing services of integrated design, engineering, procurement, construction and project management services for water infrastructure, process and metallurgy plants, power plants, mines and mineral processing. The Company vide a resolution of its Board of Directors dated August 21, 2023 had raised an aggregate amount upto Rs. 4990.00 lakhs through Rights issue. The Basis of allotment was approved by the Company vide its Rights Issue Committee of the Board of Directors dated December 22, 2023.

We understand further that the management of the Company vide its Board Meeting dated 29th January, 2024, has approved further issue of capital to its existing shareholders on "Rights Basis" up to an aggregate amount of Rs. 250 crores (inclusive of premium, if any) to meet its requirements of repayment of borrowings and other related items. In this connection, the Company has approached SFSL a SEBI Registered Category- I Merchant Banker to assist in the proposed Rights Issue from regulatory perspective. We have accordingly mapped out the various regulatory and other compliances that the Company would require to fulfil in connection to its proposed Rights Issue.

Accordingly, the Company seeks advice and professional assistance with regard to:

- Carrying out the Rights Issue process in accordance with the Companies Act, 2013, SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, SEBI Listing Obligations and such other applicable provisions, if any;
- Review and confirmation with regard to the regulatory compliances listed with SEBI, Stock Exchanges, FEMA and FDI regulations, etc. as applicable.



1. Scope of Work

- Advising and assisting on the following key pre-Rights Issue considerations:
 - a. Pricing of the Rights Issue and the Rights Issue size;
 - b. Estimated time to complete the Rights Issue;
 - c. Estimated cost of the Rights Issue;
 - d. Obligation and Rights of the Promoters' to subscribe to the Rights Issue and impact on the shareholding pattern;
 - e. Documentation and process for getting permission to trade for the newly issued shares including post issue activities, draft responses to investor queries and other statutory compliances ; and
 - f. Information to be disclosed in the Rights Issue offer document.
- Assisting in preparation of Letter of Offer, application form and related matters such as:
 - a. Disclosure Requirement
 - b. Risk Factors as perceived by the Management
 - c. Drafting of Letter of Offer
 - d. Highlights of the Issue
 - e. Litigations
 - f. Depositories
 - g. Accounting Standards etc.
- Assisting in filing of Letter of Offer with various regulatory authorities, including the Registrar of Companies, SEBI, Stock Exchange as may be applicable.
- Assisting in compliance with the listing requirements of Stock Exchange such as:
 - a. Filing Application for In-Principle Approval
 - b. Filing Listing Applications and other annexures
 - c. Approval of Letter of Offer
 - d. Approval of Basis of Allotment
 - e. Filing Listing Agreements
 - f. Final Listing Consent
- Providing a check list and adhering to timelines for:
 - a. Preparation of Letter of Offer
 - b. Obtaining Stock Exchange In-Principle Approval
 - c. Filing of Letter of Offer
 - d. Fixing of Record Date
 - e. Issue Opening/ Closing
 - f. Allotment
 - g. Listing, etc.
- Advising and review of issue activities, Co-ordination with various agencies and the Company and discussions with Company's Auditors and Secretary on various Reports and Certificates required.
- Assisting the company in the formulation and coordination of marketing strategy, including assisting in drafting and approval of publicity materials including corporate advertisements, brochure, corporate films, etc.



- Providing a detailed break-up cost involved in making a Rights Issue viz fees payable to Regulators, Registrar to the Rights Issue, Printing charges, stamp duty, etc.

The scope would include discussion with the management and other agencies or intermediaries to ensure smooth completion of the Rights Issue, including resolving your queries and doubts, responding to emails, meetings with counsels, etc.

On confirmation of engagement, we will send our information requisition list and on receipt of all required information and documents, we shall assist you in the completion of exercise. It is assumed that the Company shall ensure prompt submission of any information/ clarifications required during the course of execution of above assignment by our team members.

2. Scope Limitations

Our scope of services under this letter is restricted to the services specified above and does not cover any other services including, illustratively, the following:

- Legal advice, legal opinion and representation in any form;
- Accounting and taxation matters, opinion and representation in any form;
- Any certification services.

Our scope of work, including any advice / assistance, will be limited to the scope of services specifically defined in the letter and the fees given is on the basis that the disclosure under letter of offer falls under SEBI (Issue of Capital and Disclosure Requirements) Regulation, 2018, as amended from time to time.

Reliance would be placed on the information that may be provided by the Company. We will not independently verify the accuracy of data provided to us for review.

We will act on your specific instructions to carry out the activities covered in our scope; we will not perform any management functions or take decisions on Company's behalf.

We have been informed that the Company shall designate one of its Director or Company Secretary to oversee our services. He would be responsible for making all related management decisions and performing all management functions; accepting responsibility for, and evaluating the adequacy of, the results of our services; and establishing and maintaining internal controls related to the subject matter of our services, including monitoring ongoing activities.

3. Fees

We desire to establish long-term professional relationship with your esteemed organization, and based on our experience on similar assignments, we have agreed to charge a discounted consolidated fee given as under:

Particulars	Fees (Rs.)
On signing of Engagement Letter	2,50,000
On In-principle approval of Stock Exchange	2,50,000
On receiving SEBI Observation Letter	2,50,000
On filling of Final Letter of Offer	5,00,000
On Receiving listing and Trading approval	10,00,000
TOTAL	22,50,000





Sumedha Fiscal Services Ltd.
CIN : L70101WB1989PLC047465
Registered & Corporate Office:
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Telephone : +91 33 6813 5900 / 2229 8936 / 2229 6758
E-mail : kolkata@sumedhafiscal.com
Website : www.sumedhafiscal.com

Any other fees including applicable taxes, expenses and/or charges payable in connection with the aforesaid exercise including but not limited to statutory fees, etc. shall be borne and paid by the Company.

In the course of providing services under this arrangement, we may have to incur certain out of pocket expenses on Company's behalf (generally out-of-pocket expenses represent travel, conveyance, communication, duplication, document procurement and delivery and related matters). Any such out-of-pocket expenses relating to outstation travel will be incurred in consultation with the management of the Company and such out of pocket expenses would be reimbursed at actual.

The fees shall be paid within ten (10) days from the date of raising of the bill. The above fees shall however be reviewed in case there is delay in management decision or providing any data. For any further services required by your esteemed organization, we may review the fees in consultation with you. At any time if the assignment is withdrawn at the behest of the Company, we shall be entitled to 50% of the fees due at immediate subsequent stage.

4. Time Frame

We will use our best endeavours so that the engagement team is ready to commence work on the date of receipt of a copy of this engagement letter, duly signed by you.

We envisage a timeframe of 6 months for completion of whole process of Rights issue and on obtaining requisite information / documents from you. However, this is highly unpredictable and will finally depend on the receipt of timely inputs, information needs, circumstances beyond control, resources and priority given by the Company to the scope, etc.

5. Other Terms and Conditions

i. Compliance

The Company agrees to comply with all applicable legal & regulatory requirements. The Company also warrants that the execution of this Engagement Letter has been duly authorized and approved by the Board of Directors, such that it is not subject to any further approval or ratification in order to become a binding obligation for it.

ii. Information

The Company agrees to provide SFSL all financial & other information requested for the purpose of this assignment (or as may be required by any competent governmental, judicial or regulatory authority). In performing the services hereunder, SFSL shall be entitled to rely upon and assume, without independent verification, the accuracy and completeness of all information that is publicly available and of all information that has been furnished to SFSL by the Company or their other advisors or otherwise reviewed by them and SFSL shall have no obligation to verify the accuracy or completeness of any such information or to conduct any appraisal or valuation of any assets or liabilities and shall not assume any responsibility nor have any liability therefore.

iii. Confidentiality

SFSL agrees to treat this Agreement Confidential for six months after the closure of issue and any information relating to this assignment during the term of the assignment, that is (a) disclosed to SFSL in accordance with the Agreement by an employee, officer, director, auditor or counsel of the Company or (b) developed by SFSL in the execution of the assignment, except that the foregoing shall not apply to:



- a. Any disclosure made for the purpose of the execution of the assignment with prior approval from the Company;
- b. Any information which is or come into the public domain, or comes into the possession of SFSL or to its affiliates other than in breach of any confidentiality obligation of which SFSL is aware;
- c. Any disclosures pursuant to any law or order of any court or pursuant to any direction, request or retirement (whether or not having the force of law) of any central bank or any governmental, regulatory, supervisory, judiciary or authority (including without limitation, of any official examiners or regulators);
- d. The extent that SFSL needs to disclose the same with respect to any proceedings for the protection or enforcement of any of their rights arising out of the Agreement;
- e. Any disclosure to auditors or professional advisors of SEPC who will themselves be bound by the same confidentiality obligation; or
- f. Information which is already in possession of SEPC prior to the date thereof.

6. Termination / Force Majeure:

This offer and the acceptance thereof may be terminated by us on breach of any or all of the terms and conditions stated herein without prejudice to our right to claim any damage expenses, which may arise on account of such termination. The contract can be mutually terminated by either party by giving two months written notice.

Notwithstanding anything contained herein, we shall have the right to terminate this engagement letter and acceptance thereof under any or all of the following circumstances:

- a. A major break down or dislocation of the business in the major financial markets affecting global and / or Indian financial markets.
- b. Declaration of war or occurrence of insurrection or civil commotion or natural calamity like earthquake, cyclone / hurricane, flooding or other serious or sustained financial or political or industrial emergency or disturbance affecting global and Indian financial markets.

7. Liability

In no event shall we shall be liable for consequential, special, incidental or punitive loss, damages or expenses (including without limitation, lost profits, opportunity costs, etc.). This provision shall survive the completion of this assignment.

We shall be entitled, to include a general description of work performed hereunder, for the purpose of demonstrating our experience to other potential clients, league tables, etc.

8. Arbitration / Jurisdiction

In the event of any dispute or difference or claim arising between the Merchant Banker / Consultant or anyone claiming through or under them, at any time hereafter, in respect of the construction or interpretation of any term or provision hereof and / or as regards the responsibility and / or obligation and / or otherwise in any way arising out of, relating inter alia to offer document, the same shall be referred to a mutually acceptable arbitrator under the provisions of Indian Law and any modifications or statutory re-enactments thereto.

The Arbitrator shall be resident Indian national only. The venue of arbitration shall be Kolkata, India. All cost and expenses in relation to such arbitration, if any, shall be borne equally by both parties.





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Website : www.sumedhafiscal.com

Our assignment will be on a best effort basis and we do not guarantee any results / success / enquiries by this Engagement Letter. We will appreciate if you would confirm your agreement to the terms of our engagement by countersigning the enclosed copy of this letter and returning it to us.

If there is anything with which you do not agree or wish to amend, please do not hesitate to contact us and we shall be pleased to discuss the matter with you.

We are passionate about our service and we look forward to having a mutually rewarding relationship.

For Sumedha Fiscal Services Limited

For SUMEDHA FISCAL SERVICES LTD.

Director

Bijay Murmuria
Director
DIN: 00216534

For SEPC Limited

Director