



DARAPANENI & Co., CHARTERED ACCOUNTANTS

Flat No 1A, Rama Apartments, Plot No.84, Srinagar Colony, Hyderabad - 500073.

Tel: 040-23735095, 23736487

E-mail: darapaneni1986@gmail.com

CERTIFICATE BY STATUTORY AUDITOR TOWARDS LOCAL CONTENT

To,
HPCL Rajasthan Refinery Limited
Tel Bhavan Sahkar Marg
LalKothi Vistar, Jyoti Nagar
Jaipur - 352005, Rajasthan, India.

Name of the Project: EPCC-09 PACKAGE FOR POLYPROPYLENE UNIT & ASSOCIATED CONVEYING AND BAGGING SYSTEM AND BUTENE-1 UNIT OF HPCL Rajasthan Refinery Limited (HRRL) at Rajasthan, India.

Purchase Order No: HRRL/PO/2021/40Dt.14-02-2022

Sub: Certification of declaration regarding local content of the Contract Value as per PP-LC Policy for M/S Megha Engineering & Infrastructures Limited for the Invoice ref no. RJ2023100028.

We, Darapaneni & Co., Chartered Accountants, having been appointed under Section 148 (3) of the Companies Act 2013 (18 of 2013), having office at Flat No.1A, Rama Apartments, Srinagar Colony, Hyderabad - 500073 as Chartered Accountants of M/s. Megha Engineering & Infrastructures Limited (CIN: U45202TG2006PLC050271), have verified the expenditure committed/ incurred from the inception of the above-mentioned Project bearing Purchase Order no. as per Annexure-1 (for construction/Installation)

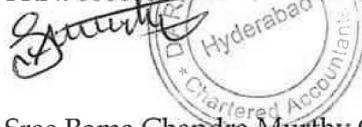
Based on said details and information and explanations, which to the best of our knowledge and belief were necessary for the purpose of this audit, we hereby confirm that the local content expenditure committed for the aforesaid Project from inception date to 15-September-2023 is less than 50% as Per PP-LC Policy.

This is to further confirm that the details submitted by M/S Megha Engineering & Infrastructures Limited for computation of LC has been checked verified & measured in accordance with PP-LC Policy.

The details working sheet attached as Annexure-A, Annexure I & Annexure II.

For Darapaneni and Co.,
Chartered Accountants

FRN: 000685S



Sree Rama Chandra Murthy Ch
Partner
M. No: 233010
UDIN: 23233010BGVTCW4383

Date: 19/09/2023

Place: Hyderabad

Annexure-A
RA- 18- CONSTRUCTION

HRRL/PO/2021/40 Dt. 14-02-2022

PP-LC Enclosure format to state the local content

Cost committed/ Incurred (inception till (15.09.2023)

(INR in CR)

| Particulars | Domestic (INR) | Imported* (INR) | Total c=a+b | LC | | |
|--|-------------------|--------------------|----------------|---------------|--------------|--|
| | a | b | | % d=a/c | INR e=c*d | |
| A) Cost Component | | | | | | |
| 1. GOODS | | | | | | |
| a) Material used cost | | | | | | |
| b) Equipment Cost# | 16.99 | 146.24 | 163.23 | 10.41% | 16.99 | |
| Sub total | 16.99 | 146.24 | 163.23 | - | - | |
| 2. Services | | | | | | |
| a) Personnel and consultant cost | - | 93.65 | 93.65 | 0.00% | 0.00 | |
| b) Equipment and work facility cost | | | | | | |
| c) Construction/Fabrication cost | 72.18 | | 72.18 | 100.00% | 72.18 | |
| d) Other services cost etc. | | | | | | |
| Sub total | 72.18 | 93.65 | 165.83 | 43.53% | 72.18 | |
| 3. Total COST OF GOODS AND SERVICES | 89.17 | 239.89 | 329.06 | 27.10% | 89.17 | |
| B) NON COST COMPONENT | 0 | 0 | 0 | 0 | 0 | |

Equipment cost taken based on the approved detailed billing breakup of 10% payment of total value on placement of PO for Major tagged items and same payment shall be released after submission of Bank Guarantee for equivalent value.

% of LC Combination = $\frac{(\text{Total Domestic components cost of goods} @ (\text{subtotal}) + \text{Total Domestic Component cost of services} (\text{subtotal}))}{(\text{Total cost of goods and services})}$

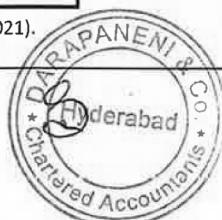
% of LC Combination = $(16.99+72.18)/329.06 \times 100$ = 27.10%

| Overall Contract | (INR in CR) |
|-----------------------|-------------|
| Total Contract value* | 2876.1 |
| LC Requirement-% | 50% |
| LC Requirement- Value | 1,438.05 |

| Description | Upto Previous Invoice (In Crs.) | Current invoice (In Crs.) | Cumulative Invoice (In Crs.) |
|---|------------------------------------|---------------------------------|---------------------------------|
| Billing Value* | 322.55 | 6.51 | 329.06 |
| LC Requirement-% | 50% | 50% | 50% |
| LC Requirement- Value | 161.28 | 3.26 | 164.53 |
| LC Achieved (INR Value) | 82.66 | 6.51 | 89.17 |
| Lc Achieved% (w.r.t Cumulative Billing Value) | 25.63% | 100.00% | 27.10% |
| Lc Achieved% (w.r.t Total contract Value) | 2.87% | 0.23% | 3.10% |

*EUR to INR Conversion @ 89.33 (the currency Bill Selling rate of SBI prevailing on dated 21.06.2021).

*All values are basic value (excluding GST).



Annexure-1 For Design and Engineering services (As per FORM SP-1)

HRRL- PPU Barmer

| Sl No | Description | Invoice No. | Inv. Date | Site Ref No. | Amount | | Remarks |
|-------|---------------------------------|---------------|------------|------------------------|--------------|-----------------|--------------------|
| | | | | | EURO | EURO To INR | |
| 1 | Design and Engineering services | RJ/22/EPC/108 | 19.12.2022 | 2054/EPCC-9/ENG/RA2 | 31,68,511.43 | 28,19,02,461.93 | 1 Euro= 88.97 INR |
| 2 | Design and Engineering services | RJ/22/SCN/8 | 20.02.2023 | 2054/EPCC-9/ENG/RA1 CR | -1,20,417.26 | -1,07,13,523.62 | 1 Euro= 88.97 INR |
| 3 | Design and Engineering services | RJ/22/EPC/135 | 04.03.2023 | 2054/EPCC-9/ENG/RA4 | 22,48,800.00 | 19,81,41,768.28 | 1 Euro= 88.11 INR |
| 4 | Design and Engineering services | RJ/22/EPC/149 | 23.03.2023 | 2054/EPCC-9/ENG/RA7 | 12,10,028.66 | 10,80,91,860.20 | 1 Euro = 89.33 INR |
| 5 | Design and Engineering services | RJ/23/EPC/52 | 31.05.2023 | 2054/EPCC-9/ENG/RA8 | 4,19,669.73 | 3,74,89,097.87 | 1 Euro=89.33 INR |
| 6 | Design and Engineering services | RJ/23/EPC/65 | 23.06.2023 | 2054/EPCC-9/ENG/RA11 | 6,28,914.69 | 5,61,80,949.26 | 1 Euro = 89.33 INR |
| 7 | Design and Engineering services | RJ/23/EPC/75 | 10.07.2023 | 2054/EPCC-9/ENG/RA13 | 7,95,878.87 | 7,10,95,859.46 | 1 Euro=89.33 INR |
| 8 | Design and Engineering services | RJ/23/EPC/95 | 20.07.2023 | 2054/EPCC-9/ENG/RA15 | 16,89,534.69 | 15,09,26,133.86 | 1 Euro=89.33 INR |
| 9 | Design and Engineering services | RJ2023100013 | 31.08.2023 | 2054/EPCC-9/ENG/RA17 | 4,85,637.25 | 4,33,81,975.54 | 1 Euro=89.33 INR |
| | | | | Total | 1,05,26,558 | 94,96,580 | 0 |



Annexure-2 For Supplies work (As per FORM SP-2)

HRRL- PPU Barrier

| SI No | Description | Invoice No. | Inv. Date | Site Ref No. | Amount | Remarks | |
|-------|-------------------|---------------|------------|-----------------------|-------------|-----------------|--------------------|
| | | | | | Euro | Euro To INR | INR |
| 1 | Supplies Services | RJ/22/EPC/155 | 30.03.2023 | 2054/EPCC-9/SUP/ADV01 | | 16,98,73,200.00 | |
| 2 | Supplies Services | RJ/22/EPC/161 | 31.03.2023 | 2054/EPCC-9/SUP/ADV02 | 1,27,07,427 | 113,51,54,474 | 1 Euro = 89.33 INR |
| 3 | Supplies Services | RJ/22/EPC/162 | 31.03.2023 | 2054/EPCC-9/SUP/ADV03 | 36,63,577 | 32,72,67,336 | 1 Euro = 89.33 INR |
| | | | | Total | 1,63,71,004 | 146,24,21,811 | 16,98,73,200 |

Annexure-3 For Construction/Site work (As per FORM SP-3)

HRRL- PPU Barrier

| SI No | Description | Invoice No. | Inv. Date | Site Ref No. | Amount | Remarks | |
|-------|-----------------------|---------------|------------|-----------------------|--------|-----------------|-----|
| | | | | | Euro | Euro To INR | INR |
| 1 | Construction Services | RJ/22/EPC/56 | 17.09.2022 | 2054/EPCC-9/CON/RA1 | | 10,40,76,364.00 | |
| 2 | Construction Services | RJ/22/EPC/124 | 30.01.2023 | 2054/EPCC-9/CON/RA3 | | 7,13,12,331.23 | |
| 3 | Construction Services | RJ/22/EPC/139 | 14.03.2023 | 2054/EPCC-9/CON/RA5 | | 3,22,54,047.88 | |
| 4 | Construction Services | RJ/22/EPC/163 | 31.03.2023 | 2054/EPCC-9/CON/RA6 | | 23,55,44,989.77 | |
| 5 | Construction Services | RJ/22/EPC/17 | 20.04.2023 | 2054/EPCC-9/CON/RA9 | | 9,39,51,607.88 | |
| 6 | Construction Services | RJ/23/EPC/48 | 13.05.2023 | 2054/EPCC-9/CON/RA10 | | 1,74,50,754.42 | |
| 7 | Construction Services | RJ/23/EPC/57 | 30.05.2023 | 2054/EPCC-9/CON/RA10A | | 63,84,682.75 | |
| 8 | Construction Services | RJ/23/EPC/66 | 24.06.2023 | 2054/EPCC-9/CON/RA12 | | 1,66,89,020.95 | |
| 9 | Construction Services | RJ/23/EPC/90 | 14.07.2023 | 2054/EPCC-9/CON/RA14 | | 3,72,35,781.35 | |
| 10 | Construction Services | RJ2023100001 | 25.08.2023 | 2054/EPCC-9/CON/RA16 | | 4,17,71,107.05 | |
| 11 | Construction Services | RJ2023100028 | 15.09.2023 | 2054/EPCC-9/CON/RA18 | | 6,50,89,665.90 | |
| | | | | Total | 0 | 72,17,60,353.18 | |

