

Proxy Advisory Report (Addendum)

Capacite Infraprojects Ltd

ABOUT SES

Stakeholders Empowerment Services (SES) is a Corporate Governance Research and Advisory Firm. SES assists Investors to analyze Governance Practices including matters relating to sustainability, prevalent at Listed Entities and empower Investors to undertake meaningful engagement with Investee Entities.

SES SERVICES

E-BRSR Tool: Online web-based platform to create **BRSR Report** by the Company and generate **XBRL** in seamless, cost and time effective manner
 Already subscribed by HUL, Maruti, TVS Motors, Kansai Nerolac, CDSL, Hero, L&T, Wipro, Bharat Forge, Reliance Group and many others. [Read More](#)
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SES AIMS:
 Designed primarily for Institutional Investors to carry out their stewardship activities in an efficient manner.
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Proxy Advisory:
 Advises Investors on the matters that require shareholder approval at Listed Entities and identify Governance Issues.
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ESG Scores:
 Analyze sustainability initiatives of Companies based on various environmental, social and governance factors.
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Corporate Governance Score (CGS):
 CGS model measures the Company's compliance and also evaluates the Governance Practices with respect To Global Benchmarks. [Read More](#)

E-Ballot:
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COMPANY INFORMATION

BSE CODE: 540710
NSE SYMBOL: CAPACITE
ISIN: INE264T01014
Industry: Civil Construction
Email: cs@capacite.in
Phone: +91 022 7173 3733
Registered Office: 605-607, 6th Floor, Shrikant Chambers, Phase – I, Adjacent to R K Studios, Sion-Trombay Road, Chembur, Mumbai – 400071, Maharashtra, India

MEETING DETAILS

Meeting Type: PB
Voting Deadline: 14th March, 2026
Notice Date: 11th February, 2026
Notice: [Click here](#)
Annual Report: [FY 2024-25](#)
SES PA Report (Last AGM): [Report](#)

E-VOTING DETAILS

e-Voting Platform: [NSDL](#)
Cut-off Date: 6th February, 2026
Remote E-voting:

- Start:** 13th February, 2026
- Ends:** 14th March, 2026

ADDENDUM REPORT RELEASE DATE: 10th March, 2026

Research Analyst: Pravar Bhatnagar
Conflict Disclosure: SES - No Conflict | Analyst - No Conflict

PROXY ADVISORY REPORT | FOR LIMITED CIRCULATION

ADDENDUM

There is a change in the SES recommendation on Resolution #1 from 'AGAINST' to 'FOR' based on the Company's clarification and additional disclosures. There are no other changes apart from the above.

EXISTING RECOMMENDATION					
S. No	Resolution	Type	SES Observation #	Rec.	Rationale
1	Approval for Material Related Party Transaction between CIL MMEPL Ekatha Private Limited, a Subsidiary of the Company, and Mohan Mutha Export Private Limited, a Related Party of the Subsidiary.	O	GC+TC	AGAINST	Lack of clarity whether prior approval of shareholders sought or not; Basis of pricing not disclosed;
REVISED RECOMMENDATIONS					
1	Approval for Material Related Party Transaction between CIL MMEPL Ekatha Private Limited, a Subsidiary of the Company, and Mohan Mutha Export Private Limited, a Related Party of the Subsidiary.	O	LC	FOR	No governance concern has been identified.

S - Special Resolution | O – Ordinary Resolution; Rec. - Recommendation

LC - Legally Compliant, NC - Legally Non-Compliant, TC - Disclosures & Transparency Concern, GC - Governance Concern

BACKGROUND

SES, as per its policy, had emailed its PA Report ([Weblink](#)) to the Company on 6th March, 2026, in respect of the PB of the Company.

Post release of PA Report, SES received an email from the Company on 7th March, 2026. The Company, through the email, provided its view point, which is reproduced at the last in *blue text*.

It may be noted that the email of the Company dated 7th March, 2026 (as per SES policy framed to comply with SEBI Circular dated 3rd August, 2020 [SEBI/HO/IMD/DF1/CIR/P/2020/147](#)) has already been forwarded to SES clients as it is, without any inputs from SES.

This Addendum provides appropriate responses of SES, wherever required.

SES COMMENTS TO COMPANY'S RESPONSE

Company's View:

In response to the observations raised in the Report, please find below our clarifications for your consideration.

S. No	Observation of Proxy Advisor (SES)	Clarification / Confirmation
1.	<i>Whether shareholder approval is being obtained prior to the value of the transaction exceeding the materiality threshold.</i>	<i>Yes. The value of transactions between MMEPL and CIL MMEPL will not exceed the materiality threshold under Regulation 23 of the SEBI (LODR) Regulations, 2015 until passing of the shareholder resolution.</i>
2.	<i>Basis of Arms' Length pricing</i>	<i>The pricing for the materials and services supplied by MMEPL to CIL MMEPL is determined based on the following commercial principles: a) prevailing market prices for similar materials and services, b) competitive quotations obtained from comparable vendors where applicable, and c) the terms and conditions including pricing, credit period and service scope are comparable to those offered by MMEPL to unrelated third parties for similar transactions.</i>



3.	<i>Omnibus approval – How approval may be sought for more than two years.</i>	<i>The proposed transaction is not in the nature of an omnibus approval. The approval sought pertains to a specific project, i.e., development of the Ekatha Harbour Project at Maldives – Landside Works pursuant to the work order received from Rail Vikas Nigam Limited (RVNL). Since the transactions are directly linked to the execution timeline of this project, which extends beyond one year, the approval is sought for a period aligned with the project duration.</i>
4.	<i>How purchase / provision of appropriate equipment and plant is in the ordinary course of business.</i>	<i>Yes, the transaction is in the ordinary course of business. In EPC and construction projects, provision of equipment, plant, materials and subcontract services is a necessary and integral part of project execution. In the present case, the transactions between MMEPL and CIL MMEPL relate to supply of equipment and plant such as JCB, Mobile Crane, Generators, Excavators and Concrete Mixers, along with materials and subcontract services required for execution of the Ekatha Harbour Project. Accordingly, such transactions form part of the ordinary course of business.</i>

SES View:

SES, in its report, has made a few observations and has raised concerns over certain issues. The Company, in its response, has provided additional clarification. Accordingly, the SES’s concerns and observations are being revised as follows.

1) Omnibus approval

SES has not raised any governance concern in this regard. However, SES observed that the notice categorises the approval as “omnibus” and seeks approval for a period exceeding one year (i.e., two years as per the notice). As per the SEBI Circular dated 11th November 2024 ([Weblink](#)), omnibus approvals for material related party transactions are permitted only for a maximum period of one year.

The Company, in its response, has clarified that the proposed approval is specific in nature and not omnibus.

SES notes that the classification of a transaction as specific or omnibus is also assessed independently based on SES policy. Based on such assessment, SES is of the view that the proposed transaction qualifies as a specific transaction, and therefore, shareholder approval for a period exceeding one year may be obtained.

Nevertheless, SES highlights that the Company should ensure adequate clarity in the notice itself while seeking shareholder approval, so that shareholders are able to clearly understand the nature of the approval being sought and make a well-informed decision.

Accordingly, **there is no concern under this head.**

2) Ordinary course of business

SES has not raised any concern in this regard. However, SES questioned and highlighted that the Company should clarify “*how the purchase of equipment and plant falls under the ordinary course of business*”. The Company, in its response, has clarified that by mentioning the purchase of equipment and plant, the Company intended to refer few EPC-related equipment like “*JCB, Mobile Crane, Generators, Excavators and Concrete Mixers, along with materials and subcontract services required for execution of the Ekatha Harbour Project*”.

While SES understands the nature of the industry in which the Company operates, SES expects specific disclosures and adequate references whenever any asset, plant, property, machinery, or similar item is mentioned in relation to the proposed transaction(s).

SES is of the view that such disclosures are essential for shareholders to clearly determine the exact nature and relevance of the asset involved. Accordingly, the Company should ensure that no information gap remains while presenting such details in the notice or accompanying documents.

Accordingly, the Company has provided adequate clarity in this regard. **The question raised by SES pertaining to this head remains addressed.**

3) Prior approval

SES, in its report, had raised a transparency concern regarding the lack of clarity on whether the materiality threshold would be breached before the shareholders' approval is obtained, and whether the approval being sought is a prior approval or not.

The Company, in its response, has explicitly clarified that the transactions between MMEPL and CIL MMEPL will not exceed the materiality threshold prior to the shareholders' approval being accorded.

Accordingly, the concern raised by SES under this head stands addressed.

4) Basis of arms' length pricing

SES, in its report, has raised a governance and transparency concern due to inadequate disclosure in the notice w.r.t. the arms' length pricing.

The Company, in its response, has now provided the following:

The pricing for the materials and services supplied by MMEPL to CIL MMEPL is determined based on the following commercial principles:

a) prevailing market prices for similar materials and services,

b) competitive quotations obtained from comparable vendors where applicable, and

c) the terms and conditions including pricing, credit period and service scope are comparable to those offered by MMEPL to unrelated third parties for similar transactions.

SES is of the opinion that the aforesaid disclosures are now adequate, based on the clarification provided by the Company.

Accordingly, the concern raised under this head stands addressed.

Based on the above, SES is changing its recommendation **from 'AGAINST' to 'FOR'** on the proposed resolution.

COMPANY'S EMAIL

Dear Mr. Bhatnagar,

We refer to the Proxy Advisory Report dated March 06, 2026 issued by Stakeholders Empowerment Services (SES) in relation to the postal ballot notice seeking shareholders' approval for related party transactions between Mohan Mutha Exports Private Limited and CIL MMEPL Ekatha Private Limited.

In this regard, please find attached our letter providing clarifications on the observations raised in the Report.

We trust that the clarifications provided will address the queries raised. However, should you require any further information or clarification, please feel free to reach out to us.

Thank you.

Best Regards,

Company Secretary | Capacit'e Infraprojects Limited

Attachment link – [Click here](#)



Disclaimer Sources

Only publicly available data has been used while making the report. Our data sources include Notice of Shareholders' Meeting, BSE, NSE, SEBI, Capitaline, MCA, Moneycontrol, Businessweek, Reuters, Annual Reports, Sustainability Reports, IPO Documents and Company Website.

Analyst Certification

The Analyst(s) involved in development of this Report certify that no part of the Research Analyst's compensation was, is, or will be directly or indirectly related to the specific recommendations or views expressed by the Research Analyst(s) in this Report. The concerned Research Analyst(s) and Director(s) do not have any pecuniary relationship with the Reported Company, except that they may be holding miniscule shares in the Company which does not impact their independence in respect of this Report.

SES may be a shareholder in the Company holding equity shares as disclosed on its [website](#). The objective of SES' investment is solely to obtain Shareholders' communications from the Company as a shareholder.

CAUTIONARY STATEMENT

The recommendations made by SES are based on publicly available information and conform to SES's stated Proxy-Advisory Guidelines. SES opinion is based on SES's interpretation of law and governance benchmarks, which may differ from opinion/ benchmarks of other analysts or practitioners. Further, SES analysis is recommendatory in nature and reflects how SES would have voted if it was a shareholder. Therefore, SES expects that the clients will evaluate the effect of their vote on their investments independently and diligently and will vote accordingly. Subscribers may also carry out an impact analysis of their votes and keep the same as an addendum for their records. In our opinion, Institutional investors are positioned significantly differently from other shareholders due to their ability to engage with the board and the management to bring out desired result. As a firm, it is our endeavour to improve the level of corporate governance while not causing any disruption in company's proceedings and therefore we respect the independence of investors to choose alternate methods to achieve similar results.

Disclaimer

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All disputes shall be subject to jurisdiction of High Court of Bombay, Mumbai.

Concern terminology

NC – Compliance Concern: The Company has not met statutory compliance requirements

FC – Fairness Concern: The Company has proposed steps which may lead to undue advantage to a particular class of shareholders and can have adverse impact on non-controlling shareholders including minority shareholders

GC – Governance Concern: SES questions the governance practices of the Company. The Company may have complied with the statutory requirements in letter. However, SES finds governance issues as per its standards.

TC - Disclosures & Transparency Concern: The Company has not made adequate disclosures necessary for shareholders to make an informed decision. The Company has intentionally or unintentionally kept the shareholders in dark.

Company Information



Stakeholders Empowerment Services

SEBI Reg. No. INH000000016

CIN No. -

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