



ENGINEERING

M&B Engineering Ltd.

Registered Office: 'MB House', 51, Chandroday Society, Stadium Road, Naranpura, Ahmedabad - 380 014, Gujarat, India

CIN: L45200GJ1981PLC004437 | T: +91 79 2640 5563/ 2646 1314 | E: info@mbphenix.com / info@mbproflex.com

Web.: www.mbel.in

13th May, 2026

To, National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai – 400051 Symbol: MBEL	To BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 Script Code: 544470
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Dear Sir/Madam,

Sub.: Monitoring Agency Report for the quarter ended March 31, 2026

Pursuant to Regulation 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Regulation 41 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 , please find enclosed herewith Monitoring Agency Report for the quarter ended March 31, 2026, issued by Crisil Ratings Limited, (the “Monitoring Agency”), in respect of utilization of proceeds of the Initial Public Offer of the Company.

The Monitoring Agency Report is also available on website of the Company i.e. www.mbel.in

You are requested to kindly note the above.

Thanking you,

Yours faithfully,

for M & B ENGINEERING LIMITED

CHIRAG H. PATEL
JOINT MANAGING DIRECTOR
(DIN: 00260514)

Monitoring Agency Report
for
M & B Engineering Limited
for the quarter ended
March 31, 2026

CRL/MAR/ GDS10982 /2025-26/1757

May 13, 2026

To

M & B Engineering Limited

MB House, 51, Chandrodaya Society, Opp.
Golden Triangle Stadium Road, Post Navjivan,
Ahmedabad – 380 014, Gujarat, India

Dear Sir,

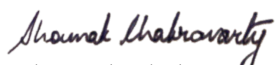
**Monitoring Agency Report for the quarter ended March 31, 2026 - in relation to the Initial Public Offer
("IPO") of M & B Engineering Limited ("the Company")**

Pursuant to Regulation 41(2) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("**SEBI ICDR Regulations**") and Monitoring Agency Agreement dated June 27, 2024, enclosed herewith the Monitoring Agency Report, issued by Crisil Ratings Limited, Monitoring Agency, as per Schedule XI of the SEBI ICDR Regulations towards utilization of proceeds of IPO for the quarter ended March 31, 2026.

Request you to kindly take the same on records.

Thanking you,

For and on behalf of Crisil Ratings Limited



Shounak Chakravarty
Director, Ratings (LCG)

Report of the Monitoring Agency (MA)

Name of the issuer: M & B Engineering Limited

For quarter ended: March 31, 2026

Name of the Monitoring Agency: Crisil Ratings Limited

(a) Deviation from the objects: Not applicable

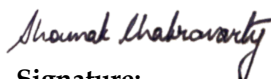
(b) Range of Deviation: Not applicable

Declaration:

We declare that this report provides an objective view of the utilization of the issue proceeds in relation to the objects of the issue based on the information provided by the Issuer and information obtained from sources believed by it to be accurate and reliable. The MA does not perform an audit and undertakes no independent verification of any information/ certifications/ statements it receives. This Report is not intended to create any legally binding obligations on the MA which accepts no responsibility, whatsoever, for loss or damage from the use of the said information. The views and opinions expressed herein do not constitute the opinion of MA to deal in any security of the Issuer in any manner whatsoever. Nothing mentioned in this report is intended to or should be construed as creating a fiduciary relationship between the MA and any issuer or between the agency and any user of this report. The MA and its affiliates also do not act as an expert as defined under Section 2(38) of the Companies Act, 2013.

The MA or its affiliates may have credit rating or other commercial transactions with the entity to which the report pertains and may receive separate compensation for its ratings and certain credit-related analyses. We confirm that we do not perceive any conflict of interest in such relationship/interest while monitoring and reporting the utilization of the issue proceeds by the issuer.

We have submitted the report herewith in line with the format prescribed by SEBI, capturing the comments, where applicable. There are certain sections of the report under the title "Comments of the Board of Directors", that shall be captured by the Issuer's Management / Audit Committee of the Board of Directors subsequent to the MA submitting their report to the issuer and before dissemination of the report through stock exchanges. These sections have not been reviewed by the MA, and the MA takes no responsibility for such comments of the issuer's Management/Board.



Signature:

Name and designation of the Authorized Signatory: Shounak Chakravarty

Designation of Authorized person/Signing Authority: Director, Ratings (LCG)

1) Issuer Details:

Name of the issuer: M & B Engineering Limited

Names of the promoter:

- a. Mr. Girishbhai Manibhai Patel
- b. Mr. Chirag Hasmukhbhai Patel
- c. Mr. Malav Girishbhai Patel
- d. Mr. Birva Chirag Patel
- e. Mr. Vipinbhai Kantilal Patel
- f. Mr. Aditya Vipinbhai Patel
- g. Chirag H Patel Family Trust
- h. MGM11 Family Trust
- i. MGM5 Family Trust
- j. Aditya V Patel Family Trust
- k. Vipin K Patel Family Trust

Industry/sector to which it belongs: Construction

2) Issue Details

Issue Period: 30 July 2025 to 01 August 2025

Type of issue (public/rights): Initial Public Offer (IPO)

Type of specified securities: Equity Shares

IPO Grading, if any: NA

Issue size: Fresh issue of Rs 2,750.00* million

*Note:

Particulars	Amount (Rs. million)
Gross proceeds of the Fresh Issue	2,750.00 [#]
Less: Issue Expenses	156.80
Net Proceeds	2,593.20

[#]Crisil Ratings shall be monitoring the gross proceeds.

3) Details of the arrangement made to ensure the monitoring of issue proceeds:

Particulars	Reply	Source of information/certifications considered by Monitoring Agency for preparation of report	Comments of the Monitoring Agency	Comments of the Board of Directors
Whether all utilization is as per the disclosures in the Offer Document?	Yes	Management undertaking, Statutory Auditor's certificate [^] , Prospectus (hereinafter referred as "Offer document") dated August 01, 2025, Bank Statements	Gross Proceeds of the Issue, is utilized towards the object of the issue: capital Expenditure and issue expenses	No Comments
Whether shareholder approval has been obtained in case of material deviations from expenditures disclosed in the Offer Document?	NA	Management undertaking, Statutory Auditor's certificate [^]	No Comments	No Comments
Whether the means of finance for the disclosed objects of the issue has changed?	No		No Comments	No Comments
Is there any major deviation observed over the earlier monitoring agency reports?	No		No Comments	No Comments
Whether all Government/statutory approvals related to the object(s) have been obtained?	NA		No Comments	No Comments
Whether all arrangements pertaining to technical assistance/collaboration are in operation?	NA		No Comments	No Comments
Are there any favorable events improving the viability of these object(s)?	No		No Comments	No Comments
Are there any unfavorable events affecting the viability of the object(s)?	No		No Comments	No Comments
Is there any other relevant information that may materially affect the decision making of the investors?	No		No Comments	No Comments

NA represents Not Applicable

^ Certificate dated May 06, 2026, issued by M/s Talati & Talati LLP, Chartered Accountants (Firm Registration Number: 110758W/W100377), Statutory Auditors of the Company.

4) Details of object(s) to be monitored:

i. Cost of the object(s):

Sr. No	Item Head	Source of information/certification considered by MA for preparation of report	Original cost (as per the Offer Document) (Rs in million)	Revised Cost (Rs in million)	Comment of the Monitoring Agency	Comments of the Board of Directors		
						Reason of Cost revision	Proposed financing option	Particulars of firm arrangements made
1	Funding the capital expenditure requirements for the purchase of equipment and machinery, building works, solar rooftop grid and transport vehicles at the Manufacturing Facilities	Management undertaking, Statutory Auditor's certificate^, Prospectus	1,305.79	NA	No revision during the reported quarter	No revision		
2	Investment in IT software upgradation by the Company		52.00	NA	No revision during the reported quarter	No revision		
3	Re-payment or pre-payment of term loans, in full or in part, of certain borrowings availed by the Company		587.50	NA	No revision during the reported quarter	No revision		
4	General Corporate Purposes ^s		647.91	NA	No revision during the reported quarter	No revision		
	Sub-total		2,593.20	-	-	-		
5	Issue Expense		156.80	NA	No revision during the reported quarter	No revision		
	Total	2750.00	-	-	-			

^ Certificate dated May 06, 2026, issued by M/s Talati & Talati LLP, Chartered Accountants (Firm Registration Number: 110758W/W100377), Statutory Auditors of the Company.

§The amount utilised for general corporate purposes does not exceed 25% of the Gross Proceeds (amounting to Rs 687.50 million) from the Fresh Issue.

ii. Progress in the object(s):

Sr. No.	Item Head#	Source of information/certifications considered by Monitoring Agency for preparation of report	Amount as proposed in the Offer Document (Rs in million)	Amount utilized (Rs in million)			Total unutilized amount (Rs in million)	Comments of the Monitoring Agency	Comments of the Board of Directors	
				As at beginning of the quarter	During the quarter (Refer note 1)	At the end of the quarter			Reasons for idle funds	Proposed course of action
1	Funding the capital expenditure requirements for the purchase of equipment and machinery, building works, solar rooftop grid and transport vehicles at the Manufacturing Facilities	Management undertaking, Statutory Auditor's certificate ^, Prospectus, Bank Statements	1,305.79	73.81	74.92	148.73	1,157.06	Refer Note 2&3	-	
2	Investment in IT software upgradation by the Company		52.00	NA	Nil	Nil	52.00	No utilisation reported during the quarter	-	
3	Re-payment or pre-payment of term loans, in full or in part, of certain borrowings availed by the Company		587.50	587.50	Nil	587.50	Nil	Fully utilised during the quarter ended September 30, 2025	-	
4	General Corporate Purposes\$		647.91	641.84	Nil	641.84	6.07	No utilisation reported during the quarter	-	
Sub-total			2,593.20	1,303.15	74.92	1,378.07	1,215.13			

Sr. No.	Item Head#	Source of information/certifications considered by Monitoring Agency for preparation of report	Amount as proposed in the Offer Document (Rs in million)	Amount utilized (Rs in million)			Total unutilized amount (Rs in million)	Comments of the Monitoring Agency	Comments of the Board of Directors	
				As at beginning of the quarter	During the quarter (Refer note 1)	At the end of the quarter			Reasons for idle funds	Proposed course of action
5	Issue Expense		156.80	125.89	2.85	128.74	28.06	Fees payable towards other offer related expenses category as per offer document <i>Refer note 1</i>	-	
	Total		2,750.00	1,429.04	77.77	1,506.81	1,243.19	-		

^Certificate dated May 06, 2026, issued by M/s Talati & Talati LLP, Chartered Accountants (Firm Registration Number: 110758W/W100377), Statutory Auditors of the Company.

Note 1: During quarter ended March 31, 2026, the total utilisation towards issue expenses aggregated to Rs 23.85 million. Of the aforesaid amount Rs 2.85 million pertains to the Fresh Issue component and the balance Rs 21.00 million pertains to the Offer for sale by the selling Shareholders.

Note 2: During the quarter ended March 31, 2026, the Company procured equipment, machinery, and transport vehicles from the vendors, which differed from those specified in the Offer Document. This development is consistent with the disclosures made in the Offer Document that states, the company had not entered into any definitive agreements with the suppliers and that there could be no assurance that the aforementioned suppliers would ultimately be engaged to provide the services.

Note 3: As per the Statutory auditor certificate and management undertaking, the Company has transferred Rs 0.05 million from the monitoring account to the cash credit account of the company maintained with Bank of Baroda, for utilization towards the objects of the issue i.e. capital expenditure towards TDS payment for operational ease.

#Brief description of objects:

Object of the Issue	Description of objects as per the offer document filed by the issuer
Funding the capital expenditure requirements for the purchase of equipment and machinery, building works, solar rooftop grid and transport vehicles at the Manufacturing Facilities	The proposed addition of equipment and machinery, building works, solar rooftop grid and transport vehicles at the Manufacturing Facilities is for streamlining the production and increasing the availability of equipment, which the company believe will result in increasing production efficiency and capacity, in order to ensure optimum capacity utilisation to meet the increasing demand of the existing and new customers.

Investment in IT software upgradation by the Company	The functions of the proposed IT upgradation will inter alia include: • Cloud Computing and Infrastructure Modernization; • Enterprise Resource Planning (ERP) System Enhancement; • Advanced Cybersecurity Measures; • Artificial Intelligence and Automation; • Digital Experience and Customer Engagement Platforms; and • Business Intelligence, Data Analytics Networking and Communication Upgrades
Re-payment or pre-payment of term loans, in full or in part, of certain borrowings availed by the Company	The company has mentioned that the term loan of Rs 587.50 million has been solely utilised towards expansion of the Cheyyar Facility
General Corporate Purposes	<p>The general corporate purposes for which Company proposes to utilise Net Proceeds include ongoing general corporate contingencies, strategic initiatives, funding growth opportunities, including acquisitions and meeting exigencies, brand building, meeting expenses incurred by the Company in the ordinary course of business, payment of commission and/or fees to the consultants research & development expenses, construction of office building, working capital requirements.</p> <p>The quantum of utilisation of funds toward the aforementioned purposes will be determined by the Board based on the amount actually available under the head “General Corporate Purposes” and the corporate requirements of the Company, from time to time</p>

iii. Deployment of unutilised proceeds as at quarter ended March 31, 2026, ^:

Based on Management undertaking and Certificate dated May 06, 2026, issued by M/s Talati & Talati LLP, Chartered Accountants (Firm Registration Number: 110758W/W100377), Statutory Auditors of the Company.

Sr. No.	Type of instrument and name of the entity invested in	Amount invested (Rs. in million)	Maturity date	Earning as at quarter end (Rs. in million) *	Return on Investment (%)	Market Value as at the end of quarter (Rs. In million)
1	FD -1350451795 Kotak Mahindra Bank	100.20	06-Apr-26	1.48	6.00%	101.68
2	FD -1350334166 Kotak Mahindra Bank	76.00	20-Aug-26	1.21	6.45%	77.21
3	FD -018913037315 ICICI BANK	83.00	15-Aug-26	1.28	6.25%	84.28
4	FD -018913037316 ICICI BANK	83.00	15-Aug-26	1.28	6.25%	84.28
5	FD -018913037317 ICICI BANK	82.90	15-Aug-26	1.28	6.25%	84.18
6	FD - 925040093474430AXIS BANK	56.00	14-Apr-26	0.82	5.95%	56.82

7	FD - 925040093473165 AXIS BANK	56.00	14-May-26	0.84	6.05%	56.84
8	FD - 925040093924241 AXIS BANK	83.00	14-Aug-26	1.31	6.40%	84.31
9	FD - 925040093922405 AXIS BANK	83.00	24-Aug-26	1.31	6.40%	84.31
10	FD - 925040093919449 AXIS BANK	83.00	25-Aug-26	1.31	6.40%	84.31
11	FD - 925040094110748 AXIS BANK	56.00	19-Oct-26	0.80	5.80%	56.80
12	FD - 925040094128477 AXIS BANK	100.10	20-Aug-26	1.58	6.40%	101.68
13	FD -50301274919485 HDFC BANK	20.00	06-Apr-26	0.16	3.25%	20.16
14	FD -50301261945405 HDFC BANK	30.40	11-Apr-26	0.41	5.50%	30.81
15	FD -50301202749500 HDFC BANK	30.40	10-Jun-26	0.41	5.50%	30.81
16	FD -50301202750642 HDFC BANK	30.40	16-Aug-26	0.43	5.75%	30.83
17	FD -50301202755845 HDFC BANK	127.60	14-Aug-26	1.97	6.25%	129.57
18	Balance lying in MA Account	28.87		NA	NA	28.87
19	Balance lying in Escrow Account Refer note 4	33.32		NA	NA	33.32
Total		1243.19		17.88		

* Monitoring the interest income earned on Fixed deposits does not form part of the scope of Monitoring Agency report

Note 4: As at 31 March 2026, the balance in the Escrow Account amounts to Rs. 57.54 million, out of which Rs. 33.32 million pertains to the Fresh Issue portion. Of the said Fresh Issue amount, Rs. 5.26 million represents net proceeds, while the remaining Rs. 28.06 million relates to issue expenses.

iv. Delay in implementation of the object(s):

Based on Management undertaking and Certificate dated January 27, 2026, issued by M/s Talati & Talati LLP, Chartered Accountants (Firm Registration Number: 110758W/W100377), Statutory Auditors of the Company.

Object(s)	Completion Date		Delay (no. of days/months)	Comments of the Board of Directors	
	As per the Offer Document	Actual		Reason of delay	Proposed course of action
Funding the capital expenditure requirements for the purchase of equipment and machinery, building works, solar rooftop grid and transport vehicles at the Manufacturing Facilities	Fiscal -2026 Rs 450.00 million	Refer Note 5	Refer Note 5	-	-
Investment in IT software upgradation by the Company	Fiscal -2026 Rs 32.00 million			-	-
General Corporate Purposes	Fiscal -2026 Rs 647.91 million			-	-

Note 5: As per Company's Prospectus dated August 01, 2025, the Company had estimated to utilize Rs 1129.91 million for the above-mentioned objects of the issue by Fiscal 2026. However, based on Statutory Auditor certificate and management undertaking, the Company has utilized Rs 790.57 million only as at the end of fiscal 2026, hence, there is a delay in the implementation schedule. This delay towards objects is on account of the Negotiation not finalized for the utilizations. The company intends to utilize the unspent amount subsequent period.

However, the Prospectus further states that, "In the event that the estimated utilization of the Net Proceeds in a scheduled fiscal year is not completely met, due to the reasons stated above, the same shall be utilised in the next fiscal year, as may be determined by our Company, in accordance with applicable laws."

5) Details of utilization of proceeds during the reported quarter stated as General Corporate Purpose amount in the offer document:

No utilisation, based on Management undertaking and Certificate dated January 27, 2026, issued by M/s Talati & Talati LLP, Chartered Accountants (Firm Registration Number: 110758W/W100377), Statutory Auditors of the Company.

Disclaimers:

- a) *This Report is prepared by Crisil Ratings Limited (hereinafter referred to as "Monitoring Agency" / "MA" / "CRL"). The MA has taken utmost care to ensure accuracy and objectivity while developing this Report based on the information provided by the Issuer and information obtained from sources believed by it to be accurate and reliable. The views and opinions expressed herein do not constitute the opinion of MA to deal in any security of the Issuer in any manner whatsoever.*
- b) *This Report has to be seen in its entirety; the selective review of portions of the Report may lead to inaccurate assessments. For the purpose of this Report, MA has relied upon the information provided by the management /officials/ consultants of the Issuer and third-party sources like Statutory Auditor's (or from peer reviewed CA firms) appointed by the Issuer believed by it to be accurate and reliable.*
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