DRAFT RED HERRING PROSPECTUS
January 6, 2018
Please read Section 32 of the Companies Act 2013
(This Draft Red Herring Prospectus will be updated upon filing with the RoC)
100% Book Building Issue

Every Milestone is our Value

PATEL INFRASTRUCTURE LIMITED

Our Company was incorporated as "Patel Infrastructure Private Limited" on April 13, 2004, as a private limited company under the Companies Act 1956, at Rajkot, Gujarat with a certificate of incorporation issued by the Assistant Registrar of Companies, Gujarat at Dadra and Nagar Haveli. Pursuant to the conversion of our Company to a public limited company, our name was changed to "Patel Infrastructure Limited" and a fresh certificate of incorporation was issued by the Registrar of Companies, Gujarat at Ahmedabad (the "**RoC**") on December 11, 2017. For further details on the changes in the name and registered office of our Company, see "***History and Certain Corporate Matters***" on page 179.

Corporate Identity Number: U45201GJ2004PLC043955
Registered and Corporate Office: "Patel House", beside Prakruti Resort, Chhani Road, Chhani, Vadodara 391740, Gujarat, India **Tel**: (+91) 265 277 6678 **Fax**: (+91) 265 277 7878
Contact Person: Mr. Aswini Kumar Sahu, Company Secretary and Compliance Officer **Tel:** (+91) 265 277 6678 **Fax:** (+91) 265 277 7878
E-mail: ho@patelinfra.com **Website**: www.patelinfra.com

OUR PROMOTERS: MR. PRAVINBHAI VITHALBHAI PATEL, MR. ARVIND VITHALBHAI PATEL, MR. DINESHBHAI PRAGJIBHAI VAVIYA, MR. MADHUBHAI PRAGJIBHAI VAVIYA AND MR. SURESHBHAI PRAGJIBHAI VAVIYA

INITIAL PUBLIC OFFERING OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH (THE "EQUITY SHARES") OF PATEL INFRASTRUCTURE LIMITED (OUR "COMPANY" OR THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) (THE "ISSUE PRICE") AGGREGATING UP TO ₹ 4,000 MILLION (THE "ISSUE"). THE ISSUE SHALL CONSTITUTE [●]% OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS (THE "BRLMs") AND WILL BE ADVERTISED IN [●] EDITIONS OF [●] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER), [●] EDITIONS OF [●] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER AND [●] EDITIONS OF [●] (A WIDELY CIRCULATED GUJARATI NATIONAL DAILY NEWSPAPER, GUJARATI ALSO BEING THE REGIONAL LANGUAGE IN THE PLACE WHERE OUR REGISTERED OFFICE IS LOCATED) AT LEAST FIVE WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO THE BSE LIMITED (THE "BSE") AND THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED (THE "NSE", AND TOGETHER WITH THE BSE, THE "STOCK EXCHANGES") FOR THE PURPOSES OF UPLOADING ON THEIR RESPECTIVE WEBSITES.

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10 EACH AND THE ISSUE PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES

In case of any revision in the Price Band, the Bid/Issue Period will be extended for at least three additional Working Days after such revision of the Price Band, subject to the Bid/Issue Period not exceeding a total of 10 Working Days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a press release and also by indicating the change on the websites of the BRLMs, and at the terminals of the members of the Syndicate.

The Issue is being made in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the "**SCRR**") read with Regulation 41 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the "**SEBI ICDR Regulations**"), through the Book Building Process and in compliance with Regulation 26(1) of the SEBI ICDR Regulations, wherein 50% of the Issue shall be Allotted to Qualified Institutional Buyers ("**QIBs**") (the "**QIB Category**"). Provided that our Company may, in consultation with the BRLMs, allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations (the "**Anchor Investor Portion**"), out of which one-third is to be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is made to Anchor Investors. Further, such number of Equity Shares representing 5% of the QIB Category (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the QIB Category shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Issue shall be available for allocation to Retail Individual Investors, in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price such that subject to availability of Equity Shares, each Retail Individual Investor shall be allotted not less than the minimum Bid lot and the remaining Equity Shares if available shall be allotted to all Retail Individual Investors on a proportionate basis. All Investors (except Anchor Investors) shall mandatorily participate in this Issue only through the Application Supported by Blocked Amount ("**ASBA**") process, and shall provide details of their respective bank account in which the Bid amount will be blocked by the Self Certified Syndicate Banks ("**SCSBs**"), to participate in the Issue. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For details, see "***Issue Procedure***" on page 410.

RISKS IN RELATION TO THE FIRST ISSUE

This being the first public issue of the Equity Shares, there has been no formal market for the Equity Shares of our Company. The face value of our Equity Shares is ₹ 10 and the Floor Price and Cap Price are [●] times and [●] times of the face value of the Equity Shares, respectively. The Issue Price (as determined and justified by our Company in consultation with the BRLMs, in accordance with SEBI ICDR Regulations, and as stated in "***Basis for Issue Price***" on page 108) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**"), nor does the SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "***Risk Factors***" on page 18.

ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect.

LISTING

The Equity Shares issued though the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. We have received in-principle approvals from the BSE and the NSE for the listing of the Equity Shares pursuant to their letters dated [●] and [●], respectively. For the purposes of this Issue, [●] shall be the Designated Stock Exchange. A signed copy of the Red Herring Prospectus and the Prospectus shall be delivered for registration to the RoC in accordance with Section 26(4) of the Companies Act 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus with the RoC up to the Bid/Issue Closing Date, see "***Material Contracts and Documents for Inspection***" on page 473.

BOOK RUNNING LEAD MANAGERS		REGISTRAR TO THE ISSUE
SBI Capital Markets Limited	IIFL	BIGSHARE SERVICES PVT. LTD.
SBI Capital Markets Limited 202, Maker Tower 'E' Cuffe Parade Mumbai 400 005 Maharashtra, India **Telephone**: (+91 22) 2217 8300 **Facsimile**: (+91 22) 2218 8332 **Email**: patelinfra.ipo@sbicaps.com **Investor Grievance E-mail**: investor.relations@sbicaps.com **Website**: www.sbicaps.com **Contact Person**: Mr. Ronak Shah/ Mr. Janardhan Wagle **SEBI Registration No.**: INM000003531	**IIFL Holdings Limited** 10th Floor, IIFL Centre Kamala City, Senapati Bapat Marg Lower Parel (West) Mumbai 400 013 Maharashtra, India **Telephone**: (+91 22) 4646 4600 **Facsimile**: (+91 22) 2493 1073 **E-mail**: patelinfra.ipo@iiflcap.com **Investor Grievance E-mail**: ig.ib@iiflcap.com **Website**: www.iiflcap.com **Contact Person**: Mr. Abhishek Joshi/ Ms. Nishita Mody **SEBI Registration No.**: INM000010940	**Bigshare Services Private Limited** 1st Floor, Bharat Tin Works Building, Opposite Vasant Oasis, Makwana Road, Marol, Andheri (East) Mumbai 400 059, Maharashtra, India **Tel:** (+91 22) 6263 8200 **Facsimile:** (+91 22) 6263 8299 **E-mail**: ipo@bigshareonline.com **Investor Grievance E-mail:** investor@bigshareonline.com **Website:** www.bigshareonline.com **Contact Person:** Mr. Babu Raphael **SEBI Registration No.:** INR000001385

BID/ISSUE PERIOD*			
BID/ISSUE OPENS ON*	[●]	**BID/ISSUE CLOSES ON ****	[●]

** Our Company, in consultation with the BRLMs, may consider participation by Anchor Investors, in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Issue Opening Date.*
*** Our Company, in consultation with the BRLMs, may decide to close the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date, in accordance with the SEBI ICDR Regulations.*

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SECTION I - GENERAL
DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates or implies, the following terms shall have the meanings provided below in this Draft Red Herring Prospectus, and references to any statute, legislation, act, rules, regulations, guidelines, policies, circulars, notifications or clarifications will include any amendments or re-enactments thereto, from time to time. In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document (as defined below), the definitions given below shall prevail.

*The words and expressions used but not defined in this Draft Red Herring Prospectus will have the same meaning as assigned to such terms under the Companies Act, 2013 (together the "**Companies Act, 2013**"), the Securities and Exchange Board of India Act, 1992 ("**SEBI Act**"), the SEBI ICDR Regulations, the SCRA, the Depositories Act and the rules and regulations made thereunder.*

*Unless the context otherwise indicates, all references to "**the Company**", "**our Company**" or "**the Issuer**" are references to Patel Infrastructure Limited, a company incorporated in India under the Companies Act, 1956 with its registered and corporate office situated at "Patel House", beside Prakruti Resort, Chhani Road, Chhani, Vadodara 391740, Gujarat, India and references to "**we**", "**us**" and "**our**" are references to our Company, together with its Subsidiaries, Associates and Joint Ventures (as defined below).*

Company Related Terms

Term	Description
AoA/ Articles of Association/ Articles	The articles of association of our Company, as amended
Audit Committee	The audit committee of our Board, as disclosed in "***Management***" on page 187
Auditors/ Statutory Auditors	The statutory auditor of our Company, being M/s Surana Maloo & Co., Chartered Accountant
Board/ Board of Directors	The board of directors of our Company, or a duly constituted committee thereof
Chairman	The chairman of our Board
Compliance Officer	Compliance officer of our Company appointed in terms of the SEBI ICDR Regulations
CSR Committee	The corporate social responsibility committee of our Board, as disclosed in "***Management***" on page 187
Director(s)	The director(s) on our Board
Equity Shares	The equity shares of our Company of face value of ₹ 10 each
Equity Shareholders/ Shareholders	The holders of the Equity Shares
Group Company	The group company of our Company as described in "***Promoters and Group Company***" on page 203, which have been identified based on the policy adopted by our Board pursuant to which a group company is any company which is covered under the Accounting Standard 18 issued by the Institute of Chartered Accountants of India ("**AS 18**") as per the restated consolidated financial information as of and for the Fiscals ended March 31, 2013, 2014, 2015, 2016, 2017 and the six months ended September 30, 2017, and any other company as considered material by our Board
KMP/ Key Management Personnel	Key management personnel of our Company in terms of Regulation 2(1)(s) of the SEBI ICDR Regulations and Section 2(51) of the Companies Act, 2013, as disclosed in "***Management***" on page 187
Materiality Policy	The policy adopted by our Board on December 16, 2017 for identification of group companies of our Company, outstanding litigation and outstanding dues to creditors in respect of our Company, pursuant to the disclosure requirements under the SEBI ICDR Regulations
MoA/ Memorandum of Association	The memorandum of association of our Company, as amended
Nomination and Remuneration Committee	The nomination and remuneration committee of our Board, as disclosed in "***Management***" on page 187
Order Book	Our Company's order book as of a particular date comprising the estimated revenues from the unexecuted portions of all our ongoing projects i.e. the total contract value

	of such ongoing projects secured by us as reduced by the value of work billed until the date of such order book
PBNPL	Patel Bridge Nirman Private Limited
PCTHPL	Patel Cholopuram-Thanjavur Highway Private Limited
PDJHPL	Patel Darah-Jhalawar Highway Private Limited
PHMPL	Patel Highway Management Private Limited
PHPL	Patel Hospitality Private Limited
PSCHPL	Patel Sethiyahopu-Cholopuram Highway Private Limited
Promoters	The promoters of our Company, namely Mr. Pravinbhai Vithalbhai Patel, Mr. Arvind Vithalbhai Patel, Mr. Dineshbhai Pragjibhai Vaviya, Mr. Madhubhai Pragjibhai Vaviya and Mr. Sureshbhai Pragjibhai Vaviya
Promoter Group	Persons and entities constituting the promoter group of our Company, pursuant to Regulation 2(1)(zb) of the SEBI ICDR Regulations
Registered and Corporate Office	The registered and corporate office of our Company, situated at "Patel House", beside Prakruti Resort, Chhani Road, Chhani, Vadodara 391740, Gujarat, India
Restated Consolidated Financial Information	Restated consolidated statement of assets and liabilities as at March 31, 2013, 2014, 2015, 2016, 2017 and the six months ended September 30, 2017 and restated consolidated statement of profit and loss and restated consolidated statement of cash flows for each of the Fiscals ended March 31, 2013, 2014, 2015, 2016, 2017 and the six months ended September 30, 2017 of our Company, its subsidiaries, associates and joint ventures, as applicable during the relevant periods, read along with all the schedules, annexures and notes thereto, which have been prepared in accordance with the requirements of the Companies Act, 2013 and Indian GAAP and restated in accordance with the SEBI ICDR Regulations and included in "***Financial Statements***" on page 211
Restated Financial Information	Collectively, the Restated Consolidated Financial Information and Restated Standalone Financial Information
Restated Standalone Financial Information	Restated standalone statement of financial information as at March 31, 2013, 2014, 2015, 2016, 2017 and the six months ended September 30, 2017 and restated standalone statement of profit and loss and restated standalone statement of cash flows for each of Fiscals ended March 31, 2013, 2014, 2015, 2016, 2017 and the six months ended September 30, 2017 of our Company read along with all the schedules, annexures and notes thereto, which have been prepared in accordance with the requirements of the Companies Act, 2013 and Indian GAAP and restated in accordance with the SEBI ICDR Regulations and included in "***Financial Statements***" on page 211
Stakeholders' Relationship Committee	The stakeholders' relationship committee of our Board, as disclosed in "***Management***" on page 187
Subsidiary or Subsidiaries	A subsidiary of our Company as of the date of this DRHP, in accordance with the Companies Act, 2013, namely, PHMPL, PBNPL, PHPL, PCTHPL, PSCHPL and PDJHPL

Issue Related Terms

Term	Description
Acknowledgment Slip	The slip or document issued by the Designated Intermediary(ies) to a Bidder as proof of registration of the Bid cum Application Form
Allotted/Allotment/Allot	Unless the context otherwise requires, the issue and allotment of the Equity Shares to successful Bidders pursuant to the Issue
Allottee	A successful Bidder to whom the Equity Shares are Allotted
Allotment Advice	The note or advice or intimation of Allotment, sent to each successful Bidder who has been or is to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange
Anchor Investor	A QIB, who applies under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus
Anchor Investor Allocation Price	The final price at which the Equity Shares will be allocated to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which will be a price equal to or higher than the Issue Price but not higher than the Cap Price. The Anchor

Term	Description
	Allocation Issue Price will be decided by our Company, in consultation with the BRLMs
Anchor Investor Application Form	An application form, whether physical or electronic, used by Anchor Investors, which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Anchor Investor Bidding Date	The date one Working Day prior to the Bid/Issue Opening Date on which Bids by Anchor Investors shall be submitted and allocation to the Anchor Investors shall be completed
Anchor Investor Issue Price	The final price at which the Equity Shares will be Allotted to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which will be a price equal to or higher than the Issue Price but not higher than the Cap Price. The Anchor Investor Issue Price will be decided by our Company, in consultation with the BRLMs
Anchor Investor Pay-in Date	With respect to Anchor Investor(s), it shall be the Anchor Investor Bidding Date, and in the event the Anchor Investor Allocation Price is lower than the Issue Price, not later than two Working Days after the Bid/ Issue Closing Date
Anchor Investor Portion	Up to 60% of the QIB Category, which may be allocated by our Company, in consultation with the BRLMs, to Anchor Investors, on a discretionary basis, in accordance with SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price
Application Supported by Blocked Amount/ ASBA	The application (whether physical or electronic) by an ASBA Bidder to make a Bid authorizing the relevant SCSB to block the Bid Amount in the relevant ASBA Account
ASBA Account	A bank account maintained with an SCSB and specified in the ASBA Form which will be blocked by such SCSB to the extent of the appropriate Bid Amount in relation to a Bid by an ASBA Bidder
ASBA Bidder	All Bidders other than Anchor Investors
ASBA Form	An application form, whether physical or electronic, used by Bidders bidding through the ASBA process, which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Banker(s) to the Issue	The Escrow Collection Bank, the Refund Bank and the Public Issue Account Bank, collectively
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Bidders under the Issue, as described in "***Issue Procedure***" on page 410
Bid(s)	An indication to make an offer during the Bid/Issue Period by a Bidder (other than an Anchor Investor), or on the Anchor Investor Bidding Date by an Anchor Investor, pursuant to submission of a Bid cum Application Form, to subscribe for or purchase our Equity Shares at a price within the Price Band, including all revisions and modifications thereto, to the extent permissible under the SEBI ICDR Regulations, in terms of the Red Herring Prospectus and the Bid cum Application Form
Bid Amount	The highest value of the optional Bids as indicated in the ASBA Form and payable by the Bidder or as blocked in the ASBA Account of the Bidder, as the case may be, upon submission of the Bid in the Issue
Bid cum Application Form	The form in terms of which the Bidder shall make a Bid, including ASBA Form, and which shall be considered as the application for the Allotment pursuant to the terms of the Red Herring Prospectus and the Prospectus
Bid Lot	[●] Equity Shares
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor
Bid/Issue Closing Date	Except in relation to Anchor Investors, the date after which the Designated Intermediaries shall not accept any Bids for the Issue, which shall be published in [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper**)** and [●] editions of [●] (a widely circulated Gujarati regional daily newspaper, Gujarati being the regional language in the place where our Registered and Corporate Office is located**)** and in case of any revisions, the extended Bid/Issue Closing Date shall also be notified on the websites and terminals of the Syndicate Members, as required under the SEBI

Term	Description
	ICDR Regulations. Our Company, in consultation with the BRLMs, may decide to close the Bid/ Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date, subject to the SEBI ICDR Regulations
Bid/Issue Opening Date	Except in relation to Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids for the Issue, which shall be published in [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●] (a widely circulated Gujarati regional daily newspaper, Gujarati being the regional language in the place where our Registered and Corporate Office is located) and in case of any revisions, the extended Bid/Issue Closing Date shall also be notified on the websites and terminals of the Syndicate Members, as required under the SEBI ICDR Regulations.
Bid/Issue Period	Except in relation to Anchor Investors, the period between the Bid/Issue Opening Date and the Bid/Issue Closing Date, inclusive of both days during which prospective Bidders (excluding Anchor Investors) can submit their Bids, including any revisions thereof in accordance with the SEBI ICDR Regulations and the terms of the Red Herring Prospectus.
Bidding Centres	Centres at which the Designated Intermediaries shall accept the Bid cum Application Forms, being the Designated SCSB Branch for SCSBs, Specified Locations for the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for CRTAs and Designated CDP Locations for CDPs.
Book Building Process	The book building process as described in Part A of Schedule XI of the SEBI ICDR Regulations, in terms of which the Issue is being made
Book Running Lead Managers/BRLMs	SBI Capital Markets Limited and IIFL Holdings Limited, the book running lead managers to the Issue
Broker Centres	Broker centres of the Registered Brokers, where Bidders (other than Anchor Investors) can submit the Bid cum Application Forms. The details of such Broker Centres, along with the names and contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges
CAN / Confirmation of Allocation Note	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, after the Anchor Investor Bidding Date
Cap Price	The higher end of the Price Band above which the Issue Price and Anchor Investor Issue Price will not be finalized and above which no Bids will be accepted, including any revisions thereof
Client ID	Client identification number of the Bidder’s beneficiary account
Collecting Depository Participants/CDPs	A depository participant, as defined under the Depositories Act, 1996 and registered under Section 12 (1A) of the SEBI Act and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Collecting Registrar and Share Transfer Agents or CRTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Cut-off Price	The Issue Price, finalized by our Company, in consultation with the BRLMs, which shall be any price within the Price Band. Only Retail Individual Investors are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Investors are not entitled to Bid at the Cut-off Price
Demographic Details	The details of the Bidders including the Bidders’ address, names of the Bidders’ father/husband, investor status, occupation and bank account details
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Forms, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other website as may be prescribed by SEBI from time to time.
Designated CDP Locations	Such centres of the Collecting Depository Participants where Bidders (except Anchor Investors) can submit the Bid cum Application Forms. The details of such Designated CDP Locations, along with the names and contact details of the CDPs are available on the respective websites of the Stock Exchanges and updated from time to time (www.bseindia.com and www.nseindia.com)
Designated CRTA Locations	Such centres of the CRTAs where Bidders (except Anchor Investors) can submit the Bid cum Application Forms. The details of such Designated CRTA Locations, along

Term	Description
	with the names and contact details of the CRTAs are available on the respective websites of the Stock Exchanges (www.nseindia.com and www.bseindia.com) and updated from time to time
Designated Date	The date on which the funds from the Escrow Account are transferred to the Public Issue Account or the Refund Account(s), as appropriate, and the amounts blocked by the SCSBs are transferred from the ASBA Accounts, to the Public Issue Account or Refund Account, as applicable, in terms of the Red Herring Prospectus, after the Prospectus is filed with the RoC
Designated Intermediaries	Collectively, the members of the Syndicate, sub-syndicate/agents, SCSBs, Registered Brokers, CDPs and CRTAs, who are authorized to collect Bid cum Application Forms from the Bidders (other than Anchor Investors), in relation to the Issue
Designated Stock Exchange	[●]
Draft Red Herring Prospectus/DRHP	This draft red herring prospectus dated January 6, 2018, issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which our Equity Shares will be Allotted and the size of the Issue, including any addenda or corrigenda thereto
Eligible NRI	A non-resident Indian, resident in a jurisdiction outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Red Herring Prospectus constitutes an invitation to subscribe for the Equity Shares
Escrow Account	Account opened with Escrow Collection Bank for the Issue and in whose favour the Anchor Investors will transfer money through direct credit or NEFT or RTGS in respect of the Bid Amount when submitting a Bid
Escrow Agreement	Agreement dated [●], entered into by and among our Company, the Registrar to the Issue, the BRLMs, the Public Issue Account Bank, the Escrow Collection Bank and Refund Bank for collection of the Bid Amounts and where applicable remitting refunds, if any, to the Anchor Investors, on the terms and conditions thereof
Escrow Collection Bank(s)	The bank(s) which is/are clearing members and are registered with the SEBI as an escrow bank, with whom the Escrow Accounts in relation to the Issue, in this case being [●]
First Bidder	The Bidder whose name appears first in the Bid cum Application Form or the Revision Form and in case of joint Bidders, whose name appears as the first holder of the beneficiary account held in joint names
Floor Price	The lower end of the Price Band, and any revisions thereof, at or above which the Issue Price and the Anchor Investor Issue Price will be finalized and below which no Bids will be accepted and which shall not be less than the face value of the Equity Shares
General Information Document/GID	The General Information Document for investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 notified by SEBI and included in "***Issue Procedure***" on page 410
IIFL	IIFL Holdings Limited
Issue	Initial public offering of up to [●] Equity Shares of face value of ₹ 10 each of our Company for cash at a price of ₹ [●] per Equity Share (including share premium of ₹ [●] per Equity Share) aggregating up to ₹ 4,000 million. The Issue shall constitute [●]% of the post-Issue paid up share capital of our Company
Issue Agreement	The agreement dated January 3, 2018 entered into by and among our Company and the BRLMs, pursuant to which certain arrangements are agreed to in relation to the Issue
Issue Price	The final price at which Equity Shares will be Allotted to the successful Bidders (except Anchor Investors), as determined in accordance with the Red Herring Prospectus. The Issue Price will be decided by our Company, in consultation with the BRLMs on the Pricing Date
Maximum RII Allottees	The maximum number of RIIs who can be allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot

Term	Description
Monitoring Agency	[●]
Monitoring Agency Agreement	Agreement dated [●], 2018 entered into by and between our Company and the Monitoring Agency
Mutual Fund Portion	5% of the QIB Category (excluding the Anchor Investor Portion) or [●] Equity Shares which shall be available for allocation to Mutual Funds only, on a proportionate basis, subject to valid Bids being received at or above the Issue Price
Net Proceeds	Proceeds of the Issue that will be available to our Company, i.e., gross proceeds of the Issue, less Issue Expenses to the extent applicable to the Issue
Non-Institutional Category	The portion of the Issue, being not less than 15% of the Issue or [●] Equity Shares, available for allocation on a proportionate basis to Non-Institutional Investors subject to valid Bids being received at or above the Issue Price
Non-Institutional Investors/NIIs	All Bidders, including Category III FPIs that are not QIBs (including Anchor Investors) or Retail Individual Investors, who have Bid for Equity Shares for an amount of more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Price Band	Price band of the Floor Price of ₹ [●] and a Cap Price of ₹ [●], including any revisions thereof. The Price Band and the minimum Bid Lot size for the Issue will be decided by our Company, in consultation with the BRLMs, and advertised in [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper**)** and [●] editions of [●] (a widely circulated Gujarati regional daily newspaper, Gujarati being the regional language in the place where our Registered and Corporate is located**)** at least five Working Days prior to the Bid/Issue Opening Date, with the relevant financial ratios calculated at the Floor Price and at the Cap Price and shall be made available to the Stock Exchanges for the purpose of uploading on their websites
Pricing Date	The date on which our Company, in consultation with the BRLMs, shall finalize the Issue Price
Prospectus	The Prospectus to be filed with the RoC for this Issue on or after the Pricing Date in accordance with the provisions of Section 26 of the Companies Act 2013 and the SEBI ICDR Regulations, containing the Issue Price, the size of the Issue and certain other information, including any addenda or corrigenda thereto
Public Issue Account(s)	The account(s) to be opened with the Banker(s) to the Issue under Section 40(3) of the Companies Act 2013 to receive monies from the Escrow Account(s) and the ASBA Accounts on the Designated Date
Public Issue Account Bank	The bank(s), with whom the Public Issue Accounts in relation to the Issue, in this case being [●]
QIB Category	The portion of the Issue, being 50% of the Issue or [●] Equity Shares to be Allotted to QIBs on a proportionate basis, including the Anchor Investor Portion (in which allocation shall be on a discretionary basis, as determined by our Company, in consultation with the BRLMs), subject to valid Bids being received at or above the Issue Price
Qualified Institutional Buyers or QIBs	A qualified institutional buyer as defined under Regulation 2(1)(zd) of the SEBI ICDR Regulations
Red Herring Prospectus or RHP	The red herring prospectus to be issued in accordance with Section 32 of the Companies Act 2013 and the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares shall be Allotted and which shall be registered with the RoC at least three Working Days before the Bid/Issue Opening Date and will become the Prospectus after filing with the RoC after the Pricing Date, including any addenda or corrigenda thereto
Refund Account(s)	Account(s) opened with the Refund Bank from which refunds, if any, of the whole or part of the Bid Amount shall be made to Anchor Investors
Refund Bank(s)	The Bankers to the Issue with whom the Refund Account(s) will be opened, in this case being [●]
Registered Brokers	Stock brokers registered with the stock exchanges having nationwide terminals, other than the members of the Syndicate and eligible to procure Bids in terms of circular number CIR/CFD/14/2012 dated October 14, 2012, issued by SEBI
Registrar Agreement	The agreement dated January 3, 2018, entered into by and among our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue

Term	Description
RoC or Registrar of Companies	The Registrar of Companies, Gujarat at Ahmedabad
Registrar to the Issue	Bigshare Services Private Limited
Resident Indian	A person resident in India, as defined under FEMA
Retail Category	The portion of the Issue, being not less than 35% of the Issue or [●] Equity Shares, available for allocation to Retail Individual Investors, which shall not be less than the minimum Bid lot, subject to availability in the Retail Category
Retail Individual Investors/ RIIs	Bidders (including HUFs and Eligible NRIs) whose Bid Amount for Equity Shares in the Issue is not more than ₹ 200,000 in any of the bidding options in the Issue (including HUFs applying through their karta and Eligible NRIs and does not include NRIs other than Eligible NRIs)
Revision Form	The form used by the Bidders to modify the quantity of Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s), as applicable. QIBs bidding in the QIB category and Non-Institutional Investors bidding in the Non-Institutional category are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. RIIs can revise their Bids during the Bid/Issue Period and withdraw their Bids until the Issue Closing Date.
SBICAP	SBI Capital Markets Limited
Self Certified Syndicate Banks or SCSBs	The banks registered with the SEBI which offer the facility of ASBA and the list of which is available on the website of the SEBI and updated from time to time and at such other websites as may be prescribed by SEBI from time to time
Specified Locations	Bidding centres where the Syndicate shall accept Bid cum Application Forms, a list of which is included in the Bid cum Application Form
Stock Exchanges	Collectively, BSE Limited and National Stock Exchange of India Limited
Syndicate Agreement	The agreement dated [●] entered into amongst the members of the Syndicate, our Company and the Registrar to the Issue in relation to the collection of Bid cum Application Forms by the Syndicate
Syndicate Members	Intermediaries registered with the SEBI and permitted to carry out activities as an underwriter, in this case being [●]
Syndicate or members of the Syndicate	Collectively, the BRLMs and the Syndicate Members
Underwriters	[●]
Underwriting Agreement	The agreement to be entered into by and among our Company and the Underwriters, to be entered into on or after the Pricing Date
Wilful Defaulter	Any individual, juristic person or other forms of business enterprise, whether incorporated or not, that has defaulted in meeting its payment / repayment obligations to a lender even when it has the capacity to honour the said obligations or has defaulted in meeting its payment / repayment obligations to the lender and has not utilised the finance from the lender for the specific purposes for which finance was availed of but has diverted the funds for other purposes or has defaulted in meeting its payment / repayment obligations to the lender and has siphoned off the funds so that the funds have not been utilised for the specific purpose for which finance was availed of, nor are the funds available with the unit in the form of other assets or has defaulted in meeting its payment / repayment obligations to the lender and has also disposed off or removed the movable fixed assets or immovable property given for the purpose of securing a term loan without the knowledge of the bank / lender
Working Day(s)	Any day, other than the second and fourth Saturdays of each calendar month, Sundays and public holidays, on which commercial banks in Mumbai, India are open for business, provided however, with reference to (a) announcement of Price Band; and (b) Bid/Issue Period, "Working Day" shall mean any day, excluding all Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and with reference to the time period between the Bid/Issue Closing Date and the listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016

Industry Related Terms

Term	Description
AMRUT	Atal Mission for Rejuvenation and Urban Transformation
ARR	Average revenue requirement
AVCC	Automatic Vehicle Counter-cum-Classifier System
BOT	Build, Operate and Transfer
BOT (Annuity)	Annuity based BOT projects
BOT (Toll)	Toll based BOT projects
BOO	Build, Own and Operate
BOOT	Build, Operate, Own and Transfer
BOQ	Bill of Quantities
BROT	Build, Rehabilitate, Operate and Transfer
BSRDC	Bihar State Road Development Corporation
BTKM	Billion tonne km
BTLO	Build, Transfer, Lease and Operate
CAD	Current Account Deficit
CCEA	Cabinet Committee on Economic Affairs
Construction Workers Act	The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996
CLSS	Credit Linked Subsidy Systems
CRF	Central Road Fund
CSO	Central Statistics Office
CV	Commercial vehicle
DBFO	Design, Build, Finance and Operate
DBFOT	Design, Build, Finance, Operate and Transfer
DFCs	Dedicated Freight Corridors
DFCCIL	Dedicated Freight Corridor Corporation of India Limited
DIP	District Irrigation Plan
DMRC	Delhi Metro Rail Corporation Limited
EPC	Engineering, Procurement and Construction
ESI Act	The Employees' State Insurance Act, 1948
ETC	Electronic Toll Collection
EWS	Economically weaker sections
GST	Goods and Services Tax
GVW	Gross vehicle weight
HAM	Hybrid Annuity Model
HSD	High speed diesel
IDC	Interest During Construction
IEM	Industrial Entrepreneurs' Memorandum
IL	Infrastructure Leasing
JICA	Japan International Cooperation Agency
LCV	Light Commercial Vehicle
LIG	Low Income Group
LIN	Labour Identification Number
LOA	Letter of award
LSTC	Lump-sum turnkey contracts
LSTK	Lump-sum turnkey
LWE	Left Wing Extremism
MCA	Model Concession Agreement
MDR	Major District Roads
MES	Military Engineer Services
MNC	Multi National Corporation
M&HCV	Medium and Heavy Commercial Vehicle
Minimum Wages Act	The Minimum Wages Act, 1948
MoRD	Ministry of Rural Development
MoRTH	Ministry of Road Transport and Highways
MPRDC	Madhya Pradesh Road Development Corporation
MRTS	Mass Rapid Transit System

Term	Description
NEC	National Executive Committee
NHAI	National Highways Authority of India
NHAI Act	National Highways Authority of India Act, 1988
NHIDCL	National Highways and Infrastructure Development Corporation Limited
NH Act	National Highways Act, 1956
NH Fee Rules	National Highways Fee (Determination of Rates and Collection) Rules, 2008
NHDP	National Highways Development Project
NIIF	National Investment and Infrastructure Fund
NITI	National Institution for Transforming India
NW	National Waterway
ODR	Other District Roads
OMT	Operate Maintain and Transfer
O&M	Operation and Maintenance
PAN Exempted Bidders Applicants	Persons making Bids/Applications on behalf of the Central or State Government, Bids/Applications by officials appointed by the courts and Bids/Applications by Bidders/Applicants residing in Sikkim
PFCE	Private Final Consumption Expenditure
PMAY	Pradhan Mantri Awas Yojna
PMKSY	Pradhan Mantri Krishi Sirchayee Yojana
PMGSY	Pradhan Mantri Gram Sadak Yojana
PPP	Public private partnership
PWD	Public works department
RDC	Road Development Corporations
RERA	Real Estate Regulatory Authority
RFQ	Request for qualification
RLDA	Rail Land Development Authority
RLT	Rehabilitate, lease or rent, and transfer
ROT	Rehabilitate, operate, and transfer
SARDP-NE	Special Accelerated Road Development Programme for North-Eastern region
SIP	State Irrigation Plan
SPV	Special Purpose Vehicle
SWB	Static weigh bridge
TAMP	Tariff Authority for Major Ports
TOT	Toll, operate and transfer
VGF	Viability gap funding
Wages Act	The Payment of Wages Act, 1936
WIM	Weigh-in-motion
WSS	Water supply and sanitation

Conventional and General Terms and Abbreviations

Term	Description
AGM	Annual general meeting
AIF(s)	Alternative Investment Funds
AIF Regulations	SEBI (Alternative Investment Funds) Regulations, 2012
AS/ Accounting Standards	Accounting Standards issued by the Institute of Chartered Accountants of India
AS 18	Accounting Standard 18 issued by the Institute of Chartered Accountants of India
AY/Assessment Year	Assessment Year
BSE	BSE Limited
Building and other Construction Workers Act	Building and other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996
CAGR	Compounded Annual Growth Rate, being the annualised average year-over-year growth rate over a specified period of time calculated as per the following formula - (End Value/Beginning Value)^(1/number of years) – 1
Calendar Year	The period of 12 months commencing on January 1 and ending on December 31
Category I FPIs	FPIs registered as category I FPIs under the SEBI FPI Regulations, which shall include Government and Government related investors such as central banks,

Term	Description
	Governmental agencies, sovereign wealth funds and international or multilateral organizations or agencies
Category II FPIs	FPIs registered as category III FPIs under the SEBI FPI Regulations, which shall include appropriately regulated broad based funds such as mutual funds, investment trusts, insurance/reinsurance companies, appropriately regulated persons such as banks, asset management companies, investment managers/ advisors, portfolio managers, broad based funds that are not appropriately regulated but whose investment manager is appropriately regulated: Provided that the investment manager of such broad based fund is itself registered as Category II foreign portfolio investor, university funds and pension funds and university related endowments already registered
Category III FPIs	FPIs registered as category III FPIs under the SEBI FPI Regulations, which shall include all other FPIs not eligible under category I and II foreign portfolio investors, such as endowments, charitable societies, charitable trusts, foundations, corporate bodies, trusts, individuals and family offices
CBDT	Central Board of Direct Taxes, Department of Revenue, Ministry of Finance, GoI
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CIN	Corporate Identity Number
CLRA	Contract Labour (Regulation and Abolition) Act, 1970
Companies Act	Companies Act 1956 and the Companies Act 2013
Companies Act 1956	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the Notified Sections) along with relevant amendments, modifications and regulations
Companies Act 2013	Companies Act, 2013, to the extent in force pursuant to the notification of the Notified Sections, read with the rules, regulations, clarifications, amendments and modifications thereunder
Consolidated FDI Policy	The consolidated FDI Policy, effective from August 28, 2017, issued by the DIPP, and any modifications thereto or substitutions thereof, issued from time to time
Depository	A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
Depositories Act	The Depositories Act, 1996
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GoI
DP ID	Depository Participant's identity number
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortization
EGM	Extra-ordinary general meeting
EPF Act	Employees' Provident Fund and Miscellaneous Provisions Act, 1952
EPS	Earnings per share
ESI Act	Employees' State Insurance Act, 1948
Euro	Euro, the official single currency of the participating member states of the European Economic and Monetary Union of the Treaty establishing the European Community
Factories Act	Factories Act, 1948
FCNR Account	Foreign Currency Non Resident (Bank) account established in accordance with the FEMA
FDI	Foreign direct investment
FEMA	The Foreign Exchange Management Act, 1999 read with rules and regulations thereunder
FII(s)	Foreign Institutional Investors as defined under Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 2000, registered with the SEBI under applicable laws in India and deemed as FPIs under the SEBI FPI Regulations
Financial Year/Fiscal/FY	The period of 12 months commencing on April 1 of the immediately preceding Calendar Year and ending on March 31 of that particular Calendar Year
FPI(s)	Foreign portfolio investors as defined under the SEBI FPI Regulations and includes a person who has been registered under the SEBI FPI Regulations

Term	Description
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI
GAAR	General Anti-Avoidance Rules
GDP	Gross Domestic Product
GoI	The Government of India
GST	Goods and services tax
HUF(s)	Hindu Undivided Family(ies)
IAS Rules	Companies (Indian Accounting Standards) Rules, 2015
ICAI	Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
IFSC	Indian Financial System Code
Income Tax Act / IT Act	Income Tax Act, 1961
IND (AS) / IND AS / Ind AS	The Indian Accounting Standards referred to in the Companies (Indian Accounting Standard) Rules, 2015, as amended
Indian GAAP	Generally Accepted Accounting Principles in India
INR or Rupee or ₹ or Rs.	Indian Rupee, the official currency of the Republic of India
IT	Information Technology
Legal Metrology Act	Legal Metrology Act, 2009
MCA	The Ministry of Corporate Affairs, GoI
Mn	Million
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
Notified Sections	The sections of the Companies Act, 2013 that have been notified by the MCA and are currently in effect
NR/ Non-resident	A person resident outside India, as defined under the FEMA and includes an NRI
NRI	Non-Resident Indian
NSDL	National Securities Depository Limited
NSE	The National Stock Exchange of India Limited
P/E Ratio	Price/Earnings Ratio
PAN	Permanent account number
PAT	Profit after tax
Payment of Bonus Act	Payment of Bonus Act, 1965
Payment of Gratuity Act	Payment of Gratuity Act, 1972
RBI	The Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act, 1933
Resident	A person resident in India, as defined under the FEMA
SCRA	Securities Contract (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI Depository Regulations	Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
SEBI Insider Trading	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI Listing Regulations	SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
STT	Securities Transaction Tax
Trademarks Act	Trademarks Act, 1999
UNCITRAL	United Nations Commission on International Trade Law

Term	Description
US$/ USD/ US Dollar	United States Dollar, the official currency of the United States of America
USA/ U.S./ US	United States of America, its territories and possessions, any state of the United States of America
U.S. GAAP	Generally Accepted Accounting Principles in the United State of America
U.S. Securities Act	U.S. Securities Act, 1933
VAT	Value Added Tax
VCFs	Venture capital funds as defined in and registered with the SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as the case may be

Notwithstanding the foregoing, terms in "***Main Provisions of the Articles of Association***", "***Statement of Tax Benefits***", "***Industry Overview***", "***Key Regulations and Policies in India***", "***Financial Information***", "***Outstanding Litigation and Other Material Developments***" and "***Part B***" of "***Issue Procedure***", will have the meaning ascribed to such terms in these respective sections.

CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND MARKET DATA AND CURRENCY OF PRESENTATION

Certain Conventions

All references in this Draft Red Herring Prospectus to "India" are to the Republic of India.

Financial Data

Unless indicated otherwise, the financial data in this Draft Red Herring Prospectus is derived from our Restated Standalone Financial Information as of and for the Fiscals ended March 31, 2013, 2014, 2015, 2016, 2017 and the six months ended September 30, 2017 and our Restated Consolidated Financial Information and as of and for the Fiscals ended March 31, 2013, 2014, 2015, 2016, 2017 and the six months ended September 30, 2017, and the respective notes, schedules and annexures thereto, prepared in accordance with the Companies Act and restated in accordance with the SEBI ICDR Regulations and included elsewhere in this Draft Red Herring Prospectus.

Our Company's financial year commences on April 1 of the immediately preceding Calendar Year and ends on March 31 of that particular Calendar Year, so all references to a particular financial year are to the 12 month period commencing on April 1 of the immediately preceding Calendar Year and ending on March 31 of that particular calendar year.

There are significant differences between the Indian GAAP, the International Financial Reporting Standards (the "**IFRS**") and the Generally Accepted Accounting Principles in the United States of America (the "**U.S. GAAP**"). Accordingly, the degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices, the Indian GAAP, the Companies Act and the SEBI ICDR Regulations on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited. We have not attempted to quantify the impact of the IFRS or the U.S. GAAP on the financial data included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our financial information to those under the U.S. GAAP or the IFRS and we urge you to consult your own advisors regarding such differences and their impact on our financial data.

On February 16, 2015, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) Rules, 2015 ("**IAS Rules**") for the purpose of enacting changes to Indian GAAP that are intended to align Indian GAAP further with IFRS. The IAS Rules provide that the financial information of the companies to which they apply shall be prepared and audited in accordance with the Indian Accounting Standard ("**IND (AS)**"), although certain class of companies may voluntarily implement IND (AS) for the accounting period beginning from April 1, 2015.

We have not made any attempt to quantify or identify the impact of the differences between Indian GAAP and IND (AS) as applied to our financial information and it is urged that you consult your own advisors regarding the impact of difference, if any, on financial data included in this Draft Red Herring Prospectus. However, we have included certain principal differences between Indian GAAP and IND (AS) for the details of which, see "***Summary of Significant Differences Between Indian GAAP and IND (AS)***" on page 370. Potential investors should consult their own advisers for an understanding of the principal differences between the existing Indian GAAP and the IND (AS), and how these differences might affect the financial statements appearing in this document. See "***Risk Factors – Significant differences exist between Indian GAAP and IND (AS), on one hand, and other accounting principles, such as U.S. GAAP and IFRS, on the other hand, which may be material to investors' assessments of our financial condition***" on page 44.

Certain figures contained in this Draft Red Herring Prospectus, including financial information, have been subject to rounding adjustments. All decimals have been rounded off to two decimal points. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. However, where any figures that may have been sourced from third-party industry sources are rounded off to other than two decimal points in their respective sources, such figures appear in this Draft Red Herring Prospectus as rounded-off to such number of decimal points as provided in such respective sources.

Industry and Market Data

We have commissioned a report titled "Road Sector in India" dated December, 2017, prepared by CRISIL, for the purpose of confirming our understanding of the industry in connection with the Issue. Further, in this regard, CRISIL has issued the following disclaimer:

"CRISIL Research, a division of CRISIL Limited (CRISIL) has taken due care and caution in preparing this report (Report) based on the Information obtained by CRISIL from sources which it considers reliable (Data). However, CRISIL does not guarantee the accuracy, adequacy or completeness of the Data/Report and is not responsible for any errors or omissions or for the results obtained from the use of Data/Report. This Report is not a recommendation to invest/disinvest in any entity covered in the Report and no part of this Report should be construed as an expert advice or investment advice or any form of investment banking within the meaning of any law or regulation. CRISIL especially states that it has no liability whatsoever to the subscribers / users / transmitters / distributors of this Report. Without limiting the generality of the foregoing, nothing in the Report is to be construed as CRISIL providing or intending to provide any services in jurisdictions where CRISIL does not have the necessary permission and/or registration to carry out its business activities in this regard. Patel Infrastructure Limited will be responsible for ensuring compliances and consequences of non-compliances for use of the Report or part thereof outside India. CRISIL Research operates independently of, and does not have access to information obtained by CRISIL's Ratings Division / CRISIL Risk and Infrastructure Solutions Ltd (CRIS), which may, in their regular operations, obtain information of a confidential nature. The views expressed in this Report are that of CRISIL Research and not of CRISIL's Ratings Division/CRIS. No part of this Report may be published/reproduced in any form without CRISIL's prior written approval."

Aside from the above, unless stated otherwise, industry and market data used throughout this Draft Red Herring Prospectus has been derived from certain industry sources. Industry publications generally state that the information contained in such publications has been obtained from sources generally believed to be reliable, but their accuracy, adequacy or completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Accordingly, no investment decisions should be made based on such information. Although we believe that the industry and market data used in this Draft Red Herring Prospectus is reliable, it has not been independently verified by us, the BRLMs, or any of our or their respective affiliates or advisors, and none of these parties makes any representation as to the accuracy of this information. The data used in these sources may have been reclassified by us for the purposes of presentation. Data from these sources may also not be comparable. The extent to which the industry and market data presented in this Draft Red Herring Prospectus is meaningful depends upon the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business and methodologies and assumptions may vary widely among different market and industry sources.

Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "***Risk Factors***" on page 18.

Currency and Units of Presentation

All references to "**Rupees**" or "**₹**" or "**Rs.**" or "**INR**" are to Indian Rupees, the official currency of the Republic of India. All references to "**US$**", "**U.S. Dollar**", "**USD**" or "**U.S. Dollars**" are to United States Dollars, the official currency of the United States of America. All reference to "**Euro**" or "**€**" is to Euro, the official currency of the European Union.

In this Draft Red Herring Prospectus, our Company has presented certain numerical information. All figures have been expressed in millions. One million represents '10 lakhs' or 1,000,000. However, where any figures that may have been sourced from third-party industry sources are expressed in denominations other than millions in their respective sources, such figures appear in this Draft Red Herring Prospectus expressed in such denominations as provided in such respective sources.

Exchange Rates

This Draft Red Herring Prospectus contains conversions of U.S. Dollars and other currency amounts into Indian Rupees that have been presented solely to comply with the requirements of the SEBI ICDR Regulations. These conversions should not be construed as a representation that such currency amounts could have been, or can be converted into Indian Rupees, at any particular rate, or at all.

The exchange rates of certain currencies used in this Draft Red Herring Prospectus into Indian Rupees are provided below.

(in ₹)

Currency	Exchange rate as on March 31, 2013	Exchange rate as on March 31, 2014	Exchange rate as on March 31, 2015	Exchange rate as on March 31, 2016	Exchange rate as on March 31, 2017	Exchange rate as on September 30, 2017
1 USD	54.39*	60.09**	62.59	66.33	64.84	65.36***

Source: RBI Reference Rate

** Exchange rate as on March 28, 2013, as RBI Reference Rate is not available for March 31, 2013, March 30, 2013 and March 29, 2013 being a public holiday, a Sunday and a Saturday, respectively.*

*** Exchange rate as on March 28, 2014, as RBI Reference Rate is not available for March 31, 2014, March 30, 2014 and March 29, 2014 being a public holiday, a Sunday and a Saturday respectively.*

**** Exchange rate as on September 29, 2017 as RBI Reference Rate is not available for September 30, 2017, being a public holiday, a Saturday.*

FORWARD-LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain "forward-looking statements". These forward looking statements include statements which can generally be identified by words or phrases such as "***aim***", "***anticipate***", "***believe***", "***expect***", "***estimate***", "***intend***", "***likely to***", "***objective***", "***plan***", "***propose***", "***will continue***", "***seek to***", "***will pursue***" or other words or phrases of similar import.

These forward-looking statements are based on our current plans, estimates and expectations and actual results may differ materially from those suggested by such forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. This may be due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industries in India in which we have our businesses and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India, which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, changes in competition in our industry and incidence of any natural calamities and/or acts of violence. Important factors that would cause actual results to differ materially include, including, but not limited to:

- Infrastructure projects are typically awarded to us on satisfaction of prescribed pre-qualification criteria and following a competitive bidding process. Our business and our financial condition may be adversely affected if new infrastructure projects are not awarded to us or if contracts awarded to us are prematurely terminated.;
- Our Order Book may not be representative of our future results and our actual income may be significantly less than the estimates reflected in our Order Book, which could adversely affect our business, financial condition, results of operations and prospects.;
- Based on our Order Book as on October 31, 2017, 82.72% of our business comprising highway and other road projects are awarded by various Government or Government-funded agencies. Any adverse change in government policies or focus, or delay in payment may lead to our contracts being foreclosed, terminated, restructured or renegotiated;
- Our projects are exposed to various implementation and other risks and uncertainties, which may adversely affect our business, financial condition, results of operations, and prospects;
- We may be exposed to liabilities arising under our warranties or from defects during construction, which may adversely affect our business, financial condition, results of operations and prospects;
- Our Company, Subsidiaries, Directors, Promoters, Group Company and joint ventures are involved in certain outstanding legal proceedings, which if determined adversely, may adversely affect our business, financial condition, results of operations and prospects;
- We have, until date, not completed execution of any project under the recently introduced hybrid annuity model for implementing a highway project. We cannot assure you that we will be successful in executing the project or if we will achieve better returns as compared to our existing EPC projects, or any returns at all;
- Our business has been relatively concentrated in northern and western India and our Order Book shows relative concentration in southern and northern India. Consequently, we are exposed to risks emanating from economic, regulatory and other changes in these locations which we may not be able to successfully manage may adversely affect our business, financial condition, results of operations, and prospects;
- Our actual cost in executing an EPC contract may vary substantially from the assumptions underlying our bid. We may be unable to recover all or some of the additional expenses, which may have an adverse effect on our business, financial condition, results of operations, and prospects; and
- We have significant working capital requirements. If we experience insufficient cash flows to enable us to make required payments on our debt or fund working capital requirements, there may be an adverse effect on our business, financial condition, results of operations and prospects.

For a further discussion of factors that could cause our actual results to differ, see "***Risk Factors***", "***Business***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on pages 18, 154 and 348, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could be materially different from those that have been estimated. Forward-looking statements reflect our current views as of the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. Although we believe that the assumptions on which such statements are based are reasonable, any such assumptions as well as the statement based on them could prove to be inaccurate.

Neither our Company, nor the Directors, nor the BRLMs nor the Syndicate, nor any of their respective affiliates or associates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company will ensure that investors in India are informed of material developments until the receipt of final listing and trading approvals for the Equity Shares pursuant to the Issue.

SECTION II - RISK FACTORS

An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares.

*To obtain a more detailed understanding of our business and operations, prospective investors should read this section in conjunction with "**Business**", "**Financial Information**" and "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" on pages 154, 211 and 348, respectively, as well as the other financial and statistical information contained in this Draft Red Herring Prospectus.*

The risks described below are not the only ones relevant to us or our Equity Shares, but also the industry in which we operate in or to India. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may also impair our businesses, financial condition, results of operations and prospects. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our businesses, financial condition, results of operations, and prospects could suffer, the trading price of our Equity Shares could decline, and you may lose all or part of your investment. In making an investment decision, prospective investors must rely on their own examination of us and the terms of the Issue including the merits and risks involved. You should consult your tax, financial and legal advisors about particular consequences to you of an investment in the Issue.

*Prospective investors should pay particular attention to the fact that we are incorporated under the laws of India and are subject to a legal and regulatory environment, which may differ in certain respects from that of other countries. This Draft Red Herring Prospectus also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus. For details, see "**Forward-Looking Statements**" on page 16.*

Unless specified in the relevant risk factor below, we are not in a position to quantify the financial implication of any of the risks mentioned below. The financial information in this section is derived from our Restated Consolidated Financial Information, unless otherwise stated.

I. Internal Risk Factors

1. Infrastructure projects are typically awarded to us on satisfaction of prescribed pre-qualification criteria and following a competitive bidding process. Our business and our financial condition may be adversely affected if new infrastructure projects are not awarded to us or if contracts awarded to us are prematurely terminated.

Infrastructure projects are typically awarded to us following a competitive bidding process and satisfaction of prescribed technical and financial pre-qualification criteria. While track record, experience of project execution, service quality, health and safety records, qualified and experienced personnel, reputation and sufficiency of financial resources are important considerations in awarding contracts, there can be no assurance that we would be able to meet such technical and financial qualification criteria, whether independently or together with other joint venture partners. Further, once prospective bidders satisfy the pre-qualification requirements of the tender, the project is usually awarded on the basis of price competitiveness of the bid. We generally incur significant costs in the preparation and submission of bids, which are one-time non-reimbursable costs. We cannot assure you that we would bid where we have been pre-qualified to submit a bid, or that our bids, when submitted or if already submitted, would result in projects being awarded to us.

We are pre-qualified to bid independently on projects tendered by the National Highway Authority of India ("**NHAI**") and Ministry of Road Transport and Highways ("**MoRTH**") of contract value up to ₹ 12,340.00 million for EPC contracts and ₹ 12,030.00 million for Annuity contracts based on our technical and financial capacity as on March 31, 2017.

If we are not able to pre-qualify in our own right to bid for large construction and development projects, we may be required to partner and collaborate with third parties for joint bidding for such projects. We may face competition from other bidders in a similar position looking for acceptable joint venture partners for pre-qualification requirements. If we are unable to partner with other suitable companies or lack the credentials to be the partner-of-choice for other companies, we may lose the opportunity to bid for large infrastructure projects, which could affect our growth plans. In cases of bids in a consortium, we may also not be able to secure bids due to negligence or disqualification of our joint venture partners, as these factors would be beyond our control. If a joint venture partner fails to perform its obligations satisfactorily, we may be required to incur additional expenditure to ensure the adequate performance and delivery of the contracted services or make payments on behalf of the joint venture partners, which could adversely affect the profitability of the contract.

The growth of our business mainly depends on our ability to obtain new contracts in the sectors in which we operate. Generally, it is very difficult to predict whether and when we will be awarded a new contract. Our future results of operations and cash flows can fluctuate materially from period to period depending on the timely award of contracts, commencement of work and completion of projects in the scheduled time period. If we are unable to obtain new contracts, our business could be adversely affected.

Another factor which may impact the growth of our business is that our clients may terminate their construction agreements for reasons set forth in these agreements. If the client terminates any of our construction agreements, under the relevant agreement it is generally required to compensate us for the amount, depending on the valuation of the unpaid works and the timing of the termination in relation to the payment milestones associated with the respective projects, unless the agreement is terminated pursuant to applicable law or our breach of the terms of the agreement is material. Such compensation process is likely to be time consuming and the amount paid to us may not fully compensate us. We cannot assure you that we would receive such amounts on a timely basis or in an amount equivalent to the value of our investment plus our lost profits. An early termination of our contracts by our clients may adversely affect our business, results of operation and financial condition.

2. ***Our Order Book may not be representative of our future results and our actual income may be significantly less than the estimates reflected in our Order Book, which could adversely affect our business, financial condition, results of operations and prospects.***

As on October 31, 2017, our Order Book was ₹ 62,672.43 million. In addition, the contracts in our Order Book are subject to changes in our scope of services to be provided as well as adjustments to the costs relating to the contracts. Our Order Book comprises the estimated revenues from the unexecuted portions of all our ongoing projects i.e. the total contract value of such ongoing projects secured by us as reduced by the value of work billed until the date of such order book. Projects can remain in Order Book for extended periods of time because of the nature of the project and the timing of the particular services required by the project. The risk of contracts in Order Book being cancelled or suspended generally increases during periods of wide-spread economic slowdowns. In addition, even where a project proceeds as scheduled, it is possible that contracting parties may default and fail to pay amounts owed.

Project delays, modifications in the scope or cancellations may occur from time to time due to any of the reasons above due to defaults by our clients or our own defaults, incidents of force majeure, adverse cash flows, regulatory delays and other factors beyond our control. Our inability to complete or monetize such work in a timely manner, or at all, may adversely affect our business and results of operations. Delays in the completion of a project can lead to clients delaying or refusing to pay the amount, in part or full, that we expect to be paid in respect of such project. Even relatively short delays or surmountable difficulties in the execution of a project could result in our failure to receive, on a timely basis or at all, all payments due to us on a project.

In addition, our clients may also be entitled to terminate the agreement in the event of delay in completion of the work if the delay is not on account of any of the agreed exceptions.

Hence, our Order Book may not be indicator of our future results due to various factors including delay, reduction in scope, cancellation, execution difficulty, payment postponement or payment default in regard to our Order Book projects or any other incomplete projects, or disputes with clients in respect of any of the foregoing, which could adversely affect our cash flow position, revenues and earnings.

3. ***Based on our Order Book as on October 31, 2017, 81.72% of our business comprising highway and other road projects are awarded by various Government or Government-funded agencies. Any adverse change***

in government policies or focus, or delay in payment may lead to our contracts being foreclosed, terminated, restructured or renegotiated.

Our business is significantly dependent on procuring contracts awarded by Government agencies, including projects funded by Government agencies or by international and multilateral development finance institutions. Specifically, our business is primarily focused on highway and other road projects, including projects awarded by Government agencies such as the NHAI, MoRTH and the state public works departments ("**PWDs**").

As on October 31, 2017, ₹ 51,513.20 million, equivalent to 82.19%, of our total Order Book was comprised of Government contracts. For details, see "***Business – Our Order Book***" on page 160.

Any adverse developments concerning our Government clients or projects, including as a result of any change in the policies adopted by the Government regarding award of its projects or our existing relationship with the Government could adversely affect our business.

There can be no assurance that the GoI or the state governments will continue to place emphasis on the road infrastructure sector. Any adverse change in Government policies that results in a reduction in capital investment in the infrastructure sector could affect us adversely. If there is any change in the Government or in budgetary allocations for infrastructure development or a downturn in available work in the road infrastructure sector resulting from any change in Governmental policies, practices or priorities that results in a slowdown in infrastructure projects, our business, financial performance, results of operations and prospects may be adversely affected.

Additionally, tender processes conducted by our Government clients may be subject to change in qualification criteria, unexpected delays and uncertainties. There can be no assurance that the projects for which we bid will be tendered within a reasonable time, or at all. In the event that new projects that have been announced and that we plan to tender for are not put up for tender within the announced timeframe, or qualification criteria are modified such that we are unable to qualify, our business, financial condition, results of operations and prospects may be adversely affected.

Further, payments from the central, state and local Governmental agencies in India may be subject to several delays due to regulatory scrutiny and long procedural formalities, including any audit by the Comptroller and Auditor General of India. If payments under our contracts with the central, state and local Governmental agencies in India are delayed, our working capital requirements could be adversely affected, resulting in additional finance costs and increase in our realization cycle. Further, any change in the central or state Governments may result in a change in policy and reassessment of the existing contracts. Adverse changes in Government policies may also lead to our contracts being restructured or renegotiated, resulting in, amongst others, change in the scope of our work under such contracts. We cannot assure you that we would be able to recover the cost associated with undertaking any such additional work which was not contemplated at the time of entering into the contracts. Further, adverse changes in the Government of India or State Government policies may also materially and adversely affect our financing, capital expenditure, revenues, development, cash flows or operations relating to our existing projects as well as our ability to participate in competitive bidding or bilateral negotiations for our future projects.

Any change in the terms of conditions of future contracts may result in rendering all or some projects unviable, which may, in turn, result in reduction of our revenues. We may further encounter disputes with certain Governmental agencies in respect of the projects awarded by them which may cause delay to our receiving payments due from such parties, or may inhibit our ability to recover our costs. While the financial implication of such disputes individually may not be significant, any adverse adjudication in these matters may have an adverse impact on our business.

4. ***Our projects are exposed to various implementation and other risks and uncertainties, which may adversely affect our business, financial condition, results of operations, and prospects.***

As on October 31, 2017, we had an Order Book of ₹ 62,672.43 million, including one OPRC roads and highways project, eight EPC roads and highways projects, and three HAM projects accounting for 2.77%, 31.92% and 62.71%, respectively, of our Order Book, reflecting an aggregate of 97.39% of our Order Book being comprised of roads and highways projects; and seven building and other civil construction projects, accounting for the balance 2.61% of our Order Book.

The construction or development of these projects involves various implementation risks including construction delays, delay or disruption in supply of raw materials, delays in acquisition of land, unanticipated cost increases, force majeure events, cost overruns, disputes with our joint venture partners, or delays in securing required licenses, authorisations or permits or making advance payments. We may be further subject to regulatory risks, financing risks and the risks that these projects may ultimately prove to be unprofitable. In particular:

- we may encounter delays in completion and commercial operation could increase the financing costs associated with the construction and cause our forecast budget to be exceeded;
- some of the drawings and site plans for the sites on which our projects are expected to be developed may not be accurate;
- we may encounter unforeseen engineering problems, disputes with workers, force majeure events and unanticipated costs due to defective plans and specifications;
- we may not be able to obtain adequate capital or other financing at affordable costs or obtain any financing at all to complete construction of any of our projects;
- we may not be able to provide the required guarantees under project agreements or enter into financing arrangements;
- we may experience shortages of, and price increases in, materials and skilled and unskilled labour, and inflation in key supply markets;
- the projects that we are engaged in may not receive timely regulatory approvals and/or permits for development and operation of our projects, such as environmental clearances, mining, forestry or other approvals from the central or State environmental protection agencies, mining, forestry, railway or other regulatory authorities and may experience delays in land acquisition by the Government and procuring right of way and other unanticipated delays;
- we may not be able to recover the amounts already invested in these projects if the assumptions contained in the feasibility studies for these projects do not materialize;
- the relevant authorities may not be able to fulfil their obligation prior to construction of a project, in accordance with the relevant contracts resulting in unanticipated delays;
- delays on account of subpar performance of the principal contractors or the sub-contractor or the joint venture partners of our Company;
- geological, construction, excavation, regulatory and equipment problems with respect to operating projects and projects under construction;
- we may experience adverse changes in market demand or prices for the services that our projects are expected to provide;
- the third party service providers hired to complete the projects may not be able to complete the construction of our projects on time, within budget or to the required specifications and standards;
- we may be subject to risk of equipment failure or industrial accidents that may cause injury and loss of life, and severe damage to and destruction of property and equipment; and
- other unanticipated circumstances or cost increases, in excess of what we are unable to recover under the terms of escalation clauses provided in our contract terms.

Our contracts to provide EPC services may not always include escalation clauses covering any increased costs we may incur. We may suffer significant cost overruns or even losses in these projects due to unanticipated cost increases resulted from a number of factors such as changes in assumptions underlying our contracts, unavailability or unanticipated increases in the cost of construction materials, fuel, labour and equipment, changes in applicable taxation structures or the scope of work, delays in obtaining requisite statutory clearances and approvals, delays in acquisition of land, procuring right of way, disruptions of the supply of raw materials due to factors beyond our control, unforeseen design or engineering challenges, inaccurate drawings or technical information provided by clients, severe weather conditions or force majeure events. Despite the escalation clauses in some of our construction contracts, our government clients may interpret the applicability of the escalation clauses in their favour and we may experience difficulties in enforcing such clauses to recover the costs we incurred in relation to the additional work performed at the clients' requests or because of the change of scope of work. We may have to bear risks associated with any increase in actual costs for construction activities exceeding the agreed work. If any of these risks materialize, they could adversely affect our profitability, which may in turn have an adverse effect on our overall results of operations.

Further, we may not be able to obtain extensions for projects on which we face delays or time overruns. Our clients may also be entitled to invoke penalty provisions and/or terminate the contract in the event of delay in completion of the work if the delay is not on account of any of the agreed exceptions. With respect to some of our projects, in the event of termination for any of the aforesaid reasons, we may only receive partial payments under such agreements and such payments may be less than our estimated cash flows from such projects. Further, we may not be able to obtain extensions for projects on which we face delays or time overruns. If any or all of these risks materialize, we may suffer significant cost overruns or even losses in these projects due to unanticipated increase in costs as a result of which our business, profits and results of operations will be materially and adversely affected.

5. ***We may be exposed to liabilities arising under our warranties or from defects during construction, which may adversely affect our business, financial condition, results of operations and prospects.***

A majority of our construction contracts specify a period, ranging from 18 months to 42 months from the date of completion, as the defects liability period during which we would have to rectify any defects arising from construction services provided by us, within the warranty periods stipulated in our contracts at our cost. Our contracts also usually include damages clauses, which may be enforced against us if we do not meet specified targets during the course of a contract. Under our HAM agreements, we are typically required to put in place grievance mechanisms to handle our construction defects and liabilities during the relevant construction and the warranty periods.

Actual or claimed defects in construction quality could give rise to claims, liabilities, costs and expenses. Further, we may not be able to recover such increased costs from our customers in part, or at all, and may further be subject to penalties, including liquidated damages on account of such construction faults arising in our projects. We may further face delays in the estimated project completion schedule in respect of such projects on account of additional works required to be undertaken towards rectifying such construction faults, and are dependent upon our clients permitting extension of time of completion of such projects.

We seek protection through our practice of covering risks through contractual limitations of liability, indemnities and insurance. However, there can be no assurance that any cost escalation or additional liabilities in connection with the development of such projects would be fully offset by amounts due to us pursuant to the guarantees and indemnities, if any, provided by our contractors or insurance policies that we maintain. Any liability in excess of our insurance payments, reserves or backup guarantee could result in additional costs, which would reduce our profits. Further, such construction faults may result in loss of goodwill and reputation, and may furthermore have a material and adverse impact our eligibility in respect of future bids made by us towards projects, thereby affecting our future operations and revenues.

In addition, if there is a client dispute regarding our performance, the client may delay or withhold payment to us. If we were ultimately unable to collect on these payments, our profits would be reduced. These claims, liabilities, costs and expenses, if not fully covered, thus could have an adverse effect on our business, financial condition, results of operations, and prospects.

6. ***Our Company and our Subsidiaries are involved in certain outstanding legal proceedings, which if determined adversely, may adversely affect our business, financial condition, results of operations and prospects.***

In the ordinary course of our business, our Company and our Subsidiaries are involved in certain legal proceedings, pending at varying levels of adjudication at different fora. In this Draft Red Herring Prospectus, pending litigation involving our Company and our Subsidiaries other than criminal proceedings, statutory or regulatory actions and taxation matters, are considered material if the monetary amount of claim by or against the entity or person in any such pending matter is in excess of ₹ 7.10 million.

A summary of such legal proceedings, including material legal proceedings, is set out below:

I. *Litigation against our Company*

(in ₹ million except where otherwise stated, to the extent ascertainable)

Nature of litigation	Number of outstanding cases	Amount involved
• Criminal proceedings	12	Not ascertainable
• Regulatory/ statutory proceedings	2	Not ascertainable
• Taxation proceedings		
- Direct	-	-
- Indirect	1	10.41
• Other matters exceeding the materiality thresholds	-	-

II. *Litigation against our Subsidiaries*

(in ₹ million except where otherwise stated, to the extent ascertainable)

Nature of litigation	Number of outstanding cases	Amount involved
• Criminal proceedings	-	-
• Regulatory/ statutory proceedings	1	Not ascertainable
• Taxation proceedings		
- Direct	-	-
- Indirect	-	-
• Other matters exceeding the materiality thresholds	-	-

We cannot assure you that any of the outstanding legal proceedings will be settled favourably, or that no additional liability will arise out of these proceedings. We may incur significant expenses and management time in such legal proceedings and may have to make provisions in our financial statements, which could increase our expenses and liabilities. An adverse outcome in any of these proceedings could have an adverse effect on our business, financial condition, results of operations, and prospects.

For further details, see "***Outstanding Litigation and Other Material Developments***" on page 379.

7. ***We have, until date, not completed execution of any project under the recently introduced hybrid annuity model for implementing a highway project. We cannot assure you that we will be successful in executing the project or if we will achieve better returns as compared to our existing EPC projects, or any returns at all.***

As on the date of this Draft Red Herring Prospectus, we have been awarded three HAM projects, namely the four laning of the Cholopuram – Thanjavur section of NH-45C in Tamil Nadu, the four laning of the Sethiyahopu-Cholopuram section of NH-45C in Tamil Nadu and the four laning of the Darah-Jhalawar-Teendhar section of NH-12 (new NH-52), in Rajasthan. However, we have not yet completed execution of any HAM projects. Under the contracts for carrying out HAM projects, 60% of the project costs are to be borne by the concessionaire through a combination of equity and debt, and the remaining 40% of the project cost are to be paid to the concessionaire by the concessioning authority in equal instalments, which will be linked to the project completion milestones. During the construction phase, 40% of project cost would be shared by the concessioning authority and the balance is payable in pre-approved instalments as per schedule. Thereafter, on completion of the project, 60% of the project cost is required to be paid by the concessioning authority to the concessionaire in semi-annual annuity payments. While toll collection will be the sole responsibility of the client, the concessioning authority will be responsible for the maintenance of the project for the entire concession period. For further details, see "***Business***" on page 154.

Since this is a relatively new mode of implementing highway projects, we cannot assure you that we have the requisite skill and experience to be able to successfully execute projects which may be awarded to us under this mode. HAM projects require a concessioning authority to provide part-financing for the project. The lenders may not be willing to lend to such projects as the risks related to the same may not be ascertainable as these type of projects are new. Further, we may also be subject to the various risks that arise due to fluctuating interest rate, including the risk of an increase in the overall cost of undertaking a project.

Further, Annuity projects typically require a long gestation period and substantial capital outlay before completion and may take months or years before positive cash flows can be generated, if at all.

We cannot assure you if we will be successful in executing these projects or if we will achieve better returns as compared to our existing EPC projects, or any returns at all which may have a material adverse effect on our financial condition and results of operations.

8. ***Our business has been relatively concentrated in northern and western India and our Order Book shows relative concentration in southern and northern India. Consequently, we are exposed to risks emanating from economic, regulatory and other changes in these locations which we may not be able to successfully manage may adversely affect our business, financial condition, results of operations, and prospects.***

While we carry on business in various states of India, our project portfolio has been relatively concentrated in the northern and western states of India. Our Order Book shows relative concentration in southern and northern India, with our ongoing projects in Tamil Nadu, Rajasthan, Punjab, Karnataka, Gujarat and Madhya Pradesh contributing 44.78%, 35.73%, 12.11%, 4.10%, 2.60% and 0.68%, respectively, to our Order Book, as on October 31, 2017.

We conduct a thorough market analysis before bidding on projects in various states. We choose projects in states where the geographic, political, socio-economic and cultural conditions are conducive to timely completion of the project. However, despite our best efforts in analysing a variety of factors before choosing to bid on projects in certain states, we may be awarded new projects in states with unfavourable working environments, including but not limited to:

- regional slowdown in construction activities or reduction in infrastructure projects;
- interruptions on account of adverse climatic conditions;
- our lack of brand recognition and reputation in such regions;
- our lack of familiarity with the social and cultural conditions of these new regions;
- vulnerability to political and economic instability, or to change in the political and economic environment in these areas or any developments that make construction and infrastructure projects economically less profitable; and
- the perception by our potential clients that we may not have the capabilities to execute larger and more complex projects at the national level, or projects in geographies and terrains where we do not yet have an execution track record.

Any adverse development in the regions where we have significant concentration may adversely affect our business, financial condition, results of operations and prospects.

9. ***Our actual cost in executing an EPC contract may vary substantially from the assumptions underlying our bid. We may be unable to recover all or some of the additional expenses, which may have an adverse effect on our business, financial condition, results of operations, and prospects.***

Under the terms and conditions of our EPC contracts, based on our internal estimates and belief, we include appropriate escalation provisions in the cost estimates including raw materials, provisions for cost escalation due to increase or decrease in rates and price of labour, cement, steel, plant, machinery and spares, bitumen, fuel, lubricants and other material inputs at the time of bidding for a project. However, we may enter into EPC contracts in the future which may not contain price escalation clauses covering increase in the cost of construction materials, fuel, labour and other inputs. Accordingly, our actual expense in executing an EPC contract under construction may vary substantially from the assumptions underlying our bid for several reasons, including, but not limited to unanticipated increases in the cost of construction materials, fuel, labour or other inputs, unforeseen construction conditions, including the inability of the client to obtain requisite environmental and other approvals resulting in delays and increased costs, delays caused by local weather conditions and suppliers' failures to perform. Unanticipated increases in the price of raw materials, fuel costs, labour or other inputs not taken into account in our bid may also have compounding effects by increasing costs of performing other parts of the contract.

Our ability to pass on increases in the purchase price or manufacturing cost of raw materials and other inputs may be limited in the case of contracts with limited or no price escalation provisions and we cannot assure you that these variations in cost will not lead to financial losses to our Company. Further, other risks generally inherent to the development and construction industry may result in our profits from a project being less than as originally estimated or may result in us experiencing losses due to cost and time overruns, which could have a material adverse effect on our cash flows, business, financial condition and results of operations.

10. ***We have significant working capital requirements. If we experience insufficient cash flows to enable us to make required payments on our debt or fund working capital requirements, there may be an adverse effect on our business, financial condition, results of operations and prospects.***

Our business requires working capital, part of which would be met through additional borrowings in the future. In many cases, significant amounts of working capital are required to finance the procurement of raw materials, labour and the performance of engineering, construction and other work on projects before payments are received from clients. As on October 31, 2017, we have outstanding working capital debt amounting to ₹ 1,153.37 million, on a consolidated basis. For further details of our working capital debt, see "***Financial Indebtedness***" on page 375. In certain cases, we are contractually obligated to our clients to fund the working capital requirements of our projects.

Our working capital requirements may increase if, under certain contracts, payment terms do not include advance payments or such contracts have payment schedules that shift payments toward the end of a project or otherwise increase our working capital burdens. Further, the cost of deploying new modern equipment for execution of our projects have significantly increased and in future, will increase our working capital requirements. Additionally, our working capital requirements have increased in recent years due to the general growth of our business and also on account of the fact that our Company may have undertaken a growing number of projects within a similar timeframe. All of these factors may result, or have resulted, in increases in our working capital needs.

It is customary in the industry in which we operate to provide bank guarantees or security deposits in favor of clients to secure obligations under contracts. In addition, letters of credit are often required to satisfy payment obligations to suppliers and sub-contractors. If we are unable to provide sufficient collateral to secure the letters of credit, bank guarantees or security deposits, our ability to enter into new contracts or obtain adequate supplies could be limited. Providing security to obtain letters of credit and bank guarantees increases our working capital needs. We may not be able to continue obtaining new letters of credit, bank guarantees and make payment of security deposits in sufficient quantities to match our business requirements. Our expansion plans require significant expenditure and if we are unable to obtain necessary funds for expansion, our business may be adversely affected.

Due to various factors, including certain extraneous factors such as changes in interest rates, insurance and other costs or borrowing and lending restrictions, if any, we may not be able to finance our working capital needs, or secure other financing when needed, on acceptable commercial terms, or at all, which may have an adverse effect on our business, financial condition, results of operations and prospects.

11. ***We own a large fleet of equipment and have a large number of employees on our rolls, resulting in increased fixed costs to our Company. In the event that we are unable to generate adequate cash flows, our business, financial condition, results of operations and prospects may be adversely affected.***

As on September 30, 2017, our equipment base comprised 683 construction equipment assets of gross block worth ₹ 2,470.32 million, which included equipment such as earth movers (dumpers and tippers), loaders and excavators, rollers and compactors, weigh bridges, transit mixers, motor graders, milling machines, paver finishers, cranes, concrete batch mix plants, crushers, hot mix plants (batch type), concrete pavers, and others. Further, as on September 30, 2017, we had a workforce of 2,139 employees. In addition we use contract labourers from time to time for ancillary services for our projects.

The costs of purchasing and maintaining capital equipment in proper working condition, and of maintaining such a large employee base, constitute a significant portion of our operating expenses. While our estimates regarding the equipment and manpower we require from time to time would be based on our best judgment, estimates can be unreliable and may change from time to time, based on newly available information. Further, if breakdowns of our equipment increase as we conduct construction activities, the costs associated with maintaining such equipment will also increase. In the case of large-scale projects where timing may be uncertain, it may be particularly difficult to predict whether or when we will be awarded a contract, or proceed to the next milestone within a project. If any of our projects is delayed, or expected contract awards are delayed or not received, we could incur high fixed costs due to maintaining under-utilized equipment, staff expenses and facilities, which could have an adverse effect on our profitability and results of operations and, consequently, also on our business, financial condition and prospects.

Also see, "***Business – Operations***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on pages 169 and 348, respectively.

12. ***We operate in a competitive industry and our failure to successfully compete may adversely affect our business, financial condition and results of operations, and prospects.***

The infrastructure sector, including for EPC and Annuity contracts, is competitive and highly fragmented. We compete against various domestic engineering, construction and infrastructure companies for infrastructure projects. Some of our competitors may have larger financial resources or access to lower cost funds, or may have stronger engineering or technical capabilities in executing complex projects, or projects with certain specifications or in certain geographies. They may also benefit from greater economies of scale and operating efficiencies. Further, the premium placed on having experience may cause some of the new entrants to accept lower margins in order to be awarded a contract. The nature of the bidding process may cause us and our competitors to accept lower margins in order to be awarded the contract. In certain instances, certain competitors may choose to under-bid, which may adversely impact our market share, margins, revenues and financial condition. Whilst we have sufficient track record and experience in undertaking EPC projects, if we are unable to bid for and win projects, whether large or small, or compete effectively with competitors, we may be unable to sustain or increase our volume of order intake.

Given the fragmented nature of the Indian infrastructure industry, we may not have adequate information about the projects our competitors are constructing. As we seek to diversify our regional focus, we may face competition from existing competitors as well as local infrastructure companies, who may have better market understanding and reputation in such geographies.

These competitive factors may result in reduced revenues, reduced margins and loss of market share. Failure to compete successfully against current or future competitors could harm our business, operating cash flows and financial condition.

For further information concerning our competitors in specific industry and project segments, see "***Business – Competition***" on page 173.

13. ***Our Restated Consolidated Financial Information contain certain observations by our Auditors.***

Our Restated Consolidated Financial Information contain certain observations by our Auditors, viz., that the consolidated financial statements of our Company for Fiscals 2013, 2014, 2015 and 2016, respectively, did not include the below mentioned associates and joint ventures, which have been included in the Restated Consolidated Financial Information for the respective years:

Name of the Entity	Relationship with our Company	Name of Respective Auditors	Audit Report Date
Amidhara Realtors Private Limited	Associate	J D M & Co.	September 2, 2016 and September 24, 2015, for Fiscals 2016 and 2015, respectively.
Amidhara Realtors Private Limited	Associate	Dhruvit Patel & Co.	June 26, 2014 for Fiscal 2014.
Amidhara Realtors Private Limited	Associate	Kamleshkumar & Associates	May 25, 2013 for Fiscal 2013
Ahmedabad Ring Road Infrastructure Limited	Associate	Manubhai & Shah LLP	May 27, 2015, May 19, 2014 and May 22, 2013 for Fiscals 2015, 2014 and 2013, respectively.
Sadbhav PIPL JV	Joint Venture	K.P. Bhansali & Co.	July 15, 2016 for Fiscal 2016

Name of the Entity	Relationship with our Company	Name of Respective Auditors	Audit Report Date
PIPL KCL JV	Joint Venture	Zahir Meman & Associates	October 11, 2016, September 22, 2015 and September 27, 2014 for Fiscals 2016, 2015 and 2014, respectively.

The Consolidated Financial Statements of the Company as at and for the year ended March 31, 2014 and March 31, 2013 were prepared and certified by the management. Further, it was observed that, in preparing the Restated Consolidated Financial Statements as on and for the six months ended September 30, 2017, our Auditors placed reliance on the management certified financial statements for the following joint venture entities for the specified period.

Name of the Entity	Relationship with our Company	Period
PIPL KCL JV	Joint Venture	Six months ended September 30, 2017
Kalthia Engineering & Construction Limited Patel Infrastructure Private Limited Joint Venture	Joint Venture	Six months ended September 30, 2017

The Statutory Auditors have consolidated all the applicable subsidiaries, joint ventures and associates in the Restated Consolidated Financial Statements. However, failure to consolidate the financial statements of any such present or future entities in any future periods, or future uncertainties arising from the historic unavailability of audited consolidated financial statements for such entities, may make it challenging for investors to comprehensively compare or evaluate our historic and future financial condition and results of operations, on a consolidated basis.

For further information, see "***Financial Statements***" on page 211.

14. ***We derive a significant portion of our revenues from a limited number of clients. The loss of any significant clients may have an adverse effect on our business, financial condition, results of operations, and prospects.***

We derive a significant portion of our revenues from a limited number of clients. As on October 31, 2017, our Order Book was ₹ 62,672.43 million and the total contribution to our Order Book by our top client, NHAI in the form of HAM projects alone, was ₹ 39,302.30 million which amounted to 62.71% of our Order Book.

Larger contracts from few customers may represent a larger part of our portfolio, increasing the potential volatility of our results and exposure to individual contract risks. We may be vulnerable to accepting onerous contractual terms with regard to change in scope of work or inclusion of additional work within the scope of an existing contract. Such concentration of our business on a few projects or clients may have an adverse effect on our results of operations and result in a significant reduction in the award of contracts which could also adversely affect our business if we do not achieve our expected margins or suffer losses on one or more of these large contracts, from such clients.

We cannot assure you that we can maintain the historical levels of project orders from these clients or that we will be able to find new clients in case we lose any of them. Further, major events affecting our clients, such as adverse market conditions, regulatory changes, adverse cash flows, change of management could adversely impact our business. If any of our major clients become bankrupt, insolvent or financially strained, we may lose some or all of our business from that client and our receivables from that client may have to be written off, thus adversely impacting our cash flows and financial condition.

Our long-standing relationship with certain of our customers is a result of our timely and efficient completion of work. However, in the event we are unable to complete our projects within the duration prescribed under our contracts, or the quality of our work deteriorates, then our relationship will get strained and we may not get further orders from our current clients which could adversely affect our business. In addition, our clients may also be entitled to terminate the agreement in the event of delay in completion of the work if the delay is not on account of any of the agreed exceptions.

In the event any one or more such clients should terminate their contracts for any reason or cease doing business with us in the future, or be affected by external or internal risks that impact their ability to make contracted payments to us, our business and prospects may be adversely affected. There is no assurance that we will be able to broaden our client base in any future periods.

15. Failure by our joint venture partners to perform their obligations or disagreements with such joint venture partners could result in additional financial and performance obligations for our Company, which may adversely affect our business, financial condition, results of operations, and prospects.

In selecting contractors for major projects, clients generally limit the tender to contractors that have pre-qualified based on several criteria including experience in executing large projects, strong engineering capabilities for technically complex projects, the ability to take on further projects and sufficient financial resources or ability to access funds.

We depend on forming joint ventures to qualify for the bidding process for and to implement certain projects. In order to be able to bid for certain large scale infrastructure projects, where we do not suffice eligibility criteria independently due to our net worth and project experience, we enter into joint venture agreements with other companies to meet capital adequacy, technical or other requirements that may be required as part of the pre-qualification for bidding or execution of the contract. We anticipate that some of our future projects will continue to be developed and maintained through joint ventures, as we continue to bid jointly for contracts with suitable joint venture partners. Typically, we may detail our roles and responsibilities in our joint bidding documents or work allocation agreement executed with such third parties. As of the date of this Draft Red Herring Prospectus, we are executing two projects through joint ventures with third parties, namely the Sadbhav-PIPL JV and the KECL-PIPL JV. For further details regarding our existing joint ventures, see "***History and Certain Corporate Matters – Joint Ventures***" on page 184.

The success of these joint ventures arrangements may depend significantly on satisfactory performance by our joint venture partners and fulfilment of their contractual obligations, including those relating to equity funding and debt risk. If our joint venture partners fail to perform their obligations including under the terms of the EPC contracts, satisfactorily, or at all, the joint venture may be unable to perform adequately or deliver its contracted services which may adversely impact the completion of our projects and our business in general. We may have disagreements with our joint venture partners regarding the business and operations of the joint ventures. We cannot assure you that we will be able to resolve such disputes in a manner that will be in our best interests. If we are unable to successfully manage relationships with our joint venture partners, our projects and our profitability may suffer.

Our liability in relation to the projects being executed under the relevant agreements and the respective concession and financing agreements is typically joint and several. We may also be subject to liability claims for the work performed by the joint venture partners. The inability of a joint venture partner to continue to invest in, fund or execute a project due to financial, operational or legal difficulties could result in us bearing increased or entire costs incurred for the completion of the project and bear a concomitant increase in financial and operational risks of the projects.

Further, we might not have a controlling interest in some of our joint ventures. As a result, our joint venture partners may take actions which may be in conflict with our and our shareholders' interests or take actions contrary to our instructions or requests or contrary to the joint ventures' policies and objectives. Our joint venture partners may have economic or business interests or goals that are inconsistent with ours. Any of these factors could adversely affect our business, financial condition, results of operations, cash flows and business prospects including obtaining work from Government entities in future.

For further details on our joint ventures, see "***History and Corporate Matters – Joint Ventures***" on page 184

16. We are yet to obtain consent from Bank of Baroda, one of the lenders to our Company for the Issue.

Our Company has entered into several types of borrowing facilities of varying terms and tenures from lenders. Our Company sought to obtain the relevant consent from the respective lenders in advance of the date of this Draft Red Herring Prospectus. While we have obtained lender consents from most of our lenders, however, as on date of this Draft Red Herring Prospectus, we are yet to receive consent from Bank of Baroda. Our Company proposes to obtain such consents prior to filing the Red Herring Prospectus with the RoC. Undertaking any of the above including the Issue without such consents constitutes a default under the relevant financing documents and will entitle the respective lenders to declare a default against our Company and enforce remedies under the terms of the financing documents, that include, among others, acceleration in repayment of the amounts outstanding under the financing documents, enforcement of any security interest created under the financing documents, and taking possession of the assets given as security in respect of the financing documents.

17. ***We may not be able to collect receivables due from our clients, in a timely manner, or at all, which may adversely affect our business, financial condition, results of operations and prospects.***

There may be delays in the collection of receivables from our clients or entities owned, controlled or funded by our clients or their related parties. As on September 30, 2017, ₹ 61.46 million, or 12.48% of our total trade receivables, on a consolidated basis, had been outstanding for a period exceeding six months from their respective due dates. Our failure to collect such receivables due from our clients, in a timely manner, or at all, may adversely affect our business, financial condition, results of operations and prospects.

Additionally, we may, at times, be required to claim additional payments from our clients for additional work and costs incurred in excess of the contract price or amounts not included in the contract price. These claims may typically arise from changes in the initial scope of work or from delays caused by our clients. The costs associated with these changes or client caused delays may include direct costs such as labour and material costs associated with the performance of additional work, as well as indirect costs that may arise due to delays in the completion of the project, such as high fixed costs for maintaining idle labour and machinery while such projects are delayed or stalled.

We may not always have the escalation clauses in our project contracts in respect of the additional work to support our claims. Where we have escalation clauses in our project contracts, we may seek to enforce our contractual rights. However, our clients may interpret such clauses restrictively and dispute our claims. These claims are thus often subject to lengthy arbitration, litigation or other dispute resolution proceedings. We cannot assure you that we can recover adequately our claims. Our debtors may have insufficient assets to pay the amounts owed to us even if we win our cases. In addition, we may incur substantial costs in collecting against our debtors and such costs may not be recovered in full or at all from the debtors. As we often need to fulfil significant working capital requirements in our operations, delayed collection of receivables or inadequate recovery on our claims could materially and adversely affect our business, cash flows, financial condition and results of operations.

18. ***We may not be able to successfully manage the growth of our operations and execute our growth strategies which may have an adverse effect on our business, financial condition, results of operations and future prospects.***

As we continue to grow, we must continue to improve our managerial, technical and operational knowledge and allocation of resources, and implement an effective management information system. In order to fund our ongoing operations and future growth, we need to have sufficient internal sources of liquidity or access to additional financing from external sources, including debt or equity. For further details on our strategies, see "***Business – Strategies***" on page 158. Further, we will be required to manage relationships with a greater number of clients, suppliers, contractors, service providers, lenders and other third parties. We will need to further strengthen our internal control and compliance functions to ensure that we will be able to comply with our legal and contractual obligations and minimize our operational and compliance risks. There can be no assurance that we will not suffer from capital constraints, operational difficulties or difficulties in expanding existing business and operations and training an increasing number of personnel to manage and operate the expanded business. There can be no assurance that we will be able to successfully manage our growth, strategies or that our expansion plans will not adversely affect our existing operations and thereby have an adverse effect on our business, financial condition, results of operations and prospects.

Further, we could also encounter difficulties and delays in executing our growth strategies due to a number of factors, including, unavailability of human and capital resources, inability to develop adequate systems, infrastructure and technologies, delayed payments or non-payments by clients, failure to implement bidding strategy, failure to correctly identify market trends, increase in cost of raw material, fuel, labour etc., failure to form and maintain alliance with joint venture partners, failure on the part of our joint venture partners to perform their contractual obligations or any other risk that we may or may not have foreseen and such difficulties may result in delay in the execution of our projects. There can be no assurance that we will be able to execute our growth strategy on time and within the estimated costs, or that we will meet the expectations of our clients.

19. Our profitability and results of operations may adversely be affected in the event of any disruption in the supply of raw materials or increase in the price of raw materials, fuel costs, labour or other inputs.

While our project contracts typically contain escalation clauses, unanticipated delays and/or increases in the prices of construction materials, fuel, labour and equipment supplied to us by third parties, may result in time and cost overruns in our projects, which may have an adverse effect on our business and prospects.

The timely and cost effective execution of our projects is dependent on the adequate and timely supply of raw materials, such as steel, cement, aggregates, bitumen and sand. At times, there can be a scarcity of raw materials, which may cause substantial increases in the prices of such raw materials. Transport of these raw materials is subject to various conditions beyond our control, including poor roads, inclement weather or industrial accidents. Further, if breakdowns of our equipment increase as we conduct more construction activities, the costs associated with maintaining such equipment will increase. We may experience unanticipated increases in costs due to fluctuations in the supply and demand in the national and international markets for construction materials. Through our centralized procurement system, we may negotiate bulk discounts with our suppliers due to the large sizes of our purchases. However, we cannot assure you that we will continue to receive bulk discounts in our future purchases. We may need to divide our orders among several suppliers to reduce reliance on a limited number of suppliers, which may result in fewer discounts for us. Although our contracts typically allow for quarterly escalation, our ability to pass on increased costs may be limited under our item rate or fixed price contracts, which may have limited or no price escalation provisions. Further, our clients may dispute the increased costs. If we are unable to pass on such unanticipated price increases to our clients in EPC projects or through an increase in annuities or through extension of concession periods in HAM projects, we may have to absorb such increases and our business, financial condition and results of operations may be adversely affected.

In some of our key business operations, we rely on third parties for the timely supply of specified raw materials, equipment and maintenance services. Although we largely rely on our own fleet and actively manage third-party relationships to ensure continuity of supplies and services on time and to our required specifications, some events beyond our control could result in the complete or partial failure of, or delay or deficiency in, supplies or services, as the case may be.

Our projects have been performed under contracts that contain limited price escalation clauses covering increases in the cost of certain raw materials. Our actual expense in executing a contract with limited price escalation costs may vary substantially from the assumptions underlying our bid for several reasons, including:

- unanticipated increases in the cost of raw materials, fuel, labor or other inputs;
- unforeseen construction conditions, including the inability of the client to obtain requisite
- environmental and other approvals, resulting in delays and increased costs;
- delays caused by local weather conditions; and
- suppliers' or sub-contractors' failure to perform.

Any such failure could result in cost or time overruns which would adversely affect our business, financial condition, results of operations and prospects.

20. If we fail to maintain and enhance our brand and reputation, our clients' recognition of, and trust in us, and our business may be materially and adversely affected.

Our business depends significantly on the strength of our brand and reputation of completing our projects in a timely and efficient manner. Our Company is known to conduct operations in a manner that ensures that our projects are free of any defects or vulnerabilities. We believe that continuing to develop awareness of our brand, through focused and consistent branding and marketing initiatives is important for our ability to increase our revenues, grow our existing market share and expand into new markets. Consequently, defects, delays, consumer complaints, or negative publicity or media reports involving us, or any of our projects could harm our brand and reputation and may dilute the impact of our branding and marketing initiatives and adversely affect our business, financial condition, results of operations and prospects. Negative media coverage regarding our projects, and the resulting negative publicity, could materially and adversely affect the level of trust in, us and our projects. In addition, adverse publicity about any regulatory or legal action against us could damage our reputation and brand image, undermine public confidence in us and reduce long-term demand for our operations, even if the regulatory or legal action is unfounded or immaterial to our operations. We may be involved in costly lawsuits or time consuming regulatory proceedings. If we are unable to neutralise the impact of such negative publicity effectively or efficiently, we may suffer damage to our reputation and relationships with our clients, lenders, suppliers and communities and experience significant project delays or cost overruns. Additionally, any delinquent publicity of India's construction and infrastructure industry relating to safety, due to supplies of raw materials of inferior quality and inadequate enforcement of safety regulations and inspection procedures during the construction process, which may not have a direct connection with us, may negatively influence public perception and demand for our operations, which in turn could adversely affect our business, financial condition, results of operations, and prospects.

21. We are required to furnish financial and performance bank guarantees as part of our business. Our inability to arrange such guarantees or the invocation of such guarantees may adversely affect our cash flows and financial condition.

As per the terms of the EPC contracts and the concession agreements executed by us, we are typically required to provide financial and performance bank guarantees in favour of our clients and concessioning authorities to secure our financial/performance obligations under the respective contracts for our projects. In addition, letters of credit are often required to satisfy payment obligations to suppliers and sub-contractors. We may not be able to continue obtaining new financial and performance bank guarantees in sufficient quantities to match our business requirements. If we are unable to provide sufficient collateral to secure the financial bank guarantees, performance bank guarantees or letters of credit, our ability to enter into new contracts or obtain adequate supplies could be limited. Providing security to obtain letters of credit, financial and performance bank guarantees also increases our working capital requirements. Delay or inability in providing a performance security within the stipulated period with respect to the project may result in termination of the concession agreement or enforcing of the bid security. If we are not able to continue obtaining new letters of credit, bank guarantees and performance bank guarantees in sufficient quantities to match our business requirements, it could have an adverse effect on our business, financial condition, results of operations, and prospects.

As on October 31, 2017, we had issued bank guarantees amounting to ₹ 3,990.53 million towards securing our financial/performance obligations under our ongoing projects, based on the projects we have entered into. We may be unable to fulfil any or all of our obligations under the contracts entered into by us in relation to our ongoing projects due to unforeseen circumstances which may result in a default under our contracts resulting in invocation of the bank guarantees issued by us. If we fail to perform our contractual obligations or comply with law or our regulatory obligations, we may be subject to pay of liquidated damages according to the applicable concession agreements. The amount is usually set as a fixed percentage of the contract price and the obligation is triggered by the specified conditions in the agreement. If any or all the bank guarantees are invoked, it may have an adverse effect on our business and financial condition.

22. Conflicts of interest may arise out of common business objects between our Company, our Subsidiaries and certain entities forming part of our Promoter Group.

Our Company, our Subsidiaries, namely, Patel Highway Management Private Limited, Patel Bridge Nirman Private Limited, Patel Hospitality Private Limited, Patel Sethiyahopu-Cholopuram Highway Private Limited, Patel Cholopuram-Thanjavur Highway Private Limited and Patel Darah-Jhalawar Highway Private Limited and certain entities forming part of our Promoter Group may, from to time, be empowered under their respective constitutional documents, to undertake a similar line of business.

While we do not currently have any conflict management policy or similar arrangement in place, we may in the future be required to assess any potential conflicts of interest and take appropriate steps to address such conflicts of interest, as and when they may arise.

For further details, see "***History and Certain Corporate Matters – Subsidiaries of our Company***" and "***Promoters and Group Company – Group Company***" on pages 182 and 205, respectively.

23. ***We have incurred significant indebtedness, which requires significant cash flows to service such debts and may incur substantial additional debt in the future, which may expose us to interest rate fluctuations and restrict our operational flexibility in certain ways.***

As on October 31, 2017, our total outstanding indebtedness was ₹ 8,487.79 million, including secured debt of ₹ 7,900.02 million and unsecured debt of ₹ 587.77 million. For details, see "***Financial Indebtedness***" on page 375. The infrastructure sector is inherently capital intensive and requires significant expenditure. We may incur additional indebtedness in the future. Our ability to borrow, the terms of our borrowings and our cost of borrowing depend on various factors, including our financial condition, results of operations, revenues generated by our business, general market conditions for infrastructure companies, economic and political conditions in the geographies where we operate and our capacity to service debt.

Our significant indebtedness results in substantial debt service obligations, which could lead to reduced availability of cash flows to pursue our strategic and other growth plans, increased vulnerability to interest rate fluctuations and economic downturn and limited flexibility in our operations. We cannot assure you that we will generate sufficient revenues to service existing or proposed borrowing or fund other liquidity needs. Given the nature of our business, we will continue to incur substantial indebtedness even after the Issue, and we cannot assure you that the aforementioned risks will not have an adverse effect on our business, financial condition, results of operations and prospects.

Substantially all of our secured debt carries interest at fixed rates or at rates that are subject to adjustments at specified intervals. We are exposed to interest rate risk in respect of contracts for which we have not entered into any swap or interest rate hedging transactions in connection with our loan agreements, although we may decide to engage in such transactions in the future. We may further be unable to pass any increase in interest expense to our existing customers. Any such increase in interest expense may have a material adverse effect on our business, prospects, financial condition and results of operations. Furthermore, if we decide to enter into agreements to hedge our interest rate risk, there can be no assurance that we will be able to do so on commercially reasonable terms, that our counterparties will perform their obligations, or that these agreements, if entered into, will protect us fully against our interest rate risk.

24. ***Our business is subject to seasonal and other fluctuations that may affect our financial performance and business operations.***

Our business and operations are affected by seasonal factors. In particular, the monsoon season in the second quarter of each Fiscal may restrict our ability to carry on activities related to our projects and fully utilize our resources. During periods of curtailed activity due to adverse weather conditions, we may continue to incur operating expenses and our project related activities may be delayed or reduced. During periods of curtailed work due to adverse weather conditions we may continue to incur operating expenses and our project related activities may be reduced. Adverse seasonal developments may also require the evacuation of personnel, suspension or curtailment of operations, resulting in damage to construction sites or delays in the delivery of materials. Additionally, traffic volumes may witness a decrease during the monsoon. Such fluctuations may adversely affect our liquidity, business, financial condition, results of operations and prospects.

As a result, our revenues and profits may vary significantly during different financial periods and certain periods are not indicative of our financial position for the year. Such fluctuations may adversely affect our revenues, cash flows, results of operations and financial condition.

For further details, see "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on page 348.

25. ***We are subject to restrictive covenants under our financing agreements that could limit our flexibility in managing our business or meet our obligations or to use cash or other assets which could adversely affect our business and results of operations.***

As on October 31, 2017, our total outstanding indebtedness was ₹ 8,487.79 million. Most of our financing arrangements are secured by our movable assets and by certain immovable assets. Our accounts receivable and inventories, including certain machinery and equipment, are subject to charges created in favor of specific secured lenders. Many of our financing agreements also include various conditions and covenants that require us to obtain lender consents and intimations, as the case may be, prior to carrying out certain activities and entering into certain transactions. Typically, restrictive covenants under financing documents of our Company relate to obtaining prior consent of the lender for, among others:

- any change in shareholding of our Promoters;
- effecting any change in the capital structure of our Company;
- taking any additional borrowings;
- creating or allowing to exist any encumbrance or security over charged assets;
- entering into any contractual obligation of a long term nature (i.e. one year or more) or which, in the reasonable assessment of the lender is an unrelated activity and is detrimental to the lenders interest;
- changing the ownership or control of our Company, resulting in any change in the beneficial ownership;
- entering into any scheme of merger, amalgamation, compromise or reconstruction;
- divert funds for purposes other than the sanctioned purpose;
- any change in the constitutional documents of our Company;
- pre-paying any indebtedness incurred by our Company;
- making any corporate investments by way of share capital or debentures or lend or advance funds to or place deposits with, any other concern except give normal trade credits or place on security deposits in the normal course of business or make advances to employees;
- undertake guarantee obligations on behalf of any third party or any other company;

In addition, such restrictive covenants may also affect some of the rights of our Shareholders and our ability to pay dividends if we are in breach of our obligations under the applicable financing agreement. Such financing agreements also require us to maintain certain financial ratios. Most of our lenders also have a right to appoint nominee directors under their financing agreements. Pursuant to the provisions of certain loan facilities, our lenders are entitled to call notice requiring our Company to repay (either in full or in part) the amount outstanding on any particular day. Further, any future downgrading of our credit rating by a credit rating agency below a specified grade may qualify as an event of default under the relevant financing agreements. A downgrade of our credit rating may also increase our interest costs. Any failure to service our indebtedness, perform any condition or covenant or comply with the restrictive covenants could lead to a termination of one or more of our credit facilities, acceleration of amounts due under such facilities and cross-defaults under certain of our other financing agreements, any of which may adversely affect our ability to conduct our business and have a material adverse effect on our financial condition and results of operations.

For more details on such restrictive covenants, see "***Financial Indebtedness***" on page 375.

26. Enforcement of pledge of shares held by our Company in our Subsidiaries, in favour of lenders to our Subsidiaries, may adversely affect our business and results of operations.

Our Company had executed a pledge agreement in favour of Punjab National Bank, pursuant to which 30% of the equity shares held by our Company in PHMPL , our wholly owned Subsidiary, are pledged with Punjab National Bank and 21% equity shares are maintained in an escrow account for benefit of Punjab National Bank till currency of loan borrowed by PHMPL. For further details, see "***Financial Statements – Restated Standalone Financial Information***" on page 212. Such pledges are executed in connection with the borrowings of our Subsidiaries, from time to time. Such lenders may enforce the pledge against our Company, if any Subsidiary is in breach of its obligations under the relevant loan agreements. The lenders may also require alternate or additional securities, collaterals, accelerated payments of outstanding amounts or terminate the relevant loan facilities if they determine that our Company is in breach of its obligations under the pledge agreements. In the event that such pledges are enforced, our economic interest may be reduced and we may lose control of these Subsidiaries to such extent, which may adversely affect our business and prospects.

27. We may be adversely affected by lenders' enforcement of our Company's guarantees in relation to certain debt facilities of our Subsidiaries.

Our Company has provided corporate guarantees in favour of certain lenders of our Subsidiaries. Such lenders may enforce the guarantees against our Company, if any Subsidiary is in breach of its obligations under the relevant loan agreements. The lenders may also require alternate or additional guarantees, collaterals, accelerated payments of outstanding amounts or terminate the relevant loan facilities if they determine that our Company's guarantees are inadequate. We may not be successful in providing the required guarantees or at all and may need to repay outstanding amounts or seek additional sources of capital, which could affect our cash flows, financial condition and results of operations.

28. Our operations are subject to accidents and other risks and could expose us to material liabilities, loss in revenues and increased expenses.

While construction companies, including us, conduct various scientific and site studies during the course of bidding for projects, there are always anticipated or unforeseen risks that may come up due to adverse weather conditions, geological conditions, specification changes and other reasons. Additionally, our operations are subject to hazards inherent in providing engineering and construction services, such as risk of equipment failure, work accidents, fire or explosion, including hazards that may cause injury and loss of life, severe damage to and destruction of property and equipment, and environmental damage. Our policy of covering these risks through contractual limitations of liability, indemnities and insurance may not always be effective and this may have a material adverse effect on our reputation, business, financial condition and results of operations.

29. Our ability to negotiate the standard form of Government contracts for our projects may be limited and certain unusual or onerous provisions may be imposed on us, which may restrict our flexibility in undertaking our business and thereby affect the efficient execution and profitability of our projects.

A majority of our projects are awarded to us by Government authorities such as NHAI and MoRTH. Our ability to negotiate the terms of contracts with our clients, particularly governmental agencies, is limited and certain unusual or onerous provisions may be imposed on us.

Annuity contracts typically have certain inherent risks associated with them, including fixed concession periods without automatic renewal, fixed payment intervals and terms, and our inability to renegotiate financial terms or to seek extension on the expiry of the initial term. The model concession agreement would also impose certain onerous provisions on us as the concessionaire, including restrictions in relation to minimum shareholding requirements, construction, right to terminate the contract unilaterally without assigning any reason, liability of defects arising after termination of agreements, commitment compliance with operation and maintenance requirements, commitment to secure unencumbered land and substitution of the concessionaire by the concessioning authority and the senior lenders in the event of default under the project documents and financing documents. Further, most concession agreements allow the concessioning authority the right to change the scope of work and associated details unilaterally. These onerous conditions in Government contracts may affect the efficient execution of our projects and may have adverse effects on our profitability. Moreover, the form of the concession agreement has only evolved recently and there is limited guidance available on the interpretation of a number of terms and conditions of such concession agreements, particularly under HAM. In the event that the interpretation of such concession agreements is unfavourable to us, our business and prospects may be adversely affected.

For details of the general terms and conditions of our concession agreements, see "***Business***" on page 154.

30. Obsolescence, destruction, theft or breakdown of our equipments, or failure to repair or maintain such equipment, or the enforcement of any security rights over such assets, where such assets are mortgaged as security for our borrowings, may adversely affect our business, financial condition, results of operations, and prospects.

As on September 30, 2017, our equipment base comprised 683 construction equipment assets of gross block worth ₹ 2,470.32 million, which included equipment such as earth movers (dumpers and tippers), loaders and excavators, rollers and compactors, weigh bridges, transit mixers, motor graders, milling machines, paver finishers, cranes, concrete batch mix plants, crushers, hot mix plants (batch type), concrete pavers, and others.

To maintain our capability to undertake large projects, we seek to purchase equipment built with the latest technology and knowhow and keep them readily available for our construction activities through careful and comprehensive repairs and maintenance. However, we cannot assure you that we will be immune from the associated operational risks such as the obsolescence of our equipment, destruction, theft or major equipment breakdowns or failures to repair our equipment, which may result in their unavailability, project delays, cost overruns and even defaults under our contracts.

We may not be able to acquire new equipment, repair or replace damaged or lost equipment in time or at all, particularly where such equipment is not readily available from the market, at commercially reasonable terms or at the time we require, or requires services from original equipment manufacturers. Additionally, rapid and frequent technology and market demand changes can often render existing technologies and other equipment obsolete requiring substantial new capital expenditure and/or write-downs of assets. Some of our major equipments or parts may be costly to replace or repair. We may experience significant price increases or delays in supply due to supply shortages, inflation, transportation difficulties or unavailability of bulk discounts. Such obsolescence, destruction, theft, breakdowns, repair or maintenance failure or price increases may not be adequately covered by the insurance policies availed by our Company and may have an adverse effect our business, financial condition and prospects.

31. ***Our operations could be adversely affected by strikes, work stoppages or increased wage demands by our employees or any other kind of disputes with our employees and contract labour.***

We are dependent on our large work force for the operation of our ongoing projects. For details regarding our ongoing projects, see "***Business – Ongoing Projects***" on page 160. As on September 30, 2017, we had 2,139 permanent employees. While we consider our current labour relations to be good, we cannot assure you that we will not experience disruptions in work due to disputes, strikes or other problems with our work force, which may adversely affect our ability to perform our project contract obligations.

We engage third-party contractors and sub-contractors to perform parts of our contract or provide services or manpower. Although our contractors are qualified, we do not have control over their day to day performance. We cannot ensure that there will be no delay in performance of duties by our contractors, which may cause a delay in completion of our projects. We may also be exposed to risks relating to the ability of the contractors to obtain requisite approvals for the operation and maintenance activities as well as the quality of their services, equipment and supplies. Further, while we may sub-contract our construction work and may be indemnified by the sub-contractor for any loss or damage due to their default, we may still be liable for accidents on the projects due to defects in design and quality of construction of our projects during their construction and operation. In addition, we can make no assurance that such contractors or their sub-contractors will continue to hold or renew valid registrations under the relevant labour laws in India or be able to obtain the requisite approvals for undertaking such construction and operation.

If our contractors are unable to perform in accordance with their commitments on time or meet the quality standards required, our ability to complete projects on time or at all could be impaired. Further, any disputes between our contractors and their employees, or our contractors' failure to satisfy regulatory obligations towards their workers, where we are registered as the principal employer, may also result in disruptions in our operations, or in increased compliance costs for us, which may also adversely affect our ability to complete a project in a timely manner. Further, if a sub-contractor becomes insolvent, we may be unable to recover damages or compensation for defective work and we may incur additional expenditure as a result of correcting any defective work. This may have an adverse effect on our reputation, cash flows, business, financial condition, results of operations, and prospects.

32. ***Our operations could be adversely affected by transport strikes.***

We rely on third party transportation service providers, including for the transportation of raw materials, equipment and workers between our various project sites, from time to time. While we have not incurred significant losses or loss of man days in the past due to transport strikes, any such future occurrences may not be within our control. We cannot assure you that we will not experience disruptions in our work due to transport strikes in the future, which may adversely affect our ability to perform our project contract obligations and, to that extent, our business, financial condition, results of operations and prospects.

33. Our business is dependent on a continuing good relationship with various stakeholders and market participants, including our clients in the private sector.

Our business is dependent on highway construction projects undertaken by large Indian and international conglomerates and on infrastructure projects undertaken by governmental authorities funded by governments or by international and multilateral development finance institutions. We therefore must develop and maintain strategic alliances with other construction developers that undertake contracts for such infrastructure development projects and we intend to continue to explore entering into joint ventures, consortia or sub-contract relationships for specific projects with certain of these EPC contractors. In addition, we develop and maintain relationships and pre-qualified status with certain major clients and obtain a share of contracts from such clients. We also sub-contract certain non-specialized tasks to other contractors.

Our business requires us to develop and maintain good relations with various stakeholders and market participants, including our clients and contractors in the private sector. From time to time, we may also be required to enter into consortium bidding arrangements, joint ventures or other strategic alliances with other infrastructure developers, or to sub-contract portions of projects awarded to us.

The loss or impairment of a significant private sector client or other such relationship may have an adverse effect on our business and prospects.

34. Changes in technology may render our current technologies obsolete and may require us to make substantial capital investments. Any failure to keep pace with technical and technological developments in the construction industry may adversely affect our business, financial condition, results of operations and prospects.

Our operations rely on our information technology ("**IT**") systems across various aspects of our operations, from business planning to project management and from recruitment to procurement. We have installed a systems, applications and products software ("**SAP**") based enterprise resource planning system since December 22, 2017 to track raw materials and components that are supplied to us, to monitor the progress and status of our projects as well as the efficiency of our workers, and to allocate work and resources among our construction teams. Our SAP system is also designed to enable us to monitor and record up-to-date operating and financial data for the compilation of management accounts. Although these technology initiatives are intended to increase productivity and operating efficiencies, they may not yield intended results.

If our IT systems malfunction or experience extended periods of down time, we will not be able to run our operations safely or efficiently. We may suffer losses in revenue, reputation, volume of business, financial condition and results of operation may be adversely affected.

Any damage or system failure that causes interruptions or delays in the input, retrieval or transmission of data could disrupt our normal operations and possibly interfere with our ability to undertake projects pursuant to the requirements or our contracts. Should such an interruption or delay occur, we cannot assure you that it will not result in the loss of data or information that is important to our business or that we will be able to restore our operational capacity within a sufficiently adequate time frame to avoid disruptions to our business. In addition, we may not be able to upgrade our SAP system in a timely manner that is sufficient to meet the needs of our evolving business and operations or at all. The occurrence of any of these events could interfere with the operation of our business and adversely affect our business, financial condition and results of operations.

Further, our future success will depend in part on our ability to respond to technological advances and emerging standards and practices on a cost effective and timely basis. There can be no assurance that we will be able to complete our current technology initiatives or achieve the anticipated efficiencies. Further, unavailability of or failure to retain well trained employees capable of constantly servicing our IT system may lead to inefficiencies or disruption of the IT system. There can be no assurance that we will be able to improve our project management and execution systems and upgrade our technology infrastructure at a rate commensurate with the increase in the size and complexity of the projects that we may undertake in the future. Any resulting impairment in our project management and execution capabilities may have an adverse effect on our business, financial condition, results of operations and prospects.

35. Our funding requirements and the deployment of Net Proceeds are based on management estimates and have not been independently appraised. Further, our management will have discretion in the application of the Net Proceeds, and there is no assurance that the Objects of the Issue will be achieved within the time frame expected or at all.

We intend to use the Net Proceeds for the following purposes:

i. investment in our Subsidiary, Patel Cholopuram-Thanjavur Highway Private Limited for part financing of the Cholopuram-Thanjavur HAM Project;

ii. purchase of construction equipment;

iii. funding incremental working capital requirement of our Company;

iv. repayment/prepayment in full of certain indebtedness; and

v. general corporate purposes.

Our funding requirements and the deployment of the Net Proceeds are based on management estimates for which we have relied on internal assumptions and such assumptions have not been appraised by any independent agency. Given the nature of our business and due to various uncertainties involved, we may be unable to utilize the Net Proceeds within the time frame or as per the schedule of deployment that we currently estimate. In the case of increase in actual expenses or shortfall in requisite funds, additional funds for a particular activity will be met by means available to us, including internal accruals and additional equity and/or debt arrangements.

Further, while our management is required to temporarily invest the Net Proceeds, pending utilization, with scheduled commercial banks listed in Schedule II of the Reserve Bank of India Act, 1934, there can be no assurance that we will earn significant interest income on, or that we will not suffer unanticipated diminution in the value of, such temporary investments.

Further, in accordance with Section 27 of the Companies Act, 2013, we cannot undertake any variation in the utilisation of the Net Proceeds as will be disclosed in this Draft Red Herring Prospectus without obtaining the Shareholders' approval through a special resolution. In the event of any such circumstances that require us to undertake variation in the disclosed utilisation of the Net Proceeds, we may not be able to obtain the Shareholders' approval in a timely manner, or at all. Any delay or inability in obtaining such Shareholders' approval may adversely affect our business or operations. For further details on the utilization of Net Proceeds, see "***Objects of the Issue***" on page 96.

36. We are dependent on a number of key personnel, including our senior management, and the loss of or our inability to attract or retain such persons could adversely affect the efficiency of our operations leading to loss of revenues and profitability of our business.

Our performance depends largely on the efforts and abilities of our senior management and other key personnel, including our present officers. The inputs and experience of our senior management and key managerial personnel are valuable for the development of business and operations and the strategic directions taken by our Company. We cannot assure you that we will be able to retain these employees or find adequate replacements in a timely manner, or at all. Competition for senior management in our industry in which we operate is intense and we may not be able to retain our existing senior management or attract or retain new senior management in the future, particularly, in Gujarat, where our Registered and Corporate Office is located. We may require a long period of time to hire and train replacement personnel when skilled personnel terminate their employment with our Company. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting skilled employees that our business requires. The loss of the services of such persons could have an adverse effect on our cash flows, business, financial condition, results of operations and prospects.

The continued operations and growth of our business is dependent upon our ability to attract and retain personnel who have the necessary and required experience and expertise. Competition for qualified personnel with relevant industry expertise in India is intense and the loss of the services of our key personnel could adversely affect our business, cash flows, financial condition, results of operations and prospects.

For more information, see "***Management***" on page 187.

37. ***Our sustained growth depends on our ability to attract and retain skilled manpower. Failure to attract and retain skilled manpower or our increased employee costs could adversely affect our business, financial condition, results of operations and prospects.***

Our performance depends largely on the efforts and abilities skilled manpower in the execution of our projects. The inputs and experience of such personnel are valuable for the timely completion of our projects. We cannot assure you that we will be able to retain these skilled personnel or find adequate replacements in a timely manner, or at all. In terms of our concession agreements, we are required to employ qualified and trained personnel, including local personnel, for operating our projects. We may require a long period of time to hire and train replacement personnel when skilled personnel terminate their employment with our Company, or our contractors, as the case may be. We may also be required to increase our levels of employee compensation and benefits more rapidly than in the past to remain competitive in attracting skilled personnel, or to address any breaches on the part of our respective contractors and subcontractors, where we are the principal employers. The loss of the services of such persons could have an adverse effect on our business, financial condition, results of operations and prospects.

For further details, see "***Business***" and "***Management***" on pages 154 and 187, respectively.

38. ***Certain properties occupied us, including our Registered Office and certain site offices from time to time, are not owned by us and we have only leasehold rights. In the event we lose or are unable to renew such leasehold rights, our business, financial condition and prospects may be adversely affected.***

By way of a lease deed dated August 31, 2016, our Company obtained the site of its present Registered Office on lease for a period of 30 months. Hence, we do not own the premises in which our Registered Office and certain of our site offices, from time to time, are situated. For Fiscal 2017 and the six months ended September 30, 2017, we were required to pay aggregate lease rentals of ₹ 1.90 million and ₹ 2.58 million, respectively.

In addition to rental expenses, such arrangements may be terminated by the lessors, including on account of any actual or alleged breach by us by the terms of such lease. We cannot assure you that we will continue to own, or have the right to occupy, these premises in the future, or that we will be able to continue with the uninterrupted use of these premises, on the same or similar commercial terms. Any significant rent escalation or disturbance in the use of such leased premises may adversely affect our business, financial condition and prospects, or may require us to relocate, perhaps at higher cost.

Further, some of the lease and leave and license agreements for our site offices may not be adequately stamped or registered with the registering authority of the appropriate jurisdiction. An instrument not duly stamped, or insufficiently stamped, shall not be admissible as evidence in any Indian court or may attract a penalty as prescribed under applicable law, which may have an adverse effect on the continuance of our site operations.

For further details of the premises we own and occupy, see "***Business – Properties***" on page 173.

39. ***While we have registered certain trademarks used by us for our business, any inability to protect our intellectual property from third party infringement may adversely affect our business and prospects.***

The phrases "Patel", "Every milestone is our value" and our Company logo are registered Class 37 trademarks. The use of our name and trademarks by third parties could adversely affect our reputation, which could, in turn, adversely affect our business and prospects.

Despite our best efforts to detect and address any such possible infringement, we may not be able to prevent such possible infringement of our name and trademarks, or to pre-empt any adverse impact on our reputation, business and prospects, or to rule out the possibility that we may be sued by third parties in the future for alleged violation by us of their intellectual property. If such infringement issues or claims should arise in the future, we may be required to initiate or defend ourselves in costly litigation, which may also divert management's attention and resources.

See "***Business – Intellectual Property***" and "***Government and Other Approvals***" on page 173 and page 385, respectively.

40. Our operations are subject to physical health hazards and similar risks that could expose us to liabilities, loss in revenue and increased expenses

Most of our projects are subject to extensive Central, State and local laws and regulations, including requirements to obtain right of way, or approvals for clearing forest land, or governing the discharge, emission, storage, handling and disposal of a variety of pollutants, or occupational health and safety laws, including those regulating the use of contract labour.

While some of our clients are responsible, under the terms of our contracts, to obtain the requisite government and other approvals for such projects, or to acquire, lease, or secure rights of way over, tracts of land underlying the infrastructure we construct, free of encroachments and encumbrances, their delay or failure to obtain, renew or maintain such approvals may delay completion of our projects and cause cost overruns.

Moreover, there can be no assurance that we will not become impleaded or involved in future litigation or other proceedings instituted against our clients for their actual or alleged failure to comply with such regulatory requirements. Any such proceedings could divert management time and attention, consume financial resources in defense or prosecution of such legal proceedings or cause delays in the construction, development or commencement of operations of our projects, and there can be no assurance that we will be successful in all, or any, such proceedings. Occupational health and safety, environmental and other regulation in India may also become more stringent in the future. The scope and extent of new laws and regulations, including their interpretation, implementation and effect on our operations, cannot be predicted with any certainty, or it may take time before a sufficient body of administrative or judicial precedent is available on any recent regulatory pronouncements. If we fail to satisfy such requirements, we may also be subject to administrative, civil or criminal proceedings, including proceedings instituted by environmental groups, civil society organisations, individuals, or others, which could result in substantial fines and penalties against us as well as revocation of approvals and permits and orders that could limit or halt our operations. In the event that we are required to incur compliance costs or devote significant management time to comply with such requirements, our business, financial condition, results of operations, and prospects may be adversely affected.

Also see, "***Key Regulations and Policies in India***" and "***Government and Other Approvals***" on pages 175 and 385, respectively.

41. Our business may be adversely affected by losses exceeding our insurance limits or lack of adequate cover.

Our Company, in the ordinary course of business, maintains a number of insurance policies to cover the normal risks associated with the operation of our business (including all risks policies), with reputed insurers. However, we cannot assure you that any claim under the insurance policies maintained by us will be honoured fully, or on time, or that such insurance will be sufficient to cover all material losses that we may incur in the future, or that we will be able to renew such policies as and when such policies come due for renewal in the future.

The occurrence of an event that causes losses in excess of limits specified under the relevant insurance policy, or losses arising from events excluded from or not covered by our insurance policies, could adversely affect our business, financial condition and prospects.

For further details on our insurance arrangements, see "***Business– Insurance***" on page 173.

42. We had contingent liabilities not provided for of ₹ 4,791.66 million as on September 30, 2017 and our profitability may be adversely affected if any of these contingent liabilities materialize.

The following table reflects our contingent liabilities, on a consolidated basis, as on September 30, 2017:

(in ₹ million)

S. No.	Particulars	As on September 30, 2017
1.	Claims against our Company not acknowledged as debt	2.72
2.	Guarantees	
	• outstanding bank guarantees	4,114.17
	• corporate guarantees	630.50
3.	Other money for which our Company is contingently liable (direct and indirect taxes)	44.27
	Total	**4,791.66**

For further details of certain matters which comprise our contingent liabilities, not provided for, see "***Financial Statements***" on page 211.

There can be no assurance that we will not incur similar or increased levels of contingent liabilities in the current financial year or in the future. In the event, or to the extent, that any of our contingent liabilities is realized, it could have an adverse effect on our business, financial condition, results of operations, and prospects.

For further details, see "***Management's Discussion and Analysis of Financial Condition and Results of Operations – Contingent Liabilities***" and "***Outstanding Litigation and Other Material Developments***" on pages 366 and 379, respectively.

43. Our business is subject to seasonal and other fluctuations that may affect our financial performance and business operations.

Our business and operations are affected by seasonal factors. In particular, the monsoon season in the second quarter of each Fiscal may restrict our ability to carry on activities related to our projects and fully utilize our resources. During periods of curtailed activity due to adverse weather conditions, we may continue to incur operating expenses and our project related activities may be delayed or reduced. During periods of curtailed work due to adverse weather conditions we may continue to incur operating expenses and our project related activities may be reduced. Adverse seasonal developments may also require the evacuation of personnel, suspension or curtailment of operations, resulting in damage to construction sites or delays in the delivery of materials. Additionally, traffic volumes may witness a decrease during the monsoon. Such fluctuations may adversely affect our liquidity, business, financial condition, results of operations and prospects.

As a result, our revenues and profits may vary significantly during different financial periods and certain periods are not indicative of our financial position for the year. Such fluctuations may adversely affect our revenues, cash flows, results of operations and financial condition.

For further details, see "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on page 348.

44. Some of the records pertaining to educational qualifications and professional experience of certain of our Directors are not traceable and have relied on declarations and affidavits furnished by such individuals for certain details of their profiles, as disclosed in the section "Management".

While our Directors have supplied us with records of their respective qualifications, experience, awards and achievements, as disclosed in "***Management***" on page 187, certain records were not traceable, including on account of the lapse of a considerable amount of time since the dates of the events and details discussed in those biographies.

We and the BRLMs were not able to verify details pertaining to the following:

- certain educational qualifications of our Directors, namely Mr. Pravinbhai Patel, our Chairman, and Mr. Madhubhai Pragjibhai Vaviya and Mr. Sureshbhai Pragjibhai Vaviya, who are Executive Directors on our Board; and
- certain aspects of the professional experience of our Director, Mr. Harcharan Singh Pratap Singh Jamdar.

45. ***Tax incentives and tax credits currently available to us could be modified or repealed in the future, which could adversely affect our business and prospects.***

The Income Tax Act, 1961 (the "**IT Act**") provides certain direct tax benefits to companies engaged in infrastructure development and construction operations, including a deduction of 100% of the profits (for a period of 10 consecutive assessment years) derived from the business of developing an infrastructure facility. We have claimed certain tax credits under Section 80 IA of the IT Act, relating to infrastructure development projects, which decrease our effective tax rates compared to the statutory tax rates. There can be no assurance that these tax incentives will continue in the future, or that such tax credits shall be held to be available to us.

For further details, see "***Statement of Tax Benefits***" on page 112.

46. ***Our Promoters will continue to retain control over our Company after completion of the Issue, which will allow them to influence the outcome of matters submitted for approval of our shareholders.***

After the completion of this Issue, our Promoters and Promoter Group will collectively hold substantial portion of our post-Issue Equity Share capital. As a result, our Promoters and Promoter Group will continue to exercise significant control over us. Our Promoters and Promoter Group may take or block actions with respect to our business, which may conflict with our interests or the interests of our minority shareholders, such as actions which delay, defer or cause a change of our control or a change in our capital structure, merger, consolidation, takeover or other business combination involving us, or which discourage or encourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of us. We cannot assure you that our Promoters and members of our Promoter Group will act in our interest while exercising their rights in such entities. Any such conflict may adversely affect our ability to execute our business strategy or to operate our business.

For further details, see "***Management***" and "***Promoters and Group Company***" on pages 187 and 203, respectively.

47. ***The Promoters and the Directors hold Equity Shares in our Company and are therefore interested in our Company's performance in addition to their remuneration and reimbursement of expenses.***

Our Promoters are interested in us to the extent of any transactions entered into or their shareholding and dividend entitlement in us. All our Promoters are also Directors of our Company. All of our Directors are interested in our Company to the extent of remuneration paid to them for services rendered as our Directors and reimbursement of expenses payable to them. Our Directors may also be interested to the extent of any transaction entered into by us with any other company or firm in which they are directors or partners.

Further, some of our Promoters and Directors may also be deemed to be interested to the extent that our Company has leased certain premises pursuant to arrangements with certain Promoters or related parties.

For further details, see "***Management***" and "***Promoters and Group Company***" on pages 187 and 203, respectively.

48. ***We have entered into and may in the future enter into related party transactions. There is no assurance that our future related party transactions would be on terms favourable to us when compared to similar transactions with unrelated or third parties.***

We have in the ordinary course of our business entered, and will continue to enter, into transactions with related parties. While we believe that all of our related party transactions are in compliance with applicable law, we cannot assure you that we could not have achieved more favorable terms had such transactions been entered into with unrelated parties. Further, the transactions we have entered into and any future transactions with our related parties have involved or could potentially involve conflicts of interest which may be detrimental to our Company. In addition, the Companies Act, 2013 and the SEBI Listing Regulations have brought into effect significant changes to the Indian company law framework including specific compliance requirements such as obtaining prior approval from the audit committee, board of directors and shareholders for certain related party transactions.

There can be no assurance that we could not have achieved more favourable terms if such transactions had been entered into with unrelated parties or that we will be able to maintain existing terms, in cases where the terms are more favourable than if the transaction had been conducted on an arms-length basis. We cannot assure you that such related party transactions, individually or in the aggregate, will not have an adverse effect on our business, financial condition, results of operations and prospects, including as a result of potential conflicts of interest or otherwise.

For more information regarding our related party transactions, see "***Related Party Transactions***" and "***Financial Statements***" on pages 210 and 211, respectively.

49. This Draft Red Herring Prospectus contains information from industry sources including the industry report commissioned from CRISIL Research. Prospective investors are advised not to place undue reliance on such information.

The information in the sections "***Summary of Industry***" and "***Industry Overview***" on pages 50 and 116 of this Draft Red Herring Prospectus includes information derived from a report dated December 2017, titled "*Road Sector in India*", prepared by CRISIL Research, pursuant to an engagement with our Company. We have commissioned this report for the purpose of confirming our understanding of the infrastructure industry in India. Neither we, nor any of the BRLMs, nor any other person connected with the Issue has verified the information in the industry report.

CRISIL has advised that while it has taken due care and caution in preparing the commissioned report, which is based on information obtained from sources that it considers reliable (the "**Information**"), it does not guarantee the accuracy, adequacy or completeness of the Information and disclaims responsibility for any errors or omissions in the Information or for the results obtained from the use of the Information. The CRISIL Report also highlights certain industry and market data, which may be subject to assumptions. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions vary widely among different industry sources. Further, such assumptions may change based on various factors. We cannot assure you that CRISIL's assumptions are correct or will not change and, accordingly, our position in the market may differ from that presented in this Draft Red Herring Prospectus. Further, the commissioned report is not a recommendation to invest or disinvest in our Company. CRISIL has disclaimed all financial liability in case of any loss suffered on account of reliance on any information contained in the CRISIL Report. Prospective investors are advised not to unduly rely on the CRISIL Report or extracts thereof as included in this Draft Herring Prospectus, when making their investment decisions.

For further details, see "***Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation***" and "***Industry Overview***" on pages 13 and 116, respectively.

50. We are subject to the risk of failure of, or weakness in, our internal control systems, which may have an adverse impact on our business, financial condition, results of operations and prospects.

We have established internal control systems and processes for our internal audit team to scrutinise and periodically test and update, all necessary facets of our operations. We believe that our financial, secretarial compliance, audit and operational risk management functions are commensurate to the current size and complexity of our operations. However, irregularities in the form of any actual or suspected instances of deviation from internal policies and procedures, failure to obtain requisite internal or other authorisations, theft, pilferage, employee or vendor or other third party fraud or misconduct or money laundering, or inadequacy of appropriate documentation and preservation of records, any other human or mechanical error or lapse, or failure of communication or automated systems may have an adverse impact on our business, financial condition, results of operations and prospects. However, our management information systems and internal control systems may not be sufficient to allow us to identify any irregularity, non-compliance or suspicious activity, in a reasonable time or at all, or to rectify, address or pre-empt any or all such issues sufficiently, in a timely manner, or at all.

In particular, we have not historically been subject to the same level of corporate governance requirements and internal controls as may be expected of a listed company. Therefore, we may be required to strengthen our internal controls and administrative infrastructure, in connection with the listing of, and commencement of trading in, our Equity Shares on the Stock Exchanges pursuant to the Issue, as well as in connection with our future growth and expansion.

Any inability on our part to adequately detect, rectify or mitigate any such deficiencies in our internal controls may adversely impact our ability to accurately report, or successfully manage our financial risks and to avoid fraud.

51. ***Some of our corporate records relating to forms filed by us in the past with the RoC are not traceable.***

We are unable to trace copies of certain forms filed by us in the past with the RoC, in relation to increase in authorized share capital. Accordingly, we have relied on other records for the purposes of providing details in relation thereto, in this Draft Red Herring Prospectus. Therefore, we cannot assure you that we have adequately reflected all such requisite disclosures, or that we have not inadvertently omitted any clarification or additional information that we may have been in a position to disclose, had we been able to trace the complete set of documentation in relation thereto. Moreover, we cannot assure you that we will not undergo any regulatory scrutiny in the future, with respect to our due compliance with the applicable form filing and related requirements, in connection with the foregoing.

II. External Risk Factors

52. ***The demand for our services is largely dependent on the level of investments and the Government's spending on civil infrastructure projects in India. Any policy change or economic downturn or other factors adversely affecting investments in this sector may adversely affect our business, financial condition, results of operations, and prospects.***

A change in Government policies or budgeted spend on the civil infrastructure sector in India, which results in reduction in capital investment in the Indian infrastructure sector as a whole, or in the specific geographies in which we are operating, could result in a slowdown in infrastructure projects, which may have an adverse effect on our business, financial condition, results of operations, and prospects.

53. ***The occurrence of natural or man-made disasters could adversely affect our results of operations, cash flows and our Company's financial condition. Hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect the financial markets and our business.***

The occurrence of natural disasters, including cyclones, storms, floods, earthquakes, tsunamis, tornadoes, fires, explosions, pandemic disease and man-made disasters, including acts of terrorism and military actions, could adversely affect our results of operations, cash flows or financial condition. Terrorist attacks and other acts of violence or war may adversely affect the Indian securities markets. These acts may also result in a loss of business confidence and adversely affect our business. In addition, any deterioration in international relations, especially between India and its neighbouring countries, may result in investor concern regarding regional stability which could adversely affect the price of our Equity Shares. In addition, some states in India have witnessed local civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse effect on our business. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the market price of the Equity Shares.

54. ***Political, economic or other factors that are beyond our control may have an adverse effect on our business and results of operations.***

We are dependent on domestic, regional and global economic and market conditions. Our performance, growth and market price of our Equity Shares are and will be dependent to a large extent on the health of the economy in which we operate. There have been periods of slowdown in the economic growth of India. Demand for our products may be adversely affected by an economic downturn in domestic, regional and global economies. Consequently, any future slowdown in the Indian economy could harm our business, financial condition, results of operations, and prospects. Also, a change in the Government or a change in the economic and deregulation policies could adversely affect economic conditions prevalent in the areas in which we operate in general and our business in particular and high rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins.

55. ***Any significant increases in the prices or shortage in the supply of crude oil having an adverse effect on the Indian economy in general could adversely affect our business operations and the profitability of our Company.***

India imports a significant majority of its requirements of crude oil. Crude oil prices are volatile and are subject to a number of factors, including the level of global production and political factors, such as war and other conflicts, particularly in the Middle East, where a substantial proportion of the world's oil reserves are located and currency fluctuations. While project execution, the plants, equipment, vehicles etc. consume sizable amount of fuel cost. Any significant increase in the price of crude oil could adversely affect our fuel and other operating costs, which will adversely impact the Indian Economy in general including infrastructure sector, which could have a material adverse effect on our business, results of operation, the financial condition and profitability of our Company.

56. ***Any downgrading of India's debt rating by an international rating agency could have a negative impact on our business and the trading price of the Equity Shares.***

India's sovereign debt rating could be downgraded due to various factors, including changes in tax or financial policy or a decrease in India's foreign exchange reserves. According to the RBI, India's total foreign exchange reserves were over U.S. $ 400,742.00 million as on November 24, 2017. India's foreign exchange reserves have grown consistently in the past. (*Source: Reserve Bank of India*) However, any decline in foreign exchange reserves could adversely affect the valuation of the Indian Rupee and could result in reduced liquidity and higher interest rates that could adversely affect our future financial performance and the market price of the Equity Shares and could result in a downgrade of India's debt ratings.

Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely affect our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing is available. This could adversely affect our business, capital expenditure plans and future financial performance and our ability to obtain financing to fund our growth, as well as the trading price of the Equity Shares.

57. ***Significant differences exist between Indian GAAP and IND (AS), on one hand, and other accounting principles, such as U.S. GAAP and IFRS, on the other hand, which may be material to investors' assessments of our financial condition.***

Our financial statements, including the Restated Consolidated Financial Statements included in this Draft Red Herring Prospectus, were prepared and presented in accordance with Indian GAAP (for Fiscals 2013, 2014, 2015, 2016 and 2017) and IND (AS) for the six months ended September 30, 2017. We have not attempted to quantify the impact of IFRS or U.S. GAAP on the financial data included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to those of U.S. GAAP or IFRS. U.S. GAAP and IFRS differ in significant respects from Indian GAAP and IND (AS). Accordingly, the degree to which the Indian GAAP and IND (AS) Restated Consolidated Financial Statements included in this Draft Red Herring Prospectus will provide meaningful information is dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

58. ***Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws, may adversely affect our business, prospects and results of operations.***

Our business and financial performance could be adversely affected by unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations applicable to us and our business. For details of the laws that are currently applicable to us, see "***Key Regulations and Policies in India***" on page 175.

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes may adversely affect our business, financial condition, results of operations, and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy. For example, the Government of India implemented a comprehensive national goods and services tax ("**GST**") regime with effect from July 1, 2017 that combines multiple taxes and levies by the Central and State Governments into a unified tax structure. While the Government of India and certain State Governments have announced that all committed incentives will be protected following the implementation of the GST, given that the various rules and regulations regarding the new regime are being evaluated in terms of various implications concerning the GST, we cannot provide you with any assurance as to this or any other aspect of the tax regime following implementation of the GST including anti-profiteering regulations of the new tax regime and availability of input tax credit ("**ITC**").

Further, the General Anti-Avoidance Rules ("**GAAR**") became effective from April 1, 2017. The tax consequences of the GAAR provisions being applied to an arrangement could result in the denial of tax benefits to an arrangement, among other consequences. In the absence of any such precedents on the subject, the application of these provisions is uncertain. If the GAAR provisions are made applicable to our Company, it may have an adverse tax impact on us.

Unfavourable changes in or interpretations of existing, or the promulgation of news, laws, rules and regulations including foreign investment laws governing our business, operations and group structure could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, financial condition, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current businesses or restrict our ability to grow our businesses in the future.

59. ***Public Companies in India are required to compute income tax under the Income Computation and Disclosure Standards (the "ICDS"), The transition to ICDS in India is very recent and we may be negatively affected by such transition***

The Ministry of Finance, GoI, through a notification dated March 31, 2015, required all income tax assessments in India to follow the ICDS. ICDS are required to be applied in computing taxable income and payment of income taxes thereon and apply to all taxpayers following an accrual system of accounting for the purpose of computation of income under the heads of "*Profits and gains of business/profession*" and "*Income from other sources*." ICDS deviates in several respects from concepts that are followed under general accounting standards, including Indian GAAP and Ind AS. This is the first time such specific standards have been issued for income taxes in India, and the impact of the ICDS on our tax incidence is uncertain. We cannot assure you that the adoption of ICDS will not adversely affect our business, results of operations and financial condition.

60. ***Investors may not be able to enforce a judgment of a foreign court against our Company.***

Our Company is incorporated under the laws of India. Our Company's assets are primarily located in India and all of our Directors and Key Managerial Personnel are residents of India. As a result, it may not be possible for investors to effect service of process upon our Company or such persons in jurisdictions outside India, or to enforce against them judgments obtained in courts outside India. Moreover, it is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India or that an Indian court would enforce foreign judgments if it viewed the amount of damages as excessive or inconsistent with Indian public policy.

61. ***Under Indian law, foreign investors are subject to investment restrictions that limit our ability to attract foreign investors, which may adversely affect the trading price of the Equity Shares.***

Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain exceptions), if they comply with the valuation and reporting requirements specified by the Reserve Bank of India (the "**RBI**"). If a transfer of shares is not in compliance with such requirements and fall under any of the exceptions specified by the RBI, then the RBI's prior approval is required. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. We cannot assure you that any required approval from the RBI or any other Governmental agency can be obtained on any particular terms or at all.

62. ***Holders of Equity Shares may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby suffer future dilution of their ownership position.***

Under the Companies Act, a company incorporated in India must offer its equity shareholders pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages prior to issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the equity shares voting rights on such resolution.

However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights, unless we make such a filing. To the extent that you are unable to exercise pre-emptive rights granted in respect of our Equity Shares, your proportional interests in our Company may be reduced.

63. Rights of shareholders under Indian laws may be more limited than under the laws of other jurisdictions.

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as shareholder in an Indian company than as shareholder of a corporation in another jurisdiction.

64. We are not able to guarantee the accuracy of third party information.

Market data and certain information and statistics relating to us and general market/industry data are derived from both public and private sources, including market research, publicly available information and industry publications. While we have taken reasonable care to ensure that the facts and statistics presented are accurately reproduced from such sources, they have not been independently verified by us and the BRLMs, and, therefore, we make no representation as to the accuracy, adequacy or completeness of such facts and statistics. Due to possibly flawed or ineffective calculation and collection methods and other problems, the facts and statistics herein may be inaccurate or may not be comparable to facts and statistics produced for other economies and should not be unduly relied upon. Further, there can be no assurance that the facts and statistics are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere.

Risks Related to the Issue

65. The Equity Shares have never been publicly traded, and, after the Issue, the Equity Shares may experience price and volume fluctuations, and an active trading market for the Equity Shares may not develop. Further, the price of the Equity Shares may be volatile, and you may be unable to resell the Equity Shares at or above the Issue Price, or at all.

Prior to the Issue, there has been no public market for the Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Issue. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The Issue Price of the Equity Shares is proposed to be determined through a book-building process and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results of our Company, market conditions specific to the industry we operate in, developments relating to India, volatility in securities markets in jurisdictions other than India, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors.

66. Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may have an adverse effect on the value of our Equity Shares, independent of our operating results.

On listing, our Equity Shares will be quoted in Indian Rupees on the Stock Exchanges. Any dividends in respect of our Equity Shares will also be paid in Indian Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time that it takes to undertake such conversion may reduce the net dividend to foreign investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating outside India the proceeds from a sale of Equity Shares, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the proceeds received by Equity Shareholders. For example, the exchange rate between the Rupee and the U.S. dollar has fluctuated substantially in recent years and may continue to fluctuate substantially in the future, which may have an adverse effect on the trading price of our Equity Shares and returns on our Equity Shares, independent of our operating results.

67. ***Our Company has issued Equity Shares during the last one year at a price that may be below the Issue Price.***

Our Company has, in the last one year prior to filing this Draft Red Herring Prospectus, issued Equity Shares under a bonus issuance on December 16, 2017, to our Shareholders, in the ratio of eleven Equity Shares for one Equity Shares. The price at which our Company has issued the Equity Shares in the preceding one year is not indicative of the price at which they will be issued or traded.

For further details, see "***Capital Structure – Notes to Capital Structure – Share Capital History***" on page 87.

68. ***The Issue Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Issue.***

The Issue Price of the Equity Shares will be determined by our Company in consultation with the BRLMs, and through the Book Building Process. This price will be based on numerous factors, as described under "***Basis for Issue Price***" on page 108 of this Draft Red Herring Prospectus and may not be indicative of the market price for the Equity Shares after the Issue. The market price of the Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that the investor will be able to resell their Equity Shares at or above the Issue Price.

69. ***You may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.***

Capital gains arising from sale of equity shares in an Indian company, within 12 months, are generally taxable in India. Any gain realized on sale of listed equity shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if Securities Transaction Tax ("**STT**") is paid on the transaction. STT is levied on and collected by an Indian stock exchange on which equity shares are sold. Any gain realized on the sale of equity shares held for more than 12 months to an Indian resident, other than on a recognized stock exchange and on which no STT has been paid, is subject to long term capital gains tax in India. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India.

Capital gains arising from the sale of equity shares is exempt from taxation in India, where an exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. However, generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable to pay tax in India as well as in their own jurisdiction on a gain on the sale of equity shares.

70. ***Any future issuance of Equity Shares, or convertible securities or other equity-linked securities, by us may dilute your shareholding and any sale of Equity Shares by our Promoters or members of our Promoter Group may adversely affect the trading price of the Equity Shares.***

Any future issuance of the Equity Shares, convertible securities or securities linked to the Equity Shares by us, including through exercise of employee stock options may dilute your shareholding in our Company, adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. We cannot assure you that we will not issue additional Equity Shares. The disposal of Equity Shares by any of our Promoters and Promoter Group, or the perception that such sales may occur may significantly affect the trading price of the Equity Shares. Except as disclosed in "***Capital Structure***" on page 87, we cannot assure you that our Promoters and Promoter Group will not dispose of, pledge or encumber their Equity Shares in the future.

71. ***QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid.***

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Investors can revise their Bids during the Bid/Issue Period and withdraw their Bids until Bid/Issue Closing Date. While our Company is required to complete Allotment pursuant to the Issue within six Working Days from the Bid/Issue Closing Date, events affecting the Bidders' decision to invest in the Equity Shares, including adverse changes in international or national monetary policy, financial, political or economic conditions, our business, financial condition, results of operations, and prospects may arise between the date of submission of the Bid and Allotment. Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events limit the Bidders' ability to sell the Equity Shares Allotted pursuant to the Issue or cause the trading price of the Equity Shares to decline on listing.

Prominent Notes:

- Our Company was incorporated on April 13, 2004 at Rajkot, Gujarat as Patel Infrastructure Private Limited, a private limited company under the Companies Act, 1956. Our Company was converted into a public limited company pursuant to approval of the shareholders at an extraordinary general meeting held on December 1, 2017. Consequently, the name of our Company was changed to Patel Infrastructure Limited and a fresh certificate of incorporation consequent upon conversion to a public limited company was granted to our Company by the RoC at Ahmedabad on December 11, 2017. For further details in relation to the change in the name of our Company, see "***History and Certain Corporate Matters***" on page 179.

- Our net worth as on March 31, 2017 and September 30, 2017, as per our Restated Consolidated Financial Statements included in this Draft Red Herring Prospectus was ₹ 2,991.99 million and ₹ 3,471.52 million, respectively. See "***Financial Statements***" on page 211.

- Our net worth as on March 31, 2017 and September 30, 2017, as per our Restated Standalone Financial Statements included in this Draft Red Herring Prospectus was ₹ 2,640.90 million and ₹ 3,008.07 million, respectively. See "***Financial Statements***" on page 211.

- The net asset value per Equity Share as on March 31, 2017 and September 30, 2017, as per our Restated Consolidated Financial Statements included in this Draft Red Herring Prospectus was ₹ 65.61 and ₹ 76.13, respectively. See "***Financial Statements***" on page 211.

- The net asset value per Equity Share as on March 31, 2017 and September 30, 2017, as per our Restated Standalone Financial Statements included in this Draft Red Herring Prospectus was ₹ 57.91 and ₹ 65.97, respectively. See "***Financial Statements***" on page 211.

- The average cost of acquisition per Equity Share by our Promoters as on the date of this Draft Red Herring Prospectus is:

Name of the Promoter	Number of Equity Shares held	Average cost of acquisition per Equity Share (₹)*
Mr. Pravinbhai Vithalbhai Patel	14,220,000	0.83
Mr. Arvind Vithalbhai Patel	14,220,000	0.83
Mr. Dineshbhai Pragjibhai Vaviya	4,560,000	0.83
Mr. Madhubhai Pragjibhai Vaviya	4,560,000	0.83
Mr. Sureshbhai Pragjibhai Vaviya	4,560,000	0.83

**As certified by M/s Surana Maloo & Co., Chartered Accountants by their certificate dated December 16, 2017.*

For further details, see "***Capital Structure***" on page 87.

- There has been no financing arrangement whereby our Promoter Group, our Directors, and their respective relatives, have financed the purchase by any other person of securities of our Company, other than in the ordinary course of the business of the financing entity, during the six months preceding the date of this Draft Red Herring Prospectus.

- For details of transactions between our Company and Subsidiaries or our Group Company during the last Fiscal, including the nature and cumulative value of the transactions, see "***Related Party Transactions***" on page 210.

- For information regarding the business or other interests of our Group Company in our Company, see "***Promoters and Group Company***" and "***Related Party Transactions***" on pages 203 and 210, respectively.

- Investors may contact the BRLMs who have submitted the due diligence certificate to the SEBI, for any complaints, information or clarification pertaining to the Issue.

  All grievances in relation to Bids through the ASBA process, may be addressed to the Registrar to the Issue, with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted, quoting the full name of the sole or First Bidder, ASBA Form number, Bidders' DP ID, Client ID, PAN, number of Equity Shares applied for, date of submission of ASBA Form, address of Bidder, the name and address of the relevant Designated Intermediary, where the ASBA Form was submitted by the Bidder and ASBA Account number in which the amount equivalent to the Bid Amount was blocked. Further, the Bidder shall enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents or information mentioned hereinabove. Further, all grievances of the Anchor Investors may be addressed to the Registrar to the Issue, giving full details such as the name of the sole or First Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, date of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Bid cum Application Form and the name and address of the BRLMs where the Bid cum Application Form was submitted by the Anchor Investor

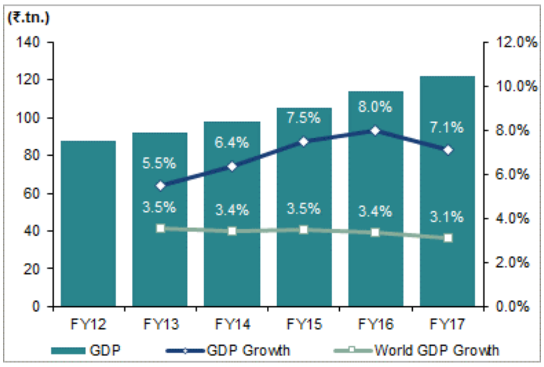
SUMMARY OF INDUSTRY

*The information in this section should be read in conjunction with the sections "**Risk Factors**", "**Industry Overview**", "**Financial Statements**", "**Business**" and "**Management Discussion and Analysis of Financial Condition and Results of Operations**" on pages 18, 116, 211, 154 and 348, respectively.*

Overview of macroeconomic scenario in India

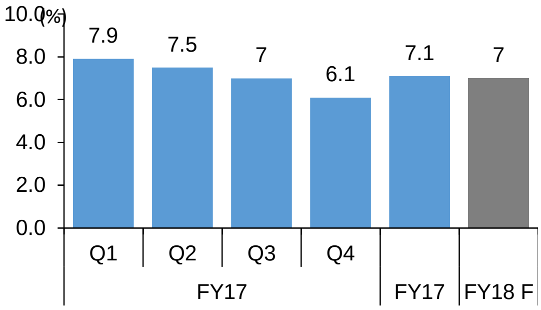
India adopted a new base year (2011-12) to calculate gross domestic product ("**GDP**"), based on which absolute GDP rose to ₹ 122 trillion in Fiscal 2017 from ₹ 87 trillion in 2011-12; representing a 6.9% compound annual growth rate ("**CAGR**"). GDP growth for India in Fiscal 2017, at ₹ 122 trillion, clocked 7.1%, above the world average of 3.1%, but down from 8% in Fiscal 2016, due to demonetisation and the deflator in the fourth quarter having risen.

Real GDP growth in India



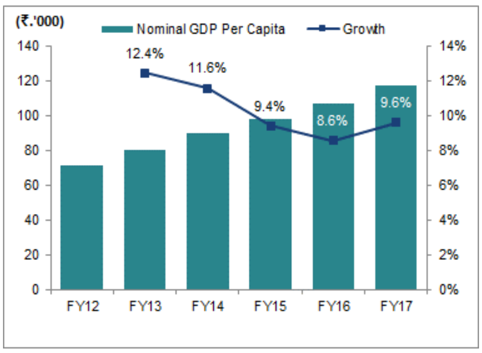
Source: CSO, CRISIL Research

Real GDP growth (% y-o-y)



Source: CSO, CRISIL Research

Nominal per capita GDP growth



Source: CSO, CRISIL Research

Private consumption is the largest contributor to India's GDP (58%). Nominal per capita GDP growth, used as a proxy for income growth, picked up in Fiscal 2017. It rose to 9.6% on-year compared with 8.6% in the previous year. Correspondingly, nominal per capital private final consumption expenditure, used as a proxy for consumer spending, grew by 11.2% (despite demonetisation), compared with 8.3% in the previous year. This indicated a pickup in consumer demand, after consecutive years of decline in spending growth.

Supply side

At basic prices	Fiscal 2013	Fiscal 2014	Fiscal 2015	Fiscal 2016	Fiscal 2017	Fiscal 2018 F
Agriculture & allied	**1.5**	**5.6**	**-0.3**	**0.7**	**4.9**	**3.0**
Industry	**3.4**	**4.2**	**6.9**	**8.8**	**5.6**	**6.3**
o/w Manufacturing	**5.9**	**5.1**	**7.5**	**10.8**	**7.9**	**7.6**
Mining	**-0.6**	**3.1**	**14.7**	**10.5**	**1.8**	**4.5**
Services	**8.3**	**7.7**	**9.5**	**9.7**	**7.7**	**8.1**

Note: Industry includes mining & quarrying, manufacturing, electricity, gas, water supply & other utility, and construction. Services include trade, hotels, transport, communication & services related to broadcasting, finance, real estate & professional services, public administration, defence, and other services.

Demand side

At market prices	Fiscal 2013	Fiscal 2014	Fiscal 2015	Fiscal 2016	Fiscal 2017	Fiscal 2018 F
Pvt. consumption	5.3	7.4	6.8	6.1	8.7	8.4
Govt. consumption	0.7	0.6	9.4	3.3	20.8	10
Fixed investment	4.8	1.8	4.1	6.5	2.4	3.3
Exports	6.8	7.8	1.7	-5.3	4.5	5.5
Imports	6	-8.1	0.8	-5.9	2.3	9.0

Source: CSO, CRISIL Research

Gross value added ("**GVA**") growth, or supply-side GDP, grew 5.6% in the first quarter on-year, same as in the fourth quarter of last fiscal, but down from 6.8% on-year, suggesting that waning impact of demonetisation was offset by rising anxiety over GST.

Construction sector's contribution to India's GDP

The construction sector's GVA has been on the rise, when considered at constant (2011-12) prices.

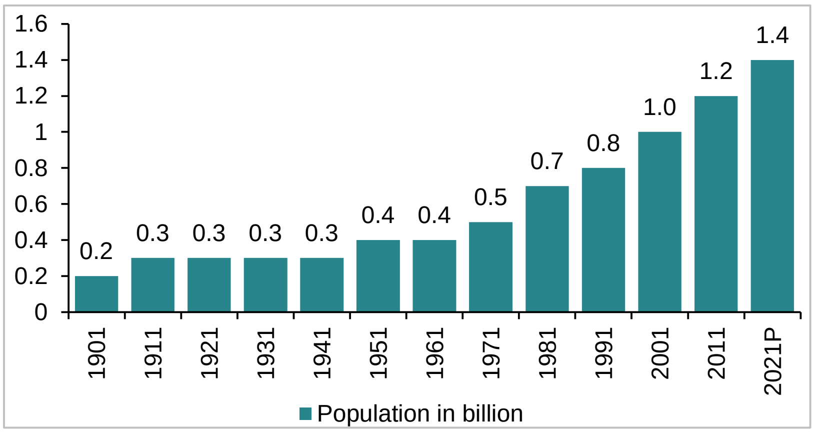
GVA Share (₹ crore)	Fiscal 2012	Fiscal 2013	Fiscal 2014	Fiscal 2015	Fiscal 2016
Construction	777,334	780,050	800,771	838,203	879,782

Source: MOSPI, CRISIL Research

Population growth and urbanisation

India's population stood at 1.2 billion as of 2011, registering annual growth of 1.64% from 2001 to 2011 and growth of 17.6% for the decade. It will grow by 12% in the next decade (2011-2021), at a CAGR of 1.14% until 2021. As of 2016, India's total estimated population was 1,270 million, with annual growth of 1.14% from 2011.

India's population growth



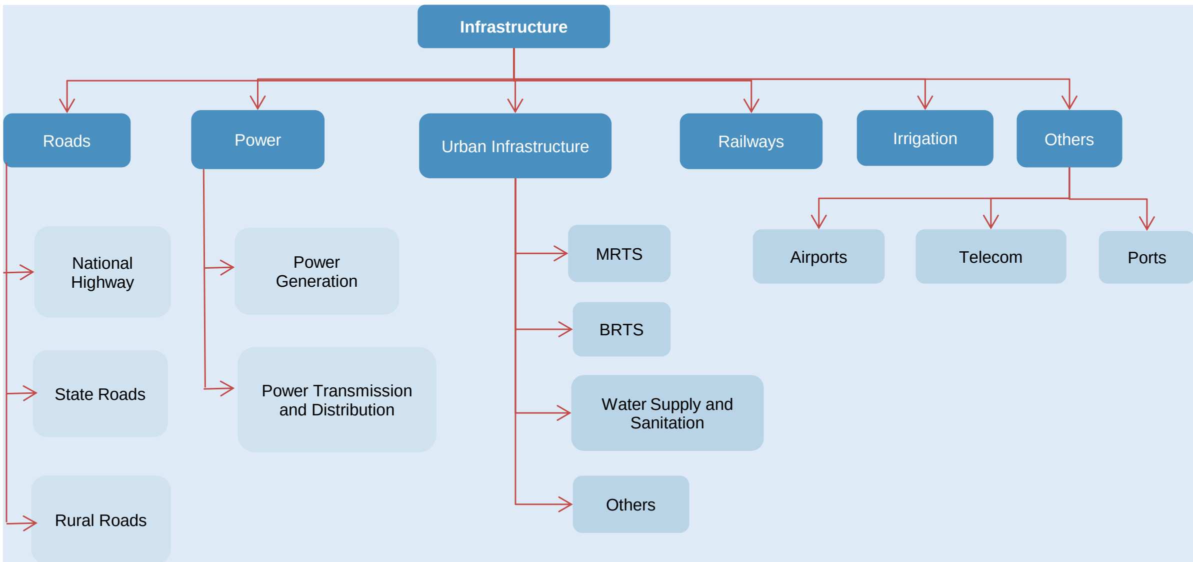
Source: Census 2011, World Bank

Urban population as of 2011 was 377 million, marking CAGR of 2.8%; rural population stood at 833 million, growing annually at 1.16%.

Overview of infrastructure sector in India

Investments overview

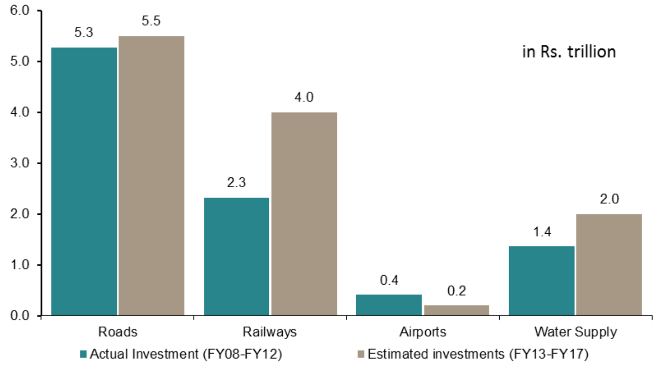
The infrastructure industry includes roads, power, railways, urban infrastructure, irrigation, and others. The size and magnitude of major infrastructure development projects dictate substantial capital investment. The government also introduced significant policy reforms to augment FDI inflows to boost investment and enhance infrastructure. The reform policies of the Indian government have resulted in FDI inflows of ~$10.3 billion in construction activities in infrastructure from April 2000 to June 2017. The road sector is one of the key contributors to overall investment in the infrastructure industry.



Source: CRISIL Research

Investments in the infrastructure sector reached ₹ 27.3 trillion between Fiscal 2008 and Fiscal 2012, driven by the centre's thrust. Construction spend on infrastructure projects is estimated to be ₹ 30.93 trillion between Fiscal 2012 and Fiscal 2017, up from ₹ 10.3 trillion (likely investments till Fiscal 2014). Of this, 39% is estimated to come from the private sector, and 61%, from central and state governments. Within infrastructure, power is the largest contributor, forming 42% of total infrastructure investments, followed by roads and railways, at 19% and 14% respectively.

Construction spends in key infrastructure segments# (Fiscal 2008 to Fiscal 2012 & Fiscal 2013 to Fiscal 2017)



At Fiscal 2012 prices, in ₹ trillion
Source: Fiscal 2008-Fiscal 2012: High-level Committee on Financing Infrastructure (Second Report, June 2014), Fiscal 2013-Fiscal 2017 CRISIL Research

Roads

Investment in roads between Fiscal 2008 and Fiscal 2012 was ₹ 5.3 trillion, accounting for ~19% of overall infrastructure investment. Investment was largely driven by the government's thrust on the sector through encouragement of public private partnerships ("**PPP**"), implementation of the National Highways Development Project ("**NHDP**"), and recent policy changes. The continued thrust on improving rural and state road network by various state governments has supported growth. Investment in roads will rise 11% to ₹ 5.8 trillion between Fiscal 2013 and Fiscal 2017. Its share in overall infrastructure investment is estimated to have remained at 19%.

Investment in road sector in 12th Five Year Plan (Fiscal 2012 prices)

(₹ billion)	**Centre**	**State**	**Private**	**Total**
Fiscal 2013 (E)	278	485	262	1,025
Fiscal 2014 (E)	250	495	271	1,017
Fiscal 2015 (P)	243	563	294	1,100
Fiscal 2016 (P)	240	677	335	1,252
Fiscal 2017 (P)	236	815	381	1,432
Total	1,248	3,035	1,543	5,826

P – Projected
Plan investments are the budgeted estimates for a particular year
Source: Planning Commission, CRISIL Research

Water supply and sanitation (WSS):

Total investment in WSS between Fiscal 2008 and Fiscal 2012 was ₹ 1.4 trillion, accounting for ~5% of overall investment in infrastructure. Being a state subject, water supply has a larger share of state investment than the centre. Private investment was low, as states and local authorities have not adopted PPP for upgrading and modernising water supply infrastructure. Government spend on WSS has risen under the Atal Mission for Rejuvenation and Urban Transformation (AMRUT) and Swachh Bharat Mission. While investments in WSS between Fiscal 2013 and Fiscal 2017 rose 10% to ₹ 1.5 trillion, private investment in WSS spend will pick up due to these schemes, taking the share of WSS in total urban infrastructure investment spend to over 50% in the next five years.

Investment in water supply in 12th Five Year Plan (Fiscal 2012 prices)

(₹ billion)	Centre	States	Private	Total
Fiscal 2013 (E)	121	152	2	275
Fiscal 2014 (E)	104	157	4	265
Fiscal 2015 (P)	111	165	6	282
Fiscal 2016 (P)	123	180	11	314
Fiscal 2017 (P)	136	196	21	353
Total	595	851	44	1491

P – Projected
Plan investments are the budgeted estimates for a particular year

Source: Planning Commission, CRISIL Research

Railways:

Investments in 11th Five Year Plan

Investment in railways between Fiscal 2008 and Fiscal 2012 was ₹ 2.3 trillion, or ~8.5% of overall infrastructure investment. Historically, investments in railways have come from the centre; private participation was miniscule. The railway sector faced capacity constraints for the past few years and needs heavy investment for augmentation. The Indian Railways plans to harness private capital for funding capex across projects, such as first/last mile and port connectivity projects, logistic parks/ private freight terminals, station redevelopment, etc. It has finalised various PPP models such as non-government rail, joint venture ("**JV**'), build-operate-transfer ("**BOT**"), etc., to suit different risk appetites. The model concession agreement ("**MCAs**") for these models have been finalised to improve transparency and attract private players. The government has also increased investment by ~47% between Fiscal 2012 and Fiscal 2017 to ₹₹3.4 trillion, taking its share in overall infrastructure investment to ~11%.

Investment in railways in 12th Five Year Plan (Fiscal 2012 prices)

(₹ billion)	Centre	Private	Total
Fiscal 2013 (E)	470	10	479
Fiscal 2014 (E)	552	10	562
Fiscal 2015 (P)	586	30	616
Fiscal 2016 (P)	647	93	740
Fiscal 2017 (P)	715	285	1000
Total	2971	428	3398

P – Projected
Plan investments are the budgeted estimates for a particular year
Source: Planning Commission, CRISIL Research

Overview of actual investments

Investments in Indian Railways doubled from ₹ 451 billion to ₹ 935 billion between Fiscal 2012 and Fiscal 2016. Especially, in Fiscal 2016, investments jumped by ~52% from ₹ 616 billion to ₹ 935 billion. This was led by an increased thrust on raising funds through extra budgetary resources to fund select projects. Moreover, apart from Fiscal 2012, investments in infrastructure of Indian Railways historically tracked budgeted allocation closely. Investments in railways in Fiscal 2017 and Fiscal 2018 have seen a further rise. Revised estimates for Fiscal 2017 stood at ₹ 1.21 trillion whereas budget estimates for Fiscal 2018 stood at ₹ 1.31 trillion. This shows a continued upward bias in infrastructure investments in railways.

Investments in railways up to Fiscal 2022 will be more construction intensive, compared to the past, on account of increased focus on network decongestion and addition of new lines. Construction expenditure in railway projects will grow 2.4 times (17% CAGR) between Fiscal 2018 and Fiscal 2022, compared with the previous five years.

Airports

Investments in 11th Five Year Plan

Investment in airports between Fiscal 2008 and Fiscal 2012 was ~₹ 0.4 trillion, or ~1.5% of overall infrastructure investment. Private participation in airport infrastructure has outpaced government spending, and the government has plans to further boost private investment in greenfield and non-metro airports to support growth in air traffic from smaller cities and towns. Investment in airport infrastructure between Fiscal 2013 and Fiscal 2017 was 19% lower than that between Fiscal 2008 and Fiscal 2012 (~₹ 0.3 trillion), diminishing its share in total infrastructure investment to 1.1%.

Investment in airports at Fiscal 2012 prices in 12th Five Year Plan (Fiscal 2012 prices)

(₹ billion)	**Centre**	**States**	**Private**	**Total**
Fiscal 2013 (E)	17	-	30	47
Fiscal 2014 (E)	17	1	30	48

Fiscal 2015 (P)	17	1	40	58
Fiscal 2016 (P)	18	1	59	78
Fiscal 2017 (P)	19	1	85	105
Total	88	4	244	336

P – Projected
Plan investments are the budgeted estimates for a particular year
Source: Planning Commission, CRISIL Research

Building

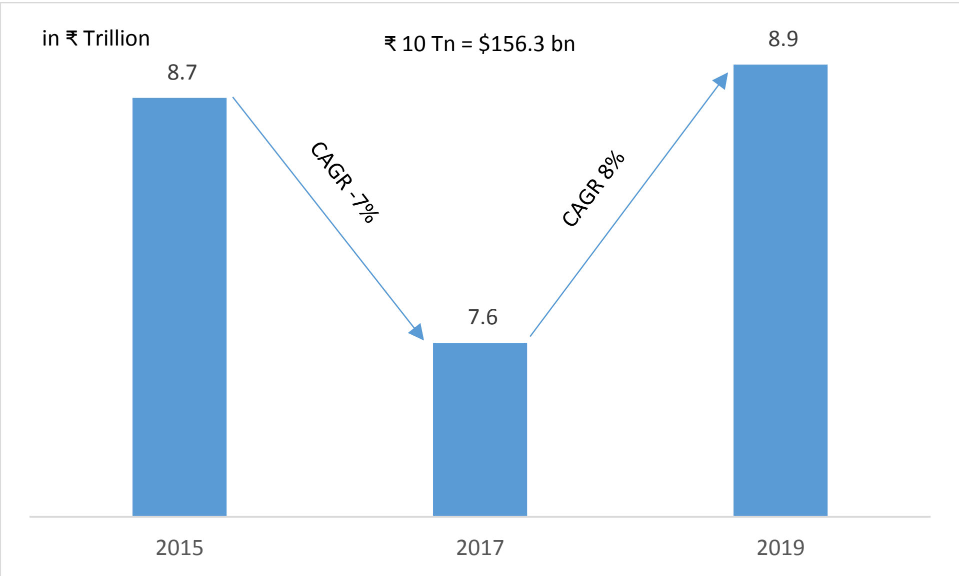
Overview of housing industry in India

The number of households increased from 192 million in 2001 to 247 million in 2011. Housing stock increased from 187 million units to 245 million. Urban stock represents close to one-third of overall housing stock.

While growth in housing stock during the decade (2001-2011) was in line with growth in number of households, in the urban region, the share of pucca houses increased from 75% in 2001 to 92% in 2011. In rural regions, it increased from 33% to 55%.

Indian real estate industry

The real estate industry in India has been considered as a segment inclusive of residential, commercial, retail, hospitality and educational projects. Over the last two years, real estate demand in major cities has been subdued. Average capital values across major micro markets were flat or declined. While capital values are likely to rise marginally, a large part of the industry's growth will be supported by increase in housing stock in both metro as well as non-metro cities. While the select nine cities will continue to dominate the overall housing sector in terms of value, the share of other metro and non-metro cities is expected to increase in the long term on account of implementation of government schemes such as the Pradhan Mantri Awas Yojana - Urban (PMAY-U) and Smart Cities Mission. The Indian real estate industry is projected to post annual growth of 8% over the next two years, to ₹ 8.5-9 trillion by 2019, from ₹ 7.5-8 trillion in 2017.



Source: CRISIL Research

Growth drivers for the Industry

Growth in population: As per Census 2011, India's total population was 1.2 billion and comprised nearly 246 million households. Population grew by nearly 18% during 2001-2011 and is expected to grow by approximately 11% during 2011-2021 to 1.4 billion. Housing demand is estimated to grow in line with population.

Urbanisation: Urbanisation provides impetus to housing demand in urban areas. The share of urban population in total population has been consistently rising over the years and stood at 31% in 2011. People from rural areas move to cities for better job opportunities, education, better life, etc. The entire family or only a few people (generally earning member or students) may migrate, while part of the family continues to hold on to the native house. Nearly 36% of India's population is expected to live in urban areas by 2020, which will drive the demand for housing in these areas. Urbanisation has a twin impact on housing demand. On the one hand, it reduces area per household, and on the other, there is a rise in the number of nuclear families, which leads to the formation of more households.

Nuclearisation: Nuclearisation refers to the formation of multiple single families out of one large joint family; these families live in separate houses, while the ancestral house may be retained or partitioned to buy new houses. Nuclearisation in urban areas is primarily driven by changing lifestyle, rising individualism, changing social/cultural attitudes and increased mobility of labour in search of better employment opportunities. These trends are expected to continue.

Review of road infrastructure in India

Road sector's contribution to Indian GDP

As of Fiscal 2016, the road transport sector's share in Indian GDP was ~3.2%, which was a marginal decline from Fiscal 2015.

GVA Share (%)	Fiscal 2012	Fiscal 2013	Fiscal 2014	Fiscal 2015	Fiscal 2016
Road transport	3.24%	3.27%	3.26%	3.21%	3.18%

Source: MOSPI, CRISIL Research

Total length and break-up between national, state and rural roads

India has the second-largest road network in the world at 6.1 million km. Roads are the most common mode of transportation, accounting for ~86% of passenger traffic and close to 65% of freight traffic. In India, national highways, with length of close to 103,933 km, constitute 1.7% of the road network, but carry ~40% of total road traffic. State roads and major district roads form the secondary system of roads, carrying 60% of traffic and accounting for 98% of road length.

Road network in India as in Fiscal 2017

Road network	Length (km)	% of total		Connectivity to
		Length	**Traffic**	
National highway	103,933	1.71	40	Union capital, state capitals, major ports, foreign highways
State highway	161,487	2.65	60	Major centres within the states, national highways
Other roads	5,820,744	95.64		Major and other district roads, rural roads - production centres, markets, highways, railway stations
Total	**6,086,164**	**100.00**		

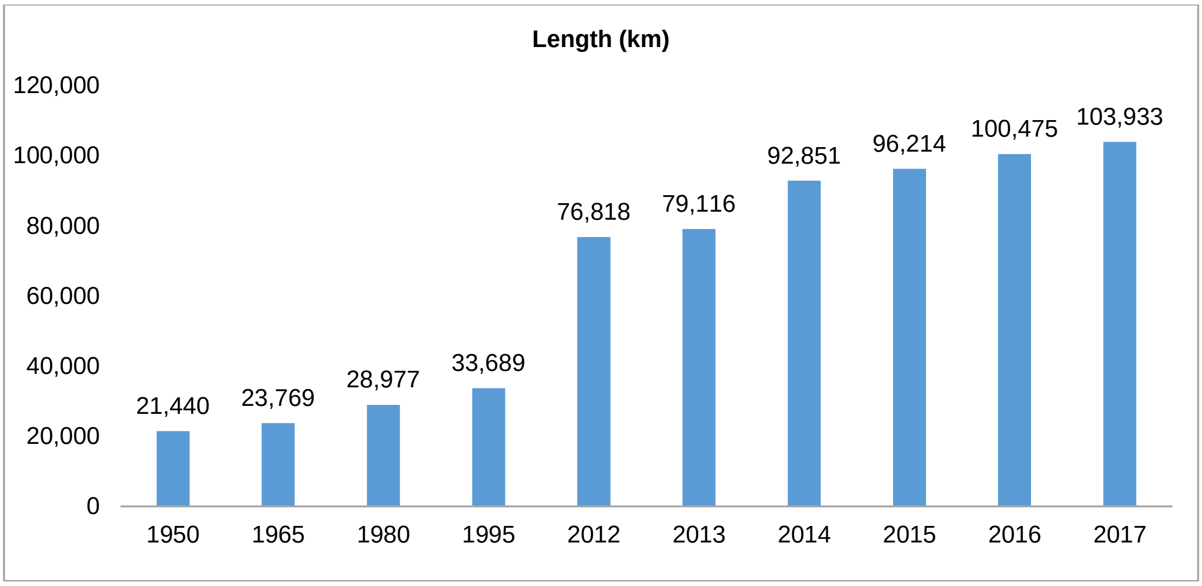
Source: MORTH, CRISIL Research

The government plans to increase the length of national highways to ~200,000 km with the announcement of the Bharat Mala Pariyojana.

National highways

The National Highways Authority of India ("**NHAI**"), the nodal agency under the Ministry of Road Transport & Highways ("**MoRTH**"), is responsible for building, maintaining and upgrading national highways. To develop the national highway network, NHAI launched the NHDP in December 2000.

National highways network



Note: Year represents financial year.
Source: MoRTH

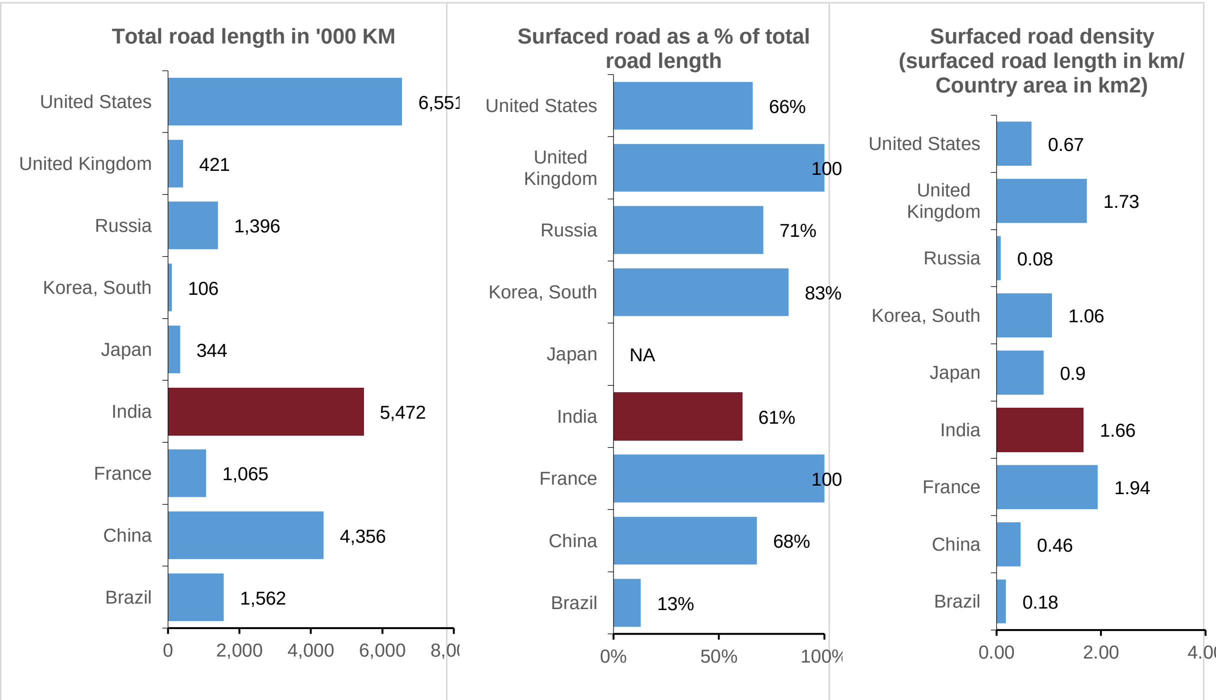
State roads

State roads constitute ~18% of India's total road network and handle ~40% of total road traffic. State roads comprise state highways, major district roads (MDR), other district roads ("**ODR**") and rural roads - which do not come under the purview of the Pradhan Mantri Gram Sadak Yojana ("**PMGSY**"). State roads represent the secondary system of road transportation in India. These provide linkages with national highways, district headquarters of the state and important towns, tourist centres and minor ports.

Rural roads

Rural roads connect rural habitations as well as state and national highways. Of India's 6.1 million km road network, rural roads comprise ~5.5 million km (90%).

Global comparison of road infrastructure



Source: Basic Road Statistics Fiscal 2015 (MoRTH), CRISIL Research

Maintenance need on roads in India

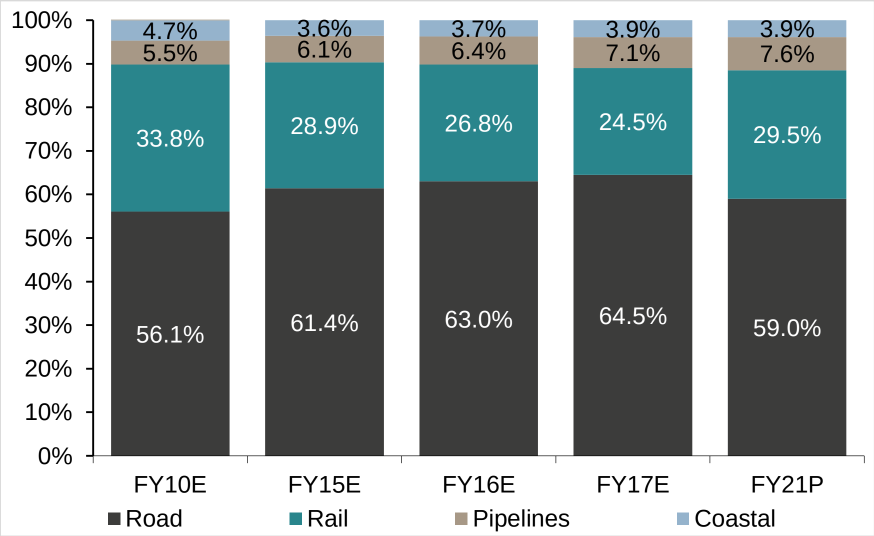
The quality of roads is subpar, with only ~61% of India's road network paved. Stretches that were developed via the PPP route are being maintained to required standards by the concessionaire. Stretches that were developed via utilisation of public funds need to be maintained at adequate service levels by the respective national or state authority. Regular maintenance of bitumen-type roads generally accounts for 1.0-1.5% of the project cost incurred during road construction. Every 5-6 years a road has to undergo major maintenance, which typically comprises 5-6% of the project cost incurred during construction.

Estimated contribution of roads to freight traffic in India

Share of roads in freight compared with other transport modes

Road transport is the most frequently used mode of transport for both freight and passengers. In Fiscal 2017, ~64.5% of total freight was via road when compared with railways. In Fiscal 2010, roads accounted for ~56% of total freight traffic.

Share of roads in total freight movement – in BTKM terms

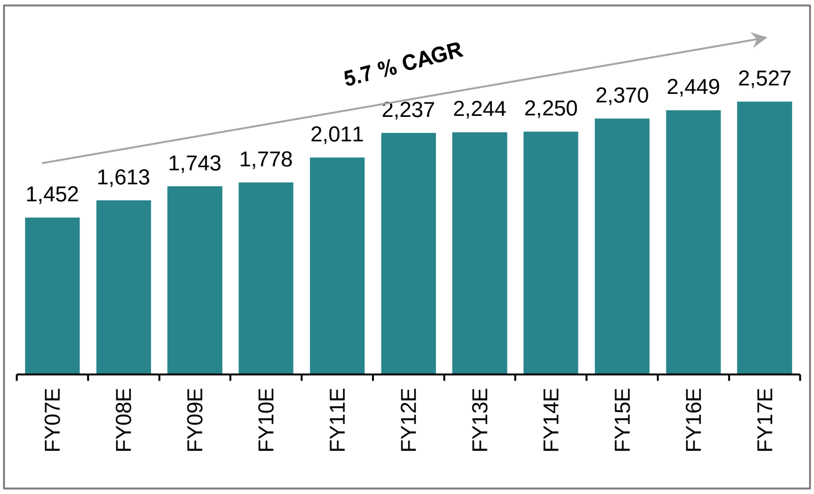


E: Estimated; P: Projected
Source: CRISIL Research

Over the long term, the share of rail freight traffic is projected to increase following operationalisation of the dedicated freight corridors (DFCs) and investments in railway capacity augmentation. Between Fiscal 2017 and Fiscal 2021, rail freight is expected to post a CAGR of 10-12% vis-a-vis 3-5% CAGR for road. Freight traffic will see large-scale shift to rail only post Fiscal 2019 when wagon shortage and capacity constraints abate, following expected operationalisation of the DFCs.

i. Qualitative coverage on recent freight traffic trends

Freight movement

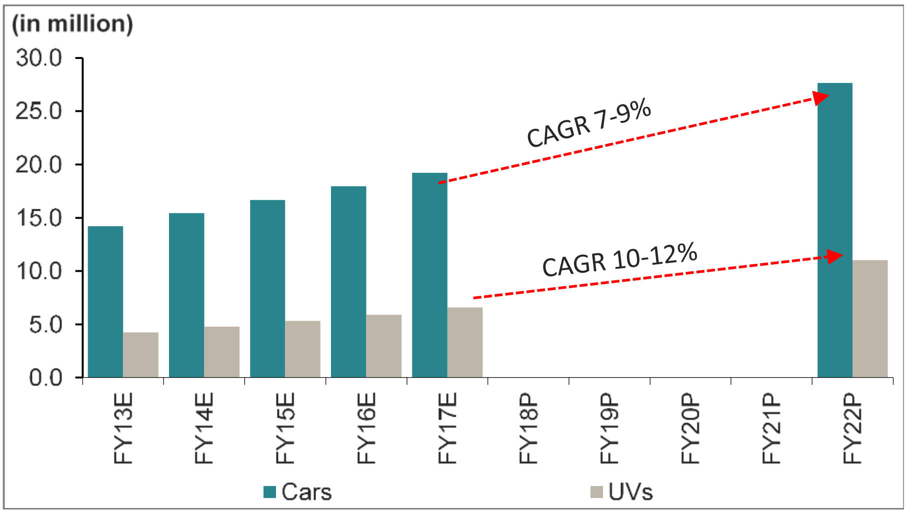


Source: CRISIL Research

Primary freight in BTKM is expected to rise 5-7% on-year in 2017-18, compared with an estimated 2.3 % growth in 2016-17. Rise in primary freight will be largely driven by:

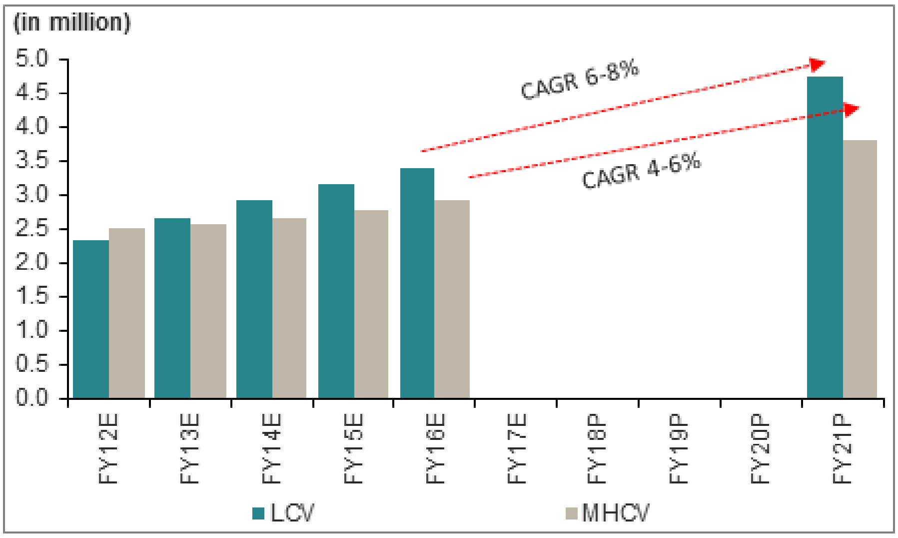
- A 6.3% growth in industrial GDP expected in Fiscal 2018 over Fiscal 2017
- A 3% growth in agricultural GDP in Fiscal 2018 over Fiscal 2017, with expected stable share in imports
- Pent-up demand from demonetisation is expected to support BTKM growth in 2017-18
- Vehicle population's historic growth and outlook

Growth in passenger vehicles



E- Estimated, P- Projected
Source: CRISIL Research

Growth in freight vehicles



E- Estimated, P- Projected
Source: CRISIL Research

Key growth drivers for road sector

Rise in government investments, reforms and higher budgetary support to drive growth in roads sector: Investment in road projects is expected to double to ₹ 10.7 trillion over the next five years. Investment in state roads is expected to grow steadily, and rise at a faster pace in the case of rural roads, owing to higher budgetary allocation to PMGSY since Fiscal 2016. The government has opened up to new avenues of investments, with NHAI launching Masala Bonds on the London Stock Exchange. National Infrastructure Investment Fund (“NIIF”), a fund of funds, has been set up by the government; it will have multiple alternative investment funds (“AIF”) under its umbrella. Execution of national highway projects has seen good pick-up since Fiscal 2016, aided by policy reforms, after having slowed down in previous two fiscals. Higher budgetary support to fund engineering, processing and construction (EPC) projects will also drive investment in national highways, which have recently witnessed drop in private interest. Government has come out with a new umbrella scheme of Bharat Mala Pariyojana, which plans to construct over 65,000 km of road projects, taking the length of national highways to ~200,000 km.

Policy changes to drive execution of national highway projects: Execution of national highway projects declined in Fiscal 2013 and Fiscal 2014 owing to private developers' weak financials and unwillingness of lenders to provide further credit to infrastructure companies. To clear the logjam, NHAI terminated projects -- work on ~5,500 km of length was stalled. To put execution back on track, the agency has re-awarded almost 1,000 km of the terminated projects. Moreover, in the past two years, the government announced a host of policy changes to reduce delays in project execution. To offer respite to ailing developers, the government came out with a premium rescheduling policy and allowed promoters to fully exit all projects two years after completion. The Union Cabinet has also allowed NHAI to fund projects, stuck owing to the weak financial health of promoters and where at least 50% of the work has been completed. New amendments to the MCA such as back-ending of premium payments and deemed termination on delay of appointed date have also brought many changes which will reduce delays and improve lender comfort. The CCEA has decided to pay 75% of total payout in those cases where the arbitration tribunals have passed orders in favour of concessionaires in arbitral proceedings and such orders have been further challenged by government agencies. Apart from that, the private party will be rewarded for early completion of project. In the case of EPC, the contractor will receive 0.03% of total project cost for each day by which the project completion date precedes the scheduled completion date, capped at a total of 5%. In the case of HAM, if the concessionaire achieves commercial operation date (“COD”) over 30 days prior to the scheduled date, it will receive 0.5% of 60% of the bid project cost (“BPC”) for every 30 days saved in achieving COD. Hence, the government's focus has shifted towards ensuring on-the-ground implementation, instead of merely awarding more projects.

New region-specific initiatives to drive growth in road network: New initiatives have been taken by the government to build state roads. Road Requirement Plan-I (“RRP-I”) for left wing extremism (“LWE”)-affected areas and Special Accelerated Road Development Programme for North-Eastern region (“SARDP-NE”) are two of ongoing projects, covering state roads. MoRTH has set up National Highways and Infrastructure Development Corporation Ltd ("NHIDCL"), an organisation that will award national highway projects specifically in border areas and in north-eastern states. Apart from these projects, the Bharat Mala has also been proposed to build new roads along the border.

Healthy economic growth to push road development: With the economy expected to grow at a healthy pace, per capita income is set to improve which will increase demand for two-wheelers and passenger vehicles in India. Initiatives like Make in India and implementation of GST are also expected to add to road freight traffic in India. Rise in two- and four-wheeler vehicles, increasing freight traffic, and strong trade and tourist flows between states are set to augment road development in India. All segments of roads, i.e., national highways, state roads and rural roads, are expected to see higher traffic growth due to faster economic growth.

Increased private participation to boost road development: Government's efforts to put in place appropriate policies, and institutional and regulatory mechanisms, including fiscal and financial incentives, are expected to encourage further private participation in the future, which will boost all segments of roads in India. Cognisant of financial distress of companies that previously participated heavily in BOT projects, the government has introduced a hybrid annuity model ("HAM"), which addresses the needs of the private sector and increases their participation. Private investments are expected to flow into new operation and maintenance ("O&M") models like toll-operate-transfer ("TOT"), which will help existing players shed debt on their balance sheets.

New trends in roads sector

- **Improvement in rate of execution:** The length of roads constructed declined at a CAGR of 3%, from 1,784 km in Fiscal 2011 to 1,576 km in Fiscal 2015 (from ~500 km under NHDP in 2001). In Fiscal 2016, total road constructed/upgraded rose to 2,196 km, and in Fiscal 2017 it went up to 2,625 km mainly due to government's push to clear stalled projects.

- **Improved awarding momentum:** The government has tried to improve the rate of awarding over the years. A significant share of awarding has recently been under HAM, which is expected to increasing going forward.

- **Increasing participation of private equity funds:** Private equity has contributed to road projects in the past. Going ahead, private equity investment could pick up further, following recent announcements of exit policy for debt-stressed operators for toll roads.

- **Re-emergence of EPC contracts:** Given the current financial crunch faced by BOT players, the share of EPC/cash contract projects is expected to widen, especially in low-traffic-volume projects under NHDP-Phase IV, over the next five years.

- **Other sector favourable policies:** These include 100% exit policy for stressed BOT players, providing secured status for PPP projects while lending, proposal to scrap slow-moving highway projects (under consideration), etc.

- **HAM :** HAM has now gathered pace and is likely to improve private participation in the sector. The model has been successful in bringing a new set of players to the private space by mitigating risks related to traffic, interest rate and inflation, and requiring a smaller equity commitment (only 12-15% of project cost).

- **TOT:** TOT model is a new PPP model under consideration by NHAI to spur private participation in the roads sector.

- **OMT:** Apart from NHAI, a few large Indian states have also adopted OMT models, where state road development authorities have invited bids, or awarded state highway stretches to be operated and maintained on OMT basis.

- **ETC lane:** Electronic toll collection enables road users to pay highway tolls electronically without stopping at the toll plazas. Dedicated electronic toll collection ("**ETC**") lanes will help reduce congestion at toll plazas and enable seamless movement of vehicles on the national highways. The ministry has decided to roll out the ETC programme in India under the brand name 'FASTag'.

Issues and challenges for road sector

The importance of roads' sector development cannot be undermined, given the share of roads in the overall transport of goods and passenger traffic. Although the government has been continuously making efforts to accentuate the progress of the sector, several issues and challenges hamper the pace of development. Some of these issues are:

- **Limited financial flexibility of PPP road developers:** Funding constraints and financial stress have thwarted the pace of development in the roads sector. The PPP model for road construction and development acted as a catalyst and provided impetus to the growth of the sector. In Fiscal 2008-Fiscal 2012, of the total 10,600 km of national highways completed under NHDP, 50% was funded through BOT-toll model and 10% through BOT-annuity model. The rise of PPP in the road sector has also had some adverse effects. During 2007 to 2011, which was considered to be the golden age for PPPs in the road sector, road developers bid aggressively to bag more BOT-toll projects. Consequently, developers faced viability issues with the projects in later stages. Issues pertaining to subdued financing, lower traffic and delayed execution have stressed the balance sheets of the developers. The gearing level of many players was high due to sizeable portfolios and some company-specific investments in real estate. For major players, the average gearing in roads-BOT was as high as 4.2 times as of Fiscal 2012. PPP toll projects are now unable to attract further bidders due to the stressed balance sheet of the developers, resulting from unavailability of financing from banks and stuck equity of the developers in the existing projects. As of Fiscal 2014, over 22 PPP projects saw no bidders from the private sector which forced the government to shift to government-funded EPC/cash contract mode. In the case of EPC contracts, the quality of roads constructed has been usually poor as the EPC contractor has no stake in the roads once these are constructed and handed over to the government. Further, maintenance of the roads has been poor after handover to government, as there is no proper accountability on quality of roads in the case of state-owned roads. In PPP projects, the developer is bound to maintain roads in good condition for a longer period of time, i.e., the concession period.

- **Delays in project execution and resultant cost overruns:** Delays in project execution have posed one of the major hurdles in development of the road sector. Delays lead to cost overruns which lower returns for developers as well as adversely affect their debt servicing ability. Reasons for delays are numerous and include issues in land acquisition, environmental clearances, forest clearances, railway clearances, shifting of utilities, religious structures and encroachments. The duration of delay and project cost escalation is on the higher side for projects involving interstate road construction due to involvement of different state agencies.

- **Hurdles in bank funding for road projects:** Banks are reluctant to fund road sector projects as they approach sector exposure limits. Moreover, to ensure that delays due to land acquisition do not hinder the progress of a project, they demand 80-100% of the land be available with the developer at the time of the award of the project. Given the dependence of infrastructure projects on banks for funding, projects are not able to take off due to such funding constraints. Moreover, elongated working capital cycle in core construction businesses of many entities has strained their liquidity and increased their dependence on borrowed funds. Operating margin of several road contractors also witnessed pressure due to rising commodity prices (in case of fixed-price contracts) and idling of capacities as execution could not begin on many new projects.

- **Reluctance to accept toll:** The Indian population has not yet completely accepted the importance of tolls for road construction and improvement of service delivery. Also, appeasement of people through provision of subsidies has been a major tool for reaping political gains in India. There have been instances of people, backed by various political groups, opposing toll plazas. Such instances have also affected service delivery within the sector.

Institutional framework for roads at central and state level

NITI Aayog – Apex body for formulating policies

In January 2015, the government replaced the Planning Commission with the National Institution for Transforming India (NITI) Aayog - a multi-tiered structure providing strategic and technical advice to central and state governments. At central level, several line ministries handle transport planning, coordination and policy-setting, with NITI Aayog coordinating the entire effort.

At central level, NITI Aayog, in consultation with MoRTH and MoRD, is in charge of policy-framing, programme development and resource planning. MoRTH formulates policies on road transport and development, and maintenance of national highways. NHAI is responsible for implementation, operation and maintenance of national highways. It was constituted and operationalised in February 1995 and given the status of an autonomous corporate body under the control of MoRTH. At state level, overall policy, programme development and resource planning is the responsibility of the state planning cell. The cell has to discharge this responsibility in consultation with the central-level planning commission and the respective state road and transport ministries. NHIDCL is a fully-owned company of MoRTH, incorporated in July 2014. Its mandate is to design, build, operate and maintain the national highways and roads in the north-eastern region and other parts of India that share international boundaries with neighbouring countries. State PWDs and road development corporations ("**RDCs**") are in charge of implementing, operating and maintaining the state highways, major district roads and rural roads in a few states. MoRD is responsible for policy development as well as for monitoring and coordination with the district units for the rural roads. Apart from state PWDs, the Panchayati Raj also implements construction and maintenance of rural roads. Ministries allocate and release funds for development of roads, to the respective implementing agencies.

Recent initiatives in development of state roads

RRP-I was unveiled by MoRTH in February 2009 for improvement of road connectivity in 34 LWE affected districts of eight states, namely, Andhra Pradesh, Bihar, Chhattisgarh, Jharkhand, Madhya Pradesh, Maharashtra, Odisha and Uttar Pradesh. Under RRP-I, 1,126 km of national highways and 4,351 km of state roads were planned at an estimated cost of ₹ 73,000 million. As of November 30, 2016, 5,406 km of road works had been awarded, of which development along 4,153 km has been completed at an expenditure of ₹ 59.6 billion. On December 28, 2016, the central government approved Centrally Sponsored Scheme, namely 'Road Connectivity Project for LWE Affected Areas'. The project involves construction/upgradation of 5,400 km road and 126 bridges/cross drainage works, at an estimated cost of ₹ 117 billion.

The SARDP-NE is to be implemented in three parts:

- Phase A: Improvement of ~4,100 km of state roads, to be completed by March 2021.
- Phase B: Once Phase A is completed, 3,723 km of state roads to be covered.
- In addition to Phase A and B, the Arunachal Pradesh Package for Roads & Highways, involving development of ~2319 km of state/general staff/strategic roads, has also been approved by the government.

Bharat Mala is a proposed umbrella scheme, for development of state roads along coastal//border areas, including connectivity of non-major ports, economic corridors, national corridors efficiency movement etc. The states that will house these projects are Andhra Pradesh, Arunachal Pradesh, Assam, Bihar, Chhattisgarh, Delhi, Goa, Gujarat, Haryana, Himachal Pradesh, Maharashtra, Manipur, Meghalaya, Mizoram, Nagaland, Odisha, Punjab, Puducherry, Rajasthan, Tamil Nadu, Telangana, Tripura, Uttar Pradesh, Uttarakhand and West Bengal. As of October 2017, DPRS for 16,000 km of road stretches are under various stages of preparation and land acquisition for the programme has begun. The government estimated an outlay of ₹ 6.9 trillion up to Fiscal 2022, including investments for balance NHDP work and other programmes run by the central government such as SARDP-NE, LWE region development program etc. It will be a completely centrally sponsored scheme, funded from existing NHAI and ministry sources, with the TOT model, market borrowings and private funds.

SUMMARY OF BUSINESS

*The following information should be read together with the more detailed financial and other information included in this Draft Red Herring Prospectus, including the information contained in the sections titled "**Risk Factors**", "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" and "**Financial Statements**" on pages 18, 348 and 211 respectively.*

Overview

We are an established construction, development and maintenance service company, with a track record of 13 years of experience and expertise in execution of various road focused EPC projects in various states of India.

We categorise our operations into primarily two businesses, namely, our construction contract business, under which we carry out EPC services for third parties, primarily in the roads and highways sector, including highways and bridges, building and other civil construction projects (the "**EPC Business**"); and our development of roads and highways projects, including highways and bridges, currently on hybrid annuity model ("**HAM**") basis (the "**Annuity Business**"), and through our Subsidiaries completed build, operate, transfer ("**BOT**") annuity projects under which we receive toll collection fees and annuity income.

Within our EPC Business, our key ongoing projects in the building and other civil construction sector include the construction of eight new court buildings in the City Civil Court, Ahmedabad; the construction of the roller-compacted concrete ("**RCC**") structure in coordination with steel structure for frame of a new multi-storeyed multispecialty hospital in Gujarat; and the construction of residential flats, shops and offices under the Pradhan Mantri Awas Yojana in Gujarat. For more information on our EPC Business, see "***- EPC Business***" on page 163.

Within our Annuity Business, our key ongoing projects include our three HAM projects, of a total contract value of ₹ 39,302.30 million, which we have recently been awarded in the roads and highways sector, namely, the Sethiyahopu-Cholopuram Project and the Cholopuram-Thanjavur Project in the State of Tamil Nadu, and the Darah-Jhalawar Project in the State of Rajasthan. In addition, our Annuity Business includes our previous BOT annuity projects completed through our Subsidiaries, under which we currently receive toll collection fees and annuity income. For more information on our Annuity Business, including certain details of our three HAM projects, see "***- Annuity Business***" on page 164.

As on October 31, 2017, we had an Order Book of ₹ 62,672.43 million, including one OPRC road project, eight EPC road projects, and three HAM projects accounting for 2.77%, 31.92% and 62.71%, respectively, of our Order Book, reflecting an aggregate of 97.39% of our Order Book being comprised of roads and highways projects; and seven building and other civil construction projects, accounting for the balance 2.61% of our Order Book.

We are executing projects across various States in India, with Tamil Nadu, Rajasthan, Punjab, Karnataka, Gujarat and Madhya Pradesh having contributed 44.78%, 35.73%, 12.11%, 4.10%, 2.60% and 0.68%, respectively, to our Order Book, as on October 31, 2017. For more information on our Order Book, including a World Bank funded road asset management contract awarded to us in 2012, under the OPRC model, that we are currently executing in the State of Punjab, see "***- Order Book***" on page 160.

We are pre-qualified to bid independently on an annual basis for bids by NHAI and MoRTH of contract value up to ₹ 12,340.0 million for EPC contracts and ₹ 12,030.0 million for Annuity contracts based on our technical and financial capacity as on March 31, 2017. While we independently execute projects where we are pre-qualified to bid on an independent basis, we form project joint ventures and consortiums, from time to time, with other infrastructure and construction companies, where a project requires us to meet specific eligibility requirements. As on the date of this Draft Red Herring Prospectus, we are executing through two joint ventures, the Sadbhav-PIPL JV and the KECL-PIPL JV and have already completed one project through a joint venture, namely the PIPL-KCL JV. For more information on our joint ventures, see "***- Joint Ventures***" and "***History and Certain Corporate Matters – Joint Ventures***" on pages 166 and 184, respectively.

During the last five Fiscals, we have completed nine roads and highways projects above the contract value of ₹ 300 million each, aggregating to a total contract value of ₹ 22,732.07 million, and six building and other civil construction projects above the contract value of ₹ 300 million each, aggregating to a total contract value of ₹ 4,406.27 million. We have also received a letter of appreciation for early completion of our work on the Ahmedabad-Vadodara expressway project from the concessioning authority, Modern Road Makers Private

Limited. For more information on our completed projects, including an OMT project awarded to us in 2010, see "*-Completed Projects*" on page 165.

Over time, we have added a fleet of modern construction equipment and employed manpower to supplement the growth of our operations. As on September 30, 2017, our equipment base comprised 683 construction equipment assets of gross block worth ₹ 2,470.32 million, which included equipment such as earth movers (dumpers and tippers), loaders and excavators, rollers and compactors, weigh bridges, transit mixers, motor graders, milling machines, paver finishers, cranes, concrete batch mix plants, crushers, hot mix plants (batch type), concrete pavers, and others. We primarily use our own fleet of equipment, which provides us with a competitive advantage, allowing us to utilize our machines and equipment at their optimal levels.

We were founded in 1972 by the late Vithalbhai Gorabhai Patel as a partnership firm in the name of Patel Construction Company, which was incorporated as private limited company in 2004. We are promoted and managed by Mr. Pravinbhai Vithalbhai Patel, our Chairman, Mr. Arvind Vithalbhai Patel, our Managing Director, Mr. Dineshbhai Pragjibhai Vaviya, Mr. Madhubhai Pragjibhai Vaviya and Mr. Sureshbhai Pragjibhai Vaviya, who are Executive Directors on our Board.

We have received an award from the Gujarat Contractors Association for "Excellence in Highway Sector" in 2016. We have also received accreditations, such as the ISO 9001:2015, ISO 14001:2015 and OHSAS 18001:2007 certifications for our quality management systems, environmental management systems, and occupational health and safety management systems, respectively.

In Fiscals 2015, 2016 and 2017 and the six months ended September 30, 2017, our revenue from operations, as per our Restated Consolidated Financial Information were ₹ 5,643.64 million, ₹ 8,911.35 million, ₹ 15,932.67 million and ₹ 7,994.00 million, respectively. Revenue from our EPC Business were ₹ 3,572.16 million, ₹ 6,702.22 million, ₹ 13,689.87 million and ₹ 6,686.32 million, respectively for Fiscals 2015, 2016 and 2017 and the six months ended September 30, 2017, while revenue from our Annuity Business were ₹ 315.32 million, ₹ 335.60 million, ₹ 335.60 million and ₹ 167.91 million, respectively, for the same period. In Fiscals 2015, 2016 and 2017 and the six months ended September 30, 2017, our profit after tax, as per our Restated Consolidated Financial Information was ₹ 137.67 million, ₹ 879.61 million, ₹ 710.49 million and ₹ 479.77 million, respectively. We have been able to increase our total revenue from Fiscal 2015 to Fiscal 2017 at a CAGR of 68% and our profit after tax at a CAGR of 227% over the same period.

Competitive Strengths

Strong track record of completed infrastructure projects across various states in India, with focus on roads and highways projects.

We are an established construction, development and maintenance service company, with a track record of 13 years of experience and expertise in execution of various road focused EPC projects in various states of India including Punjab, Madhya Pradesh, Rajasthan, Karnataka, Tamil Nadu and Gujarat. We provide EPC services on a lump sum basis as well as on an item rate basis, primarily in the road sector including bridges and highways, and building and other civil construction projects.

During the last five Fiscals, we have completed nine roads and highways projects above the contract value of ₹ 300 million each, aggregating to a total contract value of ₹ 22,732.07 million, and six building and other civil construction projects above the contract value of ₹ 300 million each, aggregating to a total contract value of ₹ 4,406.27 million.

Our primary focus on providing EPC services on the roads and highways projects has helped us in gaining technical expertise in undertaking projects of different sizes and involving varying degree of complexity while simultaneously helping us to also develop quality control systems, acquire a fleet of modern construction equipment and employ manpower to supplement the growth of our operations.

Our credentials and pre-qualifications have allowed us to increase our target market size and Order Book. Some of our key completed projects in the roads and highways segment include the Ahmedabad to Vadodara section of NH-8 and the four laning of the Sangrur bypass and Dhanoula bypass (Patiala-Sangrur-Barnala-Bathinda section) of NH-64.

We constantly liaise with regulatory and local authorities in order to ensure that our projects are not stalled due to non-availability of any statutory or regulatory clearances, non-availability of land, human resources, plant and machinery etc., or other instances of cost-overrun which allows us to complete projects in a timely manner. Further, we undertake majority of our projects through our own employees and appoint contractors for only non-core portions of our projects. Our experience and established track record of executing road and other civil infrastructure projects allows us to meet the necessary pre-qualification requirements and helps us identify and mitigate certain development and operational risks.

Strong Order Book with growing project portfolio.

In the infrastructure industry, an order book is considered an indicator of future performance since it represents a portion of anticipated future revenue. Our Order Book as on a particular date consists of estimated revenue from unexecuted or uncompleted portions of our ongoing projects, i.e., the total contract value of such ongoing projects as reduced by the value of construction work billed until such date.

Our Order Book has grown significantly from ₹ 20,855.60 million as on March 31, 2015 to ₹ 62,672.43 million as on October 31, 2017, an increase of 200% in 31 months.

As on October 31, 2017, we had an Order Book of ₹ 62,672.43 million, including one OPRC roads and highways project, eight EPC roads and highways projects, and three HAM projects accounting for 2.77%, 31.92% and 62.71%, respectively, of our Order Book, reflecting an aggregate of 97.39% of our Order Book being comprised of roads and highways projects; and seven building and other civil construction projects, accounting for the balance 2.61% of our Order Book.

Our operations are spread across various states in India, including Gujarat, Punjab, Rajasthan, Karnataka, Tamil Nadu and Madhya Pradesh. Diversifying our skill set and Order Book across different business and geographical regions, enables us to pursue a broader range of project tenders and therefore maximize our business volume and contract profit margins. The consistent growth in our Order Book is a result of our past experience, our focus on maintaining quality standards in our construction and project execution skills.

Driven by our execution track record, we have exhibited strong financial performance and credit profile over the last few years. Our strong financial performance and substantial assets, helps us present a strong credit profile to our lenders and keeps alternatives sources of financing available to us. Our credit rating from CARE Ratings Limited for long-term bank facilities and long/short term bank facilities increased from CARE A- (Single A Minus) and CARE A- / CARE A2 (Single A Minus / A two), respectively, in Fiscal 2015 to CARE A; Stable (Single A; Outlook: Stable) and CARE A; Stable / CARE A1 (Single A; Outlook: Stable / A One), respectively, in Fiscal 2017.

Our strong financial position, including our improved credit ratings, have helped us in being pre-qualified by NHAI, MoRTH and other state authorities. We are pre-qualified to bid independently on an annual basis for bids by NHAI and MoRTH of contract value up to ₹ 12,340.00 million for EPC contracts and ₹ 12,030.00 million for Annuity contracts based on our technical and financial capacity as on March 31, 2017. The increase in pre-qualifications has helped us maintain the momentum of our Order Book growth.

Focused geographic expansion based on scientific project selection.

Patel Construction Company, a partnership firm founded by the late Vithalbhai Gorabhai Patel started business operations in Maharashtra in 1972 and initially undertook building and other civil construction projects. As on the date of this Draft Red Herring Prospectus, our Company has operations in Gujarat, Punjab, Madhya Pradesh, Rajasthan, Karnataka and Tamil Nadu, taking on both EPC and Annuity projects for construction of roads, highways and buildings.

We are selective when we expand into a new location and typically consider geographies where we can deliver high-quality services without experiencing significant delays and interruptions. We have expanded our operations into states with less competition, high GDP, stable political conditions, favourable geographic and climatic conditions. We scientifically bid for projects in particular geographies, by taking into consideration key factors such as the potential for project clustering, risks related to land acquisition and obtaining environment and forest clearances and other approvals needed for execution and the potential cash flow from such projects after they become operational. We strive to cluster our projects geographically to improve efficiency and profitability. By leveraging the manpower, equipment and materials which are set-up at nearby work sites, we save transportation costs and investment in new equipment, thus achieving economies of scale.

In the past, we have bid for internationally funded projects or projects funded by the central government.

Within the Annuity Business, we have focused on HAM projects and have been awarded the Sethiyahopu-Cholopuram Project and the Cholopuram-Thanjavur Project in the State of Tamil Nadu, and the Darah-Jhalawar Project in the State of Rajasthan.

Technology enabled project management capabilities.

We have in-house capabilities for design, engineering, bid surveys, tendering for projects, preparing financial models, construction and maintenance of our projects.

Project management: Through our experienced design and engineering teams, we plan every step of a project and, over time, have developed strong project management and execution expertise and capabilities. Our project execution capabilities enable us to exercise greater control over the costs of our projects, quality and timely execution of construction, operation and maintenance allowing us to capture a significant portion of the economic value chain in projects that we execute. We have also received accreditations, such as the ISO 9001:2015, ISO 14001:2015 and OHSAS 18001:2007 certifications for our quality management systems, environmental management systems, and occupational health and safety management systems, respectively.

We have a robust inventory management system which enables us to efficiently manage our inventory and monitor the supply of equipment and mobilisation of resources in a cost effective and timely manner. We have implemented a SAP based ERP system since December 22, 2017, to maintain greater control over our operations. Our head office and each of our project site offices are SAP configured and raw material which is procured at our sites is accounted for at our site offices and then verified at our registered office. Our SAP system helps us to ensure effective monitoring and optimum utilisation of raw materials. We aggregate our orders of raw materials across construction sites and centralize our procurement to negotiate bulk discounts. Additionally, we also produce certain of our raw materials such as aggregates, which gives us a cost advantage. Through our centralized procurement process, we are able to leverage our scale and achieve a high degree of efficiency in procurement.

Equipment ownership: As on September 30, 2017, our equipment base comprised 683 construction equipment assets of gross block worth ₹ 2,470.32 million. We primarily use our own fleet of equipment, which provides us with a competitive advantage, allowing us to utilize our machines and equipment at their optimal levels. With multiple projects in progress at any given time, ready access to such equipment is essential to our ability to execute existing projects on time and bid for additional projects. We maintain our equipment to ensure high availability and reduce equipment cost. We carefully select our equipment suppliers and the equipment that we procure, to help reduce equipment down time and maintenance cost. With multiple projects in progress at any given time, ready access to such equipment is essential to our ability to execute existing projects on time and bid for additional projects.

Manpower management: As on September 30, 2017, we had 2,139 employees. We also hire contract labourers from various agencies from time to time. We undertake selective and need-based recruitment every year to maintain the size of our workforce, which may otherwise decline as a result of attrition and retirement of employees. As on September 30, 2017, of the 2,139 employees on our rolls, 1,832 employees were in our projects and operations department, 124 employees were in our inventory and logistics department, 110 employees were in our human resource and administration department, 51 employees were in our accounts and finance department, 17 employees were in our information technology department, four employees were in our business development department and one employee was in our legal and secretarial department. Since a majority of our employees are on our rolls, we have minimal reliance on contract workers, which helps us exercise greater control over the quality and costs of our project and achieve execution of our projects in a timely manner.

Experienced promoters with senior management team and skilled workforce.

Our Promoters have extensive experience and are actively involved in the management of our business and general administration on a day to day basis. Mr. Pravinbhai Vithalbhai Patel, our Chairman and son of our original founder, the late Vithalbhai Gorabhai Patel, has approximately 36 years of experience in the field of project execution. Our Managing Director, Mr. Arvind Vithalbhai Patel has approximately 33 years of experience in the field of business development and finance. He has been instrumental in expanding our project portfolio in the roads and highways segment. Our other Promoters, Mr. Dineshbhai Pragjibhai Vaviya, with 31 years of experience in the infrastructure industry, heads our building and other civil construction business, Mr. Madhubhai Pragjibhai Vaviya with 24 years of experience, is responsible for project execution, human resources and administrative matters and Mr. Sureshbhai Pragjibhai Vaviya, with 25 years of experience, heads our roads and highways segment.

In addition to our Promoters, we have a dedicated and experienced management team, which is responsible for our overall strategic planning and business development. We have a succession plan in place, with Jay Patel, son of Mr. Pravinbhai Vithalbhai Patel, Mr. Krunal Patel and Mr. Parth Patel, sons of Mr. Arvind Vithalbhai Patel, who are key managerial personnel of our Company, currently serving as our director - technical, director – strategic business development and director - commercial, respectively.

Our motivated team of management and key managerial personnel and our internal systems and processes complement each other, to enable us to deliver high levels of client satisfaction. For more information on our Directors and key managerial personnel, see "***Management***" on page 187.

As on September 30, 2017, we had a workforce of 2,139 employees. 329 of these employees were our technical staff, with necessary experience in the use and handling of modern construction equipment and machinery, to effectively execute our projects. We have strong work culture designed to balance our organizational priorities with life-stage needs and aspirations of our employees. We are able to recognize, reward and develop the right kind of talent, as a result of which we have experienced low attrition at middle and top management levels in the past. We intend to leverage the understanding and the experience of our senior management in successfully managing our operations, which has facilitated the growth of our business.

Strategies

Continue focusing on roads and highways projects while selectively expanding our geographic footprint.

As on October 31, 2017, our Order Book included 12 roads and highways projects across various states in India, amounting to ₹ 61,042.35 million, accounting for 97.39% of our Order Book.

Over the next few years, we will continue to focus on the operations, maintenance and development of our existing projects while seeking opportunities to expand our portfolio of projects. Our strategy is to continue to focus on strengthening our market position and developing and executing EPC projects in the roads and highways sector, while seeking opportunities to bid for additional projects. We intend to draw on our experience, effectively use our assets, market position and our ability to execute and manage multiple projects across geographies, to grow our project portfolio. We will continue to leverage our existing technology and adopt new technologies, designs and project management tools to increase productivity and maximize asset utilization in capital intensive activities.

We plan to continue our strategy of diversifying and expanding our presence in different states for the growth of our business. Our strategy of selective expansion is designed to help us in mitigating diversification related risks. We are selective when we expand in a new location and typically consider geographies where we can deliver high-quality services without experiencing significant delays and interruptions on account of adverse climatic conditions or regulatory delays. We currently have operations in Punjab, Madhya Pradesh, Rajasthan, Karnataka, Tamil Nadu and Gujarat. We intend to expand into states which are economically and politically stable and have favourable geographic and climatic conditions. We intend to broaden our revenue base and reduce risks of volatility of market conditions and price fluctuations by expanding our geographic footprint.

Continue focusing on enhancing execution efficiency.

We intend to continue enhancing our operational efficiencies to better absorb our fixed costs, reduce our other operating costs and strengthen our competitive position through the following initiatives:

Continue scientific selection of projects: We will continue our practices of scientific selection of projects and calibrated growth by avoiding projects that may over-leverage our balance sheets or may require significant investments in equipment or manpower. We will continue to expand into states with less competition, high GDP, stable political conditions, favourable geographic and climatic conditions. We will continue to focus on geographically clustering our projects to further improve our business and financial performance. Our future growth will depend on how successfully we undertake our projects in other states and cluster our existing and new projects to achieve optimal efficiency and profitability.

Focus on timely delivery and quality execution: We intend to continue to focus on performance and project execution in order to maximize client satisfaction and profit margins. We intend to integrate best practices from different sectors and geographic regions and continue our practice of efficient planning and project management and centralizing procurement of major equipment and raw materials. This is designed to help us scale up our operations at a lower cost and enjoy greater economies of scale.

Enhance our existing project execution capabilities: We intend to further enhance our execution efficiency and improve our operating systems of equipment usage, procurement and manpower. We intend to ensure continuous availability of equipment for our projects and exercise better control over the execution of our projects. We intend to adhere to our practice of quick mobilization of the equipment needed for our new projects, further increase spare parts availability and reduce procurement and maintenance costs. We intend to continue using our centralized procurement system to gain bargaining power with our equipment and raw material suppliers and further reduce our procurement costs. We source funding for our projects primarily through loans from banks and other financial institutions. We intend to continue to evaluate various funding mechanisms which will enable us to enhance our credit rating and in turn reduce our borrowing cost and improve our liquidity position.

Focus on strengthening our information technology systems: We intend to continue upgradation of our information and communication technology infrastructure and other internal processes to reduce manual intervention and improve reliability and efficiency of our business and operations. We have installed a SAP-based ERP system since December 22, 2017, increasing data security, training and retaining competent IT staff, enhancing the existing systems for equipment usage, procurement and manpower and exercising more control over the execution of projects.

Focus on exploring the hybrid annuity based model.

We seek to undertake more HAM projects that match our corporate profile, project experience and execution capabilities and offer a risk and reward profile that may be favourable to us, to broaden our revenue base and also improve the geographical diversification of our projects.

As on the date of this Draft Red Herring Prospectus, we are undertaking three HAM projects all awarded by NHAI, namely, the Sethiyahopu-Cholopuram Project and the Cholopuram-Thanjavur Project in Tamil Nadu, and the Darah-Jhalawar Project in Rajasthan, with a total contract value of ₹ 39,302.30 million.

Leveraging our experience, track record, commercial relationships and brand recognition in the EPC Business, we will continue to evaluate opportunities to undertake HAM projects, with a focus on selectively bidding for HAM projects in states with stable growth, and with central or multilateral funding.

Under HAM, a new hybrid annuity model introduced by the Government in 2016, the Government accepts revenue/toll collection risk, along with partial sharing (40%, on a case to case basis) of financial risk and the concessionaire to continue to manage executional and operational and maintenance risk. The introduction of HAM projects in India provides opportunities for private developers to participate in the annuity based model without exposing such private developers to the entire financial and revenue risk.

Capitalize on the growth opportunities in the Indian infrastructure industry.

As the growth of the economy in general and the manufacturing sector in particular is largely dependent on creation of suitable infrastructure, the policy focus in India has been on infrastructure investment which has led to increased budgetary support to the transportation sector. Accordingly, the consequent need for supporting such infrastructure may grow with the increase in infrastructure projects.

The Government's focus on the development of the infrastructure sector and sustained increased budgetary allocation towards the infrastructure sector, together with increased funding by international and multilateral development finance institutions for infrastructure projects have resulted in increased demand for engineering construction services for infrastructure projects. Government spending on the road infrastructure sector is a key component of India's goal of sustained annual GDP growth. The CRISIL Report states that investment in road projects is to double to ₹ 10.70 trillion over next five years. According to the CRISIL Report, investment in state roads is expected to grow steadily, and rise at a faster pace in case of rural roads, owing to higher budgetary allocation to the Pradhan Mantri Gram Sadak Yojana since Fiscal 2016. The Government of India has floated the NHDP in 1998, which is aimed at building, upgradation, rehabilitation and broadening of national highways. The programme is executed by NHAI in coordination with the PWD of various States. The Government has also floated various other NHAI projects including the Special Accelerated Road Development Programme in North-East region and the National Highways' Interconnectivity Improvement Project. According to the CRISIL Report, out of the total ₹ 4.3 trillion expected to be invested in national highways up to Fiscal 2022, about ₹ 1.4 trillion will be through HAM projects. Our expertise and experience in the development, operation and management of road infrastructure projects, as well as our established reputation, provides us with a competitive advantage in pursuing opportunities in this rapidly growing sector.

SUMMARY FINANCIAL INFORMATION

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Patel Infrastructure Limited
CIN : U45201GJ2004PLC043955
Annexure I
Restated Standalone Summary Statement of Assets and Liabilities

(Amount in ₹ million)

Sr No	Particulars	Annexure	As at					
			30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
	Equity and liabilities							
A	**Shareholders' funds**							
	Share capital	VI	38.00	38.00	38.00	38.00	38.00	38.00
	Reserves and surplus	VII	2,974.12	2,608.20	1,966.32	1,199.11	1,087.18	769.50
B	**Non-current liabilities**							
	Long-term borrowings	VIII	156.47	356.18	451.44	111.30	271.90	386.93
	Deferred Tax Liability (Net)	IX	80.16	78.53	65.46	56.54	67.19	50.97
	Other Long-term liabilities	X	502.54	694.30	377.23	266.29	235.00	503.75
	Long Term provision	XI	39.21	32.60	30.70	19.78	15.13	10.41
C	**Current Liabilities**							
	Short-tem Borrowings	XII	1,636.56	1,479.31	539.40	513.40	336.65	263.75
	Trade Payables	XIII						
	• total outstanding dues of micro enterprises and small enterprises		-	-	-	-	-	-
	• total outstanding dues of creditors other than micro enterprises and small enterprises		1,299.43	1,667.72	1,316.88	386.70	642.68	578.28
	Other current liabilities	XIII	1,583.36	1,107.78	1,383.28	848.12	882.17	468.76
	Short-term provisions	XI	37.93	22.74	18.01	14.37	32.20	7.68
	TOTAL (A+B+C)		**8,347.78**	**8,085.36**	**6,186.73**	**3,453.60**	**3,608.09**	**3,078.03**
	Assets							
D	**Non-current Assets**							
	Fixed Assets	XIV						
	i) Property, Plant and Equipment		2,079.66	2,155.57	1,793.01	955.61	1,022.73	1,016.04
	ii) Intangible Assets		28.76	22.55	-	-	-	0.04
	iii) Capital Work-in-Progress			-	-	-	-	12.57
	iv) Intangible Assets under Development			-	2.38	0.79	-	-
	Non-current investments	XV	128.16	128.18	128.11	232.31	233.31	197.99
	Long Term Loans and Advances	XVI	177.61	147.87	205.18	384.46	390.22	246.91
	Other non current assets	XVI	60.78	121.48	114.61	46.55	200.46	100.17
E	**Current Assets**							
	Inventories	XVII	968.13	778.04	513.55	515.52	593.10	326.39
	Trade Receivables	XVIII	507.38	749.20	1,407.17	174.60	370.72	445.08
	Cash and Bank Balances	XIX	506.43	792.69	383.48	409.07	163.75	274.31
	Short Term Loans and Advances	XX	2,184.16	1,800.28	1,188.42	593.22	606.02	383.12
	Other Current Assets	XX	1,706.72	1,389.50	450.82	141.47	27.79	75.40
	TOTAL (D+E)		**8,347.78**	**8,085.36**	**6,186.73**	**3,453.60**	**3,608.09**	**3,078.03**

Note
The above statement should be read with the notes to the Restated Standalone Summary Statements as appearing in Annexure V and Statement of Restatement Adjustments to Audited Standalone Financial Statements appearing in Annexure IV.

Patel Infrastructure Limited
CIN : U45201GJ2004PLC043955
Annexure-II
Restated Standalone Summary Statement of Profit and Losses

(Amount in ₹ million)

Sr. No.	Particulars	Annexure	For the six month period ended	For the year ended				
			30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
A	**Income**							
	Revenue from Operations	XXI	6,511.07	13,294.05	6,906.45	4,356.79	6,670.19	4,622.19
	Other Income	XXII	20.79	60.95	44.53	38.24	34.70	20.32
	Total Revenue		**6,531.87**	**13,355.01**	**6,950.98**	**4,395.03**	**6,704.89**	**4,642.50**
B	**Expenses**							
	Construction expenses	XXIII	5,181.82	10,710.22	5,434.14	3,423.79	5,365.36	3,649.51
	Employee benefits expense	XXIV	362.24	674.37	426.83	257.86	264.89	201.99
	Depreciation and Amortisation expenses	XXV	132.42	244.63	175.16	144.16	86.51	67.61
	Finance costs	XXVI	159.27	339.81	199.04	184.41	191.54	135.90
	Other expenses	XXVII	269.63	608.90	351.37	204.14	308.59	240.53
	Total expenses		**6,105.38**	**12,577.92**	**6,586.55**	**4,214.35**	**6,216.88**	**4,295.55**
C	**Restated profit before Extraordinary items & Tax (A - B)**		**426.48**	**777.08**	**364.43**	**180.68**	**488.00**	**346.96**
D	**Extraordinary Items**							
	Profit from sale of investments in associates		-	-	515.80	-	-	-
E	**Restated profit After Extraordinary Items & Before Tax (C + D)**		**426.48**	**777.08**	**880.23**	**180.68**	**488.00**	**346.96**
F	**Tax Expenses**							
	Current tax		78.48	167.92	168.35	71.21	154.11	99.42
	MAT Credit		(21.04)	(47.24)	(66.16)	-	-	-
	Deferred tax		1.63	13.07	8.92	(10.65)	16.22	14.63
	Total tax expenses		**59.07**	**133.75**	**111.11**	**60.55**	**170.33**	**114.05**
G	**Restated net profit for the year (E - F)**		**367.42**	**643.34**	**769.12**	**120.13**	**317.68**	**232.91**

Note

The above statement should be read with the notes to the Restated Standalone Summary Statements as appearing in Annexure V and Statement of Restatement Adjustments to Audited Standalone Financial Statements appearing in Annexure IV.

Patel Infrastructure Limited
CIN : U45201GJ2004PLC043955
Annexure - III
Restated Standalone Summary Statement of Cash Flows

(Amount in ₹ million)

Sr. No.	Particulars	As at					
		30-Sep-17	**31-Mar-17**	**31-Mar-16**	**31-Mar-15**	**31-Mar-14**	**31-Mar-13**
A	**Cash flow from operating activities**						
	Restated profit after Extraordinary items & before Tax	**426.48**	**777.08**	**880.23**	**180.68**	**488.00**	**346.96**
	Adjustment for:						
	Depreciation and Amortisation expense	132.42	244.63	175.16	144.16	86.51	67.61
	(Profit) / Loss on sale of Fixed Assets (net)	(0.26)	(1.42)	0.82	(0.03)	0.31	1.33
	Interest Expense	128.85	228.04	129.28	133.18	118.56	92.01
	Interest Income on FDR	(12.28)	(35.91)	(34.96)	(30.84)	(29.80)	(19.02)
	Profit on sale of Mutual Fund	-	-	-	(1.60)	-	-
	(Gain) / Loss on account of foreign exchange fluctuation (net)	-	0.39	5.24	4.69	17.13	9.88
	Profit from Sale of Investments in Associates	-	-	(515.80)	-	-	-
	Dividend Income	(0.02)	(0.01)	(0.01)	(0.01)	(0.02)	(0.01)
	Intangibles under Development charged off to P/L	-	2.38	-	-	-	-
	Expenditure towards Corporate Social Responsibility	(1.50)	(1.46)	(1.90)	(2.31)	-	-
		247.20	**436.64**	**(242.16)**	**247.24**	**192.69**	**151.79**
	Operating Profit Before Working Capital Changes	**673.68**	**1,213.73**	**638.07**	**427.92**	**680.69**	**498.75**
	Adjustment for:						
	Changes in Inventories	(190.09)	(264.49)	1.97	77.58	(266.71)	(199.85)
	Changes in Trade Receivables	241.82	657.98	(1,232.57)	196.11	74.37	(263.70)
	Changes in Loans & Advances	(696.53)	(1,431.27)	(745.50)	(32.77)	(220.77)	(165.98)
	Changes in Trade and Other Payables	(80.43)	315.85	1,843.40	(503.12)	16.95	651.98
	Cash generated from / (used in) operations	**(51.54)**	**491.79**	**505.37**	**165.73**	**284.53**	**521.19**
	Income tax Paid	(114.71)	(249.25)	(244.69)	(84.19)	(130.51)	(99.89)
	Net Cash Flow From Operating Activities (A)	**(166.25)**	**242.55**	**260.68**	**81.54**	**154.02**	**421.30**
B	**Cash flows from investing activities**						
	Loan and Advances received back/ (given) to Subsidiaries (net)	14.61	(14.62)	196.64	(92.00)	(36.93)	(67.71)
	Loan and Advances received back/ (given) to Joint Venture (net)	0.01	(0.01)	-	-	-	-
	Investment in Subsidiaries (made) /sold (net)	-	(0.10)			(32.82)	(68.12)
	Investment in Associates (made) / sold (net)	0.02	0.03	620.00			(0.05)
	Investment in Mutual Fund (made) / sold (net)	-	-	-	2.60		-
	Purchase of Fixed Assets (including advances for capital expenditure)	(57.72)	(555.82)	(1,055.80)	(89.56)	(105.41)	(411.67)
	Sale of Fixed Assets	4.85	5.94	6.92	7.32	2.41	1.93
	Dividend Income	0.02	0.01	0.01	0.01	0.02	0.01
	Increase decrease in Other Bank Balance / FDRs	34.71	(93.91)	(76.62)	(43.41)	(43.59)	(102.35)
	Interest Income on FDR	12.28	35.91	34.96	30.84	29.80	19.02
	Advance from Sale of Investment	-	-	(400.00)	400.00	-	-
	Share Application in Subsidiary	-	-	-	41.19	(41.19)	-
	Advance for acquisition of investment	-	-	-	-		(2.50)
	Net Cash Flow From Investing Activities (B)	**8.80**	**(622.58)**	**(673.90)**	**256.99**	**(227.72)**	**(631.43)**
C	**Cash flows from financing activities**						
	Proceeds(Payment) from Secured Loans	(25.85)	683.18	357.62	(157.63)	118.10	207.13
	Proceeds(Payment) from Unsecured Loans	1.15	244.25	150.73	0.29	20.39	16.66
	Interest Expense	(128.85)	(228.04)	(129.28)	(133.18)	(118.56)	(92.01)
	Net Cash Flow From Financing Activities (C)	**(153.54)**	**699.39**	**379.07**	**(290.52)**	**19.93**	**131.78**
	Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	(310.99)	319.36	(34.15)	48.01	(53.77)	(78.35)
	Cash And Cash Equivalents At The Beginning Of The Year	354.55	35.19	69.34	21.33	75.10	153.44
	Cash And Cash Equivalents At The End Of The Year	**43.55**	**354.55**	**35.19**	**69.34**	**21.33**	**75.10**

Note
The above statement should be read with the notes to the Restated Standalone Summary Statements as appearing in Annexure V and Statement of Restatement Adjustments to Audited Standalone Financial Statements appearing in Annexure IV.

Patel Infrastructure Limited
CIN : U45201GJ2004PLC043955
Annexure I
Restated Consolidated Summary Statement of Assets and Liabilities

(Amount In ₹ million)

Sr No	Particulars	Annexure	As at					
			30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
	Equity and liabilities							
A	**Shareholders' funds**							
	Share capital	VI	38.00	38.00	38.00	38.00	38.00	38.00
	Reserves and surplus	VII	3,437.57	2,959.31	2,250.27	1,372.56	1,243.09	1,016.79
B	**Share Application Money Pending Allotment**		-	-	-	-	14.51	-
C	**Minority Interest**		67.68	63.36	59.87	56.06	43.83	32.11
D	**Non-current liabilities**							
	Long-term borrowings	VIII	1,675.92	2,047.58	2,729.26	2,292.78	2,210.96	1,464.56
	Deferred Tax Liability (Net)	IX	79.07	77.33	64.60	55.89	66.77	50.68
	Other Long-term liabilities	X	502.54	695.36	368.62	221.15	213.34	267.58
	Long Term provision	XI	41.78	34.76	32.14	20.90	15.90	10.94
E	**Current Liabilties**							
	Short-tem Borrowings	XII	1,648.17	1,479.31	539.40	582.06	373.36	287.46
	Trade Payables	XIII						
	• total outstanding dues of micro enterprises and small enterprises			-	-	-	-	-
	• total outstanding dues of creditors other than micro enterprises and small enterprises		1,290.15	1,663.12	1,319.79	392.36	543.85	582.66
	Other current liabilities	XIII	2,280.85	1,750.81	1,882.09	1,231.55	1,207.74	667.32
	Short-term provisions	XI	77.07	211.81	19.48	15.59	33.01	26.43
	TOTAL (A+B+C+D+E)		**11,138.82**	**11,020.74**	**9,303.52**	**6,278.90**	**6,004.36**	**4,444.53**
	Assets							
F	**Non-current Assets**							
	Fixed Assets	XIV						
	i) Property, Plant and Equipment		2,105.36	2,181.56	1,822.55	979.51	1,048.83	1,048.81
	ii) Intangible Assets		1,864.04	2,062.99	2,463.79	2,774.59	1,420.68	795.17
	iii) Capital Work-in-Progress			-	-	-	-	12.57
	iv) Intangible Assets under Development		11.68	10.73	30.72	0.79	1,034.33	510.00
	Non-current investments	XV	3.44	5.88	6.87	90.88	87.00	83.84
	Long Term Loans and Advances	XVI	201.45	205.79	241.28	198.86	245.62	180.84
	Other non current assets	XVI	60.78	121.48	114.61	46.55	200.54	102.28
G	**Current Assets**							
	Inventories	XVII	968.13	778.04	513.55	515.52	593.10	326.39
	Investments	XV	-	95.47	-	-	-	-
	Trade Receivables	XVIII	492.37	726.41	1,362.41	126.43	257.33	345.38
	Cash and Bank Balances	XIX	1,235.30	1,227.09	916.43	637.51	499.79	626.35
	Short Term Loans and Advances	XX	2,336.08	1,876.14	1,233.12	619.63	586.74	335.82
	Other Current Assets	XX	1,860.19	1,729.17	598.19	288.63	30.41	77.08
	TOTAL (F+G)		**11,138.82**	**11,020.74**	**9,303.52**	**6,278.90**	**6,004.36**	**4,444.53**

Note
The above statement should be read with the notes to the Restated Consolidated Summary Statements as appearing in Annexure V and Statement of Restatement Adjustments to Audited Consolidated Financial Statements appearing in Annexure IV.

Patel Infrastructure Limited
CIN : U45201GJ2004PLC043955
Annexure-II
Restated Consolidated Summary Statement of Profit and Losses

(Amount In ₹ million)

Sr. No.	Particulars	Annexure	For the six month period ended	For the year ended				
			30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
A	**Income**							
	Revenue form Operations	XXI	7,994.00	15,932.67	8,911.35	5,643.64	6,608.21	4,539.21
	Other Income	XXII	53.75	87.87	70.73	46.46	41.08	20.90
	Total Revenue		**8,047.76**	**16,020.55**	**8,982.07**	**5,690.10**	**6,649.29**	**4,560.11**
B	**Expenses**							
	Construction expenses	XXIII	6,090.04	12,458.01	6,499.45	3,859.01	4,923.82	3,274.58
	Employee benefits expense	XXIV	382.55	715.50	465.84	297.77	301.41	234.31
	Depreciation and amortisation expenses	XXV	388.97	743.42	649.97	573.15	369.15	202.88
	Finance costs	XXVI	282.32	599.68	497.89	497.92	323.05	162.31
	Other expenses	XXVII	311.17	650.29	389.45	238.25	334.73	269.46
	Total expenses		**7,455.04**	**15,166.89**	**8,502.60**	**5,466.10**	**6,252.16**	**4,143.54**
C	**Restated profit / (loss) before Extraordinary items, Tax & Minority Interest (A-B)**		**592.71**	**853.66**	**479.47**	**224.00**	**397.13**	**416.57**
D	**Extraordinary Items**							
	Profit on sale of Shares of Associates		-	-	532.86	-	-	-
E	**Profit After Extraordinary Items but before minority interest and tax (C+D)**		**592.71**	**853.66**	**1,012.34**	**224.00**	**397.13**	**416.57**
F	**Tax Expenses**							
	Current tax		128.21	174.20	186.37	84.97	154.55	134.17
	MAT Credit		(21.04)	(47.24)	(66.16)	-	-	-
	Deferred tax		1.46	12.72	8.71	(10.88)	16.09	14.57
	Total tax expenses(F)		**108.63**	**139.68**	**128.92**	**74.09**	**170.64**	**148.74**
G	**Restated profit / (loss) after tax but before minority interest for the year/period (E-F)**		**484.09**	**713.98**	**883.42**	**149.90**	**226.49**	**267.83**
H	**(Profit) / Loss attributable to Minority Interest**		(4.32)	(3.49)	(3.81)	(12.23)	(0.19)	-
I	**Restated profit / (loss) for the year / period (G-H)**		**479.77**	**710.49**	**879.61**	**137.67**	**226.30**	**267.83**

Note
The above statement should be read with the notes to the Restated Consolidated Summary Statements as appearing in Annexure V and Statement of Restatement Adjustments to Audited Consolidated Financial Statements appearing in Annexure IV.

Patel Infrastructure Limited
CIN : U45201GJ2004PLC043955
Annexure - III
Restated Consolidated Summary Statement of Cash Flows

(Amount In ₹ million)

Sr. No.	Particulars	As at					
		30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
A	**Cash flow from operating activities**						
	Net Profit before taxation	**592.71**	**853.66**	**1,012.34**	**224.00**	**397.13**	**416.57**
	Adjustment for:						
	Depreciation and Amortisation expense	388.97	743.42	649.97	573.15	369.15	202.88
	(Profit) / Loss on sale of Fixed Assets (net)	(0.26)	(1.16)	0.82	(0.03)	0.35	1.33
	Interest Expense	251.57	486.42	419.68	435.25	247.51	109.21
	Interest Received on FDR	(20.47)	(51.15)	(41.26)	(37.41)	(35.74)	(19.33)
	Profit on sale of Mutual Fund	(9.33)	(11.39)	(16.96)	(1.60)	-	-
	(Gain) / Loss on account of foreign exchange fluctuation (net)	-	0.39	5.24	4.69	17.13	9.88
	(Profit)/Loss from Disposal of Investments (net)	1.41	1.43	(532.86)	-	-	-
	Share in (Profit) / Loss of Associate (net)	-	(0.47)	(3.12)	(3.89)	(0.65)	0.21
	Pre-operative expenses written off	-	0.17	-	1.67	1.67	1.67
	Dividend Income	(0.02)	(0.01)	(0.01)	(0.01)	(0.02)	(0.01)
	Intangibles under Development charged off to P/L	-	2.38	-	-	-	-
	Income Tax Expenses	-	-	-	0.05	0.05	3.82
	Expenditure towards Corporate Social Responsibility	(1.50)	(1.46)	(1.90)	(2.31)	-	-
	Total	**610.37**	**1,168.57**	**479.58**	**969.56**	**599.46**	**309.65**
	Operating Profit Before Working Capital Changes	**1,203.08**	**2,022.23**	**1,491.91**	**1,193.56**	**996.59**	**726.22**
	Adjustment for:						
	Changes in Inventories	(190.09)	(264.49)	1.97	77.58	(266.71)	(199.85)
	Changes in Trade Receivables	234.04	636.00	(1,235.99)	130.91	88.05	(164.00)
	Changes in Loans & Advances	(540.31)	(1,667.12)	(716.23)	(207.53)	(231.58)	(0.78)
	Changes in Trade and Other Payables	(221.75)	535.37	1,908.36	(442.85)	176.49	313.69
	Cash generated from operations	**484.98**	**1,261.99**	**1,450.02**	**751.67**	**762.85**	**675.28**
	Income tax Paid	(131.40)	(279.64)	(342.99)	(139.48)	(166.92)	(152.58)
	Net Cash Flow From Operating Activities (A)	**353.58**	**982.35**	**1,107.03**	**612.20**	**595.93**	**522.70**
B	**Cash flows from investing activities**						
	Loan and Advances received back/ (given) to Subsidiaries (net)	(0.01)	-	-	-	-	-
	Investment in Subsidiaries (made) /sold (net)	-	-	-	-	-	(3.12)
	Investment in Associates (made) / sold (net)	0.24	0.03	620.00	-	-	(0.05)
	Investment in Mutual Fund (made) / sold (net)	105.80	(84.08)	16.96	1.60	-	-
	Purchase of Fixed Assets (including advances for capital expenditure)	(107.10)	(610.75)	(1,246.33)	(846.12)	(1,531.12)	(1,656.14)
	Proceeds from Sale of Fixed Assets	4.85	6.22	6.92	8.50	2.63	1.93
	Dividend Income	0.02	0.01	0.01	0.01	0.02	0.01
	Increase decrease in Other Bank Balance / FDRs	19.71	(212.09)	(201.69)	(43.57)	(43.59)	(102.35)
	Interest Received on FDRs	20.47	51.15	41.26	37.41	35.74	19.33
	Advances received / (adjusted) for Sale of Investment	-	-	(400.00)	400.00	-	-
	Advance for acquisition of investment	-	-	-	-	-	(2.50)
	Net Cash Flow From / (used in) Investing Activities (B)	**43.99**	**(849.52)**	**(1,162.86)**	**(442.17)**	**(1,536.33)**	**(1,742.88)**
C	**Cash flows from financing activities**						
	Proceeds / (Payment) from Secured Loans	(178.68)	211.96	628.59	187.74	1,058.78	1,472.90
	Proceeds / (Payment) from Unsecured Loans	1.15	244.25	(7.79)	32.24	33.32	40.44
	Share Application Money Received / (Adjusted)	-	-	-	(14.51)	26.04	-
	Interest Expense	(251.57)	(486.42)	(419.68)	(435.25)	(247.51)	(109.21)
	Net Cash Flow From / (used in) Financing Activities (C)	**(429.10)**	**(30.21)**	**201.11**	**(229.78)**	**870.63**	**1,404.13**
	Net Increase In Cash Or Cash Equivalents(A+B+C)	(31.53)	102.63	145.28	(59.75)	(69.77)	183.95
	Cash And Cash Equivalents At The Beginning Of The Year	544.68	442.05	296.77	356.52	426.29	242.34
	Cash And Cash Equivalents At The End Of The Year	**513.15**	**544.68**	**442.05**	**296.77**	**356.52**	**426.29**

Note

The above statement should be read with the notes to the Restated Consolidated Summary Statements as appearing in Annexure V and Statement of Restatement Adjustments to Audited Consolidated Financial Statements appearing in Annexure IV.

THE ISSUE

The following table summarizes details of the Issue:

Issue(1)		**Up to [●] Equity Shares aggregating up to ₹ 4,000 million**
Of which:		
A. QIB Category(2)		Up to [●] Equity Shares
Of which:		
(i)	Anchor Investor Portion	Up to [●] Equity Shares
(ii)	Balance available for allocation to QIBs other than Anchor Investors (assuming Anchor Investor Portion is fully subscribed)	Up to [●] Equity Shares
	Of which:	
	Available for allocation to Mutual Funds only (5% of the QIB Portion (excluding the Anchor Investor Portion))	Up to [●] Equity Shares
	Balance for all QIBs including Mutual Funds	Up to [●] Equity Shares
B. Non-Institutional Category		Not less than [●] Equity Shares
C. Retail Category		Not less than [●] Equity Shares
Pre and post-Issue Equity Shares		
Equity Shares outstanding prior to the Issue		[●] Equity Shares
Equity Shares outstanding after the Issue		[●] Equity Shares
Use of proceeds of the Issue		For details, see "***Objects of the Issue***" on page 96.

(1) *The Issue has been authorised by our Board pursuant to its resolution dated December 16, 2017, and by our Shareholders pursuant to their resolution dated December 16, 2017.*

(2) *Our Company may, in consultation with the BRLMs, allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion will be available for allocation to domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is made to Anchor Investors. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added back to the QIB Category. For further details, see the "**Issue Procedure**" on page 410.*

Notes:

1. Allocation to all categories, except Anchor Investors, if any, and Retail Individual Investors, shall be made on a proportionate basis. The allocation to each Retail Individual Investor shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Category and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. For details, see "***Issue Procedure***" on page 410.
2. Under-subscription, if any, in any category, except the QIB Category, would be met with spill-over from any other category or a combination of categories, as applicable, at the discretion of our Company in consultation with the BRLMs and the Designated Stock Exchange, subject to applicable law. However, under-subscription, if any, in the QIB Category will not be allowed to be met with spill-over from other categories or a combination of categories.

For details, including in relation to grounds for rejection of Bids, refer to "***Issue Structure***" and "***Issue Procedure***" on page 403 and 410, respectively. For details of the terms of the Issue, see "***Terms of the Issue***" on page 407.

GENERAL INFORMATION

Our Company was incorporated as “Patel Infrastructure Private Limited” on April 13, 2004, as a private limited company under the Companies Act, 1956, with a certificate of incorporation issued by the RoC. Pursuant to the conversion of our Company to a public limited company, our name was changed to “Patel Infrastructure Limited” and a fresh certificate of incorporation was issued on December 11, 2017. For further details on the changes in name and registered office of our Company, see “***History and Certain Corporate Matters***” on page 179.

Corporate Identity Number: U45201GJ2004PLC043955

Company Registration Number: 043955

Registered and Corporate and Corporate Office

“Patel House”, beside Prakruti Resort
Chhani Road, Chhani
Vadodara 391740,
Gujarat, India
Tel: (+91) 265 277 6678
Fax: (+91) 265 277 7878
Website: www.patelinfra.com

Address of the Registrar of Companies

Our Company is registered with the RoC, Gujarat at Ahmedabad, located at the following address:

Registrar of Companies
ROC Bhavan, Opposite Rupal Park Society
Behind Ankur Bus Stop
Naranpura,
Ahmedabad 380013,
Gujarat, India

Board of Directors

The following table sets out the details regarding our Board as on the date of filing of this Draft Red Herring Prospectus:

Name and Designation	Age (in years)	DIN	Address
Mr. Pravinbhai Vithalbhai Patel *Designation*: Chairman	57	00008911	23/B Ishavashyam Vidyakunj Society, Amin Marg, Rajkot - 360001
Mr. Arvind Vithalbhai Patel *Designation*: Managing Director	52	00009089	Radhevee Krupa, N.R. Abhyuday Park, P.O. Anand, Anand - 388001
Mr. Dineshbhai Pragjibhai Vaviya *Designation:* Whole Time Director	50	00009097	Bungalow No. 23, Adarsh, near Sujal Bungalows, Rajpath Club Area, New 100 Ft. Road, Bodakdev, Ahmedabad - 380054
Mr. Madhubhai Pragjibhai Vaviya *Designation:* Whole Time Director	47	00009100	4, Shiv Residency, Santok Vihar, Bakrol Lambhvel Road, Anand – 388001
Mr. Sureshbhai Pragjibhai Vaviya *Designation:* Whole Time Director	45	00009106	17, Nilkanth, Surya Valley, Bakrol - Anand Road, Bakrol, Bakrol (Part), Anand, Gujarat - 388315

Mr. Harcharan Singh Pratap Singh Jamdar *Designation*: Independent Director	73	00062081	5, Vishwakarma Colony, Shahibaug, Ahmedabad - 380004
Mr. Sandip Anilbhai Sheth *Designation*: Independent Director	42	01287413	31, Darshan Bungalows, near Arvachin Society, opposite Bopal Gram Panchayat Office, Bopal, Ahmedabad - 380058
Mr. Mehulkumar Dineshchandra Patel *Designation*: Independent Director	41	00027154	Sanket Greenland, opposite Lambhvel Hanuman Temple, behind Rotary Service Centre, Lambhvel, Anand - 388001
Mr. Hemantkumar Jayantilal Patel *Designation*: Independent Director	64	01976269	"Sejal" (Shahibaug), near Sarvodaya Society, Amul Dairy Road, Anand – 388001
Ms. Deepti Sharma *Designation*: Independent Director	50	03630613	A-1/6, Shantidham Bungalows, Vasha Bhaili Road, Vadodara - 391410

For brief profiles and further details in respect of our Directors, see "***Management***" on page 187.

Chief Financial Officer

Mr. Sandeep Sahni is the Chief Financial Officer of our Company. His contact details are as follows:

Mr. Sandeep Sahni
"Patel House", beside Prakruti Resort
Chhani Road, Chhani
Vadodara 391740,
Gujarat, India
Tel: (+91) 265 277 6678
Fax: (+91) 265 277 7878
E-mail: sandeep.sahni@patelinfra.com

Company Secretary and Compliance Officer

Mr. Aswini Kumar Sahu is the Company Secretary and Compliance Officer of our Company. His contact details are as follows:

Mr. Aswini Kumar Sahu
"Patel House", beside Prakruti Resort
Chhani Road, Chhani
Vadodara 391740,
Gujarat, India
Tel: (+91) 265 277 6678
Fax: (+91) 265 277 7878
E-mail: aswinikumar@patelinfra.com

Investor Grievance

Bidders can contact the Company Secretary and Compliance Officer, the Registrar to the Issue in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode etc. For all Issue related queries and for redressal of complaints, investors may also write to the BRLMs or the Registrar to the Issue, in the manner provided below.

All grievances may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary(ies) with whom the Bid-cum Application Form was submitted, giving full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, PAN, address of Bidder, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked, date of Bid cum Application Form and the name and address of the relevant Designated Intermediary(ies) where the Bid was submitted. Further, the Bidder shall enclose the Acknowledgment Slip or the application number from the Designated Intermediaries in addition to the documents or information mentioned hereinabove.

All grievances of the Anchor Investors may be addressed to the Registrar to the Issue, giving full details such as the name of the sole or first Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, date of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Bid cum Application Form and the name and address of the BRLMs where the Bid cum Application Form was submitted by the Anchor Investor.

Book Running Lead Managers

SBI Capital Markets Limited
202, Maker Tower 'E'
Cuffe Parade
Mumbai 400 005
Maharashtra, India
Tel: (+91) 22 2217 8300
Fax: (+91) 22 2217 8332
E-mail: patelinfra.ipo@sbicaps.com
Investor Grievance E-mail: investor.relations@sbicaps.com
Website: www.sbicaps.com
Contact Person: Mr. Ronak Shah/ Mr. Janardhan Wagle
SEBI Registration No.: INM000003531

IIFL Holdings Limited
10th Floor, IIFL Centre
Kamala City, Senapati Bapat Marg
Lower Parel (West)
Mumbai 400 013
Maharashtra, India
Tel: (+91) 22 4646 4600
Fax: (+91) 22 2493 1073
E-mail: patelinfra.ipo@iiflcap.com
Investor grievance e-mail: ig.ib@iiflcap.com
Website: www.iiflcap.com
Contact Person: Mr. Abhishek Joshi/ Ms. Nishita Mody
SEBI Registration No.: INM000010940

Statement of inter-se allocation of responsibilities among the Book Running Lead Managers

The responsibilities and coordination by the BRLMs for various activities in the Issue are as follows:

S. No	Activity	Responsibility	Co-ordinator
1.	Capital structuring, positioning strategy and due diligence of the Company including its operations/management/business plans/legal etc. Drafting and design of the Draft Red Herring Prospectus, Red Herring Prospectus, Prospectus including a memorandum containing salient features of the Prospectus. The BRLMs shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI including finalisation of Prospectus and RoC filing.	BRLMs	SBICAP
2.	Drafting and approval of all statutory advertisement	BRLMs	SBICAP
3.	Drafting and approval of all publicity material other than statutory advertisement as mentioned above including corporate advertising, brochure, etc.	BRLMs	IIFL
4.	Appointment of Intermediaries - Registrar to the Issue, Advertising Agency, Printers and Banker(s) to the Issue and Monitoring Agency, if any and coordinating with them for execution of their respective agreements.	BRLMs	IIFL
5.	Marketing and road-show presentation and preparation of frequently asked questions for the road show team	BRLMs	SBICAP
6.	Domestic Institutional marketing of the Issue, which will cover, *inter alia*: • Institutional marketing strategy; • Finalizing the list and division of domestic investors for one-to-one meetings; and • Finalizing domestic road show and investor meeting schedule	BRLMs	SBICAP
7.	International Institutional marketing of the Issue, which will cover, *inter alia*: • Institutional marketing strategy;	BRLMs	SBICAP

S. No	Activity	Responsibility	Co-ordinator
	• Finalizing the list and division of international investors for one-to-one meetings; and • Finalizing international road show and investor meeting schedule		
8.	Non-institutional and Retail marketing of the Issue which will cover, *inter alia*, • Finalising media, marketing and public relations strategy; • Finalising centres for holding conferences for brokers, etc; • Follow-up on distribution of publicity and Issue material including form, the Prospectus and deciding on the quantum of the Issue material; and • Finalising collection centres	BRLMs	IIFL
9.	Coordination with Stock-Exchanges for book building software, bidding terminals and mock trading, co-ordination with Stock-Exchanges & SEBI for deposit.	BRLMs	IIFL
10.	Managing the book and finalization of pricing in consultation with the Company along with managing Anchor book.	BRLMs	SBICAP
11.	Post-issue activities including Anchor related activities for post issue, which shall involve essential follow-up steps including anchor coordination, follow-up with bankers to the issue and SCSBs to get quick estimates of collection and advising the issuer about the closure of the issue, finalisation of the basis of allotment based on technical rejections, listing of instruments, demat credit and refunds/ unblocking of funds and coordination with various agencies connected with the post-issue activity such as registrars to the issue, bankers to the issue, SCSBs, including responsibility for execution of underwriting arrangements, as applicable. NoC from SEBI and release of 1% security deposit, handling of investor grievances for redressal and media compliance report.	BRLMs	IIFL

Syndicate Members

[●]

Legal Counsel to our Company as to Indian Law

Shardul Amarchand Mangaldas & Co
24th Floor, Express Towers
Nariman Point
Mumbai 400 021
Maharashtra, India
Tel: (+91 22) 4933 5555
Fax: (+91 22) 4933 5550

Legal Counsel to the BRLMs as to Indian Law

AZB & Partners
AZB House, Peninsula Corporate Park
Ganpatrao Kadam Marg, Lower Parel
Mumbai 400 013
Maharashtra, India
Tel: (+91 22) 6639 6880
Fax: (+91 22) 6639 6888

Registrar to the Issue

Bigshare Services Private Limited

1st Floor, Bharat Tin Works Building,
Opposite Vasant Oasis, Makwana Road,
Marol, Andheri – East
Mumbai 400 059,
Maharashtra, India
Tel: (+91 22) 6263 8200
Fax: (+91 22) 6263 8299
E-mail: ipo@bigshareonline.com
Investor Grievance E-mail: investor@bigshareonline.com
Website: www.bigshareonline.com
Contact Person: Mr. Babu Raphael
SEBI Registration No.: INR000001385

Advisor to our Company

PNB Investment Services Limited
2nd Floor, PNB Pragati Towers,
Bandra Kurla Complex, Bandra – East
Mumbai 400 051,
Maharashtra, India
Tel: (+91 22) 2653 2745
Fax: (+91 22) 2653 2687
E-mail: vinayrane@pnbisl.com
Website: www.pnbisl.com
Contact Person: Mr. Vinay Rane/ Mr. Abhishek Gaur

Escrow Collection Bank(s)

[●]

Public Account Issue Bank

[●]

Refund Bank

[●]

Self Certified Syndicate Banks

The list of SCSBs is available at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries on the SEBI website, or at such other website as may be prescribed by SEBI from time to time. A list of the esignated Branches of the SCSBs with which a Bidder (other than an Anchor Investor), not bidding through Syndicate/Sub Syndicate or through a Registered Broker, CRTA or CDP may submit the Bid cum Application Forms is available at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries on the SEBI website, and at such other websites as may be prescribed by SEBI from time to time.

Syndicate SCSB Branches

In relation to Bids (other than Bids by Anchor Investor) submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI (http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries) and updated from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI (http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries).

Broker Centres/ Designated CDP Locations/ Designated RTA Locations

In accordance with SEBI Circular No. CIR/CFD/14/2012 dated October 4, 2012 and CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, Bidders (other than Anchor Investors) can submitBid cum Application Forms with the Registered Brokers at the Broker Centres, CDPs at the Designated CDP Locations or the CRTAs at the Designated RTA Locations, respective lists of which, including details such as address and telephone number, are available at the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com. The list of branches of the SCSBs at the Broker Centres, named by the respective SCSBs to receive deposits of the Bid cum Application Forms from the Registered Brokers will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

Auditors of our Company

M/s Surana Maloo & Co.
Charted Accountants
2nd Floor, Aakashganga Complex,
Parimal Under Bridge,
Near Suvidha Shopping Centre,
Paldi, Ahmedabad - 380007
Tel: (+91 79) 2665 1777
Fax: Nil
E-mail: incometax@suranamaloo.com
ICAI Registration Number: 112171W
Peer Review Number: 009328*

**Surana Maloo and Co. by a certificate dated December 30, 2017 have confirmed that they hold a valid peer review certificate dated September 16, 2016 issued by the Peer Review Board of ICAI, New Delhi*

Bankers to our Company

Oriental Bank of Commerce
Om Planet, Nirmala Convent School Road, Rajkot - 360007, Gujarat
Tel: (+91 281) 257 3743
Fax: Nil
E-mail: bm0556@obc.co.in
Website: www.obcindia.co.in
Contact Person: Mr. Vimal Kumar Gupta

ICICI Bank
8th Floor, JMC House,
Opposite Parimal Garden,
Ambavadi, Ahmedabad – 380006, Gujarat
Tel: (+91 79) 6652 3708
Fax: Nil
E-mail: rahul.jagyasi@icicibank.com
Website: www.icicibank.com
Contact Person: Mr. Rahul Jagyasi

State Bank of India
Industrial Finance Branch, Jetalpur Road, Vadodara - 390007
Tel: (+91 265) 231 2093
Fax: (+91 265) 231 3210
E-mail: sbi.01946@sbi.co.in
Website: www.sbi.co.in
Contact Person: Mr. Satish Gupta

Standard Chartered Bank
Gokulesh R. C. Dutt Road, Alkapuri, Vadodara – 390009, Gujarat
Tel: (+91 265) 662 2509
Fax: (+91 22) 6115 7215
E-mail: Pradeep.bhatt@sc.com
Website: www.standardchartered.com
Contact Person: Mr. Pradeep Bhatt

Punjab National Bank
LCB, Neelkamal Building, Ashram Road, Ahmedabad
Tel: (+91 79) 2754 0206
Fax: (+91 79) 2754 1538
E-mail: bo4441@pnb.co.in
Website: www.pnbindia.com
Contact Person: Assistant General Manager, Punjab National Bank, LCB, Ahmedabad

RBL Bank Limited
First Floor, Viva Complex, opposite Primal Garden, near JMC House, Ellis Bridge, Ahmedabad
Tel: (+91 79) 4014 6800
Fax: Nil
E-mail: kunal.shah@rblbank.com
Website: www.rblbank.com
Contact Person: Mr. Kunal Shah

Appraising Entity

None of the objects for which the Net Proceeds will be utilised have been appraised by any agency.

Monitoring Agency

Our Company shall appoint a Monitoring Agency for the Issue prior to the filing of the Red Herring Prospectus in terms of Regulation 16(2) of SEBI ICDR Regulations.

Expert

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received consent from the Statutory Auditor, M/s Surana Maloo & Co., to include its name in this Draft Red Herring Prospectus as required under Section 26(1)(a)(v) of the Companies Act 2013 and as an "expert" as defined under Section 2(38) read with Section 26(5) of the Companies Act 2013 to the extent and in their capacity as the statutory auditor of our Company and in respect of their examination reports on the Restated Standalone Financial Statements and Restated Consolidated Financial Statements, each dated December 16, 2017, and for the Statement of Tax Benefits, dated December 16, 2017 included in this Draft Red Herring Prospectus and such consent has not been withdrawn as of the date of this Draft Red Herring Prospectus.

Credit Rating

As the Issue is of Equity Shares, credit rating is not required.

Book Building Process

Book building, in the context of the Issue, refers to the process of collection of Bids from investors on the basis of the Red Herring Prospectus and the Bid cum Application Forms within the Price Band, which will be decided by our Company, in consultation with the BRLMs and advertised in [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●] (a widely circulated Gujarati national daily newspaper, Gujarati also being the regional language in the place where our Registered and Corporate is located), at least five Working Days prior to the Bid/Issue Opening Date and shall be made available to the Stock Exchanges for the purposes of uploading on their website. The Issue Price shall be determined by our Company, in consultation with the BRLMs after the Bid/Issue Closing Date.

All Investors (other than Anchor Investors) can participate in this Issue only through the ASBA process. Anchor Investors are not permitted to participate in the Issue through the ASBA process.

In terms of the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Investors can revise their Bid(s) during the Bid/Issue Period and withdraw their Bid(s) until Bid/Issue Closing Date. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bidding Date. Except Allocation to Retail Individual Investors and the Anchor Investors, Allocation in the Issue will be on a proportionate basis. For further details on method and process of Bidding, see "***Issue Structure***" on page 403.

The Book Building Process is subject to change. Bidders are advised to make their own judgment about an investment through this process prior to submitting a Bid.

Bidders should note the Issue is also subject to obtaining (i) final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment; and (ii) the final approval of the RoC after the Prospectus is filed with the RoC.

Illustration of Book Building Process and the Price Discovery Process

(Investors should note that the following is solely for the purpose of illustration and is not specific to this Issue, and does not illustrate bidding by Anchor Investors)

Bidders can Bid at any price within the Price Band. For instance, assuming a price band of ₹ 20 to ₹ 24 per share, an issue size of 3,000 equity shares and receipt of five bids from bidders, details of which are shown in the table below. A graphical representation of the consolidated demand and price would be made available at the Bidding

Centres during the Bid period. The illustrative book as shown below indicates the demand for the shares of the issuer company at various prices and is collated from bids from various investors.

Bid Quantity	Bid Price (₹)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the issuer is able to issue the desired number of shares is the price at which the book cuts off, i.e., ₹ 22 in the above example. Our Company, in consultation with the BRLMs, will finalise the Issue Price at or below such cut-off, i.e., at or below ₹ 22. All Bids at or above the Issue Price and Cut-off Price are valid Bids and are considered for allocation in the respective categories.

Underwriting Agreement

After the determination of the Issue Price and allocation of Equity Shares but prior to the filing of the Prospectus with the RoC, our Company will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Issue. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to certain conditions to closing, as specified therein.

The Underwriting Agreement is dated [●]. The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

This portion has been intentionally left blank and will be filled in before filing of the Prospectus with the RoC

(₹ in million)

Name, address, telephone, fax and e-mail of the Underwriters	Indicative Number of Equity Shares to be Underwritten	Amount Underwritten
[●]	[●]	[●]
[●]	[●]	[●]

The abovementioned amounts are provided for indicative purposes only and would be finalized after the pricing and actual allocation and subject to the provisions of Regulation 13(2) of the SEBI ICDR Regulations.

In the opinion of our Board of Directors (based on representations made to our Company by the Underwriters), the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriters are registered with the SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchange(s). Our Board/IPO Committee, at its meeting held on [●], has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company.

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitments set forth in the table above. Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to Equity Shares allocated to investors procured by them. In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the Underwriting Agreement, will also be required to procure subscriptions for/subscribe to Equity Shares to the extent of the defaulted amount in accordance with the Underwriting Agreement.

CAPITAL STRUCTURE

The share capital of our Company, as of the date of this Draft Red Herring Prospectus, is set forth below.

	Particulars	Aggregate nominal value (in ₹ except Equity Shares)	Aggregate value at Issue Price (in ₹)
A)	**AUTHORISED SHARE CAPITAL[(1)]**		
	60,000,000 Equity Shares	600,000,000	-
B)	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE ISSUE**		
	45,600,000 Equity Shares	456,000,000	-
C)	**PRESENT ISSUE IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS[(2)]**		
	Issue of up to [●] Equity Shares of face value of ₹ 10 each	[●]	[●]
D)	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE ISSUE**		
	[●] Equity Shares	[●]	-
E)	**SECURITIES PREMIUM ACCOUNT**		
	Before the Issue		**Nil**
	After the Issue		[●]

(1) *For details of the changes in the authorized share capital of our Company, see "**History and Certain Corporate Matters - Amendments to our Memorandum of Association**" on page 180.*

(2) *The Issue has been authorized by our Board pursuant to a resolution passed at its meeting held on December 16, 2017 and the Shareholders pursuant to their resolution passed on December 16, 2017. For details see "**Other Regulatory and Statutory Disclosures**" on page 388. For further details regarding the Issue, see "**The Issue**" on page 78.*

Notes to Capital Structure

1. Share Capital History

(a) History of Equity Share capital of our Company

The following table sets forth the history of the Equity Share capital of our Company.

Date of allotment	Number of equity shares	Face value (₹)	Issue price (₹)	Nature of consideration	Reason/ Nature of allotment	Cumulative number of equity shares	Cumulative paid-up equity share capital (₹)
April 13, 2004	1,900,000	10	10	Cash	Subscription to the MoA[(1)]	1,900,000	19,000,000
November 11, 2005	1,000,000	10	10	Cash	Preferential issue[(2)]	2,900,000	29,000,000
March 30, 2006	900,000	10	10	Cash	Preferential issue[(3)]	3,800,000	38,000,000
December 16, 2017	41,800,000	10	N.A.	Other than cash	Bonus issue[(4)]	45,600,000	456,000,000

(1) *Subscription to 570,000 Equity Shares by Mr. Pravinbhai Vithalbhai Patel, 570,000 Equity Shares by Mr. Arvind Vithalbhai Patel, 190,000 Equity Shares by Mr. Dineshbhai Pragjibhai Vaviya, 190,000 Equity Shares by Mr. Madhubhai Pragjibhai Vaviya, 190,000 Equity Shares by Mr. Sureshbhai Pragjibhai Vaviya, 95,000 Equity Shares by Ms. Smitaben Pravinbhai Patel and 95,000 Equity Shares by Ms. Kaminiben A. Patel, being the initial subscribers to the MoA.*

(2) *Allotment of 1,000,000 Equity Shares of which 300,000 Equity Shares were allotted to Mr. Pravinbhai Vithalbhai Patel, 300,000 Equity Shares were allotted to Mr. Arvind Vithalbhai Patel, 100,000 Equity Shares were allotted to Mr. Dineshbhai Pragjibhai Vaviya, 100,000 Equity Shares were allotted to Mr. Madhubhai Pragjibhai Vaviya, 100,000 Equity Shares were allotted to Mr. Sureshbhai Pragjibhai Vaviya, 50,000 Equity Shares were allotted to Ms. Smitaben Pravinbhai Patel and 50,000 Equity Shares were allotted to Ms. Kaminiben A. Patel.*

(3) *Allotment of 900,000 Equity Shares to of which 315,000 Equity Shares were allotted to Mr. Pravinbhai Vithalbhai Patel, 315,000 Equity Shares were allotted to Mr. Arvind Vithalbhai Patel, 90,000 Equity Shares were allotted to Mr. Dineshbhai Pragjibhai Vaviya, 90,000 Equity Shares were allotted to Mr. Madhubhai Pragjibhai Vaviya and 90,000 Equity Shares were allotted to Mr. Sureshbhai Pragjibhai Vaviya.*

(4) *Pursuant to the resolution passed at the EGM dated December 16, 2017, a sum of ₹ 418,000,000 being part of the*

undistributed profits of our Company and the amount be applied in issuance of bonus shares and allotted in the ratio of 11:1 (11 Equity Share for each Equity Share held).

(b) Issue of Equity Shares in the two years preceding the date of this Draft Red Herring Prospectus

For details of issue of Equity Shares by our Company in the last two preceding years, see "***- History of Share Capital History - History of Equity Share capital of our Company***" on page 87.

(c) Equity Shares issued for consideration other than cash

Except as detailed below, no Equity Shares have been issued for consideration other than cash.

Date of allotment	Number of Equity Shares	Face Value (₹)	Issue Price per Equity Share (₹)	Nature of Consideration	Reason for allotment	Benefits accrued to our Company	Cumulative paid-up Equity Share capital (₹)
December 16, 2017	41,800,000	10	N.A.	Other than cash	Bonus Issue in the ratio of 11:1*	Nil	456,000,000

* *11 Equity Share for each Equity Share held.*

(d) Issue of Equity Shares in the last one year below the Issue Price

Except as disclosed at "***- History of Share Capital History - History of Equity Share capital of our Company***" and "***Risk Factors - Our Company has issued Equity Shares during the last one year, at a price that may be below the Issue Price***" pages 87 and 47 respectively, no Equity Shares have been issued by our Company during last one year at a price below the Issue Price.

(e) Employee Stock Options

Our Company does not have an employee stock option scheme as on the date of filing of the Draft Red Herring Prospectus.

2. History of Build-up, Contribution and Lock-in of Promoters' Shareholding

(a) Build-up of Promoters' shareholding in our Company

As on the date of this Draft Red Herring Prospectus, our Promoters hold, in aggregate, 42,120,000 Equity Shares, which constitutes 92.36% of the issued, subscribed and paid-up Equity Share capital of our Company as on the date of the Draft Red Herring Prospectus.

Set forth below is the build-up of the equity shareholding of our Promoters, since the incorporation of our Company.

Date of allotment/ transfer*	Number of Equity Shares	Face value (₹)	Issue/ purchase/selling price per equity share (₹)	Consideration	Nature of acquisition/ transfer	Percentage of pre-Issue Equity Share capital (%)	Percentage of post-Issue Equity Share capital (%)
(A) Mr. Pravinbhai Vithalbhai Patel							
April 13, 2004	570,000	10	10	Cash	Subscription to the MoA	1.25	[●]
November 11, 2005	300,000	10	10	Cash	Further issue	0.66	[●]
March 30, 2006	315,000	10	10	Cash	Further issue	0.69	[●]
December 16, 2017	13,035,000	10	N.A.	Other than cash	Bonus issue	28.58	[●]
Total (A)	14,220,000					31.18	**[●]**
(B) Mr. Arvind Vithalbhai Patel							

Date of allotment/ transfer*	Number of Equity Shares	Face value (₹)	Issue/ purchase/selling price per equity share (₹)	Consideration	Nature of acquisition/ transfer	Percentage of pre-Issue Equity Share capital (%)	Percentage of post-Issue Equity Share capital (%)
April 13, 2004	570,000	10	10	Cash	Subscription to MoA	1.25	[●]
November 11, 2005	300,000	10	10	Cash	Further issue	0.66	[●]
March 30, 2006	315,000	10	10	Cash	Further issue	0.69	[●]
December 16, 2017	13,035,000	10	N.A.	Other than cash	Bonus issue	28.58	[●]
Total (B)	14,220,000					31.18	**[●]**
(C) Mr. Dineshbhai Pragjibhai Vaviya							
April 13, 2004	190,000	10	10	Cash	Subscription to MoA	0.42	[●]
November 11, 2005	100,000	10	10	Cash	Further issue	0.22	[●]
March 30, 2006	90,000	10	10	Cash	Further issue	0.20	[●]
December 16, 2017	4,180,000	10	N.A.	Other than cash	Bonus issue	9.16	[●]
Total (C)	4,560,000					10.00	**[●]**
(D) Mr. Madhubhai Pragjibhai Vaviya							
April 13, 2004	190,000	10	10	Cash	Subscription to MoA	0.42	[●]
November 11, 2005	100,000	10	10	Cash	Further issue	0.22	[●]
March 30, 2006	90,000	10	10	Cash	Further issue	0.20	[●]
December 16, 2017	4,180,000	10	N.A.	Other than cash	Bonus issue	9.16	[●]
Total (D)	4,560,000					10.00	**[●]**
(E) Mr. Sureshbhai Pragjibhai Vaviya							
April 13, 2004	190,000	10	10	Cash	Subscription to MoA	0.42	[●]
November 11, 2005	100,000	10	10	Cash	Further issue	0.22	[●]
March 30, 2006	90,000	10	10	Cash	Further issue	0.20	[●]
December 16, 2017	4,180,000	10	N.A.	Other than cash	Bonus issue	9.16	[●]
Total (E)	4,560,000					10.00	**[●]**
Grand Total (A+B+C+D +E)	**42,120,000**					**92.36**	[●]

Our Promoters have confirmed to our Company and the BRLMs that the acquisition of the Equity Shares forming part of the Promoters' Contribution have been financed from personal funds/internal accruals and no loans or financial assistance from any banks or financial institution has been availed by for this purpose. All the Equity Shares held by our Promoters were fully paid-up on the respective dates of acquisition of such Equity Shares.

As on the date of this Draft Red Herring Prospectus, none of the Equity Shares held by our Promoters are pledged.

(b) Shareholding of our Promoters and Promoter Group

Name of Shareholder	Pre-Issue		Post-Issue*	
	No. of Equity Shares	Percentage of issued Equity Share capital (%)	No. of Equity Shares	Percentage of issued Equity Share capital (%)
Promoters				

Name of Shareholder	Pre-Issue		Post-Issue*	
	No. of Equity Shares	Percentage of issued Equity Share capital (%)	No. of Equity Shares	Percentage of issued Equity Share capital (%)
Mr. Pravinbhai Vithalbhai Patel	14,220,000	31.18	[●]	[●]
Mr. Arvind Vithalbhai Patel	14,220,000	31.18	[●]	[●]
Mr. Dineshbhai Pragjibhai Vaviya	4,560,000	10.00	[●]	[●]
Mr. Madhubhai Pragjibhai Vaviya	4,560,000	10.00	[●]	[●]
Mr. Sureshbhai Pragjibhai Vaviya	4,560,000	10.00	[●]	[●]
Sub Total (A)	**42,120,000**	**92.36**	[●]	[●]
Promoter Group				
Ms. Smitaben Pravinbhai Patel	1,740,000	3.82	[●]	[●]
Ms. Kaminiben A. Patel	1,740,000	3.82	[●]	[●]
Sub Total (B)	**3,480,000**	**7.64**	[●]	[●]
Total Promoter and Promoter Group (A) + (B)	**45,600,000**	**100.00**	[●]	[●]

**Assuming full subscription in the Issue.*

(c) Details of Promoters' contribution and lock-in for three years

Pursuant to Regulations 32 and 36 of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Issue Equity Share capital of our Company held by our Promoters shall be provided towards minimum promoters' contribution and locked-in for a period of three years from the date of Allotment (the "**Minimum Promoters' Contribution**"). All Equity Shares held by our Promoters are eligible for inclusion in the Minimum Promoters' Contribution, in terms of Regulation 33 of the SEBI ICDR Regulations.

Set forth below are the details of the Equity Shares that will be locked up as Minimum Promoters' Contribution for a period of three years from the date of Allotment of Equity Shares in the Issue.

Name of the Promoter	No. of Equity Shares to be locked-in	Date of allotment/ acquisition	Allotment/ acquisition price	Nature of transaction	Face value (₹)	% of pre-Issue Equity Share capital	% of the fully diluted post- Issue Equity Share capital
[●]	**[●]**	[●]	[●]	[●]	10	**[●]**	[●]
[●]	**[●]**	[●]	[●]	[●]	10	**[●]**	[●]
Total	**[●]**	[●]	[●]	[●]	10	**[●]**	[●]

Note: to be incorporated upon finalization of Issue Price

For details on the build-up of the Equity Share capital held by our Promoters, see "***Capital Structure - History of Build-up, Contribution and Lock-in of Promoters' Shareholding - Build-up of our Promoters' shareholding in our Company***" on page 88.

Our Promoters have given consent to include such number of Equity Shares held by them as may constitute 20% of the fully diluted post-Issue Equity Share capital of our Company as Minimum Promoters' Contribution. Our Promoters have agreed not to sell, transfer, charge, pledge or otherwise encumber in any manner the Minimum Promoters' Contribution from the date of filing this Draft Red Herring Prospectus, until the expiry of the lock-in period specified above, or for such other time as required under SEBI ICDR Regulations, except as may be permitted, in accordance with the SEBI ICDR Regulations.

The Minimum Promoters' Contribution has been or shall be brought in to the extent of not less than the specified minimum lot and from persons identified as 'promoters' under the SEBI ICDR Regulations.

The Equity Shares that are being locked-in are not, and will not be, ineligible for computation of Minimum Promoters' Contribution under Regulation 33 of the SEBI ICDR Regulations. In this regard we confirm that:

(i) the Equity Shares offered as part of the Minimum Promoters' Contribution do not comprise Equity Shares acquired during the three years preceding the date of this Draft Red Herring Prospectus for consideration other than cash and where revaluation of assets or capitalization of intangible assets was involved or bonus issue out of revaluations reserves or unrealized profits or against Equity Shares that are otherwise ineligible for computation of Minimum Promoters' Contribution;

(ii) the Minimum Promoters' Contribution does not include Equity Shares acquired during the one year preceding the date of this Draft Red Herring Prospectus at a price lower than the price at which the Equity Shares are being offered to the public in the Issue;

(iii) no Equity Shares have been issued in the one year immediately preceding the date of this Draft Red Herring Prospectus pursuant to conversion of a partnership firm;

(iv) the Equity Shares held by our Promoters and offered as part of the Minimum Promoters' Contribution are not subject to any pledge or any other form of encumbrance whatsoever; and

(v) All the Equity Shares of our Company held by the Promoters and the Promoter Group are held in dematerialized form.

(d) Details of Equity Shares locked-in for one year

Other than the Equity Shares held by our Promoters, which will be locked-in as minimum Promoters' contribution for three years from the date of Allotment, the entire pre-Issue Equity Share capital of our Company shall be locked-in for a period of one year from the date of Allotment.

(e) Lock-in of Equity Shares Allotted to Anchor Investors

Any Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 30 days from the date of Allotment.

(f) Other requirements in respect of lock-in

Pursuant to Regulation 39 of the SEBI ICDR Regulations, Equity Shares held by our Promoters and locked-in for one year may be pledged only with scheduled commercial banks or public financial institutions as collateral security for loans granted by such banks or public financial institutions, provided that such pledge of the Equity Shares is one of the terms of the sanction of the loan. Equity Shares locked-in as Minimum Promoters' Contribution for three years can be pledged only if in addition to fulfilling the aforementioned requirements, such loans have been granted by such banks or financial institutions for the purpose of financing one or more of the objects of the Issue, which is not applicable in the context of this Issue.

In terms of Regulation 40 of the SEBI ICDR Regulations, Equity Shares held by our Promoters may be transferred between our Promoters and Promoter Group or a new promoter or persons in control of our Company, subject to continuation of lock-in applicable to the transferee for the remaining period and compliance with provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (the "**Takeover Regulations**").

Further, in terms of Regulation 40 of the SEBI ICDR Regulations, Equity Shares held by persons other than our Promoters prior to the Issue and locked-in for a period of one year, may be transferred to any other person holding Equity Shares which are locked-in along with the Equity Shares proposed to be transferred, subject to the continuation of the lock-in applicable to the transferee and compliance with the provisions of the Takeover Regulations.

3. Our shareholding pattern

Set forth below is the shareholding pattern of our Company as on the date of this Draft Red Herring Prospectus.

Category (I)	Category of the Shareholder (II)	No. of Shareholders (III)	No. of fully paid up equity shares held (IV)	No. of partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total No. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2) (VIII)	No. of Voting Rights held in each class of securities (IX)				No. of shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding as a % assuming full conversion of convertible securities (as a % of diluted share capital (XI)=(VII)+ (X) as a % of (A+B+C2)	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized from (XIV)
								No. of Voting Rights			Total as a % of total voting rights			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
								Class eg: Equity	Class eg: Y	Total								
(A)	Promoter & Promoter Group	7	4,56,00,000	NIL	NIL	4,56,00,000	100%	4,56,00,000	NIL	4,56,00,000	100 %	NIL	NIL	NIL	NIL	NIL	NIL	4,56,00,000
(B)	Public	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
(C)	Non Promoter-Non Public	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
(1)	Shares underlying Custodian/Depository Receipts	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
(2)	Shares held by Employee Trusts	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Total (A)+(B)+(C)	7	4,56,00,000	NIL	NIL	4,56,00,000	100%	4,56,00,000	NIL	4,56,00,000	100 %	NIL	NIL	NIL	NIL	NIL	NIL	4,56,00,000

4. The BRLMs and their respective associates do not hold any Equity Shares as on the date of this Draft Red Herring Prospectus. The BRLMs and their respective affiliates may engage in transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company and/or our Subsidiaries, for which they may in the future receive customary compensation.

5. Shareholding of our Directors and Key Managerial Personnel in our Company

Except as disclosed below, none of our other Directors or our Key Managerial Personnel hold any Equity Shares in our Company as on the date of this Draft Red Herring Prospectus.

Name	No. of Equity Shares	% of pre-Issue Equity Share capital
Directors		
Mr. Pravinbhai Vithalbhai Patel	14,220,000	31.18
Mr. Arvind Vithalbhai Patel	14,220,000	31.18
Mr. Dineshbhai Pragjibhai Vaviya	4,560,000	10.00
Mr. Madhubhai Pragjibhai Vaviya	4,560,000	10.00
Mr. Sureshbhai Pragjibhai Vaviya	4,560,000	10.00
Total	**42,120,000**	**92.36**

6. As on the date of this Draft Red Herring Prospectus, our Company has seven Shareholders.

7. 10 largest shareholders of our Company

(a) Our Company has seven Shareholders as on the date of this Draft Red Herring Prospectus and the number of Equity Shares held by them are as set forth below:

S. No	Shareholder	Number of Equity Shares held	Percentage of Equity Share capital (%)
1.	Mr. Pravinbhai Vithalbhai Patel	14,220,000	31.18
2.	Mr. Arvind Vithalbhai Patel	14,220,000	31.18
3.	Mr. Dineshbhai Pragjibhai Vaviya	4,560,000	10.00
4.	Mr. Madhubhai Pragjibhai Vaviya	4,560,000	10.00
5.	Mr. Sureshbhai Pragjibhai Vaviya	4,560,000	10.00
6.	Ms. Smitaben Pravinbhai Patel	1,740,000	3.82
7.	Ms. Kaminiben A. Patel	1,740,000	3.82
	Total	**45,600,000**	**100.00**

(b) Our Company had seven Shareholders ten days prior to the date of this Draft Red Herring Prospectus and the number of Equity Shares held by them are as set forth below.

S. No	Shareholder	Number of Equity Shares held	Percentage of Equity Share capital (%)
1.	Mr. Pravinbhai Vithalbhai Patel	14,220,000	31.18
2.	Mr. Arvind Vithalbhai Patel	14,220,000	31.18
3.	Mr. Dineshbhai Pragjibhai Vaviya	4,560,000	10.00
4.	Mr. Madhubhai Pragjibhai Vaviya	4,560,000	10.00
5.	Mr. Sureshbhai Pragjibhai Vaviya	4,560,000	10.00
6.	Ms. Smitaben Pravinbhai Patel	1,740,000	3.82
7.	Ms. Kaminiben A. Patel	1,740,000	3.82
	Total	**45,600,000**	**100.00**

(c) Our Company had seven Shareholders two years prior to the date of this Draft Red Herring Prospectus and the number of Equity Shares held by them are as set forth below:

S. No	Shareholder	Number of Equity Shares	Percentage of Equity Share capital (%)
1.	Mr. Pravinbhai Vithalbhai Patel	1,185,000	31.18
2.	Mr. Arvind Vithalbhai Patel	1,185,000	31.18
3.	Mr. Madhubhai Pragjibhai Vaviya	380,000	10.00
4.	Mr. Sureshbhai Pragjibhai Vaviya	380,000	10.00
5.	Mr. Dineshbhai Pragjibhai Vaviya	380,000	10.00
6.	Ms. Smitaben Pravinbhai Patel	144,988	3.82
7.	Ms. Kaminiben A. Patel	144,979	3.82
8.	Others*	33*	Negligible
	Total	**3,800,000**	**100.00**

* *"Others" include 33 shareholders who held one Equity Share each.*

For details relating to the cost of acquisition of Equity Shares by our Promoters, see "***Risk Factors - Prominent Notes***" on page 48.

8. None of our Promoters, members of our Promoter Group or our Directors or their immediate relatives has sold or purchased, or financed the sale or purchase of, Equity Shares by any other person, other than in the normal course of business of the financing entity, during the six months immediately preceding the date of this Draft Red Herring Prospectus.

9. Our Company, our Promoters, members of our Promoter Group, our Directors and the BRLMs have not entered into any buy-back and/or standby arrangements for the purchase of Equity Shares being offered through this Issue from any person.

10. No person connected with the Issue, including, but not limited to, our Company, the members of the Syndicate, our Directors, Promoters or the members of our Promoter Group, shall offer in any manner whatsoever any incentive, whether direct or indirect, in cash, in kind or in services or otherwise to any Bidder for making a Bid. Further, no payment, direct or indirect benefit in the nature of discount, commission and allowance or otherwise shall be offered or paid either by our Company or our Promoters to any person in connection with making an application for or receiving any Equity Shares pursuant to this Issue.

11. None of the Equity Shares being offered through the Issue are pledged or otherwise encumbered.

12. Under-subscription, if any, in any category, except the QIB Category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the BRLMs and the Designated Stock Exchange.

13. The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus.

14. As on date of this Draft Red Herring Prospectus, our Company does not have any employee stock option plan.

15. There are no outstanding warrants, options or rights to convert debentures, loans or other convertible instruments into Equity Shares as on the date of this Draft Red Herring Prospectus.

16. As on the date of this Draft Red Herring Prospectus, our Company has not allotted any Equity Shares pursuant to any scheme approved under Sections 391 to 394 of the Companies Act, 1956 (which correspond to Sections 230 to 232 of the Companies Act, 2013).

17. There will be no further issue of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of filing of the Draft Red Herring Prospectus with SEBI until the Equity Shares have been listed on the Stock Exchanges or all application monies have been refunded, as the case may be.

18. Our Company presently does not intend or propose to alter the capital structure for a period of six months from the Bid/Issue Opening Date, by way of split or consolidation of the denomination of Equity Shares, or further issue of Equity Shares (including issue of securities convertible into or exchangeable for, directly or indirectly into Equity Shares), whether on a preferential basis or issue of bonus or rights or further public issue of Equity Shares or qualified institutions placement. However, if our Company enters into acquisitions, joint ventures or other arrangements, our Company may, subject to necessary approvals, consider raising additional capital to fund such activity through issue of further Equity Shares.

19. None of our Promoters or the members of our Promoter Group will participate in the Issue.

20. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law. We shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

21. Except for Mutual Funds sponsored by entities related to the BRLMs, Syndicate Members and any persons related to the BRLMs or Syndicate Members cannot apply in the Issue under the Anchor Investor Portion.

22. Our Company shall ensure that any transactions in the Equity Shares by our Promoters and the Promoter Group during the period between the date of registering the Red Herring Prospectus filed in relation to this Issue with the RoC and the date of closure of the Issue shall be reported to the Stock Exchanges within 24 hours of the transactions.

23. Any oversubscription to the extent of 10% of the Issue can be retained for the purposes of rounding off to the nearer multiple of minimum allotment lot.

OBJECTS OF THE ISSUE

The Issue is made up of up to [●] equity shares of face value of ₹ 10 each of our Company for cash at a price of ₹ [●] per equity share (including share premium of ₹ [●] per equity share) aggregating up to ₹ 4,000 million. The proceeds of the Issue, after deducting Issue related expenses, are estimated to be ₹ [●] million (the "**Net Proceeds**").

The Net Proceeds of the Issue are proposed to be utilized by our Company for the following objects:

1. investment in our Subsidiary, Patel Cholopuram-Thanjavur Highway Private Limited for part financing of the Cholopuram-Thanjavur HAM Project;

2. purchase of construction equipment;

3. funding incremental working capital requirement of our Company;

4. repayment/prepayment in full of certain indebtedness; and

5. general corporate purposes.

Further, our Company expects that the listing of the Equity Shares will enhance our visibility and our brand image among our existing and potential customers.

The main objects and the objects ancillary to the main objects of our MoA enables our Company (i) to undertake our existing business activities; (ii) to undertake activities for which funds are being raised by us through the Issue; and (iii) activities undertaken for which loans were raised and which are proposed to be pre-paid from the Net Proceeds.

Issue Proceeds

The details of the proceeds of the Issue are summarized in the table below:

(in ₹ million)

S. No	Particulars	Amount*
(a)	Gross Proceeds of the Issue	4,000
(b)	Issue Expenses	[●]
(c)	Net Proceeds	[●]

**To be finalized upon determination of Issue Price.*

Utilization of Net Proceeds

The Net Proceeds are proposed to be utilised towards the following objects:

(in ₹ million)

S. No	Objects	Amount
1	Investment in our Subsidiary, Patel Cholopuram-Thanjavur Highway Private Limited for part financing of the Cholopuram-Thanjavur HAM Project	1,614.70
2	Purchase of construction equipment	450.00
3	Funding incremental working capital requirement of our Company	1,000.00
4	Repayment/prepayment in full of certain indebtedness	250.00
5	General corporate purposes*	[●]

**To be finalised upon determination of the Issue Price. The amount utilised for general corporate purposes shall not exceed 25% of the gross proceeds of the Issue.*

Proposed schedule of Implementation and Use of Net Proceeds

We propose to deploy the Net Proceeds for the aforesaid purpose in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below. As on the date of this Draft Red Herring Prospectus, our Company had not deployed any funds towards Objects of the Issue.

S. No	Particulars	Total estimated amount / expenditure	Amount to be deployed from the Net Proceeds in Fiscal 2019
1.	Investment in our Subsidiary, Patel Cholopuram-Thanjavur Highway Private Limited for part financing of the Cholopuram-Thanjavur Project	1,614.70	1,614.70
2.	Purchase of construction equipment	450	450
3.	Funding incremental working capital requirement of our Company	1,000	1,000
4.	Repayment/pre-payment in full of certain indebtedness	250	250
5.	General corporate purposes*	[●]	[●]
	Total Net Proceeds	[●]	**[●]**

** To be finalized upon determination of the Issue Price provided that the amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Issue.*

Details of the Objects

1. *Investment in our Subsidiary, Patel Cholopuram-Thanjavur Highway Private Limited for part financing of the Cholopuram-Thanjavur Project*

We intend to utilise a part of the Net Proceeds amounting to ₹ 1,614.70 million to make an investment in the equity shares of our Subsidiary, Patel Cholopuram-Thanjavur Highway Private Limited ("**PCTHPL**"), towards part-financing of a project involving the four laning of the Cholopuram – Thanjavur section of NH-45C from km. 116.440 to km. 164.275 in the state of Tamil Nadu under NHDP Phase IV (the "**Cholopuram-Thanjavur Project**"), which is being developed by PCTHPL, on a Hybrid Annuity Model ("**HAM**") basis.

The Cholopuram-Thanjavur Project is a four laned road infrastructure project for the development and operation / maintenance of the stretch of NH-45C from Cholopuram to Thanjavur in Tamil Nadu. The project road is approximately 47.835 km long, consisting of four lanes. The scope of work for the Cholopuram-Thanjavur Project entails development of the project highway as well as construction of paved shoulder as well as all other project facilities such as toll plazas, roadside furniture, highway lighting and pedestrian facilities from from km. 116.440 to km. 164.275 on a DBFOT / HAM basis.

Pursuant to the concession agreement dated October 12, 2017 (the "**PCTHPL Concession Agreement**"), PCTHPL has been granted an exclusive right, license and authority to construct, operate and maintain the Cholopuram-Thanjavur Project for a period of 730 days commencing from the appointed date for the Cholopuram-Thanjavur Project. In terms of the PCTHPL Concession Agreement, the appointed date is defined as the date on which financial closure is completed, all conditions precedent are fulfilled and from which date the concession period begins (the "**Appointed Date**"). As on the date of filing of the Draft Red Herring Prospectus, the Appointed Date is yet to be received from the competent authority for the Cholopuram-Thanjavur Project. The scheduled date for completion ("**COD**") of the Cholopuram-Thanjavur Project is the 730th day from the Appointed Date. For further details, see "***Business – Annuity Business***" at page 164.

Estimated Project Cost

In terms of the PCTHPL Concession Agreement and the sanction letter dated December 4, 2017 ("**PNB Sanction Letter**") received from Punjab National Bank ("**PNB**"), the total estimated cost of the Cholopuram-Thanjavur Project is ₹ 13,456.00 million. As per the terms of the PCTHPL Concession Agreement, 40% of the total estimated project cost being ₹ 5,382.40 million, is to be borne by NHAI and 60% of the total estimated project cost being ₹ 8073.60 million, is to be borne by PCTHPL.

Proposed schedule of completion of development of the Cholopuram-Thanjavur Project under the PCTHPL Concession Agreement

The expected schedule of completion of the development of the Cholopuram-Thanjavur Project as per the PCTHPL Concession Agreement is set out below:

Milestones	Activity to be completed prior to milestones	Estimated date of completion from the appointed date
Project Milestone - I	Commencement of construction of the project and completion of 20% physical progress along with expenditure of at least 20% of the total capital cost.	214 days from the Appointed Date
Project Milestone – II	Commencement of construction of the project and completion of 35% physical progress along with expenditure of at least 35% of the total capital cost (with at least 70% of that expenditure being on physical works).	334 days from the Appointed Date
Project Milestone – III	Commencement of construction of the project and completion of 75% physical progress along with expenditure of at least 75% of the total capital cost.	584 days from the Appointed Date
COD	Completion of project.	730 days from the Appointed Date

Means of Finance

The total estimated project cost of the Cholopuram-Thanjavur Project is ₹ 13,456.00 million. As per the terms of the concession agreement dated October 12, 2017 entered into by our Company with NHAI, the cost of the Cholopuram-Thanjavur Project would be funded as follows:

Name of Funding Entity	Percentage (%) of Total Estimated Project Cost to be provided	Amount to be provided (in ₹ million)
NHAI	40	5,382.40
PCTHPL	60	8,073.60
Total	**100**	**13,456.00**

In relation to the project cost of the Cholopuram-Thanjavur Project, PCTHPL has obtained approval to avail of a rupee term loan of ₹ 6,458.90 million by way of the PNB Sanction Letter. As per the terms of the PNB Sanction Letter, PNB has sanctioned a term loan of ₹ 6,458.90 million to part-finance the Cholopuram-Thanjavur Project subject to contribution of ₹ 1,614.7 million by our Company ("**Company Contribution**"). In terms of the PNB Sanction Letter, a minimum of 25% of the Company Contribution is to be brought in through investment in the equity share capital of PCTHPL and the balance 75% may be brought in through unsecured, sub-ordinated loans/preference shares. Investment in PCTHPL by our Company with regard to the Company Contribution shall be in the form of equity contribution. By virtue of the PNB Sanction Letter, the cost of the Cholopuram-Thanjavur Project would be funded as follows:

Name of Funding Entity	Percentage (%) of Total Estimated Project Cost to be provided	Amount to be provided (in ₹ million)
NHAI	40	5,382.40
Company Contribution	12	1,614.70
PNB Rupee Term Loan	48	6,458.90
Total	**100**	**13,456.00**

Pursuant to the terms of the PNB Sanction Letter, the Company Contribution is ₹ 1,614.7 million. Further, pursuant to the terms of the PNB Sanction Letter, our Company is required to invest 40% of the Company Contribution (which is equivalent to ₹ 645.90 million) as upfront equity after declaration of the appointment date of the Cholopuram-Thanjavur Project but prior to disbursement of funds by PNB (the "**Upfront Contribution**"). No dividends have been assured pursuant to investment or proposed investment by our Company in PCTHPL.

The summary of the details of means of finance for the Cholopuram-Thanjavur Project are set forth below:

Particulars	Amount (in ₹ million)
Total estimated cost of the project	13,456.00
Estimated cost of the project to PCTHPL	8073.60
Amount proposed to be financed from the Net Proceeds (through equity contribution by our	*1,614.70*

Particulars	Amount (in ₹ million)
Company in PCTHPL)	
Remaining portion of the estimated Cholopuram-Thanjavur Project cost to be met by PCTHPL	*6,458.90*
75% of the funds required excluding the Net Proceeds	4,844.10
Firm arrangement for over 75% of the funds required excluding the Net Proceeds	
Sanctioned debt from PNB for the Cholopuram-Thanjavur Project which is yet to be drawn down	***6,458.90***

2. *Purchase of construction equipment*

On an ongoing basis, we invest in the procurement of capital equipment, which is utilized by us in carrying out our EPC business, based on our order book and the future requirements estimated by our management. We propose to utilize ₹ 450 million out of the Net Proceeds towards such purchasing capital equipment.

While we propose to utilize ₹ 450 million towards purchasing capital equipment, based on our current estimates, the specific number and nature of such equipment to be purchased by our Company will depend on our business requirements and the details of our capital equipment to be purchased from the Net Proceeds which will be suitably updated at the time of filing of the Red Herring Prospectus with the RoC.

An indicative list of such construction equipment that we intend to purchase, along with details of the quotations we have received in this respect is set forth below.

S. No	Description of Equipment	Cost per unit (including GST) (in ₹)	Date of Quotation
1.	1010 KVA Caterpillar (D.G.Set) CAT	8,654,380	December 17, 2017
2.	600 KVA Caterpillar (D.G.Set) CAT	4,662,000	December 17, 2017
3.	Asphalt Batch Mix Plant Marini	65,490,000	December 22, 2017
4.	Bitumen sprayer ATM 60000 Apollo	1,164,659	December 18, 2017
5.	Bitumen sprayer chasis (1617R 4X2 5100E4 SLC)	1,670,407	December 19, 2017
6.	CASE grader	10,964,560	December 20, 2017
7.	Concrete Batch Mix Plant M2.5 with Skid	18,231,000	December 17, 2017
8.	Conventional lighting mast	525,100	December 20, 2017
9.	DG Set	340,430	December 12, 2017
10.	Elgi air compressor (500Ltr)	160,480	December 9, 2017
11.	HAMM soil compactor model 311	2,520,960	December 12, 2017
12.	HAMM tandom roller model HD 99	2,973,440	December 12, 2017
13.	Horse 4928TT	2,947,181	December 19, 2017
14.	JCB 432 ZX Cummins 6BTA 150 HP Engg. 2.6 T	4,130,566	December 18, 2017
15.	JCB Loader 5 T	8,910,493	December 18, 2017

S. No	Description of Equipment	Cost per unit (including GST) (in ₹)	Date of Quotation
16.	Metso crusher plant (2 Stage 250TPH)	41,500,000	December 18, 2017
17.	Platform truck 2523R TT	2,278,415	December 19, 2017
18.	Schwing Stetter transit fixture drum	949,900	December 17, 2017
19.	Tipper 1623C ,6 Wheel	2,371,347	December 19, 2017
20.	Tipper 3128 C AC RT 18/20 CUM	3,853,276	December 19, 2017
21.	Transit mixture (TM 7 cum) 2523C	2,696,805	December 19, 2017
22.	Volvo Rock Breaker HB22	1,829,000	December 12, 2017
23.	Volvo tracked Asphalt Paver ABG5320B	11,808,000	December 12, 2017
24.	Water tanker 2523R TT 20 KL	2,278,415	December 19, 2017

The quotations in relation to the equipment are valid as on the date of this Draft Red Herring Prospectus. Some of the quotations mentioned above do not include cost of freight, insurance, octroi, entry tax, customs duty, goods and services tax (wherever applicable) and other applicable taxes as these can be determined only at the time of placing of orders. Such additional costs shall be funded from the Net Proceeds proposed to be utilised towards the purchase of capital equipment or through internal accruals, if required.

In relation to the purchase of equipment as set out above, we have not entered into any definitive agreements with any of these vendors and there can be no assurance that the same vendors would be engaged to eventually supply the equipment or at the same costs. The quantity of equipment to be purchased will be based on management estimates and our business requirements. Our Company shall have the flexibility to deploy such equipment according to the business requirements of our Company and based on estimates of our management.

No second-hand or used equipment is proposed to be purchased out of the Net Proceeds. Each of the units of capital equipment mentioned above is proposed to be acquired in a ready-to-use condition.

Further, our Promoters, Directors, Key Managerial Personnel and the Group Company do not have any interest in the proposed acquisition of the equipment or in the entity from whom we have obtained quotations in relation to such proposed acquisition of the equipment.

3. *Funding incremental working capital requirement of our Company*

We propose to utilise ₹ 1,000.00 million from the Net Proceeds to fund the working capital requirements of our Company. Our business is working capital intensive and we fund the majority of our working capital requirements in the ordinary course of our business from our internal accruals, share capital and financing from banks and financial institutions including non-banking finance companies by way of working capital facilities including short term loans. As of October 31, 2017, our Company's working capital facilities and borrowings from banks and financial institutions including non-banking finance companies consisted of an aggregate fund based limit of ₹ 2,530.04 million and an aggregate non-fund based limit of ₹ 7,305.00 million on a restated standalone basis. As of October 31, 2017, the aggregate amounts outstanding under the fund based and non-fund based working capital facilities of our Company were ₹ 1,140.80 million and ₹ 4,503.16 million, respectively on a standalone basis. For further details of the working capital facilities currently availed by us, please see "***Financial Indebtedness***" on page 375.

Basis of estimation of working capital requirements

The working capital requirements set forth below are our estimates based on past experience and in line with our expanding operations.

The details of our Company's composition of net current assets/ working capital as at March 31, 2017 and September 30, 2017 based on the Restated Standalone Summary Statements. Further the source of funding of the same are as set out in the table below:

(₹ in million)

Particulars	As at March 31, 2017	As at September 30, 2017
Current Assets*		
Inventories	778.04	968.13
Trade Receivables	749.20	507.38
Margin Money Deposits	438.14	462.88
Loans and Advances	1,800.28	2,184.16
Other current assets	1,389.50	1,706.72
Total current assets (A)	**5,155.16**	**5,829.26**
Current Liabilities		
Trade payables	1,667.72	1,299.43
Other current liabilities	1,107.78	1,583.36
Short term provisions	22.74	37.93
Total current liabilities (B)	**2,798.24**	**2,920.72**
Working capital requirement (C = A-B)	**2,356.92**	**2,908.55**
Funding pattern		
Short term borrowings	1,479.31	1,636.56
Internal accruals /equity	877.61	1271.99

**Excluding cash and cash equivalents and current investments*

The details of our Company's expected working capital requirements for the Fiscal 2019 and funding of the same are as set out in the table below:

(₹ in million)

Particulars	Fiscal 2019
Current Assets^	
Inventories	
(a) Raw material	2,003.42
(b) Construction work in progress	2,337.33
Trade Receivables	2,003.42
Margin Money Deposits	600.00
Loans and Advances	3,005.14
Other current assets	333.90
Total current assets (A)	**10,283.21**
Current Liabilities	
Trade payables	2,003.42
Other current liabilities	2,671.23
Short term provisions	333.90
Total current liabilities (B)	**5,008.55**

Particulars	Fiscal 2019
Working capital requirement (C = A-B)	**5,274.66**
Funding pattern	
Short term bank borrowings (D)	2,000.00
Internal accruals /equity (E)	2,274.66
Net working capital requirement (G= C-D-E)	**1,000.00**
Amount proposed to be utilized from Net Proceeds	**1,000.00**

^Excluding cash and cash equivalents and current investments

The details of our Company's expected working capital requirements for the Fiscal 2019 is certified by Surana Maloo & Co., Chartered Accountants, vide a certificate dated December 16, 2017.

Assumptions for working capital requirement

Holding levels

On the basis of existing working capital requirement of our Company and the estimated incremental working capital requirement, our Board pursuant to their resolution dated December 16, 2017 has approved the business plan for the one year period ended March 31, 2019 and the projected working capital requirement for Fiscal 2019, both on standalone basis, as stated below. Provided below are details of the holding levels (days) considered.

Particulars	Number of days of revenue from operations		
	As of March 31, 2017 (Actual)	**As of September 30, 2017 (Actual)**	**For the year ending on March 31, 2019 (Assumed)**
Current Assets			
Inventories			
(a) Raw material	21 days	27 days	30 days
(b) Construction work in progress	38 days	48 days	35 days
Trade Receivables	21 days	14 days	30 days
Loans and Advances	49 days	61 days	45 days
Other current assets	1 day	1 day	5 days
Total current assets (A)	130 days	151 days	145 days
Current Liabilities			
Trade payables	46 days	36 days	30 days
Other current liabilities	30 days	44 days	40 days
Short term provisions	1 days	1 days	5 days
Total current assets (B)	77 days	81 days	75 days

Justification for holding period levels

Particulars	Details
Current Assets	
Inventories	

Particulars	Details
- Raw material	Raw material days are computed from the historic Restated Standalone Summary Statements. Our Company has assumed the holding level for raw materials as 30 days of revenue from operations for the Fiscal 2019.
- Construction in progress	Work in progress days are computed from the historic Restated Standalone Summary Statements. Our Company has assumed the holding level for work in progress as 35 days of revenue from operations for the Fiscal 2019.
Trade receivables	Receivables days are computed from the historic Restated Standalone Summary Statements. Our Company has assumed the holding level for trade receivable as 30 days of revenue from operations for the Fiscal 2019.
Margin money deposits	Our Company is required to keep sufficient margin money deposits to facilitate the day to day business operations and to meet our non-fund based credit facilities from the banks, such as bank guarantee, margin money and letters of credit requirements etc. Such margin money requirement is expected to grow in line with the increase in our borrowings.
Loans and advances	Loans and advances are computed from the historic Restated Standalone Summary Statements. Our Company has assumed the holding level for loans & advances as 45 days of revenue from operations for the Fiscal 2019.
Other current assets	Other current assets are computed from the historic Restated Standalone Summary Statements. Our Company has assumed the holding level for other current assets as 5 days of revenue from operations for the Fiscal 2019.
Current Liabilities	
Trade payables	Trade payables are expected to grow in line with expected business growth. Holding levels for trade payables is computed from the historic Restated Standalone Summary Statements and are expected to decrease due to improved liquidity. Our Company has assumed the holding level for trade payable as 30 days of revenue from operations for the Fiscal 2019.
Other current liabilities	Other current liabilities are computed from the historic Restated Standalone Summary Statements and are expected to decrease due to improved liquidity. Our Company has assumed the holding level for other current liabilities as 40 days of revenue from operations for the Fiscal 2019.
Short term provisions	Short term provisions are computed from the historic Restated Standalone Summary Statements. Our Company has assumed the holding level for short term provision as 5 days of revenue from operations for the Fiscal 2019.

4. *Repayment/prepayment in full of certain indebtedness*

Our Company has entered into various financing arrangements with banks and other lenders. Arrangements entered into by our Company are secured and unsecured in nature which include term loans for the purpose of financing capital expenditure and long term working capital requirements and secured as well as unsecured working capital loans. As on October 31, 2017, the aggregate amount of borrowings outstanding under our various financing arrangements was ₹ 6,263.47 million, comprising of term loans of ₹ 619.51 million and working capital loans of ₹ 1,140.80 million. For details of our indebtedness, see "***Financial Indebtedness***" on page 375.

We intend to utilize up to ₹ 250 million from the Net Proceeds towards repayment/prepayment in full, of certain such unsecured working capital loans. We believe such repayment or prepayment of the loan facilities will reduce our debt to equity ratio and our finance costs. This would also improve our ability to raise further resources in the future to fund our potential business development opportunities.

Brief details of the terms of the loan facilities which have been identified for repayment/prepayment out of the Net Proceeds are set out below.

(*₹ in million*)

Lender	Nature and purpose of loan facility availed	Sanctioned Amount	Rate of interest as on October 31, 2017 (%)	Repayment Schedule**	Prepayment Penalty	Amount outstanding as on October 31, 2017*
HDFC Bank Limited	Working Capital Demand Loan (WCDL)	250.00	10.50	Roll over every 90 days	2%	250.00
Total		**250.00**				**250.00**

** As per certificate issued by M/s Rajpal Singh & Associates, Chartered Accountants, dated December 30, 2017.*
*** Prepayment charges, if payable on repayment, it will be paid out of the internal accruals of our Company.*

As per the certificate dated December 30, 2017 issued by M/s Rajpal Singh & Associate, Chartered Accountants, the amounts drawn down under above-mentioned loans have been utilized towards purposes for which such loans have been sanctioned. For further details on the terms and conditions of these financing arrangements, see "***Financial Indebtedness***" on page 375.

5. *General corporate purposes*

The Net Proceeds will first be utilized for the objects as set out above. Subject to this, our Company intends to deploy any balance left out of the Net Proceeds towards general corporate purposes and the business requirements of our Company and Subsidiaries, as approved by our management, from time to time, subject to such utilization for general corporate purposes not exceeding 25% of the Net Proceeds, in compliance with the SEBI ICDR Regulations.

Such general corporate purposes may include, but are not restricted to, the following:

(i) strategic initiatives;
(ii) funding growth opportunities;
(iii) strengthening marketing capabilities and brand building exercises;
(iv) meeting ongoing general corporate contingencies;
(v) any other purpose, as may be approved by the Board, subject to compliance with applicable law.

The allocation or quantum of utilization of funds towards the specific purposes described above will be determined by our Board, based on our business requirements and other relevant considerations, from time to time.

Means of Finance

We propose to fund the requirements of the following objects entirely from the Net Proceeds:
1. investment in our Subsidiary, Patel Cholopuram-Thanjavur Highway Private Limited for part financing of the Cholopuram-Thanjavur HAM Project;
2. purchase of construction equipment;
3. funding incremental working capital requirement of our Company;
4. repayment/prepayment in full of certain indebtedness; and
5. general corporate purposes.

Accordingly, Paragraph VII C of Part A of Schedule VIII of the SEBI ICDR Regulations (which requires firm arrangements of finance to be made through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Issue) does not apply.

Our fund requirements and deployment of the Net Proceeds with regard to the aforesaid object are based on internal management estimates based on current market conditions, and have not been appraised by any bank or financial institution or other independent agency nor been verified by the BRLMs. They are based on current conditions of our business and the quotations received which are subject to change in the future. We operate in a highly competitive and dynamic industry and may have to revise our estimates from time to time on account of changes in external circumstances or costs, or changes in other financial conditions, business or strategy. In case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements may be financed through our internal accruals and/or incremental debt, as required. If the actual utilization towards any of the objects is lower than the proposed deployment such balance will be used for future growth opportunities including funding existing objects, if required, and general corporate purposes, to the extent that the total amount to be utilized towards the general corporate purposes will not exceed 25% of the Net Proceeds in compliance with the SEBI ICDR Regulations.

In the event that estimated utilization out of the Net Proceeds in a Fiscal is not completely met, due to any reason, the same shall be utilized (in part or full) in the subsequent period as may be determined by our Company, in accordance with applicable law. Any such change in our plans may require rescheduling of our expenditure programs and increasing or decreasing expenditure for a particular object vis-à-vis the utilization of Net Proceeds.

Issue Related Expenses

The total expenses of the Issue are estimated to be approximately ₹ [●] million. The expenses of this Issue include, among others, listing fees, underwriting fees, selling commission, fees payable to the BRLMs, fees payable to legal counsels, fees payable to the Registrar to the Issue, Escrow Collection Banks to the Issue, processing fee to the SCSBs for processing ASBA Forms, brokerage and selling commission payable to Registered Brokers, Collecting RTAs and CDPs, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges. All expenses in relation to the Issue shall be borne by our Company. The estimated Issue expenses are as follows:

(₹ in million)

S. No	Activity	Estimated amount* (₹ in million)	As a % of total estimated Issue Expenses*	As a % of Issue Size*
1.	Fees payable to the BRLMs (including underwriting commission, brokerage and selling commission)	[●]	[●]	[●]
2.	Selling commission and processing fees for SCSBs (1)(2)	[●]	[●]	[●]
3.	Brokerage, selling commission and bidding charges for the members of the Syndicate, Registered Brokers, Collecting RTAs and CDPs (3) (4)	[●]	[●]	[●]
4.	Fees payable to the Registrar to the Issue	[●]	[●]	[●]
5.	Other expenses	[●]	[●]	[●]
	(i) Listing fees, SEBI filing fees, book building software fees and other regulatory expenses, printing and stationery expenses, advertising and marketing expenses for the Issue and fees payable to the legal counsel			
	(ii) Other Advisors to the Issue			
	(iii) Miscellaneous	[●]	[●]	[●]
		[●]	[●]	[●]
	Total Estimated Issue Expenses	[●]	[●]	[●]

* *To be incorporated in the Prospectus after finalization of the Issue Price.*

(1) Selling commission payable to the SCSBs on the portion for Retail Individual Investors and portion for Non-Institutional Investors, which are directly procured by them would be as follows:

*Portion for Retail Individual Investors **	*₹ [●] per valid Bid cum Application Form (plus applicable taxes)*
*Portion for Non-Institutional Investors**	*₹ [●] per valid Bid cum Application Form (plus applicable taxes)*

**Based on valid Bid cum Application Forms*

No additional processing/uploading charges shall be payable by our Company to the SCSBs on the applications directly procured by them.

(2) Processing fees payable to the SCSBs on the portion for Retail Individual Investors, portion for Non-Institutional Investors, which are procured by the members of the Syndicate /Sub-Syndicate /Registered Brokers /RTAs /CDPs and submitted to SCSBs for blocking would be as follows:

Portion for Retail Individual Investors	*₹ [●] per valid Bid cum Application Forms* (plus applicable taxes)*
Portion for Non-Institutional Investors	*₹ [●] per valid Bid cum Application Forms* (plus applicable taxes)*

**Based on valid Bid cum Application Forms*

(3) Selling commission on the portion for Retail Individual Investors, the portion for Non-Institutional Investors which are procured by Syndicate Members (including their Sub-Syndicate Members) would be as follows:

Portion for Retail Individual Investors	*₹ [●] per valid Bid cum Application Form* (plus applicable taxes)*
Portion for Non-Institutional Investors	*₹ [●] per valid Bid cum Application Form* (plus applicable taxes)*

**Based on valid Bid cum Application Forms*

In addition to the selling commission referred above, any additional amount(s) to be paid by our Company shall be as mutually agreed amongst the Book Running Lead Managers, their respective Syndicate Members, our Companybefore the opening of the Issue.

Bidding Charges: ₹ [●] per valid application bid by the syndicate

(4) Selling commission payable to the Registered Brokers, RTAs and CDPs on the portion for Retail Individual Investors, and portion for Non-Institutional Investors which are directly procured by the Registered Broker or RTAs or CDPs or submitted to SCSB for processing, would be as follows:

Portion for Retail Individual Investors	*₹ [●] per valid Bid cum Application Form* (plus applicable taxes)*
Portion for Non-Institutional Investors	*₹ [●] per valid Bid cum Application Form* (plus applicable taxes)*

** Based on valid Bid cum Application Forms*

Note: The total E-IPO commission to Registered Brokers, RTAs and CDPs shall not be more than that of the Capped E-IPO Commission (defined below)

Capped E-IPO Commission is a sum of ₹ [●] plus applicable taxes which shall be the maximum commission payable by our Company to Registered Brokers, RTAs and CDPs.

Our Company will bear all costs, charges, fees and expenses associated with and incurred in connection with this Issue.

Interim Use of Funds

Pending utilization for the purposes described above, we undertake to temporarily invest the funds from the Net Proceeds only with the scheduled commercial banks included in the Second Schedule of Reserve Bank of India Act, 1934, for the necessary duration. Such deposits will be approved by our management from time to time. Our Company confirms that, pending utilization of the Net Proceeds, it shall not use the funds for any investment in any other equity or equity linked securities.

Bridge Loan

Our Company has not raised any bridge loans which are required to be repaid from the Net Proceeds.

Monitoring of Utilization of Funds

In terms of Regulation 16 of the SEBI ICDR Regulations, we have appointed [●] as the monitoring agency to monitor the utilization of the Net Proceeds. Our Company undertakes to place the report(s) of the Monitoring Agency on receipt before the Audit Committee without any delay. Our Company will disclose the utilization of the Net Proceeds, including interim use under a separate head in its balance sheet for such fiscal periods as required under the SEBI ICDR Regulations, the SEBI Listing Regulations and any other applicable laws or regulations, clearly specifying the purposes for which the Net Proceeds have been utilized. Our Company will also, in its balance sheet for the applicable fiscal periods, provide details, if any, in relation to all such Net Proceeds that have not been utilized, if any, of such currently unutilized Net Proceeds.

Pursuant to Regulation 18(3) of the SEBI Listing Regulations, our Company shall on a quarterly basis disclose to the Audit Committee the uses and application of the Net Proceeds. The Audit Committee shall make recommendations to our Board for further action, if appropriate. Our Company shall, on an annual basis, prepare a statement of funds utilised for purposes other than those stated in this Draft Red Herring Prospectus and place it before our Audit Committee. Such disclosure shall be made only until such time that all the Net Proceeds have been utilised in full. The statement shall be certified by the Statutory Auditors. Further, in accordance with the Regulation 32 of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the utilisation of the Net proceeds from the objects of the Issue as stated above; and (ii) details of category wise variations in the utilisation of the Net Proceeds from the objects of the Issue as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results of our Company, after placing such information before our Audit Committee.

Variation in Objects of the Issue

In accordance with Sections 13(8) and 27 of the Companies Act 2013, our Company shall not vary the Objects of the Issue unless our Company is authorized to do so by way of a special resolution of its Shareholders. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details and be published in accordance with the Companies Act 2013. Pursuant to the Companies Act 2013, the Promoters or controlling Shareholders will be required to provide an exit opportunity to the Shareholders who do not agree to such proposal to vary the objects, subject to the provisions of the Companies Act and in accordance with such terms and conditions, including in respect of pricing of the Equity Shares, in accordance with the Companies Act 2013 and provisions of Chapter VI A of the SEBI ICDR Regulations.

Appraising Agency

None of the Objects of the Issue for which the Net Proceeds will be utilized have been appraised by any agency.

Other Confirmations

No part of the Net Proceeds will be utilized by our Company as consideration to our Promoters, members of the Promoter Group, Directors, Group Company or key managerial employees. Our Company has not entered into or is not planning to enter into any arrangement/ agreements with Promoters, Directors, Key Management Personnel or our Group Company in relation to the utilization of the Net Proceeds of the Issue. Further, we confirm that our Company, Promoters, members of our Promoter Group, and our Group Company, are not related to the entities that have provided quotations for the purchase of capital equipment by our Company, as stated above.

BASIS FOR ISSUE PRICE

The Issue Price will be determined by our Company in consultation with the BRLMs, on the basis of an assessment of market demand for the Equity Shares through the Book Building Process and on the basis of qualitative and quantitative factors. The face value of the Equity Shares is ₹ 10 each and the Issue Price is [●] times the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band.

Investors should also see "***Business***", "***Risk Factors***" and "***Financial Information***" on pages 154, 18 and 211, respectively, to have an informed view before making an investment decision.

Qualitative Factors

Some of the qualitative factors and our strengths which form the basis for computing the Issue Price are:

- Strong track record of completed infrastructure projects across various states in India, with focus on roads and highways projects;
- Strong Order Book with growing project portfolio;
- Focused geographic expansion based on scientific project selection;
- Technology enabled project management capabilities; and
- Experienced promoters with senior management team and skilled workforce.

For further details, see "***Business***" on page 154.

Quantitative Factors

Certain information presented below relating to us is based on the Restated Consolidated Financial Information and Restated Standalone Financial Information prepared in accordance with the Companies Act, 1956 and the Companies Act 2013 and restated in accordance with the SEBI ICDR Regulations.

For further details, see "***Financial Information***" on page 211.

Some of the quantitative factors which may form the basis for computing the Issue Price are as follows:

1. ***Basic and Diluted Earnings Per Share post issue of Bonus Share ("EPS"):***

As per Restated Standalone Financial Information:

Financial Period	Basic and Diluted EPS (₹)	Weight
Year ended March 31, 2017	14.11	3
Year ended March 31, 2016	5.56	2
Year ended March 31, 2015	2.63	1
Weighted Average	**9.35**	
Six months period ended September 30, 2017	8.06*	

* *Not annualized*

As per Restated Consolidated Financial Information of our Company:

Financial Period	Basic and Diluted EPS (₹)	Weight
Year ended March 31, 2017	15.58	3
Year ended March 31, 2016	7.60	2
Year ended March 31, 2015	3.02	1
Weighted Average	10.83	
Six months period ended September 30, 2017	10.52*	

* *Not annualized*

Notes:

(1) *Earnings per share calculations are in accordance with Accounting Standard 20 - Earnings Per Share ('AS 20') , notified under Section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014. As per AS 20, in case of bonus share, the number of shares outstanding before the event is adjusted for the proportionate change in the number of equity shares outstanding as if the event has occurred at the beginning of the earliest period reported. Weighted average number of equity shares outstanding during all the previous years have been considered accordingly..*

(2) *The face value of each Equity Share is ₹ 10 each.*

(3) *Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period / year adjusted by the number of equity shares issued during period / year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period/year.*

(4) *Basic and diluted Earnings per Share (in Rupees) is traced from Restated Standalone Financial Information and Restated Consolidated Financial Information.*

(5) *Weighted average = Aggregate of year-wise weighted Basic and Diluted EPS divided by the aggregate of weights i.e. (Basic and Diluted EPS x Weight) for each year / Total of weights.*

2. *Price Earning (P/ E) Ratio in relation to the Price Band of ₹ [●] to ₹ [●] per Equity Share of the face value of ₹ 10/- each:*

Particulars	P/E at the lower end of price band (no. of times)	P/E at the higher end of price band (no. of times)
Based on basic and diluted EPS for the financial year ended March 31, 2017 on a standalone basis	[●]	[●]
Based on basic and diluted EPS for the financial year ended March 31, 2017 on a consolidated basis	[●]	[●]

Industry P/E ratio

	P/E (Standalone)	P/E (Consolidated)
Highest	38.92	45.31
Lowest	24.92	35.56
Average	30.43	39.49

Note:

The industry high and low has been considered from the industry peer set provided later in this chapter. The industry composite has been calculated as the arithmetic average of positive P/E peers of the industry peer set disclosed in this section. For further details, see "– Comparison with listed industry peers" from page 110.

3. *Return on net worth (RoNW)*

As per Restated Standalone Financial Information of our Company:

Financial Period	RoNW %	Weight
Year ended March 31, 2017	30.27	3
Year ended March 31, 2016	17.02	2
Year ended March 31, 2015	9.71	1
Weighted Average	**22.43**	
Six months period ended September 30, 2017	14.74*	

* *Not annualised*

As per Restated Consolidated Financial Information of our Company:

Financial Period	RoNW %	Weight
Year ended March 31, 2017	28.89	3

Financial Period	RoNW %	Weight
Year ended March 31, 2016	19.75	2
Year ended March 31, 2015	9.76	1
Weighted Average	**22.66**	
Six months period ended September 30, 2017	16.33*	

* *Not annualised*

Notes:
1. *(1) Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x Weight) for each year / Total of weights*
2. *(2) RoNW (%) is traced from Restated Standalone Financial Information and Restated Consolidated Financial Information*

4. *Minimum Return on Increased Net Worth after Issue needed to maintain Pre-Issue Basic and Diluted EPS for the year ended March 31, 2017*

For Basic and Diluted EPS

Particulars	Standalone (%)	Consolidated (%)
At the Floor Price	[●]	[●]
At the Cap Price	[●]	[●]

5. *Net Asset Value ("NAV") per Equity Share of face value of ₹ 10 each*

NAV	Standalone (₹)	Consolidated (₹)
As on March 31, 2017	57.91	65.61
As on September 30, 2017	65.97	76.13
After the Issue		
- At the Floor Price	[●]	[●]
- At the Cap Price	[●]	[●]
Issue Price	[●]	[●]

Notes:
1. *(1) Net Asset Value Per Equity Share is traced from the Restated Standalone Financial Information and Restated Consolidated Financial Information of our Company respectively.*
2. *(2) The Net asset value per Equity share is calculated after considering the Bonus issue of Shares subsequent to September 30, 2017.*

6. *Comparison with listed industry peers*

Name of the company	Standalone / Consolidated	Revenue from operations (₹ in million)	Face Value per Equity Share	EPS (Basic) (₹)	P/E	Return on Net Worth (%)	Net Asset Value per Share (₹)
Company*	**Consolidated**	**15,932.67**	**10**	**15.58**	**[●]**	**28.89**	**65.61**
	Standalone	**13,294.05**		**14.11**	**[●]**	**30.27**	**57.91**
Peer Group							
Sadbhav Engineering Limited**	Consolidated	45,700.06	1	-3.15	-****	-13.68%	73.11
	Standalone	33,203.05		10.95	38.92	11.31%	96.81
Dilip Buildcon Limited**	Consolidated	53,191.57	2	27.56	35.56	20.81%	125.69
	Standalone	50,976.25		27.81	35.24	19.48%	135.48
Ashoka Buildcon Limited**	Consolidated	29,820.90	5	-0.53	-****	-5.91%	113.32
	Standalone	20,519.04		9.83	24.92	9.84%	99.61
KNR Constructions	Consolidated	16,795.88	2	8.17	37.58	11.24%	62.48

Name of the company	Standalone / Consolidated	Revenue from operations (₹ in million)	Face Value per Equity Share	EPS (Basic) (₹)	P/E	Return on Net Worth (%)	Net Asset Value per Share (₹)
Limited**	Standalone	15,410.53		11.18	27.46	17.56%	63.68
PNC Infratech Limited**	Consolidated	22,523.32	2	4.62	45.31	8.09%	56.96
	Standalone	16,891.14		8.17	25.62	13.34%	61.28

P/E figures for the peer is computed based on closing market price as on January 02, 2018, of relevant peer companies as available at BSE, (available at www.bseindia.com)

** Restated Standalone Financial Statement and Restated Consolidated Financial Statement of our Company as on and for the year ended March 31, 2017.*
***Source: Annual Reports as on and for the year ended March 31, 2017.*
*****Posted a loss for the period*

The Issue Price of ₹ [●] has been determined by our Company, in consultation with the Book Running Lead Managers on the basis of the demand from investors for the Equity Shares through the Book-Building Process. Our Company and Book Running Lead Managers is justified in view of the above qualitative and quantitative parameters. Investors should read the abovementioned information along with "***Business***" "***Risk Factors***" and "***Financial Statements***" on pages 154, 18 and 211, respectively, to have a more informed view. The trading price of the Equity Shares of our Company could decline due to the factors mentioned in "***Risk Factors***" or any other factors that may arise in the future and you may lose all or part of your investments.

STATEMENT OF TAX BENEFITS

December 16, 2017

To,

The Board of Directors
Patel Infrastructure Limited
(CIN: U45201GJ2004PLC043955)
Patel House,
Beside Prakruti Resort, Chhani Road, Chhani,
Vadodara- 391740
Gujarat, India
(the "**Company**")
Dear Sir(s),

<u>Proposed Initial Public Offering (the "Offer") of equity shares (the "Equity Shares") by Patel Infrastructure Limited (the "Company")</u>

Sub: Statement of possible special tax benefits ('the Statement') available to Patel Infrastructure Limited ('the Company') and its Shareholders prepared in accordance with the requirement in Schedule VIII – Clause (VII) (L) of Securities and Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations 2009, as amended ('the Regulations')

We report that the enclosed Annexure prepared by the Company, states the possible special tax benefits available to the Company and to its shareholders under the Income-tax Act, 1961 ("**the Act**") and Income-tax Rules, 1962 (together "**tax laws**"), presently in force in India. These benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the tax laws. Hence, the ability of the Company or its shareholders to derive these special tax benefits is dependent upon their fulfilling such conditions, which is based on business imperatives the Company may face and accordingly, the Company or its shareholders may or may not choose to fulfil.

The benefits discussed in the enclosed Annexure cover only possible special tax benefits available and do not cover any general tax benefits available to the Company or its Shareholders. The contents of this letter are based on information, explanations and representations obtained from the Company and on the basis of the nature of business activities and operations of the Company and the provisions of the Tax Laws. We are informed that, this statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering of equity shares ("**the Offer**") by the Company particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail. Neither we are suggesting nor advising the investor to invest money based on this statement.

We do not express any opinion or provide any assurance as to whether:

i) the Company or its shareholders will continue to obtain these benefits in future;
ii) the conditions prescribed for availing the benefits have been/would be met with;
iii) the revenue authorities/courts will concur with the views expressed herein.

The contents of the enclosed Statement are based on the information, explanation and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

Our views expressed herein are based on the facts and assumptions indicated to us. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.

We hereby give consent to include this statement of tax benefits along with annexure in the draft red herring prospectus, red herring prospectus, the prospectus and in any other material used in connection with the Offer, and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For Surana Maloo & Co.
Chartered Accountants
Firm Registration No.: - 112171W

CA S. D. Patel
Partner
Membership No. 037671
Place: Ahmedabad
Date: December 16, 2017

ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO PATEL INFRASTRUCTURE LIMITED AND ITS SHAREHOLDERS

Outlined below are the possible Special tax benefits available to the Company and its shareholders under the direct tax laws in force in India (i.e. applicable for the Financial Year 2017-18 relevant to the Assessment Year 2018-19).

Special Tax Benefits to the Company

Tax holiday under section 80IA of the Income Tax Act

The following specific tax benefits may be available to the Company after fulfilling conditions as per the respective provisions of the relevant tax laws on certain eligible projects / contracts:

In accordance with and subject to the conditions specified in Section 80-IA of the Act, the Company may be entitled for a deduction of an amount equal to hundred percent of profits or gains derived from any enterprise carrying on business of (i) developing or (ii) operating and maintaining or (iii) developing, operating and maintaining any infrastructure facility or (iv) generating or distributing or transmission of power, for any ten consecutive assessment years out of fifteen years beginning from the year in which the enterprise has started its operation. For the words "fifteen years", the words "twenty years" has been substituted for the following infrastructure facility-

- A road including toll road, a bridge or a rail system
- A highway project including housing or other activities being an integral part of the highway project.
- A water supply project, water treatment system, irrigation project, sanitation and sewerage system or solid waste management system.
- A port, airport, Inland waterway, inland port or navigational channel in the sea.

As per the Finance Act, 2016, the deduction shall not be available to an enterprise which starts the development or operation and maintenance of the infrastructure facility on or after 1st April 2017.

However, the aforesaid deduction is not available while computing Minimum Alternative Tax ('**MAT'**) liability of the Company under Section 115JB of the Act. Nonetheless, such MAT paid/ payable on the adjusted book profits of the Company computed in terms of the provisions of Act, read with the Companies Act, 2013 would be eligible for credit against tax liability arising in succeeding years under normal provisions of Act as per Section 115JAA of the Act to the extent of the difference between the tax as per normal provisions of the Act and MAT in the year of set-off. Further, such credit would not be allowed to be carried forward and set off beyond 15 Assessment Years immediately succeeding the Assessment Year in which such credit becomes allowable.

Tax benefits under section 35AD of the Act

Section 35AD of the Act provides for deduction of 100 percent of the expenditure of capital nature, which is incurred wholly and exclusively for the purpose of any specified business carried on by the Company during the previous year in which such expenditure is incurred subject to specified conditions.

The specified business has been inter-alia defined to include developing or maintaining and operating or developing, maintaining and operating a new infrastructure facility *(inserted by the Finance Act, 2016 w.e.f. Fiscal 2018).*

For the purpose of this section, "Infrastructure facility" means:

- A road including toll road, a bridge or a rail system;
- A highway project including housing or other activities being an integral part of the highway project;
- A water supply project, water treatment system, irrigation project, sanitation and sewerage system or solid waste management system;
- A port, airport, inland waterway, inland port or navigational channel in the sea

As per the Finance Act, 2016 the additional conditions for claiming deduction under this section for a business of developing or operating and maintaining or developing, operating and maintaining, any infrastructure facility w.e.f. Fiscal 2018, are mentioned below:

- The business is owned by a company registered in India or by a consortium of such companies or by an authority or by a board or a corporation or any other body established or constituted under any Central or State Act;
- Entity referred to above has entered into an agreement with the Central Government or a State Government or a local authority or any other statutory body for developing or operating and maintaining or developing, operating and maintaining a new infrastructure facility.

In case of specified business being in the nature of developing or operating and maintaining or developing, operating and maintaining, any infrastructure facility, the provisions of this section shall apply only if its operation commences on or after April 1, 2017.

Where a deduction under this section is claimed and allowed in respect of the specified business for any assessment year, no deduction shall be allowed under the provisions of section 80IA of the Act or vice versa.

Special Tax Benefits to the Shareholders of the Company under the Act

There are no Special tax benefits available to the shareholders of the Company.

Notes:

1) All the above benefits are as per the current tax law and any change or amendment in the laws/regulation, which when implemented would impact the same.

2) The above statement of possible special tax benefits sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of Equity Shares held as investment (and not as stock in trade). Investors are advised to consult their tax advisors with respect to the tax consequences of the purchase, ownership and disposal of the Equity Shares.

The above statement covers only above mentioned tax laws benefits and do not cover any indirect tax law benefits or benefits under any other law.

SECTION IV: ABOUT THE COMPANY

INDUSTRY OVERVIEW

Industry Overview

Except as otherwise indicated, the information contained in this section is derived from a report titled "Road sector in India", dated December 2017, prepared by CRISIL Research. Neither we nor any other person connected with the Issue has independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry publications are also prepared based on information as of specific dates and may no longer be current.

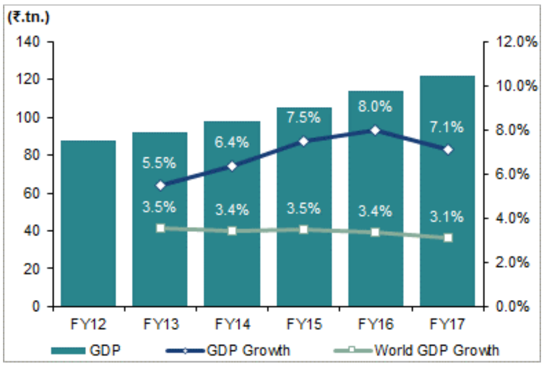
Further, in this regard, CRISIL Research has issued the following disclaimer:

"CRISIL Research, a division of CRISIL Limited (CRISIL) has taken due care and caution in preparing this report (Report) based on the Information obtained by CRISIL from sources which it considers reliable (Data). However, CRISIL does not guarantee the accuracy, adequacy or completeness of the Data/Report and is not responsible for any errors or omissions or for the results obtained from the use of Data/Report. This Report is not a recommendation to invest/disinvest in any entity covered in the Report and no part of this Report should be construed as an expert advice or investment advice or any form of investment banking within the meaning of any law or regulation. CRISIL especially states that it has no liability whatsoever to the subscribers / users / transmitters / distributors of this Report. Without limiting the generality of the foregoing, nothing in the Report is to be construed as CRISIL providing or intending to provide any services in jurisdictions where CRISIL does not have the necessary permission and/or registration to carry out its business activities in this regard. Patel Infrastructure Limited will be responsible for ensuring compliances and consequences of non-compliances for use of the Report or part thereof outside India. CRISIL Research operates independently of, and does not have access to information obtained by CRISIL's Ratings Division / CRISIL Risk and Infrastructure Solutions Ltd (CRIS), which may, in their regular operations, obtain information of a confidential nature. The views expressed in this Report are that of CRISIL Research and not of CRISIL's Ratings Division/CRIS. No part of this Report may be published/reproduced in any form without CRISI L's prior written approval."

Overview of macroeconomic scenario in India

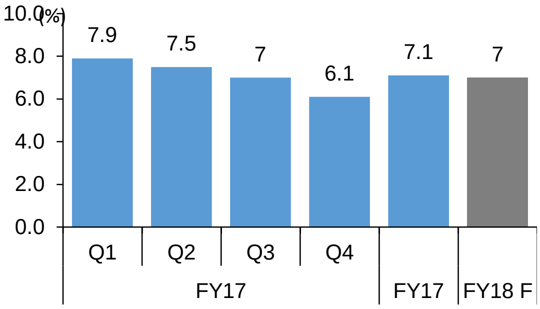
India adopted a new base year (2011-12) to calculate gross domestic product ("**GDP**"), based on which absolute GDP rose to ₹ 122 trillion in Fiscal 2017 from ₹ 87 trillion in 2011-12; representing a 6.9% compound annual growth rate ("**CAGR**"). GDP growth for India in Fiscal 2017, at ₹ 122 trillion, clocked 7.1%, above the world average of 3.1%, but down from 8% in Fiscal 2016, due to demonetisation and the deflator in the fourth quarter having risen.

Real GDP growth in India



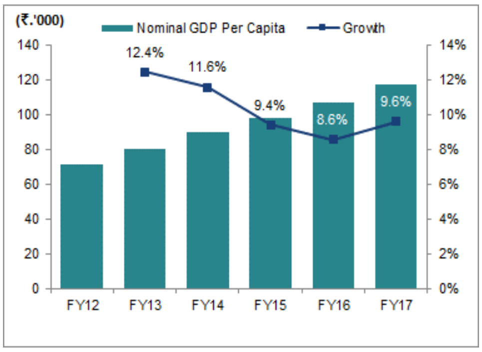
Source: CSO, CRISIL Research

Real GDP growth (% y-o-y)



Source: CSO, CRISIL Research

Nominal per capita GDP growth



Source: CSO, CRISIL Research

Private consumption is the largest contributor to India's GDP (58%). Nominal per capita GDP growth, used as a proxy for income growth, picked up in Fiscal 2017. It rose to 9.6% on-year compared with 8.6% in the previous year. Correspondingly, nominal per capital private final consumption expenditure, used as a proxy for consumer spending, grew by 11.2% (despite demonetisation), compared with 8.3% in the previous year. This indicated a pickup in consumer demand, after consecutive years of decline in spending growth.

Supply side

At basic prices	Fiscal 2013	Fiscal 2014	Fiscal 2015	Fiscal 2016	Fiscal 2017	Fiscal 2018 F
Agriculture & allied	**1.5**	**5.6**	**-0.3**	**0.7**	**4.9**	**3.0**
Industry	**3.4**	**4.2**	**6.9**	**8.8**	**5.6**	**6.3**
o/w Manufacturing	**5.9**	**5.1**	**7.5**	**10.8**	**7.9**	**7.6**
Mining	**-0.6**	**3.1**	**14.7**	**10.5**	**1.8**	**4.5**
Services	**8.3**	**7.7**	**9.5**	**9.7**	**7.7**	**8.1**

Note: Industry includes mining & quarrying, manufacturing, electricity, gas, water supply & other utility, and construction. Services include trade, hotels, transport, communication & services related to broadcasting, finance, real estate & professional services, public administration, defence, and other services.

Demand side

At market prices	Fiscal 2013	Fiscal 2014	Fiscal 2015	Fiscal 2016	Fiscal 2017	Fiscal 2018 F
Pvt. consumption	5.3	7.4	6.8	6.1	8.7	8.4
Govt. consumption	0.7	0.6	9.4	3.3	20.8	10
Fixed investment	4.8	1.8	4.1	6.5	2.4	3.3
Exports	6.8	7.8	1.7	-5.3	4.5	5.5
Imports	6	-8.1	0.8	-5.9	2.3	9.0

Source: CSO, CRISIL Research

Gross value added ("**GVA**") growth, or supply-side GDP, grew 5.6% in the first quarter on-year, same as in the fourth quarter of last fiscal, but down from 6.8% on-year, suggesting that waning impact of demonetisation was offset by rising anxiety over GST.

Construction sector's contribution to India's GDP

The construction sector's GVA has been on the rise, when considered at constant (2011-12) prices.

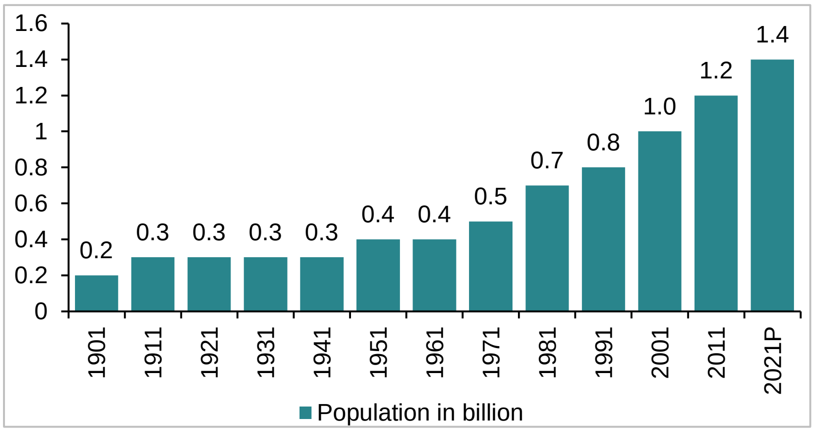
GVA Share (₹ crore)	Fiscal 2012	Fiscal 2013	Fiscal 2014	Fiscal 2015	Fiscal 2016
Construction	777,334	780,050	800,771	838,203	879,782

Source: MOSPI, CRISIL Research

Population growth and urbanisation

India's population stood at 1.2 billion as of 2011, registering annual growth of 1.64% from 2001 to 2011 and growth of 17.6% for the decade. It will grow by 12% in the next decade (2011-2021), at a CAGR of 1.14% until 2021. As of 2016, India's total estimated population was 1,270 million, with annual growth of 1.14% from 2011.

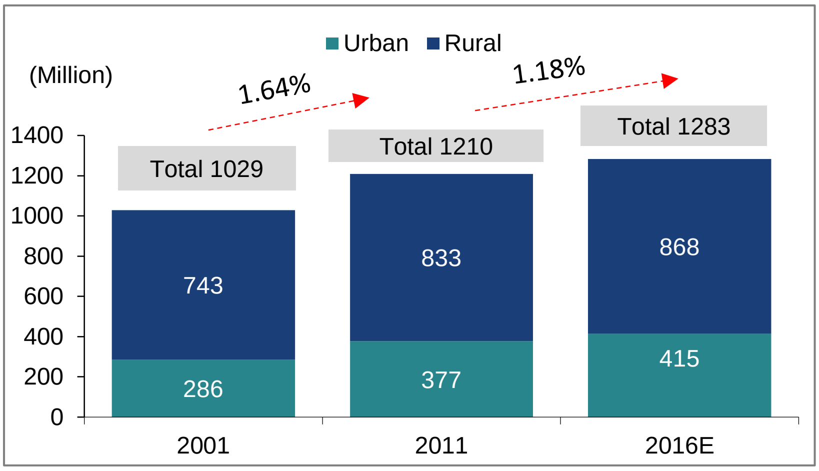
India's population growth



Source: Census 2011, World Bank

Urban population as of 2011 was 377 million, marking CAGR of 2.8%; rural population stood at 833 million, growing annually at 1.16%.

Population growth

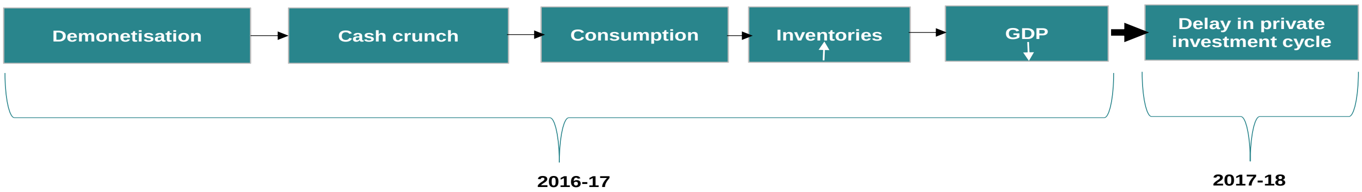


Source: Census, CRISIL Research

The share of urban population in total population has consistently risen, from 28% in 2001 to 31% in 2011. Nearly 35-37% of the population will live in urban areas by 2021. Typically, rural population migrates to cities for better job opportunities, education and better quality of life.

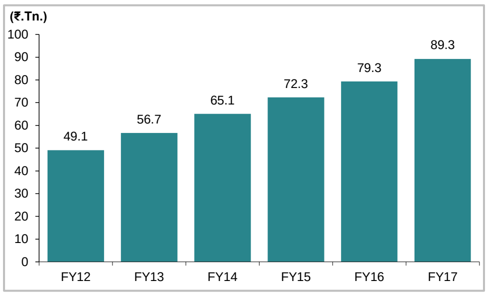
Private final consumption growth in India (from Fiscal 2012)

Final consumption expenditure in India grew to ₹ 88 trillion in Fiscal 2017 from ₹ 59 trillion in Fiscal 2012, registering CAGR of ~8%.



Private consumption contributes the largest share (58%) to India's GDP. While it is difficult to quantify the impact of demonetisation, it was negative in the short run. While most essential items have seen demand return to normal, discretionary spends are slower to recover.

Final consumption expenditure growth



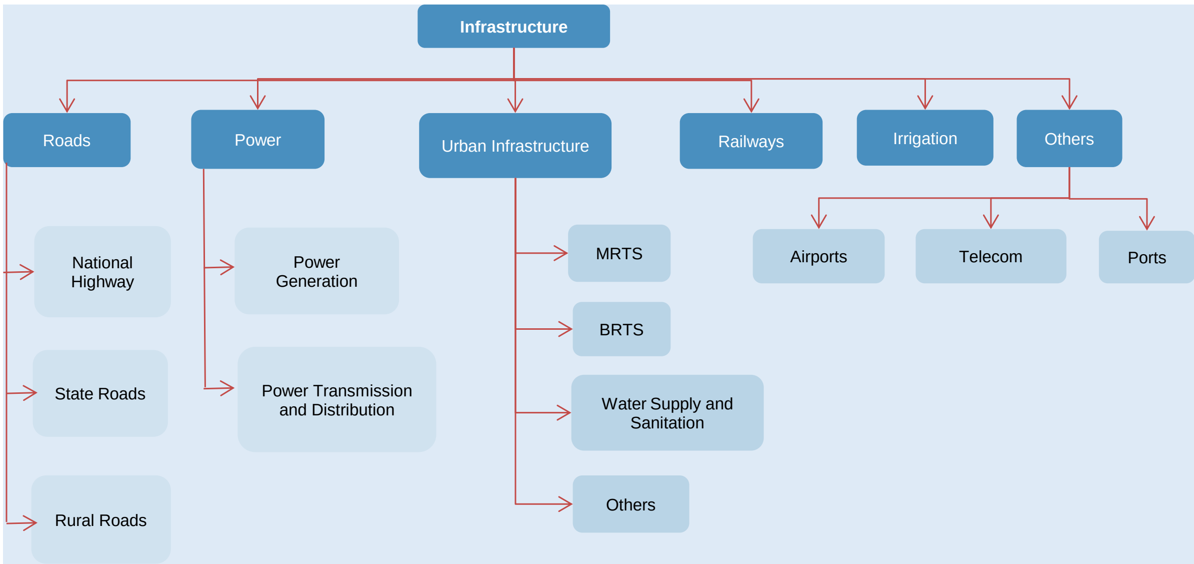
Source: CSO, CRISIL Research

At current prices, private final consumption expenditure ("**PFCE**") is estimated at ₹ 89.3 trillion in Fiscal 2017 as against ₹ 79.3 trillion in Fiscal 2016.

Overview of infrastructure sector in India

Investments overview

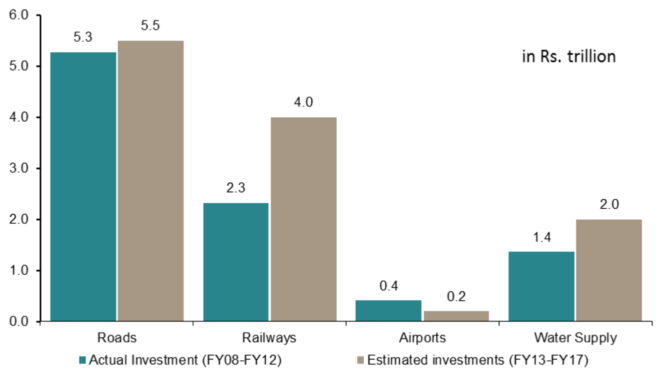
The infrastructure industry includes roads, power, railways, urban infrastructure, irrigation, and others. The size and magnitude of major infrastructure development projects dictate substantial capital investment. The government also introduced significant policy reforms to augment FDI inflows to boost investment and enhance infrastructure. The reform policies of the Indian government have resulted in FDI inflows of ~$10.3 billion in construction activities in infrastructure from April 2000 to June 2017. The road sector is one of the key contributors to overall investment in the infrastructure industry.



Source: CRISIL Research

Investments in the infrastructure sector reached ₹ 27.3 trillion between Fiscal 2008 and Fiscal 2012, driven by the centre's thrust. Construction spend on infrastructure projects is estimated to be ₹ 30.93 trillion between Fiscal 2012 and Fiscal 2017, up from ₹ 10.3 trillion (likely investments till Fiscal 2014). Of this, 39% is estimated to come from the private sector, and 61%, from central and state governments. Within infrastructure, power is the largest contributor, forming 42% of total infrastructure investments, followed by roads and railways, at 19% and 14% respectively.

Construction spends in key infrastructure segments# (Fiscal 2008 to Fiscal 2012 & Fiscal 2013 to Fiscal 2017)



At Fiscal 2012 prices, in ₹ trillion

Source: Fiscal 2008-Fiscal 2012: High-level Committee on Financing Infrastructure (Second Report, June 2014), Fiscal 2013-Fiscal 2017 CRISIL Research

Roads

Investment in roads between Fiscal 2008 and Fiscal 2012 was ₹ 5.3 trillion, accounting for ~19% of overall infrastructure investment. Investment was largely driven by the government's thrust on the sector through encouragement of public private partnerships ("**PPP**"), implementation of the National Highways Development Project ("**NHDP**"), and recent policy changes. The continued thrust on improving rural and state road network by various state governments has supported growth. Investment in roads will rise 11% to ₹ 5.8 trillion between Fiscal 2013 and Fiscal 2017. Its share in overall infrastructure investment is estimated to have remained at 19%.

Investment in road sector in 12th Five Year Plan (Fiscal 2012 prices)

(₹ billion)	**Centre**	**State**	**Private**	**Total**
Fiscal 2013 (E)	278	485	262	1,025
Fiscal 2014 (E)	250	495	271	1,017
Fiscal 2015 (P)	243	563	294	1,100

Fiscal 2016 (P)	240	677	335	1,252
Fiscal 2017 (P)	236	815	381	1,432
Total	1,248	3,035	1,543	5,826

P – Projected
Plan investments are the budgeted estimates for a particular year
Source: Planning Commission, CRISIL Research

Water supply and sanitation (WSS):

Total investment in WSS between Fiscal 2008 and Fiscal 2012 was ₹ 1.4 trillion, accounting for ~5% of overall investment in infrastructure. Being a state subject, water supply has a larger share of state investment than the centre. Private investment was low, as states and local authorities have not adopted PPP for upgrading and modernising water supply infrastructure. Government spend on WSS has risen under the Atal Mission for Rejuvenation and Urban Transformation (AMRUT) and Swachh Bharat Mission. While investments in WSS between Fiscal 2013 and Fiscal 2017 rose 10% to ₹ 1.5 trillion, private investment in WSS spend will pick up due to these schemes, taking the share of WSS in total urban infrastructure investment spend to over 50% in the next five years.

Investment in water supply in 12th Five Year Plan (Fiscal 2012 prices)

(₹ billion)	Centre	States	Private	Total
Fiscal 2013 (E)	121	152	2	275
Fiscal 2014 (E)	104	157	4	265
Fiscal 2015 (P)	111	165	6	282
Fiscal 2016 (P)	123	180	11	314
Fiscal 2017 (P)	136	196	21	353
Total	595	851	44	1491

P – Projected
Plan investments are the budgeted estimates for a particular year
Source: Planning Commission, CRISIL Research

Railways:

Investments in 11th Five Year Plan

Investment in railways between Fiscal 2008 and Fiscal 2012 was ₹ 2.3 trillion, or ~8.5% of overall infrastructure investment. Historically, investments in railways have come from the centre; private participation was miniscule. The railway sector faced capacity constraints for the past few years and needs heavy investment for augmentation. The Indian Railways plans to harness private capital for funding capex across projects, such as first/last mile and port connectivity projects, logistic parks/ private freight terminals, station redevelopment, etc. It has finalised various PPP models such as non-government rail, joint venture ("**JV**'), build-operate-transfer ("**BOT**"), etc., to suit different risk appetites. The model concession agreement ("**MCAs**") for these models have been finalised to improve transparency and attract private players. The government has also increased investment by ~47% between Fiscal 2012 and Fiscal 2017 to ₹₹3.4 trillion, taking its share in overall infrastructure investment to ~11%.

Investment in railways in 12th Five Year Plan (Fiscal 2012 prices)

(₹ billion)	Centre	Private	Total
Fiscal 2013 (E)	470	10	479
Fiscal 2014 (E)	552	10	562
Fiscal 2015 (P)	586	30	616
Fiscal 2016 (P)	647	93	740
Fiscal 2017 (P)	715	285	1000
Total	2971	428	3398

P – Projected
Plan investments are the budgeted estimates for a particular year
Source: Planning Commission, CRISIL Research

Overview of actual investments

Investments in Indian Railways doubled from ₹ 451 billion to ₹ 935 billion between Fiscal 2012 and Fiscal 2016. Especially, in Fiscal 2016, investments jumped by ~52% from ₹ 616 billion to ₹ 935 billion. This was led by an increased thrust on raising funds through extra budgetary resources to fund select projects. Moreover, apart from Fiscal 2012, investments in infrastructure of Indian Railways historically tracked budgeted allocation closely. Investments in railways in Fiscal 2017 and Fiscal 2018 have seen a further rise. Revised estimates for Fiscal 2017 stood at ₹ 1.21 trillion whereas budget estimates for Fiscal 2018 stood at ₹ 1.31 trillion. This shows a continued upward bias in infrastructure investments in railways.

Investments in railways up to Fiscal 2022 will be more construction intensive, compared to the past, on account of increased focus on network decongestion and addition of new lines. Construction expenditure in railway projects will grow 2.4 times (17% CAGR) between Fiscal 2018 and Fiscal 2022, compared with the previous five years.

Growth drivers for the industry

- **New projects having high construction intensity to boost investments**

Projects such as the High-Speed Rail Network, Dedicated Freight Corridors, along with focus towards network decongestion and expansion have been taken up by the government. These categories of investments have high construction intensity.

- **Fast-tracking of approvals**

As per the existing procedure in railways for sanctioning a project, proposals for various projects received from zonal railways are examined internally by the Railway Board. Of these, the firmed-up proposals are sent for an 'in-principle' approval to the National Institution for Transforming India (NITI) Aayog. Projects costing less than Rs 500 crore are approved by the Minister for Railways and those above that are appraised by both NITI Aayog and the Expanded Board for Railways, and approved by the Cabinet (CCEA). After obtaining requisite approvals, projects are included in the Budget, and thereafter, Indian Railways carries out final location survey and prepares detailed estimates. Generally, the tenders are floated after the sanction of detailed estimates.
This entire process between the initiation of proposal and final award of tender is now 9-12 months in general, compared with 2-2½ years earlier.

- **Bolstering of finances by monetising land and from advertising**

The Ministry of Railways had set up the Rail Land Development Authority (RLDA) in January 2007 to push commercial development of vacant railway land and air space. The land could be developed as commercial, retail mall, institutional, hospitality, or entertainment spaces.
Indian Railways is also planning to monetise land along the tracks through various ways and means. Some of the options being explored include using the land for generation of solar energy, planting trees and making horticulture gardens. Indian Railways also plans to tap the huge potential for advertising that its vast physical infrastructure provides. It has decided to add-wrap over 10,000 trains.

Airports

Investments in 11th Five Year Plan

Investment in airports between Fiscal 2008 and Fiscal 2012 was ~₹ 0.4 trillion, or ~1.5% of overall infrastructure investment. Private participation in airport infrastructure has outpaced government spending, and the government has plans to further boost private investment in greenfield and non-metro airports to support growth in air traffic from smaller cities and towns. Investment in airport infrastructure between Fiscal 2013 and Fiscal 2017 was 19% lower than that between Fiscal 2008 and Fiscal 2012 (~₹ 0.3 trillion), diminishing its share in total infrastructure investment to 1.1%.

Investment in airports at Fiscal 2012 prices in 12th Five Year Plan (Fiscal 2012 prices)

(₹ billion)	Centre	States	Private	Total
Fiscal 2013 (E)	17	-	30	47
Fiscal 2014 (E)	17	1	30	48
Fiscal 2015 (P)	17	1	40	58

Fiscal 2016 (P)	18	1	59	78
Fiscal 2017 (P)	19	1	85	105
Total	88	4	244	336

P – Projected
Plan investments are the budgeted estimates for a particular year
Source: Planning Commission, CRISIL Research

Building

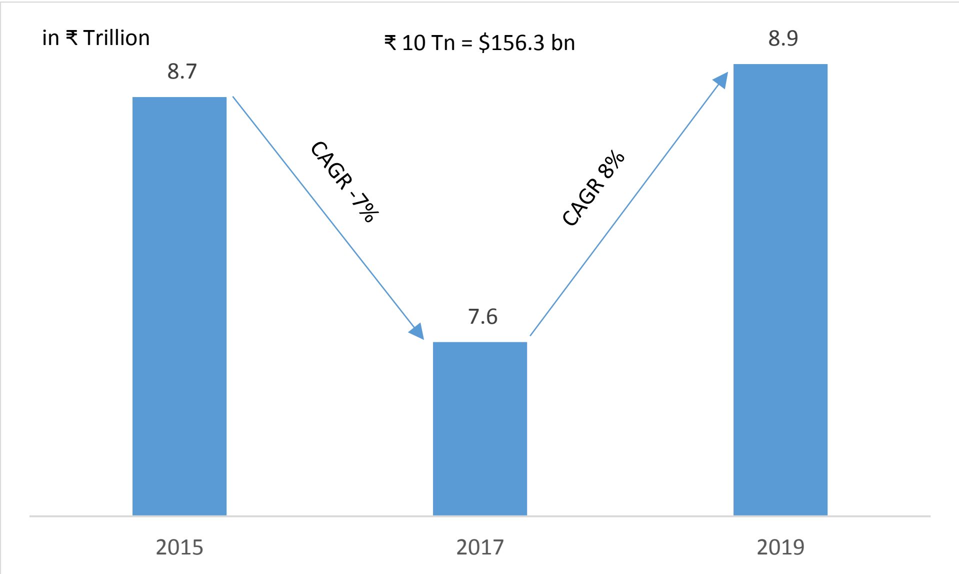
Overview of housing industry in India

The number of households increased from 192 million in 2001 to 247 million in 2011. Housing stock increased from 187 million units to 245 million. Urban stock represents close to one-third of overall housing stock.

While growth in housing stock during the decade (2001-2011) was in line with growth in number of households, in the urban region, the share of pucca houses increased from 75% in 2001 to 92% in 2011. In rural regions, it increased from 33% to 55%.

Indian real estate industry

The real estate industry in India has been considered as a segment inclusive of residential, commercial, retail, hospitality and educational projects. Over the last two years, real estate demand in major cities has been subdued. Average capital values across major micro markets were flat or declined. While capital values are likely to rise marginally, a large part of the industry's growth will be supported by increase in housing stock in both metro as well as non-metro cities. While the select nine cities will continue to dominate the overall housing sector in terms of value, the share of other metro and non-metro cities is expected to increase in the long term on account of implementation of government schemes such as the Pradhan Mantri Awas Yojana - Urban (PMAY-U) and Smart Cities Mission. The Indian real estate industry is projected to post annual growth of 8% over the next two years, to ₹ 8.5-9 trillion by 2019, from ₹ 7.5-8 trillion in 2017.



Source: CRISIL Research

Growth drivers for the Industry

Growth in population: As per Census 2011, India's total population was 1.2 billion and comprised nearly 246 million households. Population grew by nearly 18% during 2001-2011 and is expected to grow by approximately 11% during 2011-2021 to 1.4 billion. Housing demand is estimated to grow in line with population.

Urbanisation: Urbanisation provides impetus to housing demand in urban areas. The share of urban population in total population has been consistently rising over the years and stood at 31% in 2011. People from rural areas move to cities for better job opportunities, education, better life, etc. The entire family or only a few people (generally earning member or students) may migrate, while part of the family continues to hold on to the native house. Nearly 36% of India's population is expected to live in urban areas by 2020, which will drive the demand for housing in these areas. Urbanisation has a twin impact on housing demand. On the one hand, it reduces area per household, and on the other, there is a rise in the number of nuclear families, which leads to the formation of more households.

Nuclearisation: Nuclearisation refers to the formation of multiple single families out of one large joint family; these families live in separate houses, while the ancestral house may be retained or partitioned to buy new houses. Nuclearisation in urban areas is primarily driven by changing lifestyle, rising individualism, changing social/cultural attitudes and increased mobility of labour in search of better employment opportunities. These trends are expected to continue.

Government support through scheme: The government's vision of Housing for All by 2022 provided a push to the housing sector. Some of the schemes implemented by the government are the PMAY, affordable housing, making regulatory authority for the benefit of buyers as well as developers and implementation of GST.

a) **Implementation of Housing for All by 2022:** PMAY was launched on June 25, 2015. The project aims to minimise the housing shortage faced by the urban poor. The Ministry of Housing and Urban Poverty Alleviation has estimated a shortage of nearly 20 million dwelling units for the urban poor. PMAY-U aims to address this by providing central assistance to implementing agencies through states and union territories to all eligible families/beneficiaries by 2022.

b) **Growth in government incentives towards affordable housing segment in the last two years:** Extension of Credit Linked Subsidy Scheme ("**CLSS**") to middle income group. Initially, CLSS benefits were offered only to the economically weaker section ("**EWS**") and lower income group ("**LIG**"). As per the original scheme, those in the EWS with an annual income of up to ₹ 3 lakh per year, and LIG households with an annual income of above ₹ 0.3 million ($4.7 thousand) and up to ₹ 0.6 million ($9.4 thousand) per year were eligible for interest subsidy of 6.5% relief on loans up to ₹ 0.6 million ($9.4 thousand). The Ministry of Housing and Urban Poverty Alleviation released the operational guidelines for the implementation of the CLSS for the MIG on March 22, 2017. The prime minister announced the inclusion the MIG in the scheme during his New Year address to the nation.

c) **Real Estate Regulatory Act (RERA):** This year marked a unique milestone for the real estate sector with RERA coming into force on May 1, 2017. While there has been a mixed response from states in adhering to the stipulated timeline, the Urban Development Ministry's thrust indicates the central government's push towards increasing transparency and making the sector structured and organised. From the date of RERA's implementation, ongoing projects were given three months' time (up to July 2017) to comply with the regulations. RERA will improve transparency and boost timely delivery by introducing penalty for delay.

d) **GST:** Emphasis on value addition; amalgamation of a large number of central and state taxes into a single tax; and set-off allowance of prior-stage taxes will mitigate ill effects of cascading. GST will also allow free flow of tax credit in intra- and inter-state transactions, leading to a leaner and more efficient tax structure.

e) Government support through tax incentives:

a) Tax sops to housing loan borrowers: Tax sops have been instrumental in driving growth in the housing and housing finance sectors. Tax deduction is available for home loans under two sections of the Income Tax Act, 1961 (excluding home loans from private sources such as friends and family).

b) Interest on home loan: As per Section 24 (b) of the Income Tax Act, 1961, annual interest payments of up to ₹ 200,000 (₹ 300,000 for senior citizens) on housing loans can be claimed as deduction from taxable income.

c) Principal repayment of home loan: As per Section 80 C (read with Section 80 CCE) of the Income Tax Act, 1961, principal repayments of up to ₹ 150,000 on home loans are allowed as a deduction from the gross total income. As per Section 80 EE, additional deduction in respect of interest of ₹ 50,000 pa has been provided exclusively for first-time home buyers, given the property value is up to ₹ 5 million, the loan is up to ₹ 3.5 million and the loan has been sanctioned between April 1, 2016, and March 31, 2017.

d) Interest subvention scheme: The CCEA approved a proposal to increase the interest subsidy to 6.5% for loans of up to ₹ 0.6 million the for EWS and LIG beneficiaries under affordable housing through CLSS component of the Housing for All by 2020 mission. In February 2017, benefits of CLSS were extended to include middle-income group households as well.

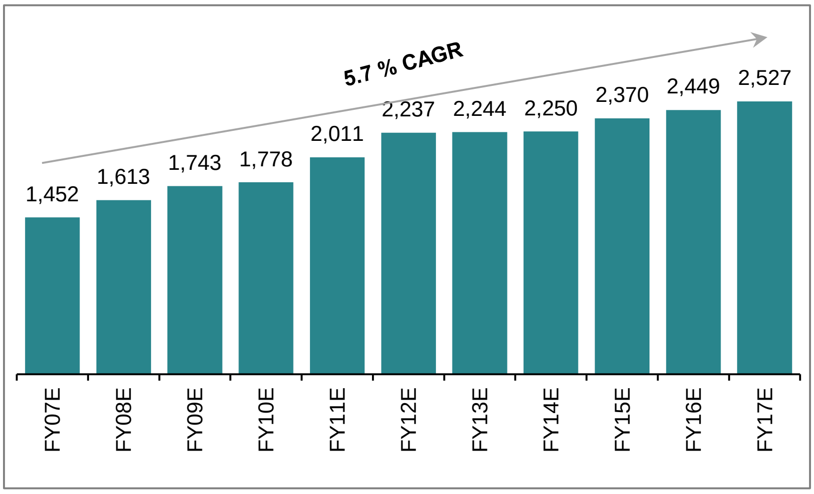
e) Exemption from capital gains: Capital gains from transfer of residential property, if invested in acquiring a residential building (within a defined time frame), are exempt from income tax.

Growth drivers in infrastructure investment

Economic growth, increasing government thrust, preference towards roads in freight traffic, spurt in private participation, and surge in passenger traffic and vehicle density, are key growth drivers for infrastructure investment.

i. Economic growth: Freight traffic growth is a function of economic activity, as it necessitates road development. Primary freight in billion tonne km ("**BTKM**") grew by 6% on-year in Fiscal 2017, compared with a 3.3% growth in Fiscal 2016. Freight demand plunged post demonetisation, and is yet to recover completely. India's GDP growth is estimated to be 7.3% in Fiscal 2019 and increase to 7.4% in Fiscal 2020. This is expected to boost overall freight demand in India.

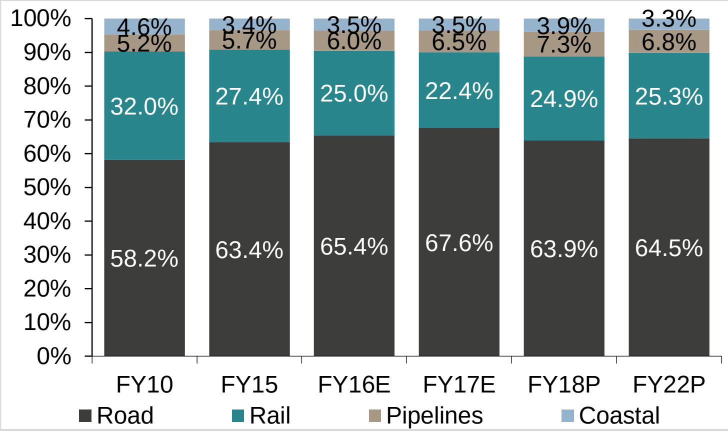
Moderate growth in overall freight demand (BTKM)



Source: CRISIL Research

ii. Roads to continue to dominate freight traffic: Roads continue to dominate freight traffic, with their share in overall freight movement rising steadily to ~64.5% in Fiscal 2017, from ~56.1% in Fiscal 2010. The rise is mainly owing to capacity constraints in railways and robust growth in non-bulk traffic, which is predominantly transported by road. Implementation of GST is important for growth in road freight as many companies have warehouses in each state to avoid additional CST on interstate goods movement, which is inefficient from a transportation point of view. GST would allow companies to aggregate state-based warehouses into one large regional warehouse that would offer cost and operational efficiencies in geographically large markets. More organised logistics players would provide end-to-end logistics solutions and have pan-India presence. Better efficiencies achieved through use of organised logistics partners will lower freight costs and improve timely delivery of goods. As logistical inefficiencies and primary transport costs reduce, the hub-and-spoke model proliferates and service levels improve, road transport will become more competitive than other transport modes.

Share of roads in total freight movement (BTKM terms)

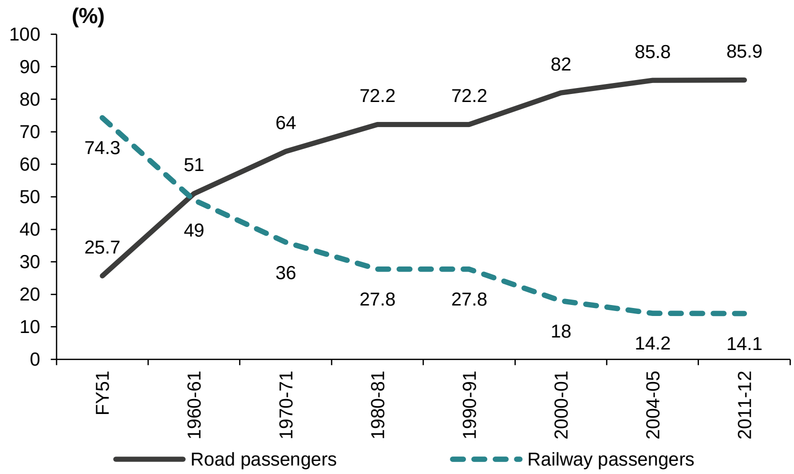


E: Estimates P: Projected

Source: CRISIL Research

iii. Increasing vehicular and passenger traffic: Historically, growth in vehicular and passenger traffic has outpaced increase in total road network. While the number of vehicles rose at a CAGR of ~10.3% between 2001 and 2008, the number of passengers travelling by road increased at 6.4% CAGR. Meanwhile, total road network expanded at 2.6%. This increase in vehicular and passenger traffic is expected to put pressure on the existing road network and necessitate road development. Passenger traffic share for railways has steadily dropped from 74% in Fiscal 1951, to 14% in Fiscal 2012, while passenger traffic share for roads has consistently grown from 26% to 86%.

Passenger traffic: Roads vs. railways

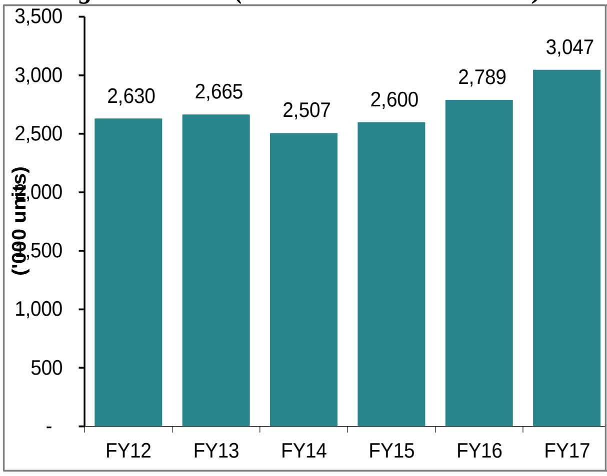


Source: MoSPI, CRISIL Research

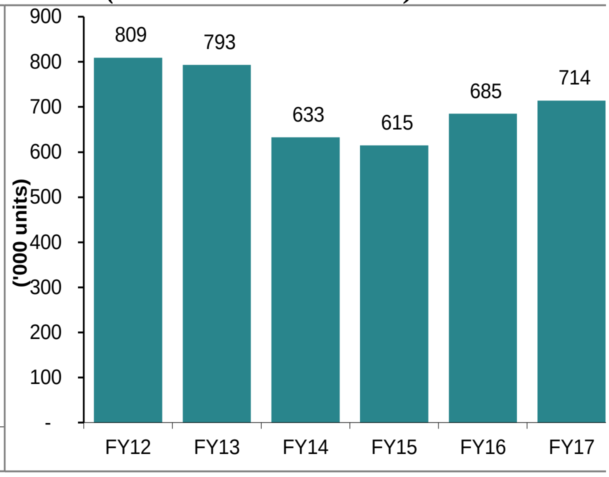
iv. E-commerce logistics - A growth driver for road freight: The e-commerce industry is expected to grow at 28-33% CAGR between Fiscal 2016 and Fiscal 2019, to ~₹ 2.5 trillion. Growth is expected to be driven by segments such as the online marketplace, where players offer discounts, deals, and innovations to attract customers. Further, rising penetration of the internet, increasing use of smart phones (with mobile apps), and increasing consumer awareness should support growth. As the industry grows, players are looking to develop local ecosystems to serve demand across India. As local ecosystems evolve, lead distances would reduce and freight traffic could gradually shift from air freight to roads.

v. Vehicle sales improves, long-term projection looks optimistic: Passenger vehicle sales increased by 9.2% in Fiscal 2017, and are expected to post a strong growth of 10% in Fiscal 2018 on-year, over a high base. GST implementation is likely to positively impact growth by 1.5-2%. Over the long term, domestic passenger sales will be driven by rising disposable income and relatively stable cost of ownership, as crude oil prices stabilise at lower levels. Increased urbanisation, expanding working population and easy availability of finance will support sales. As more households come under the addressable market, sales of small cars are likely to increase, while evolving consumer preferences and introduction of new compact utility vehicles will drive demand within passenger vehicles. Commercial vehicle ("**CV**") sales usually move in cycles; sales bottomed-out in Fiscal 2015, and picked up thereafter. From a peak of over 809,500 vehicles in Fiscal 2012, sales declined owing to weak demand and deteriorating economic output. It picked up from Fiscal 2015 with economic recovery, growing by 3.7% in Fiscal 2016 and 1.4% in Fiscal 2017. In the first quarter of Fiscal 2018, demand was low due to advance purchases made in Q4 Fiscal 2017 to avoid higher prices of BS-IV vehicles. The scenario improved in the second quarter of Fiscal 2018 for multiple reasons. The pent-up demand from Q1 of Fiscal 2018 due to uncertainties in GST implementation, supply constraints due to shift to BS-IV with low base of Q2 of Fiscal 2017, in which industrial output had weakened. Over the long term, CV sales are expected to be buoyant, with the economy picking up, and demand for CVs being robust. Demand for medium and heavy commercial vehicles ("**MHCV**") is expected to grow at a CAGR of 2-4% from Fiscal 2018 to Fiscal 2022 whereas, for light commercial vehicles ("**LCV**") it is expected to grow at CAGR of 9-12% in the same period.

Passenger cars sales (Fiscal 2012 to Fiscal 2017)



CV sales (Fiscal 2012 to Fiscal 2017)



Note: CVs include trucks and buses, but exclude three-wheelers

Source: SIAM, CRISIL Research

vi. Increased private participation: Amendments to the model concession agreement governing private participation in the roads sector in August 2009 made investment in roads more private sector friendly. Consequently, the private sector's share increased to 45% from Fiscal 2013 to Fiscal 2017 in national highways.

vii. Policy changes fuelling growth: The central government has focused on reducing hurdles for new projects and clearing stalled projects, thus reducing delays in construction. In roads, a major cause of delays had been non-availability of land for a part of the project, after construction has begun. This has been managed by the government by ensuring that 80-90% of land has been acquired before awarding.

viii. Sagarmala to aid port based traffic: The central government's Sagarmala project is aimed at reducing logistics cost for export-import as well as domestic trade. The components of the programme are port modernisation and new port development, port connectivity enhancement, port-linked industrialisation and coastal community development. It entails investment of ₹ 8 trillion in 415 projects up to 2035. The preferred mode of awarding projects through this programme will be private participation/PPP.

ix. Make in India to boost traffic: Started in September 2014, the Make in India campaign is directed towards encouraging multinational companies ("**MNCs**") across 25 sectors in the economy to manufacture in India. This will boost overall economic growth, and increase the need for transportation of goods, thus increasing freight traffic. In Fiscal 2016 and Fiscal 2017 combined, India received FDI equity inflow of ₹ 83.5 billion compared with ₹ 55.2 billion in Fiscal 2014 and Fiscal 2015 combined, marking a rise of 51%.

Review of road infrastructure in India

Road sector's contribution to Indian GDP

As of Fiscal 2016, the road transport sector's share in Indian GDP was ~3.2%, which was a marginal decline from Fiscal 2015.

GVA Share (%)	Fiscal 2012	Fiscal 2013	Fiscal 2014	Fiscal 2015	Fiscal 2016
Road transport	3.24%	3.27%	3.26%	3.21%	3.18%

Source: MOSPI, CRISIL Research

Total length and break-up between national, state and rural roads

India has the second-largest road network in the world at 6.1 million km. Roads are the most common mode of transportation, accounting for ~86% of passenger traffic and close to 65% of freight traffic. In India, national highways, with length of close to 103,933 km, constitute 1.7% of the road network, but carry ~40% of total road traffic. State roads and major district roads form the secondary system of roads, carrying 60% of traffic and accounting for 98% of road length.

Road network in India as in Fiscal 2017

Road network	Length (km)	% of total		Connectivity to
		Length	Traffic	
National highway	103,933	1.71	40	Union capital, state capitals, major ports, foreign highways
State highway	161,487	2.65	60	Major centres within the states, national highways
Other roads	5,820,744	95.64		Major and other district roads, rural roads - production centres, markets, highways, railway stations
Total	**6,086,164**	**100.00**		

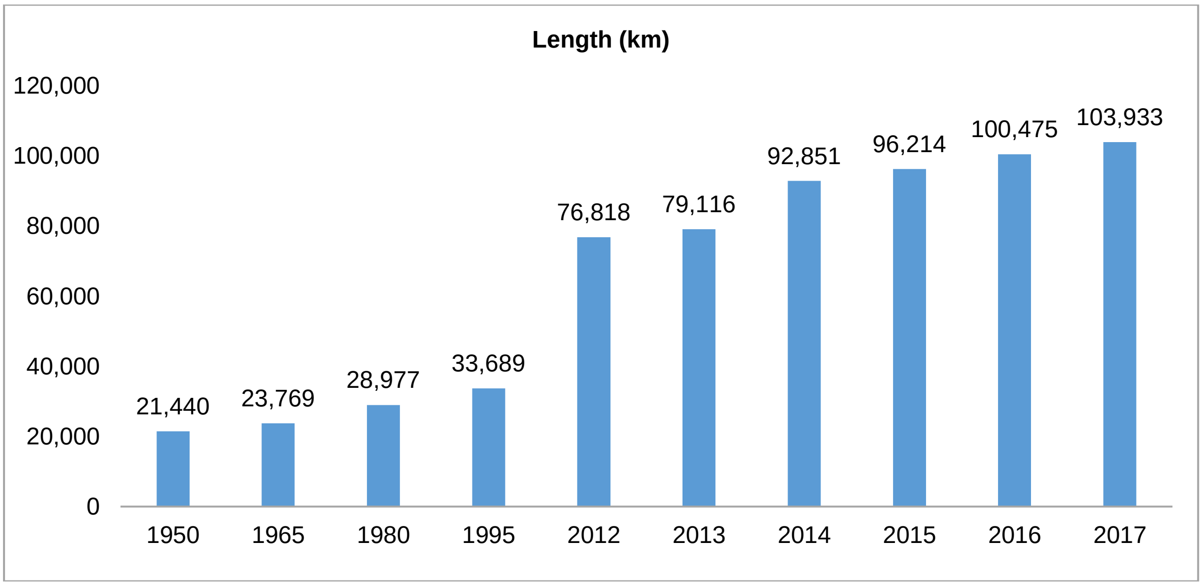
Source: MORTH, CRISIL Research

The government plans to increase the length of national highways to ~200,000 km with the announcement of the Bharat Mala Pariyojana.

National highways

The National Highways Authority of India ("**NHAI**"), the nodal agency under the Ministry of Road Transport & Highways ("**MoRTH**"), is responsible for building, maintaining and upgrading national highways. To develop the national highway network, NHAI launched the NHDP in December 2000.

National highways network



Note: Year represents financial year.
Source: MoRTH

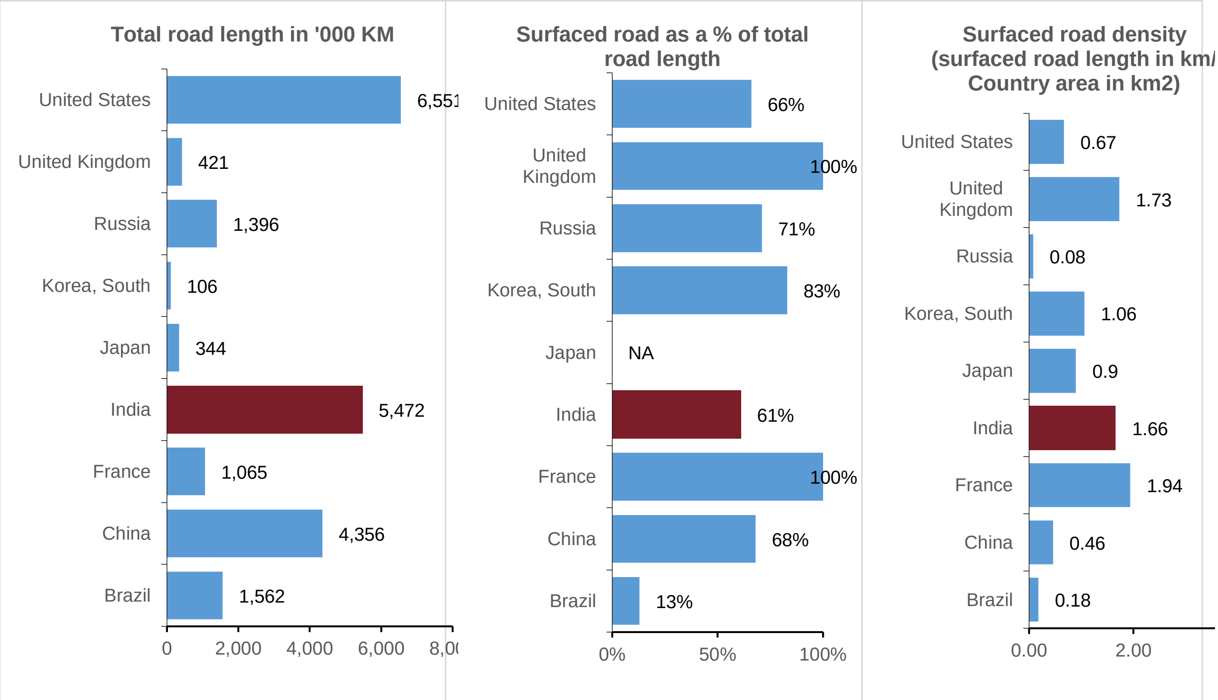
State roads

State roads constitute ~18% of India's total road network and handle ~40% of total road traffic. State roads comprise state highways, major district roads (MDR), other district roads ("**ODR**") and rural roads - which do not come under the purview of the Pradhan Mantri Gram Sadak Yojana ("**PMGSY**"). State roads represent the secondary system of road transportation in India. These provide linkages with national highways, district headquarters of the state and important towns, tourist centres and minor ports.

Rural roads

Rural roads connect rural habitations as well as state and national highways. Of India's 6.1 million km road network, rural roads comprise ~5.5 million km (90%).

Global comparison of road infrastructure



Source: Basic Road Statistics Fiscal 2015 (MoRTH), CRISIL Research

Maintenance need on roads in India

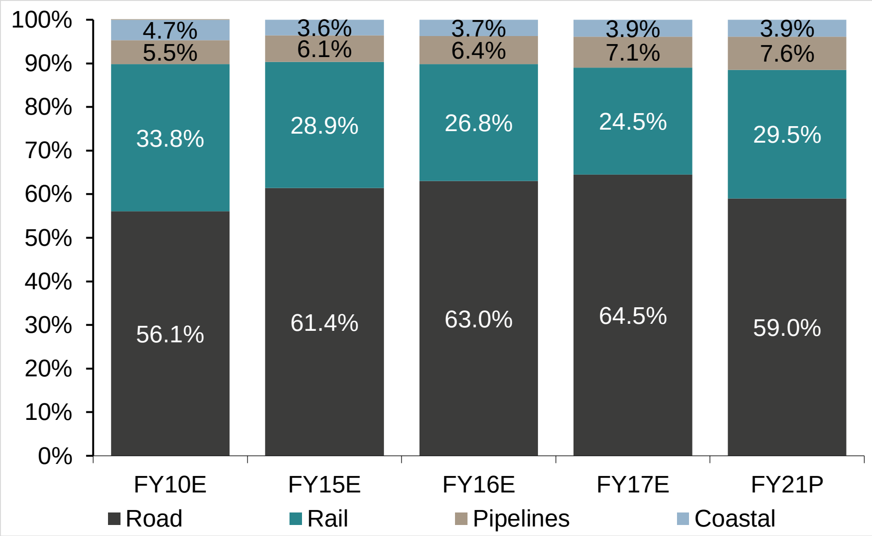
The quality of roads is subpar, with only ~61% of India's road network paved. Stretches that were developed via the PPP route are being maintained to required standards by the concessionaire. Stretches that were developed via utilisation of public funds need to be maintained at adequate service levels by the respective national or state authority. Regular maintenance of bitumen-type roads generally accounts for 1.0-1.5% of the project cost incurred during road construction. Every 5-6 years a road has to undergo major maintenance, which typically comprises 5-6% of the project cost incurred during construction.

Estimated contribution of roads to freight traffic in India

Share of roads in freight compared with other transport modes

Road transport is the most frequently used mode of transport for both freight and passengers. In Fiscal 2017, ~64.5% of total freight was via road when compared with railways. In Fiscal 2010, roads accounted for ~56% of total freight traffic.

Share of roads in total freight movement – in BTKM terms

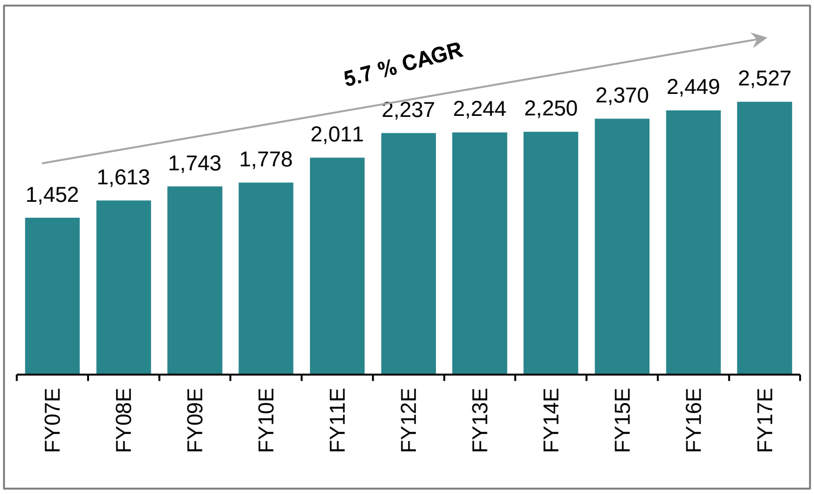


E: Estimated; P: Projected
Source: CRISIL Research

Over the long term, the share of rail freight traffic is projected to increase following operationalisation of the dedicated freight corridors (DFCs) and investments in railway capacity augmentation. Between Fiscal 2017 and Fiscal 2021, rail freight is expected to post a CAGR of 10-12% vis-a-vis 3-5% CAGR for road. Freight traffic will see large-scale shift to rail only post Fiscal 2019 when wagon shortage and capacity constraints abate, following expected operationalisation of the DFCs.

ii. Qualitative coverage on recent freight traffic trends

Freight movement

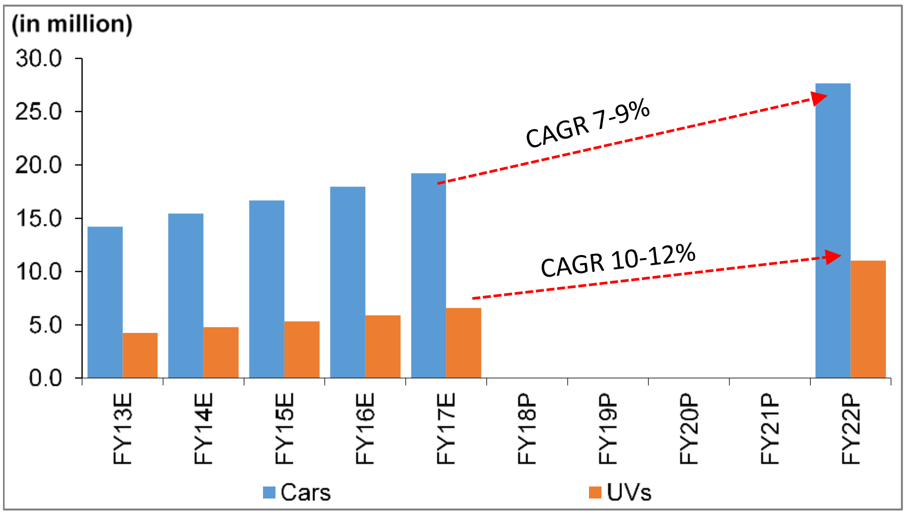


Source: CRISIL Research

Primary freight in BTKM is expected to rise 5-7% on-year in 2017-18, compared with an estimated 2.3 % growth in 2016-17. Rise in primary freight will be largely driven by:

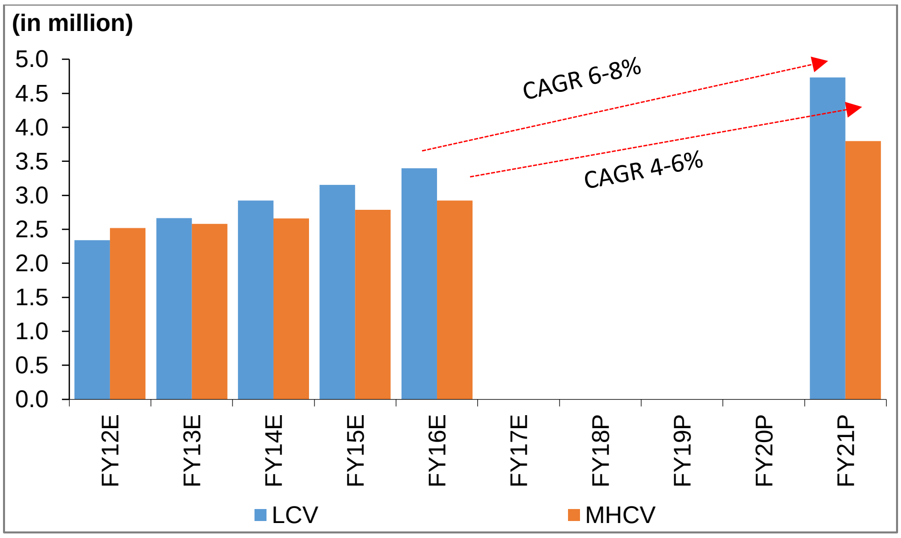
- A 6.3% growth in industrial GDP expected in Fiscal 2018 over Fiscal 2017
- A 3% growth in agricultural GDP in Fiscal 2018 over Fiscal 2017, with expected stable share in imports
- Pent-up demand from demonetisation is expected to support BTKM growth in 2017-18
- Vehicle population's historic growth and outlook

Growth in passenger vehicles



E- Estimated, P- Projected
Source: CRISIL Research

Growth in freight vehicles



E- Estimated, P- Projected
Source: CRISIL Research

Key growth drivers for road sector

Rise in government investments, reforms and higher budgetary support to drive growth in roads sector: Investment in road projects is expected to double to ₹ 10.7 trillion over the next five years. Investment in state roads is expected to grow steadily, and rise at a faster pace in the case of rural roads, owing to higher budgetary allocation to PMGSY since Fiscal 2016. The government has opened up to new avenues of investments, with NHAI launching Masala Bonds on the London Stock Exchange. National Infrastructure Investment Fund (“**NIIF**”), a fund of funds, has been set up by the government; it will have multiple alternative investment funds (“**AIF**”) under its umbrella. Execution of national highway projects has seen good pick-up since Fiscal 2016, aided by policy reforms, after having slowed down in previous two fiscals. Higher budgetary support to fund engineering, processing and construction (EPC) projects will also drive investment in national highways, which have recently witnessed drop in private interest. Government has come out with a new umbrella scheme of Bharat

Mala Pariyojana, which plans to construct over 65,000 km of road projects, taking the length of national highways to ~200,000 km.

Policy changes to drive execution of national highway projects: Execution of national highway projects declined in Fiscal 2013 and Fiscal 2014 owing to private developers' weak financials and unwillingness of lenders to provide further credit to infrastructure companies. To clear the logjam, NHAI terminated projects -- work on ~5,500 km of length was stalled. To put execution back on track, the agency has re-awarded almost 1,000 km of the terminated projects. Moreover, in the past two years, the government announced a host of policy changes to reduce delays in project execution. To offer respite to ailing developers, the government came out with a premium rescheduling policy and allowed promoters to fully exit all projects two years after completion. The Union Cabinet has also allowed NHAI to fund projects, stuck owing to the weak financial health of promoters and where at least 50% of the work has been completed. New amendments to the MCA such as back-ending of premium payments and deemed termination on delay of appointed date have also brought many changes which will reduce delays and improve lender comfort. The CCEA has decided to pay 75% of total payout in those cases where the arbitration tribunals have passed orders in favour of concessionaires in arbitral proceedings and such orders have been further challenged by government agencies. Apart from that, the private party will be rewarded for early completion of project. In the case of EPC, the contractor will receive 0.03% of total project cost for each day by which the project completion date precedes the scheduled completion date, capped at a total of 5%. In the case of HAM, if the concessionaire achieves commercial operation date ("**COD**") over 30 days prior to the scheduled date, it will receive 0.5% of 60% of the bid project cost ("**BPC**") for every 30 days saved in achieving COD. Hence, the government's focus has shifted towards ensuring on-the-ground implementation, instead of merely awarding more projects.

New region-specific initiatives to drive growth in road network: New initiatives have been taken by the government to build state roads. Road Requirement Plan-I ("**RRP-I**") for left wing extremism ("**LWE**")-affected areas and Special Accelerated Road Development Programme for North-Eastern region ("**SARDP-NE**") are two of ongoing projects, covering state roads. MoRTH has set up National Highways and Infrastructure Development Corporation Ltd ("**NHIDCL**"), an organisation that will award national highway projects specifically in border areas and in north-eastern states. Apart from these projects, the Bharat Mala has also been proposed to build new roads along the border.

Healthy economic growth to push road development: With the economy expected to grow at a healthy pace, per capita income is set to improve which will increase demand for two-wheelers and passenger vehicles in India. Initiatives like Make in India and implementation of GST are also expected to add to road freight traffic in India. Rise in two- and four-wheeler vehicles, increasing freight traffic, and strong trade and tourist flows between states are set to augment road development in India. All segments of roads, i.e., national highways, state roads and rural roads, are expected to see higher traffic growth due to faster economic growth.

Increased private participation to boost road development: Government's efforts to put in place appropriate policies, and institutional and regulatory mechanisms, including fiscal and financial incentives, are expected to encourage further private participation in the future, which will boost all segments of roads in India. Cognisant of financial distress of companies that previously participated heavily in BOT projects, the government has introduced a hybrid annuity model ("**HAM**"), which addresses the needs of the private sector and increases their participation. Private investments are expected to flow into new operation and maintenance ("**O&M**") models like toll-operate-transfer ("**TOT**"), which will help existing players shed debt on their balance sheets.

New trends in roads sector

- **Improvement in rate of execution:** The length of roads constructed declined at a CAGR of 3%, from 1,784 km in Fiscal 2011 to 1,576 km in Fiscal 2015 (from ~500 km under NHDP in 2001). In Fiscal 2016, total road constructed/upgraded rose to 2,196 km, and in Fiscal 2017 it went up to 2,625 km mainly due to government's push to clear stalled projects.

- **Improved awarding momentum:** The government has tried to improve the rate of awarding over the years. A significant share of awarding has recently been under HAM, which is expected to increasing going forward.

- **Increasing participation of private equity funds:** Private equity has contributed to road projects in the past. Going ahead, private equity investment could pick up further, following recent announcements of exit policy for debt-stressed operators for toll roads.

- **Re-emergence of EPC contracts:** Given the current financial crunch faced by BOT players, the share of EPC/cash contract projects is expected to widen, especially in low-traffic-volume projects under NHDP-Phase IV, over the next five years.

- **Other sector favourable policies:** These include 100% exit policy for stressed BOT players, providing secured status for PPP projects while lending, proposal to scrap slow-moving highway projects (under consideration), etc.

- **HAM :** HAM has now gathered pace and is likely to improve private participation in the sector. The model has been successful in bringing a new set of players to the private space by mitigating risks related to traffic, interest rate and inflation, and requiring a smaller equity commitment (only 12-15% of project cost).
- **TOT:** TOT model is a new PPP model under consideration by NHAI to spur private participation in the roads sector.

- **OMT:** Apart from NHAI, a few large Indian states have also adopted OMT models, where state road development authorities have invited bids, or awarded state highway stretches to be operated and maintained on OMT basis.

- **ETC lane:** Electronic toll collection enables road users to pay highway tolls electronically without stopping at the toll plazas. Dedicated electronic toll collection ("**ETC**") lanes will help reduce congestion at toll plazas and enable seamless movement of vehicles on the national highways. The ministry has decided to roll out the ETC programme in India under the brand name 'FASTag'.

Issues and challenges for road sector

The importance of roads' sector development cannot be undermined, given the share of roads in the overall transport of goods and passenger traffic. Although the government has been continuously making efforts to accentuate the progress of the sector, several issues and challenges hamper the pace of development. Some of these issues are:

- **Limited financial flexibility of PPP road developers:** Funding constraints and financial stress have thwarted the pace of development in the roads sector. The PPP model for road construction and development acted as a catalyst and provided impetus to the growth of the sector. In Fiscal 2008-Fiscal 2012, of the total 10,600 km of national highways completed under NHDP, 50% was funded through BOT-toll model and 10% through BOT-annuity model. The rise of PPP in the road sector has also had some adverse effects. During 2007 to 2011, which was considered to be the golden age for PPPs in the road sector, road developers bid aggressively to bag more BOT-toll projects. Consequently, developers faced viability issues with the projects in later stages. Issues pertaining to subdued financing, lower traffic and delayed execution have stressed the balance sheets of the developers. The gearing level of many players was high due to sizeable portfolios and some company-specific investments in real estate. For major players, the average gearing in roads-BOT was as high as 4.2 times as of Fiscal 2012. PPP toll projects are now unable to attract further bidders due to the stressed balance sheet of the developers, resulting from unavailability of financing from banks and stuck equity of the developers in the existing projects. As of Fiscal 2014, over 22 PPP projects saw no bidders from the private sector which forced the government to shift to government-funded EPC/cash contract mode. In the case of EPC contracts, the quality of roads constructed has been usually poor as the EPC contractor has no stake in the roads once these are constructed and handed over to the government. Further, maintenance of the roads has been poor after handover to government, as there is no proper accountability on quality of roads in the case of state-owned roads. In PPP projects, the developer is bound to maintain roads in good condition for a longer period of time, i.e., the concession period.

- **Delays in project execution and resultant cost overruns:** Delays in project execution have posed one of the major hurdles in development of the road sector. Delays lead to cost overruns which lower returns for developers as well as adversely affect their debt servicing ability. Reasons for delays are numerous and include issues in land acquisition, environmental clearances, forest clearances, railway clearances, shifting of utilities, religious structures and encroachments. The duration of delay and project cost escalation is on the higher side for projects involving interstate road construction due to involvement of different state agencies.

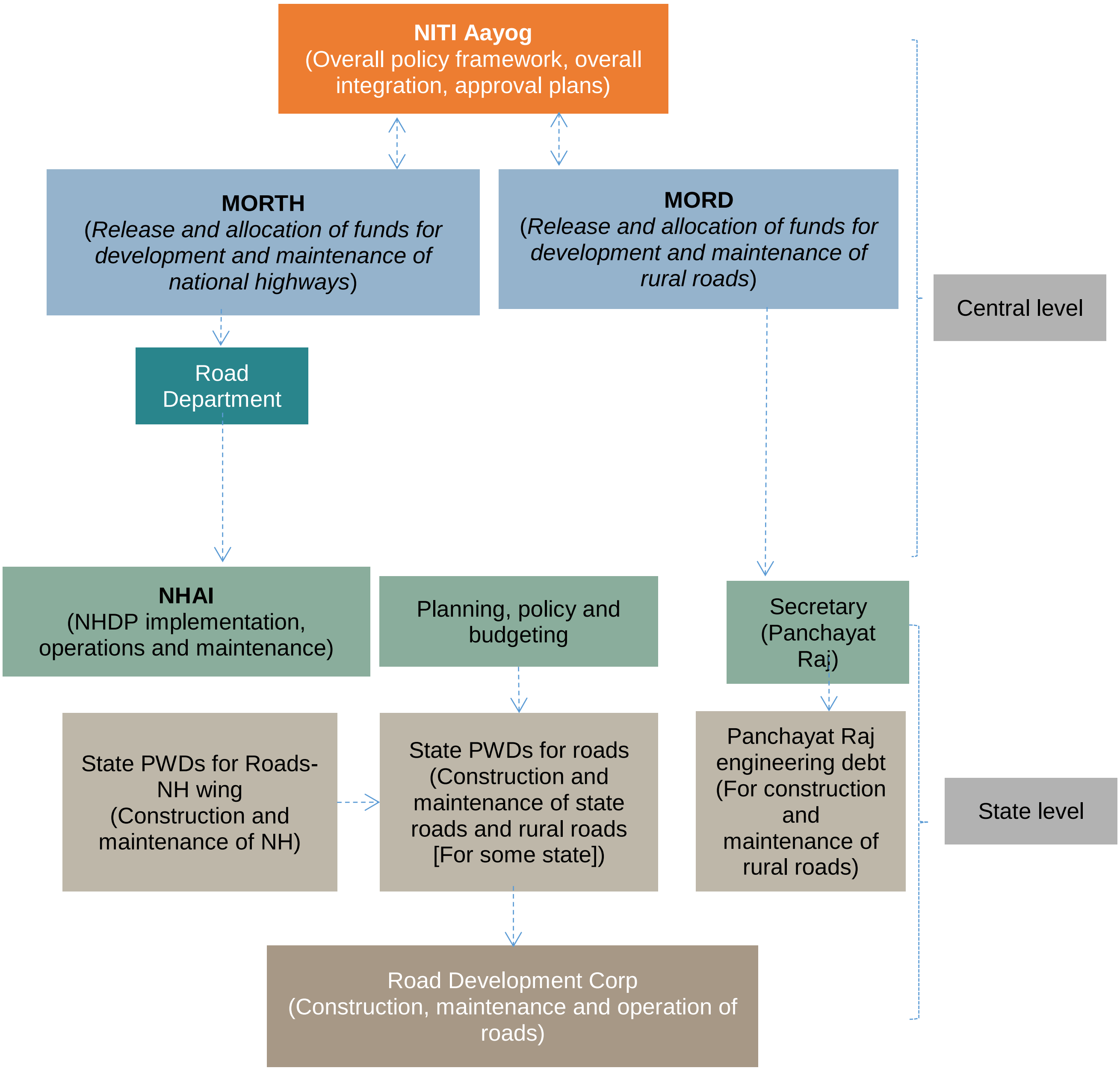
- **Hurdles in bank funding for road projects:** Banks are reluctant to fund road sector projects as they approach sector exposure limits. Moreover, to ensure that delays due to land acquisition do not hinder the progress of a project, they demand 80-100% of the land be available with the developer at the time of the award of the project. Given the dependence of infrastructure projects on banks for funding, projects are not able to take off due to such funding constraints. Moreover, elongated working capital cycle in core construction businesses of many entities has strained their liquidity and increased their dependence on borrowed funds. Operating margin of several road contractors also witnessed pressure due to rising commodity prices (in case of fixed-price contracts) and idling of capacities as execution could not begin on many new projects.

- **Reluctance to accept toll:** The Indian population has not yet completely accepted the importance of tolls for road construction and improvement of service delivery. Also, appeasement of people through provision of subsidies has been a major tool for reaping political gains in India. There have been instances of people, backed by various political groups, opposing toll plazas. Such instances have also affected service delivery within the sector.

Institutional framework for roads at central and state level

NITI Aayog – Apex body for formulating policies

In January 2015, the government replaced the Planning Commission with the National Institution for Transforming India (NITI) Aayog - a multi-tiered structure providing strategic and technical advice to central and state governments. At central level, several line ministries handle transport planning, coordination and policy-setting, with NITI Aayog coordinating the entire effort.



Source: CRISIL Research

At central level, NITI Aayog, in consultation with MoRTH and MoRD, is in charge of policy-framing, programme development and resource planning. MoRTH formulates policies on road transport and development, and maintenance of national highways. NHAI is responsible for implementation, operation and maintenance of national highways. It was constituted and operationalised in February 1995 and given the status of an autonomous corporate body under the control of MoRTH. At state level, overall policy, programme development and resource planning is the responsibility of the state planning cell. The cell has to discharge this responsibility in consultation with the central-level planning commission and the respective state road and transport ministries. NHIDCL is a fully-owned company of MoRTH, incorporated in July 2014. Its mandate is to design, build, operate and maintain the national highways and roads in the north-eastern region and other parts of India that share international boundaries with neighbouring countries. State PWDs and road development corporations ("**RDCs**") are in charge of implementing, operating and maintaining the state highways, major district roads and rural roads in a few states. MoRD is responsible for policy development as well as for monitoring and coordination with the district units for the rural roads. Apart from state PWDs, the Panchayati Raj also implements construction and maintenance of rural roads. Ministries allocate and release funds for development of roads, to the respective implementing agencies.

Policy framework at central level

With inflow of projects solely based on BOT, existing road developers aggressively bid. Many issues came up as the projects were taken up for construction. This stressed the financials of the companies, making further BOT projects unattractive. In a bid to make the roads sector attractive to developers, the government accepted the BK Chaturvedi Committee's recommendations regarding various clauses of the MCA, also accepting the recommended bidding process. It involves changes in grant disbursement, concession fee, termination clause, financial closure, conflict of interest, exit policy, technical capacity, etc. The committee proposed certain changes in the request for qualification ("**RFQ**") pertaining to financial capacity and shortlisting of bidders.

Key policy measures for private participation

To encourage and facilitate private sector investment and participation in the roads sector, the central government has undertaken certain policy measures and provided various incentives within the sector. These are:

- 100% FDI allowed in road sector projects.
- The private party to be rewarded for early completion of project. In the case of EPC, the contractor to receive 0.03% of total project cost for each day by which project completion date precedes scheduled completion date, capped at total 5%. In the case of HAM, if the concessionaire achieves COD over 30 days prior to the scheduled date, then it will receive 0.5% of the 60% of BPC for every 30 days saved in achieving COD.
- Dispute resolution will be in line with Arbitration and Conciliation Act 1996, based on the United Nations Commission on International Trade Law provisions.
- Higher concession period (up to 30 years).
- As per a recent Reserve Bank of India directive, loans for PPP projects can be considered secured, subject to certain conditions.
- CCEA approved the proposal to facilitate harmonious substitution of the concessionaire in ongoing and completed national highway projects. This will expedite implementation of road infrastructure in India and insulate NHAI from heavy financial claims and unnecessary disputes.

Overview of PPP framework and models in operation

PPP is an arrangement between a government/ statutory entity/ government-owned entity and a private sector entity for the provision of public assets and/or public services, through investments being made and/or management being undertaken by the private sector entity, for a specified period of time. There is a well-defined allocation of risk between the private sector and the public entity in this arrangement - the private entity receives performance-linked payments that conform with (or are benchmarked to) specified and pre-determined performance standards, measurable by the public entity or its representative. For broad-based and sustainable growth, the government recognises the need to engage with the private sector through a PPP framework to achieve the following objectives:

- Harness private sector efficiencies in asset creation, maintenance and service delivery.
- Focus on life-cycle approach for development of a project, involving asset creation and maintenance over its life-cycle.
- Create opportunities to bring in innovation and technological improvements.
- Enable affordable and improved services to users in a responsible and sustainable manner.

While the preferred form of PPP model is one in which ownership of the underlying asset remains with the private entity during the contract period, and the project is subsequently transferred back to the public entity on contract termination, the final decision on the form of PPP is taken using the value-for-money analysis.

Types of construction contracts, based on price risk are:

- **Fixed price contracts:** These contracts state the fixed fee or payment (per unit output or whole project) that the contractor receives on completion of a contract. The contractor bears the risk of rise in cost during the construction period. Certain pass-through of higher cost may be allowed in some projects.
- **Cost plus contracts:** These are contracts in which the contractor is entitled to receive a fixed surplus over the project cost borne. The surplus given to the contractor can be in the form of a fixed % over cost or a pre-decided fee over cost. Any increase in cost of the project, during the construction phase, is passed onto the client.

Types of contracts, based on scope of execution are:

Item rate contract: These are fixed price contracts, where the concerned authority provides the detailed design and the estimated quantity of materials. A project is divided into several sub-activities, for which the item-wise quantity of input material to be used is specified in a document called 'bill of quantities'. Bids are invited for the price of each construction activity, based on the items specified. As the aggregate of bid amounts form the total project cost, the lowest bidder wins the project. The bill of quantity document may state the quantity of items such as cement, girders, electric boards, wires, etc to be used, against which the bids are invited.

Lump-sum turnkey contracts ("LSTK"): LSTK contracts are fixed price contracts in which the contractor fixes a lump-sum fee, based on specific project requirements. The client states the project specifications with respect to designs, drawings, technical stipulations, quality of raw material, etc, based on which the contractor provides bids, stating a lump-sum fee for execution.

Design & build contracts: In these type of contract, the authority does a conceptual study of the project to be awarded and specifies the technical output details, based on which the quality of the project will be decided. The developer has to undertake the detail designing and execution of these projects. Both EPC and BOT models were design & build models. A few operational models are as follows:

i. BOT-toll/-annuity/-HAM
ii. EPC
iii. Toll collection
iv. Operate, maintain and transfer (OMT)
v. Toll, operate and transfer (TOT)

ETC is a strategic focus area for regulatory and administrative bodies involved in the process of toll collection as it presents several advantages such as limiting toll leakages, reducing waiting time for vehicles and improving overall traffic flow at toll plazas. In the future, this may result in significant changes in toll collection operating procedures, followed in each of the PPP models.

Types of PPP models

Type of project	Description	Development risk	Financing risk	Traffic risk and accrual of toll fee collection	Net cash outflow for the government	Revenue for private party	Concession period	Award criteria
BOT-toll	Private party builds road, undertakes O&M and collects toll	Concessionaire	Concessionaire	Concessionaire	No	Toll	Around 20-25 years for NHAI	Highest revenue sharing bid
BOT-annuity	Private party builds road, undertakes O&M and collects annuity from the granting authority	Concessionaire	Concessionaire	Authority	Yes, net payment to be made is the difference between the toll collection and the annuity payable	Annuity payment	Around 20-25 years for NHAI	Lowest annuity
BOT-HAM	Private party builds road, undertakes O&M. Gets 40% of payment during construction and 60% as annuity	Concessionaire	Concessionaire	Authority	40% during construction and 60% as semi-annual annuity, net of toll collected	Construction grant plus annuity payments	Around 20 years	Lowest project cost plus O&M cost
EPC	Private party builds road, money is spent by the government	Concessionaire	Authority	Authority	Yes	Contract amount	Not required	Lowest Tariff requested
OMT	Private party collects toll and undertakes O&M	No development except in case of paved shoulders	Concessionaire	Concessionaire	No	Toll	Around 9 years for NHAI projects	Highest % of toll revenues or highest premium per year

Tolling	Private party pays the estimated toll upfront to the authority and collects the toll during concession period	No development	Concessionaire	Concessionaire	No	Toll	Around 1 year for NHAI projects	Highest revenue sharing bid
TOT	Private party pays the estimated toll upfront to the authority, undertakes O&M and collects the toll during concession period	Authority (in case upgradation of lanes is taken up during the concession period)	Concessionaire	Concessionaire	Yes	Toll	30 years	Highest upfront payment

Note: Development risk refers to construction risk in developing a road project; the final terms and key parameters of TOT model, such as scope of work, duration of the project, upfront payment conditions, etc are yet to finalised.
Source: CRISIL Research, NHAI

i. Build Operate Transfer

These contracts are typically PPP agreements, wherein a government agency provides a private player the rights to build, operate and maintain a facility on public land for a fixed period, after which assets are transferred back to the public authority. Funding is arranged by the concessionaire, through a mix of equity and debt from banks and other financial institutions. The concessionaire charges a fee to the users of the project/facility, and may either transfer the entire user fee collected to the authority or may retain the entire amount as revenue. BOT contracts are classified into the following types:

- **Annuity-based contract:** The concessionaire is responsible for construction and maintenance of the project during the concession period. The concessionaire collects the user fee and transfers it to the public authority. Variability in the user fee gives rise to revenue risk, borne by the authority. The concessionaire generates revenue through fixed annuity payments received from the authority, over the concession period. Since this annuity payment is a cost to the authority, the contract is awarded to the lowest bidder. Toll charged under these contracts are generally regulated by a policy or a public agency. For example, the NHAI toll policy regulates toll charged in road projects, while Tariff Authority for Major Ports ("**TAMP**") regulates port charges.

- **Toll-based:** The concessionaire is responsible for construction and maintenance of the project, post which the project's ownership is transferred to the public authority. Toll collected is retained by the concessionaire and not transferred to the authority. Therefore, the concessionaire bears revenue risk during the concession period. Like in BOT annuity-based projects, toll charged under these contracts is generally regulated by a policy or a public agency. For example, the NHAI toll policy regulates toll charged in road projects while TAMP regulates port charges.

- **HAM:** This is a mix of engineering, procurement and construction ("**EPC**") and BOT (annuity) model. In this model, total project cost is shared between the authority and the concessionaire in the 40:60 ratio. This model aims to lower the financial burden on the concessionaire during project-implementation phase. Compared to EPC projects, the shift to HAM will ease cash flow pressure on NHAI. It will lower project risk for developers because NHAI will bear the risk of traffic volumes. It will also help developers participate in more projects given that equity contribution per project will be lower. This model will also encourage banks to lend to road projects due to NHAI's involvement. HAM was approved by the CCEA on January 27, 2016.

Viability Gap Funding ("VGF")

VGF was a method used by the government for awarding a few BOT projects. Those projects which generally were expected to have traffic numbers insufficient to compensate costs to the developer were provided an additional grant from the government for execution. The bidder quoting the lowest grant used to be awarded the project. The number of projects which got such a grant fell from a high of 23 projects in Fiscal 2010 to only 2 projects in Fiscal 2016 and 0 projects in Fiscal 2017. Upto Fiscal 2012, rise in bidding aggression led to fall in number of projects receiving VGF. From Fiscal 2013 to Fiscal 2015, awarding numbers of NHAI fell and since Fiscal 2016 the majority of the projects that have been awarded by the central government have been on EPC basis. In the HAM model, which in a way is VGF, the government provides 40% of total cost incurred by the developer during the construction period.

Variations of BOT contracts

1. **Build-own-operate-transfer (BOOT):** Under a simple BOT contract, revision of user fee is decided by the government agency (client). Therefore, the operator does not have incentive to further invest in the project post construction. Under the BOOT model, ownership of the project is transferred to the developer for the concession period. The transfer of ownership provides the developer flexibility to revise user fees when required and therefore, maintain the project's viability. This encourages the developer to invest more capital in the project, if required, to enhance revenues. This type of model is used in power projects where the developer is allowed to retain ownership and operations of the project for the concession period, post which the project is transferred to the government. The BOOT model can also be implemented in port projects as the operator may need to expand the port's capacity, based on traffic requirements, which would improve its revenue from port fees.

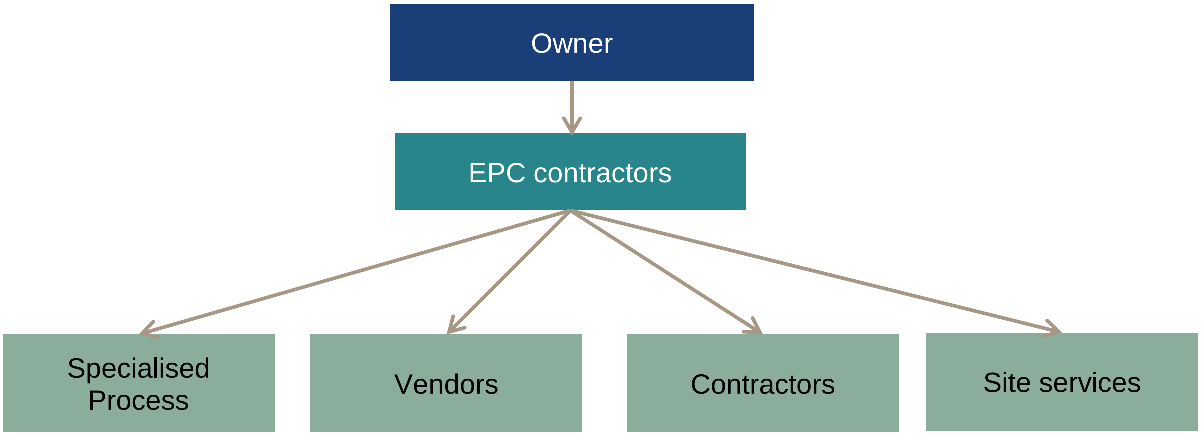
2. **Build-transfer-lease-operate (BTLO):** Under this model, once project construction is over, the developer is granted the lease to operate the project for a fixed lease payment to the authority. Lease payment terms are specified in the BTLO contract at initiation and generally take the form of annual payments. The developer operates and manages the project during the lease period and earns returns via user fees, which may be shared with the public authority, based on the terms of the contract. This approach is common in highway and airport projects, where the project is leased back to the developer, for a stipulated period.

3. **Build-operate-own (BOO):** BOO contracts are being increasingly adopted to attract private sector investments in projects of varied sectors such as water and waste water, transportation, engineering and power transmission. BOO contracts are similar to BOT/BOOT contracts, barring the fact that the asset remains with the bidder for an indefinite period, rather than being transferred back to the client at a pre-defined date.

ii. Engineering Procurement and Construction

EPC contracts are fixed-price contracts. Technical parameters, based on the desired output, are specified in the contract. The contractor undertakes the responsibility of designing the project, through an in-house design team or by appointing consultants. Unlike item rate and LSTK contracts, the contractor is allowed to innovate on the design of the project. Based on designs, the contractor draws up cost estimates and accordingly bids for the project.

EPC contracts



Source: CRISIL Research

Setu Bharatam project will improve EPC business

The project, spread over 19 states, aims to make all national highways free from railway level crossing by 2019 to ensure safety and seamless travel. It entails investment of ₹ 50,800 crore and involves 208 rail-over bridges and rail-under bridges to be built in place of railway crossings at a cost of ₹ 20,800 crore, with the remaining ₹ 30,000 crore used to widen, rehabilitate or replace 1,500 decades old, weak and worn-out bridges.

iii. Toll collection

Toll collection as a separate business model evolved in 2009. Under this model, the authority invites bids from private players for collection of toll on roads constructed under EPC and BOT-annuity. It is used for short-duration projects, typically lasting 12 months. The private player with the highest bid is awarded the project. The user fee is pre-determined by the contracting authority. The right to collect user fees during the concession period lies with the private player; a contract of this category involves negligible to minimal road construction and maintenance. With NHAI, state authorities and municipal bodies, developers are also outsourcing toll collection to private players, to recognise revenue upfront. Toll management companies recover their investments and make profits from toll receipts. A typical bidding process adopted by NHAI and state authorities has been outlined below.

Bidding process of NHAI

NHAI introduced the OMT model for roads in India and, since then, has awarded the maximum number of OMT projects. NHAI awards OMT projects under a two-stage process - **qualification stage** and **bid stage**

1. **Qualification stage:**

- NHAI solicits applicants' qualifications through the RFQ, for a fixed number of OMT projects and road length, to ease the process at the bid stage.
- The aim of the qualification stage is to evaluate the technical and financial capability of the applicants and decide their eligibility for various categories of OMT projects based on estimated project cost. Estimated project cost is specified by NHAI for all OMT projects and includes all costs expected to be incurred during the project such as cost of major / minor maintenance works, construction of toll plazas, manpower cost, and incident management costs.
- At the time of applying for qualification, the applicant is expected to indicate the estimated project cost for which he wishes to be qualified, which should be over ₹ 200 million.
- At the end of the qualification stage, NHAI gives out a list of qualified applicants, with specific estimated project costs which qualifies them for participation in the bidding stage. The qualification is typically valid for 12 months.

- To be eligible for qualification and shortlisting, an applicant is expected to fulfil certain minimum technical and financial criteria:

  – **Technical capacity –** The applicant should have experience of five financial years, prior to the date of application, of paying or receiving payments for construction or paying for development or collection and appropriation of revenue of PPP projects in the highways* or core sectors* (with capital cost of over ₹ 50 million).

– **Financial capacity –** In the financial year preceding immediately, the applicant is required to have minimum net worth of the following amounts:
  - For an estimated project cost of less than ₹ 20 billion – 25% of the estimated project cost
  - For an estimated project cost between ₹ 20 and ₹ 30 billion – ₹ 5 billion plus 50% of the amount by which the estimated project cost value exceeds ₹ 20 billion
  - For an estimated project cost value of over ₹ 30 billion – ₹ 10 billion plus 100% of the amount by which the estimated project cost value exceeds ₹ 30 billion

In the case of a consortium, the combined technical and financial capacity of the members is evaluated. The concessionaire is required to engage an experienced O&M contractor or hire qualified and trained personnel to undertake O&M activities. No separate applications are needed for qualification for OMT projects, which are part of the RFQ. A pre-application conference is also convened by NHAI, wherein applicants can seek clarifications as well as make suggestions for consideration by the authority. As per the RFQ recently published by NHAI, the highways sector includes highways, expressways, bridges, tunnels and airfields; core sectors include power, telecom, ports, airports, railways, metro rail, industrial parks/estates, logistic parks, pipelines, irrigation, water supply, sewerage and real estate development.

2. Bidding stage:

Unlike the qualification stage, where qualification is evaluated for multiple OMT projects at one go through RFQ, bidding is carried out separately for each OMT project. A request for proposal ("**RFP**") is floated for every OMT project, post which the bidders (applicants qualified at the qualification stage) will be asked to submit their financial bids for the projects after detailed analysis of the project's value. Site detail report as well as concession agreements are also given out in this stage for perusal by qualified bidders. The project is awarded to the bidder who quotes the maximum first year concession fee to be paid to NHAI or the lowest O&M support required (in case toll revenue from the project is lower than operational expenditures). Till date, all awarded projects have resulted in significant concession fees being paid by concessionaires to NHAI.

v. Operate, maintain and transfer (OMT)

OMT was introduced to assure road users of adequate quality and safety. An OMT project entails a contract for the right to collect toll besides a contract for O&M of the stretch. The scope of work for OMT contracts under MCA includes the following:

- O&M of the stretch/ section of highway
- Tolling of the section
- Construction of project facilities such as toll plazas, street lighting, medical aid posts, traffic aid posts and bus shelters
- Any major maintenance work (necessary in long-term contracts, not mandatory in short-term contracts)

This model provides consistent revenue (in terms of concession fee by private parties) to NHAI as well as just-in-time (JIT) maintenance of the project. It includes performance-based maintenance, periodic maintenance, routine maintenance (minor repairs, cleaning of carriageways, shoulders, cross drainage structures, etc.), road property management and incident management. In this type of arrangement, toll collection rights are given to the private operator which form the sole source of revenue. Road development agencies are looking forward to generating revenue by awarding OMT contracts. Such revenue is planned to be used to upgrade other roads, and/or for maintenance of roads with low-volume traffic. OMT projects provide opportunity for firms from the private sector who are not willing to take up construction risk and cannot bring in large investments, but can take traffic risk. From a developer's perspective, OMT projects offer an opportunity to synergise existing projects by taking up OMT contracts on the same corridor. From an investor's perspective, such projects are equivalent to design, build, finance, operate and transfer ("**DBFOT**") toll-based concessions in terms of traffic risk, but without construction risk. Investments in such projects would carry benefits similar to investments in DBFOT (toll) projects during the operation period. OMT projects have financial liabilities, principally towards road development agencies, unlike capital-intensive DBFOT (toll) projects, where financial liabilities of the project are borne by the road development agencies as well as by lenders. The ticket size of OMT projects, which is 1/10th the size of a DBFOT (toll) project, is smaller, so a pool of such projects is required to attract larger investors. The creation of such a pool of projects has other advantages such as the hedging of traffic risk. The medium concession period in OMT projects (5 to 10 years) is another factor that might attract private equity funds to such schemes.

Bidding process of state authorities

Like NHAI, the Bihar State RDC (BSRDC) and the Madhya Pradesh RDC (MPRDC) follow a two-stage bidding process (qualification stage followed by bidding stage). In the first stage, the authorities qualify applicants through an RFQ process, based on technical and financial strength. Unlike NHAI, which undertakes qualification of a number of OMT projects in one single process (through an RFQ stage), qualification for every single OMT project of MPRDC and BSRDC is typically carried out separately. In the second stage (bidding stage), which mirrors the NHAI process, bids are invited from qualified applicants and the project is awarded to the bidder which quotes the maximum concession fee or minimum O&M support from the authority. The Karnataka RDC follows a single-stage bidding process wherein qualification and evaluation of financial bids are undertaken.

vi. Toll, operate and transfer (TOT)

The TOT model is a new PPP model under consideration by NHAI to spur private participation in the roads sector. In this model, globally, the concessionaire pays a one-time concession fee upfront (lump sum) in the operations and tolling phase. The TOT concessionaire will be allowed to operate and toll the project stretch for the concession period. Any capital improvement required may be taken up by the concessionaire as a part of the agreement in the TOT model. These elements may be modified by NHAI. The key differences between tolling and TOT models are:

- In the tolling model, the concession period is typically of a shorter duration (~one year for NHAI projects) whereas in the TOT model, the concession period is longer (~30 years).
- In the TOT model, the concessionaire has the responsibility to operate the project stretch, which is not the case in the tolling model.

In October 2017, the government came out with the first bundle of road projects, comprising nine road stretches. The government plans to come out with at least one more bundle of projects by end Fiscal 2018. The set of 75 stretches shortlisted by the government to be awarded on TOT mode is expected to accrue ~₹ 400 billion for NHAI.

Key initiatives and overview on HAM

MORTH released the standard concession agreement and RFP for HAM for private-public partnerships in road construction in June 2016. HAM is a mix of the EPC and BOT (annuity) models. The broad contours of the policy are:

- 40% of total project cost to be funded by the government and the remaining by the developer.
- The project cost will be linked to inflation.
- The 'construction support' is to be disbursed in five equal instalments of 8% each, and the timing of each such payment shall be linked to % of project cost spent by the concessionaire.
- Traffic risk will be borne by the government with developers receiving fixed annuities.
- Annuities will be linked to bank rate plus 3%.

Impact

HAM will improve private participation, project awards: Elimination of traffic risk will provide stable cash flows to developers and ensure timely debt servicing for bankers. HAM shifts traffic risk to NHAI from the concessionaires, with developers being provided fixed annuities on a predetermined schedule. Debt servicing, which is generally challenging during the initial years of the concession period for BOT (toll) projects, is set to become easier with the receipt of fixed annuity payments. Elimination of traffic risk is also a positive, given the bitter experience of road developers, where actual base traffic and traffic growth were lower than estimated. Typically, 2% point decline in traffic growth leads to ~150 basis points ("**bps**") decline in projects IR₹₹ Linking construction and maintenance costs to inflation and ensuring timely availability of land will mitigate cost overrun risks. In the past, cost overruns impacted project returns. An analysis of projects completed between Fiscal 2009 and Fiscal 2014 shows a 45% cost overrun for a sample of 51 projects, aggregating to 3,350 km. The aggregate cost overrun works out to ~₹ 100 billion for these projects. Typically, 1-year reduction in the concession period owing to project completion delays can reduce project returns by 120-150 bps and 10% increase in cost can lower project returns by ~100 bps. In order to address cost overruns, the government has linked construction and O&M costs to inflation. The issues related to delays in land acquisition, which have been the industry's Achilles' heel, have been addressed with projects being awarded only after 80% of the land required is in possession of the awarding agency. In the past, there used to be discrepancies between project costs quoted by NHAI and project loans taken by developers, due to the factoring in of cost overruns by developers into their own cost estimates. This posed a challenge to bankers in case of project termination as compensation was provided by NHAI only on its approved cost. With project cost being dynamically linked to inflation, banker's risk has reduced.

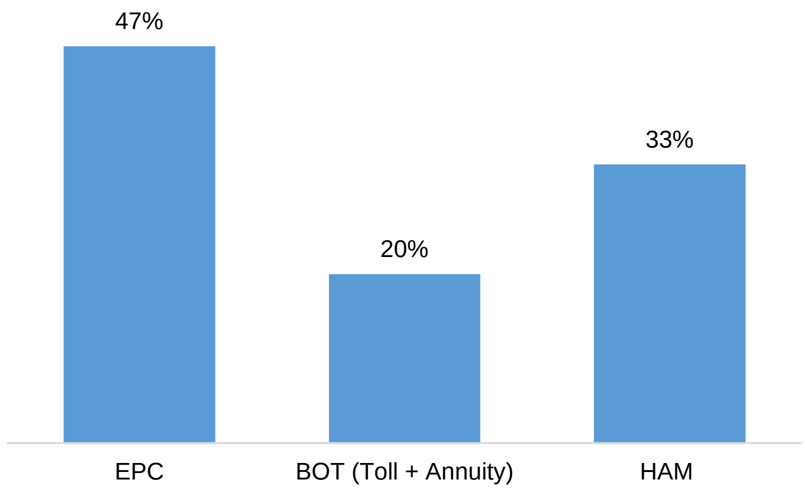
Lower equity contribution requirement to increase private players' ability to bid for projects: With the government incurring 40% of the project cost, HAM calls for lower equity contribution from the developer's side ~15% compared to ~25% for BOT (toll) projects. This is beneficial, given the current weak financial position of road developers. Further, with NHAI's equity stake in the project, banker comfort in lending to the project increases.

Developers' interest rate risk to reduce: HAM provides for bi-annual interest rate payments to concessionaires on the reducing balance of project completion cost, at an interest rate equal to the applicable bank rate plus 3%. This lowers risk for the developer, in terms of interest rate volatility.

Low risk model to provide moderate returns: Low risk and lower capital requirements are expected to attract private players, with developers targeting returns of 11-13%, given the lower risk and assuming moderate competition. Lower competition is mainly on account of the stretched financials of many developers.

HAM to boost private investments in national highways over next 5 years: HAM is expected to increase gradually with private participation in the roads sector, which declined in the past 2-3 years. Due to delays in land acquisition, and caution shown by lenders in initial phases for lending to HAM, awarding remained at 4,337 km in Fiscal 2017, compared to 4,349 km in Fiscal 2016. Of total projects awarded in Fiscal 2017, ~2,434 km were awarded through HAM. Due to this, private participation stood at 66% in Fiscal 2017. This was higher than the ~28% private participation seen in Fiscal 2016. NHAI project execution is expected to gather steam and touch ~2,900 km in Fiscal 2018, from ~2,625 km in Fiscal 2017. The share of private investments is expected to remain low because of execution driven by EPC, where entire investments are through public funds, and HAM, where 40% of investments are through public funds.

Expected investment in national highways through different models:



Of the ₹ 4.3 trillion expected to be invested in national highways up to Fiscal 2022, ₹ 1.4 trillion is expected to be through HAM.

Projects awarded under HAM

Sr. No	Stretch	NH No	Length (km)	Total Project Cost (Rs. Million)	State Name	Award Date	NHDP Phase	Agency
1	Delhi - Meerut Expressway (PKG-3)	NH-24	22	10,816	Delhi & Uttar Pradesh	Jan-16	VI	APCO Infratech Pvt Ltd - Chetak Enterprise Ltd
2	Delhi - Meerut Expressway (PKG-1)	NH-24	9	7,014	Delhi & Uttar Pradesh	Jan-16	VI	Welspun Enterprises Ltd
3	Meerut - Bulandshahar	NH-235	61	6,832	Uttar Pradesh	Jan-16	IV	APCo Infratech Pvt Ltd
4	Four laning of Rampur - Kathgodam (PKG-II)	NH-87	45	7,200	Uttar Pradesh and Uttarakhand	Mar-16	III	Sadbhav Infrastructure Project Ltd
5	Four lane standalone Rind Road / bypasses for Nagpur City (PKG-II)		28	5,917	Maharashtra	Mar-16	VII	MEP Infrastructure Developers Ltd and Sanjose India Ifrastructure & Construction Pvt Ltd
6	4 laning of Gagalgeri - Saharanpur - Yamunanagar (UP/ Haryana Border	NH-73	51	16,680	Uttar Pradesh	Mar-16	IV	MBL Infrastructure Ltd
7	Four lane stand alone Rind Road / bypasses for Nagpur City (PKG-I)		34	5,460	Maharashtra	Mar-16	VII	MEP Infrastructure Developers Ltd and Sanjose India Ifrastructure & Construction Pvt Ltd
8	Four laning of Rampur - Kathgodam (PKG-I)	NH-87	43	8,990	Uttar Pradesh	Mar-16	III	Sadbhav Infrastructure Project Ltd
9	4 laning of Chultmalpur - Ganeshpur and Roorkee - Chutmalpur- Gagalheri	NH 72-A &73	53	14,430	Uttarakhand and Uttar Pradesh	Mar-16	IV	MBL Infrastructure Ltd
10	Construction of 4 Lane Laddowal bypass linking NH-95 with NH-1		17	3,920.00	Punjab	May-16	VII	Eagle Infra India Ltd
11	Four laning of Una - Kodinar	NH-8E	41	7,630.80	Gujarat	May-16	IV	Sadbhav Infrastructure Project Ltd
12	Four laning of Talaja - Mahuva	NH-8E	45	8,346.40	Gujarat	May-16	IV	MEP Infrastructure Developers Ltd and Sanjose India Infrastructure & Construction Pvt Ltd
13	Four laning of Kagavadar - Una	NH-8E	41	7,236.40	Gujarat	May-16	IV	Agroh Infrastructure & Developers Pvt Ltd
14	Four laning of Bhavnagar - Talaja	NH-8E	48	9,981.80	Gujarat	May-16	IV	Sadbhav Infrastructure Project Ltd
15	six laning of greenfield proposed Udaipur Bypass	NH-8	23.88	7,259.50	Rajasthan	Jun-16	V	MBL Infrastructure s Ltd
16	Four laning of Mahuva to Kagavadar section of PKG-III	NH-8E	40.02	7,632.30	Gujarat	Jun-16	IV	MEP Infrastructure Developer Ltd & San Jose India Infrastructure and Construction Pvt Ltd
17	Salasar - Nagaur section of NH-65	NH-65	119.59	6,371.80	Rajasthan	Jun-16	IV	Dineshchandra R Agrawal Infracon Pvt Ltd
18	4 laning of Kodinar to Veraval section of NH-8E	NH-8E	41.74	8,299.70	Gujarat	Jul-16	IV	Agroh Infrastructure & Developers Pvt Ltd
19	Four laning / Two Laning with PS of Dausa - Lalsot - Kauthun section of NH-11A	11A Extens	83.45	6,887.00	Rajasthan	Jul-16	IV	PNC Infratech Ltd
20	Two laning with formation of Four Lane of proposed Shimla Bypass (Kaithlighat to Shimla Section)	22	27.45	15,831.80	Himachal Pradesh	Aug-16	III	Chetak Enterprises Ltd
21	4 laning of Lucknow - Sultanpur section of NH-56	56	138.9	16,619.40	Uttar Pradesh	Aug-16	IV	Dilip Buildcon Ltd
22	4/ 6 Laning of Kharar to Ludhiana section NH-95	95	76.01	13,883.40	Punjab	Aug-16	V	Ashoka Concessions Ltd
23	4 Laning from Phagwara to Rupnagar	344A	80.82	11,696.10	Punjab	Aug-16	Others	GR Infra Projects Ltd
24	Two/Four laning of BRT Tiger Reserve Boundary to Bangalore section of NH-209	209	170.92	9,506.90	Karnataka	Sep-16	IV	Sadbhav Infrastructure Ltd
25	Four Laning of Binjhabahal - Telebani	6	78.31	10,089.60	Odisha	Oct-16	IV	Oriental structural Engineers Pvt Ltd
26	Four Laning of Tarsod - Fagne section of NH-6	6	87.3	10,648.80	Maharashtra	Nov-16	IV	MBL Infrstructure Ltd - Agroh Infrastructure Developers Ltd
27	Four laning of Chikhali - Tarsod section of NH-6	6	62.7	10,716.10	Maharashtra	Nov-16	IV	Viswaraj Environmental Pvt Ltd
28	2 Laning with PS of Gadu - Porbander	8E	92	4,171.90	Gujarat	Dec-16	IV	Kalthia Engineering & Construction Ltd
29	Six laning from 401.200 to Km.494.410 of NH-8 (PKG-6)	8	93.21	1,251.11	Gujarat	Jan-17	V	Atlanta Ltd
30	Four laning of Tuljapur Ausa (including Tuljapur Bypass)	361	67.42	9,041.60	Maharashtra	Feb-17	IV	Dilip Buildcon Ltd
31	Four lanning of Bodhare - Dhule	211	67.23	7,446.40	Maharashtra	Mar-17	IV	Sunil Hi-Tech Engineers Ltd - Varaha Infra Ltd
32	Six Laning of Ranastalam to Anandapuram	4	47	10,416.20	Andhra Pradesh	Mar-17	V	Asoka Concessions Ltd
33	Six laning of Hubli - Haveri	4	63.4	9,854.10	Karnataka	Mar-17	V	Montecarlo Ltd
34	Delhi - Meerut Expressway	24	19.38	14,019.30		Mar-17	VI	APCO Infratech Pvt Ltd - Chetak Enterprises Ltd
35	Four lanning of Waranga - Mahagaon	361	66.88	10,597.30	Maharashtra	Mar-17	IV	Sadbhav Engineering Ltd
36	Four lanning of Wardha - Butibori	361	59.19	10,304.40	Maharashtra	Mar-17	IV	Dilip Buildcon Ltd
37	Four lanning of Yavatmal -Wardha	361	64.92	9,883.40	Maharashtra	Mar-17	IV	Dilip Buildcon Ltd
38	Four lanning of Mahagaon - Yavatmal	361	80.19	10,980.60	Maharashtra	Mar-17	IV	Dilip Buildcon Ltd
39	Six laning of Davanagere -Haveri	4	78.92	8,315.80	Karnataka	Mar-17	V	IRCON International Ltd
40	Four Laning of Singhara - Binjhabahal	6	103.79	10,972.50	Odisha	Mar-17	IV	Montecarlo Ltd
41	Six laning of Chitradurga -Davanagere	4	72.7	9,989.80	Karnataka	Mar-17	V	PNC Infratech Ltd
42	Six laning of Handia - Varanasi	2	72.39	20,649.90	Uttar Pradesh	Mar-17	V	G.R.Infraprojects Ltd
43	Four laning of Jhansi - Khajuraho(PKG-II)	75&76	85.4	11,847.10	Madhya Pradesh[84.70]/Uttar Pradesh[.70]	Mar-17	III	PNC Infratech Ltd
44	Four laning of Jhansi - Khajuraho(PKG-I)	75&76	76.61	13,732.80	Madhya Pradesh[19]/Uttar Pradesh[57]	Mar-17	III	PNC Infratech Ltd
45	Four Laning of Cholopuram - Thanjavur	45C	47.835	9,188.70	Tamil Nadu	Aug-17	IV	Patel Infra
46	Six laning of Aunta-Simaria	31	41.835	7,853.80	Bihar	Sep-17	-	Welspun Enterprises Ltd
47	Four Laning of Sethiyahopu - Cholopuram	45C	50.48	10,171.10	Tamil Nadu	Sep-17	IV	Patel Infra
48	Four laning of Darah-Jhalawar-Teendhar section	52	48.88	9,641.70	Rajasthan	Oct-17	III	Patel Infra

Source: NHAI, CRISIL Research

Key budget announcements for roads sector

- Budgetary support for national highways and NHAI has been increased by 24% and 54%, respectively, over revised estimates of fiscal 2017.
- Budgetary support to the rural road scheme, the PMGSY, has been maintained at ₹ 190 billion.

Budget impact

- Budgetary allocation to NHAI from the Central Road Fund ("**CRF**") in Fiscal 2017 was ~₹ 120 billion. Revised estimates show that actual allocation to NHAI was ₹ 75 billion. For Fiscal 2018, budgetary allocation to NHAI from CRF is ~₹ 154 billion. Actual transfer is expected to be lesser as NHAI has been successful in gathering funds from other sources like masala bonds and bonds with NHAI. With the authority executing more projects on cash contract/HAM basis, utilising public funds, a higher share of cess will provide it with more secure funding.
- The target year for completion of the PMGSY was brought forward by three years to 2019 in the previous Budget. Allocation increased by 26% in fiscal 2017 to ₹ 190 billion, and maintained in fiscal 2018 to support the revised target.

Impact of Make in India initiative on roads sector

Launched in September 2014, the Make in India campaign covers 25 major sectors in the economy, including roads and highways. The initiatives under the campaign, such as encouraging MNCs to manufacture products in India, taking steps to improve ease of doing business, and FDI reforms, will benefit the roads sector in terms of increase in traffic movement. In Fiscal 2016 and Fiscal 2017 combined, India received FDI equity inflow of ₹ 83.5 billion as compared to ₹ 55.2 in Fiscal 2014 and Fiscal 2015 combined, marking a rise of 51%.

Encourage MNCs and domestic companies to manufacture products in India

MNCs and domestic companies setting up manufacturing plants in India will facilitate increase in both passenger and freight traffic on roads. Post announcement of the Make in India campaign, the government received several proposals from multinational companies interested in manufacturing electronics in India. For instance, Xiaomi, a Chinese mobile phone maker, partnered with Foxconn in August 2015 to manufacture smartphones in a factory in Andhra Pradesh. A few weeks later, Lenovo, a Chinese computer and mobile phone maker, announced that it would commence manufacturing smartphones in India at its Chennai plant.

Steps taken to improve ease of doing business will promote economic activity

The measures undertaken for 'ease of doing business' will promote economic activity and thereby boost road traffic demand. Some of these key measures are:

- Applications for environment and forest clearances to be submitted online, through the Ministry of Environment and Forests and Climate Change portals.
- Application forms for industrial licence ("**IL**") and industrial entrepreneur memorandum ("**IEM**") have been simplified.
- Applications for IL and IEM to be submitted online.
- Twenty services are integrated with the eBiz portal, which will function as a single window portal to obtain clearances from various governments and government agencies.
- A unified portal for registration of units for Labour Identification Number (LIN), reporting of inspection, submission of returns and grievance redressal, has been launched by the Ministry of Labour and Employment.

Financial incentives for road developers

- Under section 80 IA of the Income Tax Act, profits and gains derived by an undertaking are subject to 100% deduction for 10 consecutive assessment years out of 20 years, beginning from the year in which the undertaking begins to operate the business provided such profits and gains are derived from the business of: 1) developing, 2) operating and maintaining or 3) developing, operating and maintaining a road including, toll road, a bridge; a highway project including housing or other activities being an integral part of the highway project.

- Deduction up to 40% of the income from financing of the infrastructure projects is available provided the amount is kept in a special reserve.

- On certain identified high-quality construction plants and equipment, the import duty has been completely exempted for public-funded needs.

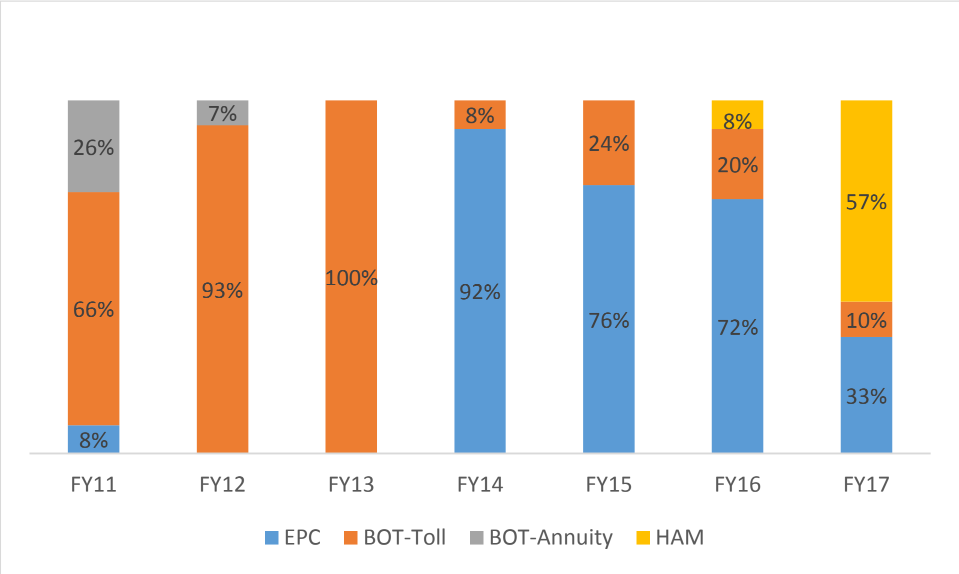
- Import of bitumen is now permitted under the Open General Licence.

- External commercial borrowings are permitted up to 35% of the project cost

Review of investment in NHAI projects

NHAI awards projects under different modes – EPC, BOT, and HAM. In the past two years, BOT projects have lost out to EPC projects as the latter requires limited upfront capital and involves lower risk. Since Fiscal 2014, cash contracts have dominated NHAI's awarding as a result of low appetite of road players for BOT projects. To boost private participation further, the government introduced HAM in Fiscal 2016, wherein 40% of total project cost is funded by the government and the remaining by the private developer. Equity requirement in these projects is only 12-15% of the project cost, which is lower than a BOT project. Moreover, the developer is immune to traffic, inflation and interest rate risk. This model took off slower than expected in Fiscal 2016 and only 350 km were awarded, mostly due to apprehensions of various stakeholders towards a new, untested model. Participation of players in these projects improved towards end Fiscal 2016. Almost half the total length awarded in Fiscal 2017 was via HAM.

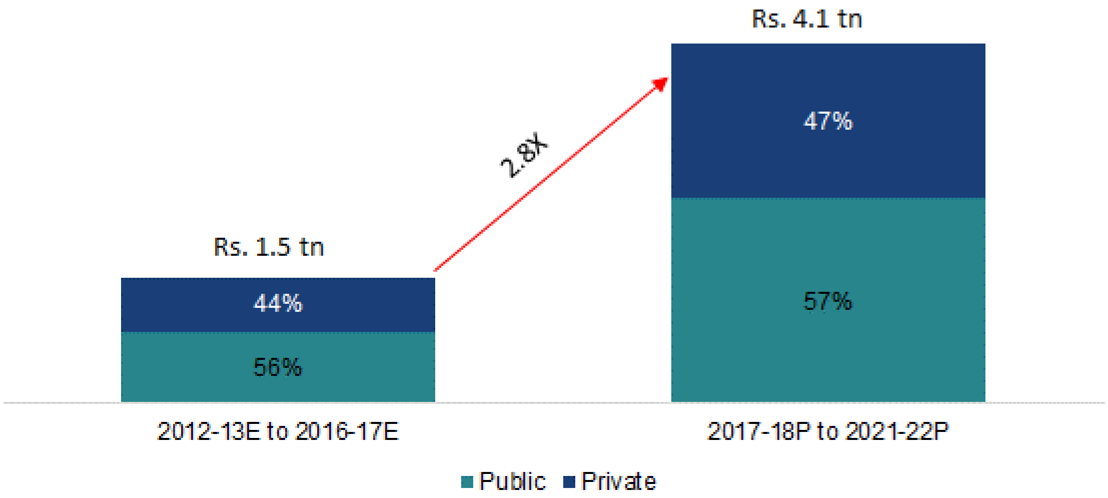
NHAI awarding trend: Significant change in past few years



Source: NHAI, CRISIL Research

Between Fiscal 2018 and Fiscal 2022, ₹ 4.3 trillion is expected to be invested in national highways, up 2.9 times in the next five years compared with the past five years. The government will account for over half the investment. In the medium term, with EPC and HAM execution dominating, funding needs for agencies such as NHAI will rise. NHAI uses multiple sources for mobilising funds.

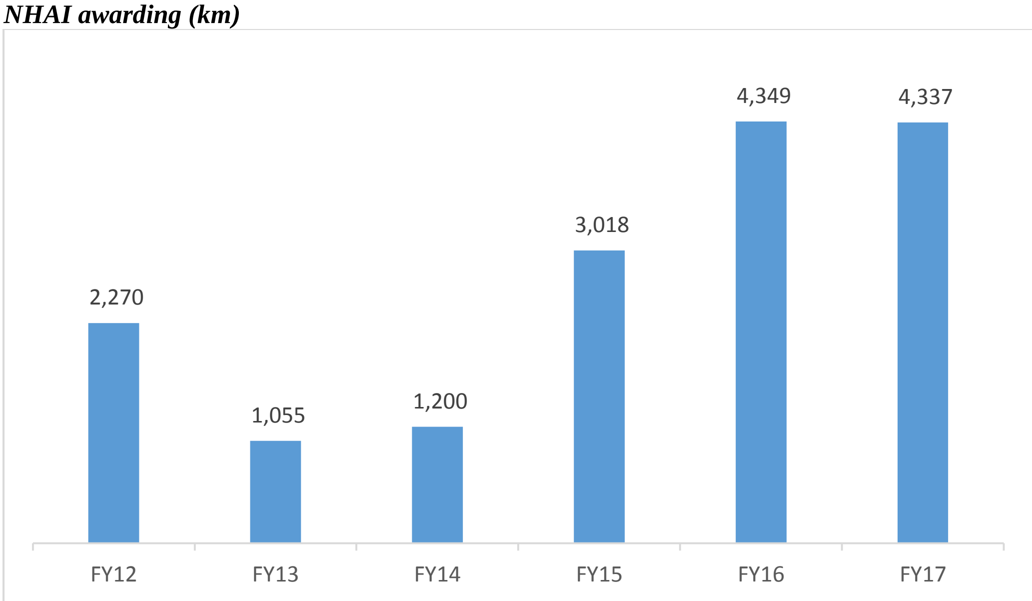
Financing of national highways



Source: NHAI, CRISIL Research

Construction of BOT projects usually begins 8-12 months after being awarded. The time lag is longer currently, as players take more time to achieve financial closure. Construction of EPC projects can start in 2-4 months. 70% of projects have been awarded under the EPC mode since fiscal 2014 and will support execution over the next 2-3 years. Additionally, new players entering the HAM space and pick-up of stalled projects will maintain the pace of execution. Execution in HAM projects is expected to start almost as quickly as in EPC projects as lenders are becoming familiar with the model and several HAM projects have achieved financial closure. As a result, execution by NHAI improved in Fiscal 2016 and in Fiscal 2017. In Fiscal 2017, projects of 2,627 km were executed, which was close to a 20% rise on-year.

NHAI awarding (km)



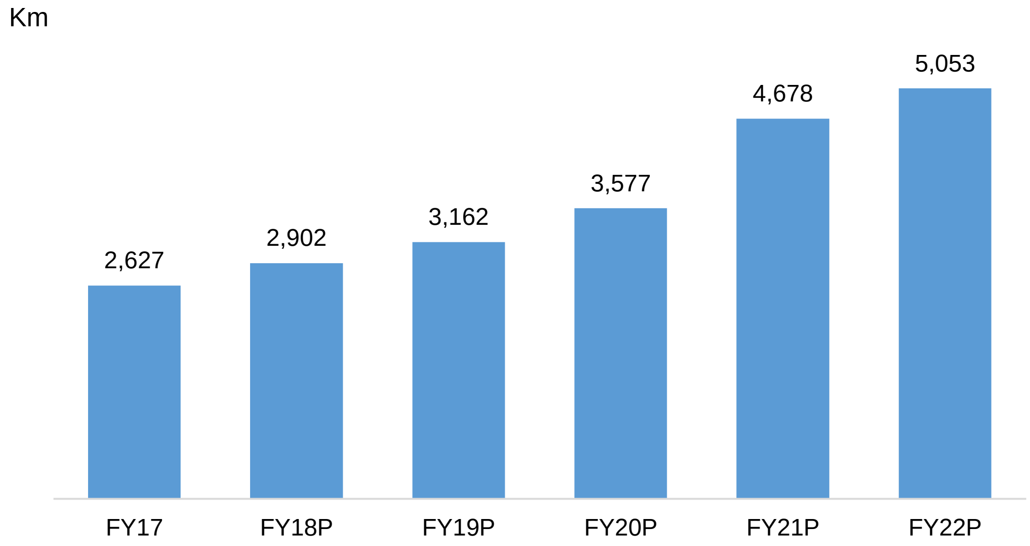
Source: NHAI, CRISIL Research

Outlook on national highways – construction/upgrade (FY17 to FY22)

Execution of NHAI projects declined for the second consecutive year in FY15, by 11% to 1,691 km. In FY16, it increased to 2,196 km and was about 2,627 km in FY17.

Construction of BOT projects usually begins 8-12 months after being awarded. In the current scenario, the time lag is much longer as players take more time for financial closure. On the other hand, construction of EPC projects can start within 2-4 months. About 70% of projects have been awarded under the EPC mode since FY14 and this will support execution over the next 2-3 years. Additionally, new players entering the BOT and HAM space, and pick-up of stalled projects will maintain the pace of execution. Also, new projects such as Bharat Mala and state highways being notified as national highways will support execution in the last two years of the five-year period.

Execution of national highways through NHAI: Total length constructed/ upgraded(km)



P: projected

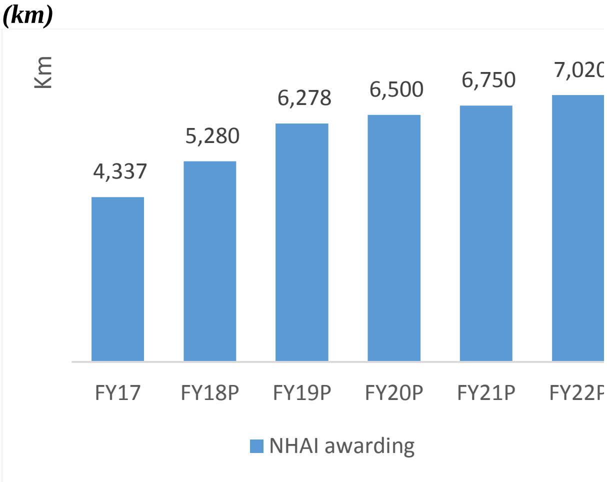
Source: NHAI, CRISIL Research

Total length constructed/ upgraded on per-day basis

Year	NHAI Execution(km)	Per day basis (km)
FY13	2481	7
FY14	1628	4.5
FY15	1576	4.3
FY16	2196	6
FY17	2628	7.2

Source: NHAI, CRISIL Research

Year-wise break-up of total length to be awarded (km) ***Length upgraded/ constructed (km)***



P: Projected

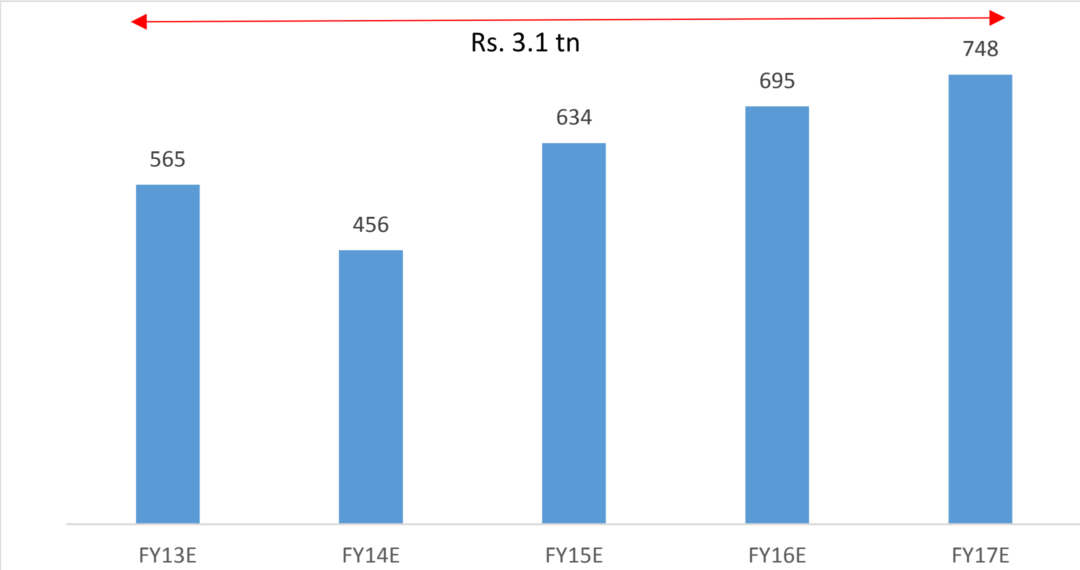
Source: CRISIL Research

State Roads – Review and outlook

Review of investments - Fiscal 2013 to Fiscal 2017

State roads (which include highways, major district roads and rural roads not in the purview of PMGSY) comprise ~18% of India's total road network and handle ~40% of road traffic. They play an important role in economic development of mid-sized towns and rural areas, and aid industrial development by enabling movement of raw material and products to and from the hinterland. Over the past few years, many state governments such as Uttar Pradesh, Gujarat, Maharashtra and Tamil Nadu have allocated a significant portion of their budgets for developing roads. Central government contribution to state roads through CRF has remained largely constant. Currently, 15-16% of total investment in state road projects is through PPP. Total investment of ₹ 3.1 trillion was made in state roads between Fiscal 2013 and Fiscal 2017.

State roads: Overall investments

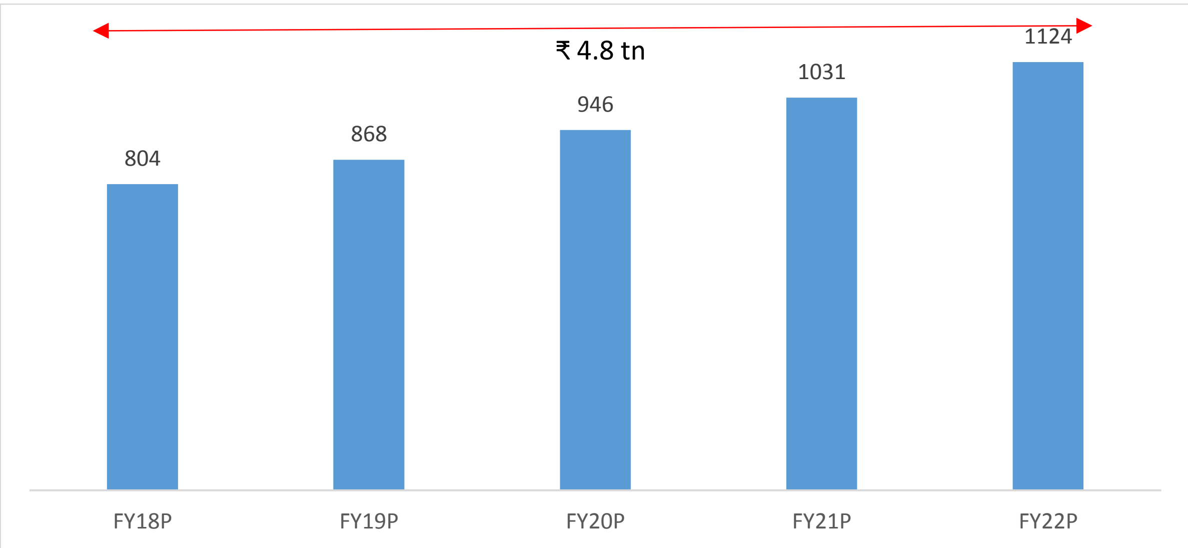


Note: State roads includes state highways and other district roads
Source: CRISIL Research

Projected investments in state roads – Fiscal 2017 to Fiscal 2022

Total investment in state roads between Fiscal 2017 and Fiscal 2021 is expected to be ₹ 4.4 trillion. Private participation in state road projects is expected to remain steady in the future. Gujarat, Madhya Pradesh, Maharashtra, and Rajasthan are expected to lead the way in implementing state highway projects through PPP.

State roads: Outlook on investments year-wise in ₹ Billion



P: Projected
Source: CRISIL Research

World Bank's assistance to state roads

In many states across India, World Bank is providing continued assistance for the construction of state highways and improvement in the efficiency of road management agencies of respective states. Assistance from World Bank has been provided so far in Andhra Pradesh, Gujarat, Assam, Himachal Pradesh, Karnataka, Kerala, Mizoram, Orissa, Punjab, Tamil Nadu and Uttar Pradesh.

Recent initiatives in development of state roads

RRP-I was unveiled by MoRTH in February 2009 for improvement of road connectivity in 34 LWE affected districts of eight states, namely, Andhra Pradesh, Bihar, Chhattisgarh, Jharkhand, Madhya Pradesh, Maharashtra, Odisha and Uttar Pradesh. Under RRP-I, 1,126 km of national highways and 4,351 km of state roads were planned at an estimated cost of ₹ 73,000 million. As of November 30, 2016, 5,406 km of road works had been awarded, of which development along 4,153 km has been completed at an expenditure of ₹ 59.6 billion. On December 28, 2016, the central government approved Centrally Sponsored Scheme, namely 'Road Connectivity Project for LWE Affected Areas'. The project involves construction/upgradation of 5,400 km road and 126 bridges/cross drainage works, at an estimated cost of ₹ 117 billion.

The SARDP-NE is to be implemented in three parts:
- Phase A: Improvement of ~4,100 km of state roads, to be completed by March 2021.
- Phase B: Once Phase A is completed, 3,723 km of state roads to be covered.
- In addition to Phase A and B, the Arunachal Pradesh Package for Roads & Highways, involving development of ~2319 km of state/general staff/strategic roads, has also been approved by the government.

Bharat Mala is a proposed umbrella scheme, for development of state roads along coastal//border areas, including connectivity of non-major ports, economic corridors, national corridors efficiency movement etc. The states that will house these projects are Andhra Pradesh, Arunachal Pradesh, Assam, Bihar, Chhattisgarh, Delhi, Goa, Gujarat, Haryana, Himachal Pradesh, Maharashtra, Manipur, Meghalaya, Mizoram, Nagaland, Odisha, Punjab, Puducherry, Rajasthan, Tamil Nadu, Telangana, Tripura, Uttar Pradesh, Uttarakhand and West Bengal. As of October 2017, DPRS for 16,000 km of road stretches are under various stages of preparation and land acquisition for the programme has begun. The government estimated an outlay of ₹ 6.9 trillion up to Fiscal 2022, including investments for balance NHDP work and other programmes run by the central government such as SARDP-NE, LWE region development program etc. It will be a completely centrally sponsored scheme, funded from existing NHAI and ministry sources, with the TOT model, market borrowings and private funds.

Key players in road construction

Patel Infrastructure Limited

Gujarat-based Patel Infrastructure Limited is one of the leading infrastructure companies in India. Patel Infrastructure Limited is involved in construction of roads and highways, bridges, irrigation and mining projects, construction of commercial buildings, and other ancillary services such as toll collection and O&M.

- Patel Infrastructure Limited was awarded 4-laning of Cholopuram-Thanjavur in August 2017, a 47.84 km stretch on NH 45C under HAM, under NHDP phase IV.
- In September 2017, Patel Infrastructure Limited was awarded 4-laning of Sethiyahopu-Cholopuram under HAM in Tamil Nadu.
- Patel Infrastructure Limited was awarded 4-laning of Darah-Jhalwar-Teendhar section of NH52, a stretch of 47.54 km, in Rajasthan under HAM.
- Patel Infrastructure Limited was awarded a project involving widening to 2 lanes with paved shoulders from Maharashtra border to Bidar stretch on NH-50 in Karnataka under EPC model.

IRB Infrastructure Developers Limited

Incorporated in 1998, IRB Infrastructure Developers Limited is an established road developer with expertise in BOT toll road projects. With toll roads, construction, and real estate as IRB's business segments, 73% of its revenue in Fiscal 2017 was from construction business. IRB undertakes EPC projects through its subsidiary, Modern Road Makers Private Limited. It has formed a separate subsidiary, IRB Sindhudurg Airport Private Limited, for Greenfield airport projects and carries out real estate activity under Aryan Infrastructure Investments. IRB is currently one of the few established players still participating in road projects under the PPP model. It is one of India's largest road BOT operators and has a rich portfolio of 21 road projects, of which 13 are operational.

- In August 2016, IRB emerged as a preferred bidder for 6-laning the highway from Udaipur to the Rajasthan/Gujarat border in Gujarat and Rajasthan on DBFOT toll basis under NHDP Phase V. The estimated project cost is ₹ 2,100 crore.
- In September 2016, IRB received the LOA for 6-laning of the Kishangarh-Udaipur-Ahmedabad section, Package 2, of NH 79 under NHDP Phase V as per the BOT toll mode in Rajasthan. The estimated project cost is ₹ 2,400 crore.
- In October 2016, IRB received a letter of termination for the concession agreement of the Mumbai-Pune Phase II project.
- In December 2016, IRB received the LOA from NHAI for 6-laning the Kishangarh-Gulabpura section in Rajasthan, Package I, which is approximately 90km, on DBFOT toll basis. IRB offered a premium of ₹ 186.3 crore to NHAI.
- In December 2016, IRB received 75% of the arbitral amount for its two projects, in accordance with the CCEA decision to deposit 75% of the award amount into an escrow account against the margin fee bank guarantee where the agency had challenged the award in court. IRB Ahmedabad Vadodara Super Express Tollway Private Limited received ₹ 20.55 crore and IRB Goa Tollway Private Limited received ₹ 241.89 crore against the bank guarantee.
- In July 5 2017, IRB Infrastructure Developers has achieved financial closure for said its SPV Udaipur Tollways ₹ 2,088 crore highway project on Rajasthan- Gujarat border. Udaipur Tollway Private Ltd, an SPV, has achieved financial closure for its Udaipur- Gujarat border 6-laning BOT project.

Ashoka Buildcon Limited

Established in 1976, Ashoka Buildcon Limited is an infrastructure development company with widespread presence in eleven states. It develops and builds infrastructure facilities on a DBFOT basis in the highways sector, and on EPC basis in the highways and power sectors. It has a BOT portfolio of 31 projects, of which 16 are operational, six under construction, and nine handed over.

- In August 2016, its subsidiary ACL received an LOA from NHAI for 4/6-laning of the Kharar to Ludhiana highway in Punjab under the HAM.
- In October 2016, it received a letter of appointed date and achievement of financial closure from the Karnataka RDC Ltd for two projects: existing state highways Bagewadi-Bailhongal and Hugund-Muddebihal-Talikot, on design, build, finance, operate, maintain, and transfer (DBFOMT) basis. These two projects are under pre-construction phase and have the concession period of 10 years.
- In April 2017, IRB received an LOA from Mumbai International Airport Private Ltd for developing land parcels in village Sahar for the development of commercial/office space of 1.17 million square feet for a lease period of 49 years.

Hindustan Construction Company Limited ("HCC")

HCC was established by Seth Walchand Hirachand in 1926. The standalone company executes road, power, water and urban infrastructure projects as an EPC contractor. HCC Infrastructure, a wholly owned subsidiary of HCC, undertakes BOT projects, mainly roads. It functions as a developer-cum-contractor where SPVs have been created, with HCC as a majority shareholder. HCC Infrastructure executes projects through another step-subsidiary, HCC Concessions. HCC's projects are across India and, to an extent, in Bhutan. In May 2010, HCC diversified into Europe by acquiring 66% stake in Steiner AG (Switzerland) through a wholly owned subsidiary, HCC Mauritius Enterprises Ltd. In fiscal 2014, HCC acquired the balance 34% stake in Steiner AG, completing the acquisition. Steiner AG specialises in turnkey construction and offers real estate development services in Europe.

- In October 2016, HCC commenced commercial operations of Farakka Raiganj Highways Ltd in West Bengal after considerable delay. The project was awarded in February 2010, with concession period of 30 years.
- In December 2016, HCC received an arbitral award of ₹ 2,000 crore from NHPC and NHAI Ltd. NITI Aayog has given the Standard Operating Procedures for release of payment for timely implementation.
- In January 2017, HCC secured an order worth ₹ 368.6 crore from IRCON International Ltd in Jammu & Kashmir to construct a cable-stayed bridge connecting two tunnels on the Katra-Banihal section of the Udhampur-Srinagar-Baramulla rail-link project. The length of the bridge is 473.25 m.

- On July 3 2017, HCC's JV bagged a contract worth ₹ 797 crore from Bangalore Metro Rail Corporation. HCC was a lead partner in the JV with URC Construction. The contract is for construction of a 6.340 km long elevated corridor and five elevated stations between HSR Layout station and RV Road station.

KNR Constructions Limited ("KNR")

KNR was established in 1995. It is a construction company with expertise in EPC services across roads and highways, irrigation and urban water infrastructure management. Its order book is dominated by road projects (85%), followed by irrigation. It has a portfolio of four BOT projects, of which two are BOT annuity and two are BOT toll projects. One BOT-toll project is under construction. KNR is an established player in the south, especially in Andhra Pradesh, Karnataka, Kerala, Telangana and Tamil Nadu, accounting for 89% of its order book. KNR has demonstrated strong execution capability with its track record of ~6,000 lane-km of road projects executed across 12 states. Some of these projects were completed before schedule.

- In August 2016, KNR was awarded 4-laning of the Hubli-Hospet section of NH-63 under NHDP Phase IV-B in Karnataka, as a 50:50 JV with BSCPL for total project cost of ₹ 13,347 million.
- In November 2016, KNR and Patel Engineering signed a share-purchase agreement to sell its equity stakes in two operational BOT annuity assets – Patel KNR Infrastructure Ltd and Patel KNR Heavy Infrastructure Ltd – to Essel group. The two assets have a combined enterprise value of ₹ 850 crore.

NCC Limited ("NCC")

NCC limited is one of the largest Indian companies in terms of revenue. It has presence across buildings and housing, transportation, water and environment, irrigation, electrical, metals, mining, power and railways. It has well-diversified operations and a promising foothold in every segment of the construction sector.

Sadbhav Engineering Limited ("SEL")

SEL was established by Vishnubhai M Patel, incorporated as a private company on October 3, 1988. SEL is a leading EPC and infrastructure development company based in Ahmedabad, present in the roads and highways, irrigation and mining sectors. Through its subsidiary, Sadbhav Infrastructure Project Limited (SIPL), SEL is one of the largest BOT players in India with 10 operational projects. SIPL went public in 2015.

- In August 2016, SEL received a provisional completion certificate for 100% length of 98.81 km on Rohtak–Hissar Tollway Private Limited, and toll collection started for the project.
- In October 2016, SEL received a provisional completion certificate for Kelwat check post on NH-547 and Rajura check post on SH-264.
- SEL won several projects on HAM basis this year:
  - 4-laning of Rampur Kathgodam - Package I
  - 4-laning of Rampur Kathgodam - Package II
  - 4-laning of the Bhavnagar Talaja section of NH-8E
  - 4-laning of the Una-Kodinar section of NH-8E
  - 2/4-Laning of BRT Tiger Reserve Boundary to the Bangalore section
- In December 2016, Sadbhav Infra's two HAM projects – Sadbhav Bhavnagar Private Ltd and Sadbhav Una Highway Private Limited, wholly owned subsidiaries of SEL –achieved financial closure. Both projects received LOAs from NHAI in May 2016.
- SEL plans to divest its stake in two toll-based operational road assets: Dhule Palesner Tollway Limited and Bijapur Hugund Tollway Private Limited. SEL wholly owns the 89 km Dhule Palesnar project, and a 77% stake in Bijapur Hugund Tollway Private Limited, which executes a 97.22 km project. Both projects began commercial operations in 2012.

Simplex Infrastructure Limited ("Simplex")

Simplex is a diversified company with presence across construction verticals, namely ground engineering, industrial, building and housing. It also undertakes power, marine port, road, railway, bridge, elevated road and rail corridor, and urban infrastructure – airport, metro rail, sewerage and utilities - projects. Simplex, established in 1924 by HP Lancaster of the UK and taken over by MD Mundhra in 1947, is primarily engaged in EPC projects. To diversify its overseas portfolio and hedge risks from geographical concentration, Simplex has increased its overseas exposure, especially in the Middle East, South Asia and parts of Africa.

BUSINESS

Overview

We are an established construction, development and maintenance service company, with a track record of 13 years of experience and expertise in execution of various road focused EPC projects in various states of India.

We categorise our operations into primarily two businesses, namely, our construction contract business, under which we carry out EPC services for third parties, primarily in the roads and highways sector, including highways and bridges, building and other civil construction projects (the "**EPC Business**"); and our development of roads and highways projects, including highways and bridges, currently on hybrid annuity model ("**HAM**") basis (the "**Annuity Business**"), and through our Subsidiaries completed build, operate, transfer ("**BOT**") annuity projects under which we receive toll collection fees and annuity income.

Within our EPC Business, our key ongoing projects in the building and other civil construction sector include the construction of eight new court buildings in the City Civil Court, Ahmedabad; the construction of the roller-compacted concrete ("**RCC**") structure in coordination with steel structure for frame of a new multi-storeyed multispecialty hospital in Gujarat; and the construction of residential flats, shops and offices under the Pradhan Mantri Awas Yojana in Gujarat. For more information on our EPC Business, see "***- EPC Business***" on page 163.

Within our Annuity Business, our key ongoing projects include our three HAM projects, of a total contract value of ₹ 39,302.30 million, which we have recently been awarded in the roads and highways sector, namely, the Sethiyahopu-Cholopuram Project and the Cholopuram-Thanjavur Project in the State of Tamil Nadu, and the Darah-Jhalawar Project in the State of Rajasthan. In addition, our Annuity Business includes our previous BOT annuity projects completed through our Subsidiaries, under which we currently receive toll collection fees and annuity income. For more information on our Annuity Business, including certain details of our three HAM projects, see "***- Annuity Business***" on page 164.

As on October 31, 2017, we had an Order Book of ₹ 62,672.43 million, including one OPRC road project, eight EPC road projects, and three HAM projects accounting for 2.77%, 31.92% and 62.71%, respectively, of our Order Book, reflecting an aggregate of 97.39% of our Order Book being comprised of roads and highways projects; and seven building and other civil construction projects, accounting for the balance 2.61% of our Order Book.

We are executing projects across various States in India, with Tamil Nadu, Rajasthan, Punjab, Karnataka, Gujarat and Madhya Pradesh having contributed 44.78%, 35.73%, 12.11%, 4.10%, 2.60% and 0.68%, respectively, to our Order Book, as on October 31, 2017. For more information on our Order Book, including a World Bank funded road asset management contract awarded to us in 2012, under the OPRC model, that we are currently executing in the State of Punjab, see "***- Order Book***" on page 160.

We are pre-qualified to bid independently on an annual basis for bids by NHAI and MoRTH of contract value up to ₹ 12,340.0 million for EPC contracts and ₹ 12,030.0 million for Annuity contracts based on our technical and financial capacity as on March 31, 2017. While we independently execute projects where we are pre-qualified to bid on an independent basis, we form project joint ventures and consortiums, from time to time, with other infrastructure and construction companies, where a project requires us to meet specific eligibility requirements. As on the date of this Draft Red Herring Prospectus, we are executing through two joint ventures, the Sadbhav-PIPL JV and the KECL-PIPL JV and have already completed one project through a joint venture, namely the PIPL-KCL JV. For more information on our joint ventures, see "***- Joint Ventures***" and "***History and Certain Corporate Matters – Joint Ventures***" on pages 166 and 184, respectively.

During the last five Fiscals, we have completed nine roads and highways projects above the contract value of ₹ 300 million each, aggregating to a total contract value of ₹ 22,732.07 million, and six building and other civil construction projects above the contract value of ₹ 300 million each, aggregating to a total contract value of ₹ 4,406.27 million. We have also received a letter of appreciation for early completion of our work on the Ahmedabad-Vadodara expressway project from the concessioning authority, Modern Road Makers Private Limited. For more information on our completed projects, including an OMT project awarded to us in 2010, see "***- Completed Projects***" on page 165.

Over time, we have added a fleet of modern construction equipment and employed manpower to supplement the growth of our operations. As on September 30, 2017, our equipment base comprised 683 construction equipment assets of gross block worth ₹ 2,470.32 million, which included equipment such as earth movers (dumpers and tippers), loaders and excavators, rollers and compactors, weigh bridges, transit mixers, motor graders, milling machines, paver finishers, cranes, concrete batch mix plants, crushers, hot mix plants (batch type), concrete pavers, and others. We primarily use our own fleet of equipment, which provides us with a competitive advantage, allowing us to utilize our machines and equipment at their optimal levels.

We were founded in 1972 by the late Vithalbhai Gorabhai Patel as a partnership firm in the name of Patel Construction Company, which was incorporated as private limited company in 2004. We are promoted and managed by Mr. Pravinbhai Vithalbhai Patel, our Chairman, Mr. Arvind Vithalbhai Patel, our Managing Director, Mr. Dineshbhai Pragjibhai Vaviya, Mr. Madhubhai Pragjibhai Vaviya and Mr. Sureshbhai Pragjibhai Vaviya, who are Executive Directors on our Board.

We have received an award from the Gujarat Contractors Association for "Excellence in Highway Sector" in 2016. We have also received accreditations, such as the ISO 9001:2015, ISO 14001:2015 and OHSAS 18001:2007 certifications for our quality management systems, environmental management systems, and occupational health and safety management systems, respectively.

In Fiscals 2015, 2016 and 2017 and the six months ended September 30, 2017, our revenue from operation, as per our Restated Consolidated Financial Information were ₹ 5,643.64 million, ₹ 8,911.35 million, ₹ 15,932.67 million and ₹ 7,994.00 million, respectively. Revenue from our EPC Business were ₹ 3,572.16 million, ₹ 6,702.22 million, ₹ 13,689.87 million and ₹ 6,686.32 million, respectively for Fiscals 2015, 2016 and 2017 and the six months ended September 30, 2017, while revenue from our Annuity Business were ₹ 315.32 million, ₹ 335.60 million, ₹ 335.60 million and ₹ 167.91 million, respectively, for the same period. In Fiscals 2015, 2016 and 2017 and the six months ended September 30, 2017, our profit after tax, as per our Restated Consolidated Financial Information was ₹ 137.67 million, ₹ 879.61 million, ₹ 710.49 million and ₹ 479.77 million, respectively. We have been able to increase our total revenue from Fiscal 2015 to Fiscal 2017 at a CAGR of 68% and our profit after tax at a CAGR of 227% over the same period.

Competitive Strengths

Strong track record of completed infrastructure projects across various states in India, with focus on roads and highways projects.

We are an established construction, development and maintenance service company, with a track record of 13 years of experience and expertise in execution of various road focused EPC projects in various states of India including Punjab, Madhya Pradesh, Rajasthan, Karnataka, Tamil Nadu and Gujarat. We provide EPC services on a lump sum basis as well as on an item rate basis, primarily in the road sector including bridges and highways, and building and other civil construction projects.

During the last five Fiscals, we have completed nine roads and highways projects above the contract value of ₹ 300 million each, aggregating to a total contract value of ₹ 22,732.07 million, and six building and other civil construction projects above the contract value of ₹ 300 million each, aggregating to a total contract value of ₹ 4,406.27 million.

Our primary focus on providing EPC services on the roads and highways projects has helped us in gaining technical expertise in undertaking projects of different sizes and involving varying degree of complexity while simultaneously helping us to also develop quality control systems, acquire a fleet of modern construction equipment and employ manpower to supplement the growth of our operations.

Our credentials and pre-qualifications have allowed us to increase our target market size and Order Book. Some of our key completed projects in the roads and highways segment include the Ahmedabad to Vadodara section of NH-8 and the four laning of the Sangrur bypass and Dhanoula bypass (Patiala-Sangrur-Barnala-Bathinda section) of NH-64.

We constantly liaise with regulatory and local authorities in order to ensure that our projects are not stalled due to non-availability of any statutory or regulatory clearances, non-availability of land, human resources, plant and machinery etc., or other instances of cost-overrun which allows us to complete projects in a timely manner. Further, we undertake majority of our projects through our own employees and appoint contractors for only non-core portions of our projects. Our experience and established track record of executing road and other civil infrastructure projects allows us to meet the necessary pre-qualification requirements and helps us identify and mitigate certain development and operational risks.

Strong Order Book with growing project portfolio.

In the infrastructure industry, an order book is considered an indicator of future performance since it represents a portion of anticipated future revenue. Our Order Book as on a particular date consists of estimated revenue from unexecuted or uncompleted portions of our ongoing projects, i.e., the total contract value of such ongoing projects as reduced by the value of construction work billed until such date.

Our Order Book has grown significantly from ₹ 20,855.60 million as on March 31, 2015 to ₹ 62,672.43 million as on October 31, 2017, an increase by 200% in 31 months.

As on October 31, 2017, we had an Order Book of ₹ 62,672.43 million, including one OPRC roads and highways project, eight EPC roads and highways projects, and three HAM projects accounting for 2.77%, 31.92% and 62.71%, respectively, of our Order Book, reflecting an aggregate of 97.39% of our Order Book being comprised of roads and highways projects; and seven building and other civil construction projects, accounting for the balance 2.61% of our Order Book.

Our operations are spread across various states in India, including Gujarat, Punjab, Rajasthan, Karnataka, Tamil Nadu and Madhya Pradesh. Diversifying our skill set and Order Book across different business and geographical regions, enables us to pursue a broader range of project tenders and therefore maximize our business volume and contract profit margins. The consistent growth in our Order Book is a result of our past experience, our focus on maintaining quality standards in our construction and project execution skills.

Driven by our execution track record, we have exhibited strong financial performance and credit profile over the last few years. Our strong financial performance and substantial assets, helps us present a strong credit profile to our lenders and keeps alternatives sources of financing available to us. Our credit rating from CARE Ratings Limited for long-term bank facilities and long/short term bank facilities increased from CARE A- (Single A Minus) and CARE A- / CARE A2 (Single A Minus / A two), respectively, in Fiscal 2015 to CARE A; Stable (Single A; Outlook: Stable) and CARE A; Stable / CARE A1 (Single A; Outlook: Stable / A One), respectively, in Fiscal 2017.

Our strong financial position, including our improved credit ratings, have helped us in being pre-qualified by NHAI, MoRTH and other state authorities. We are pre-qualified to bid independently on an annual basis for bids by NHAI and MoRTH of contract value up to ₹ 12,340.00 million for EPC contracts and ₹ 12,030.00 million for Annuity contracts based on our technical and financial capacity as on March 31, 2017. The increase in pre-qualifications has helped us maintain the momentum of our Order Book growth.

Focused geographic expansion based on scientific project selection.

Patel Construction Company, a partnership firm founded by the late Vithalbhai Gorabhai Patel started business operations in Maharashtra in 1972 and initially undertook building and other civil construction projects. As on the date of this Draft Red Herring Prospectus, our Company has operations in Gujarat, Punjab, Madhya Pradesh, Rajasthan, Karnataka and Tamil Nadu, taking on both EPC and Annuity projects for construction of roads, highways and buildings.

We are selective when we expand into a new location and typically consider geographies where we can deliver high-quality services without experiencing significant delays and interruptions. We have expanded our operations into states with less competition, high GDP, stable political conditions, favourable geographic and climatic conditions. We scientifically bid for projects in particular geographies, by taking into consideration key factors such as the potential for project clustering, risks related to land acquisition and obtaining environment and forest clearances and other approvals needed for execution and the potential cash flow from such projects after they become operational. We strive to cluster our projects geographically to improve efficiency and profitability. By leveraging the manpower, equipment and materials which are set-up at nearby work sites, we save transportation costs and investment in new equipment, thus achieving economies of scale.

In the past, we have bid for internationally funded projects or projects funded by the central government.

Within the Annuity Business, we have focused on HAM projects and have been awarded the Sethiyahopu-Cholopuram Project and the Cholopuram-Thanjavur Project in the State of Tamil Nadu, and the Darah-Jhalawar Project in the State of Rajasthan.

Technology enabled project management capabilities.

We have in-house capabilities for design, engineering, bid surveys, tendering for projects, preparing financial models, construction and maintenance of our projects.

Project management: Through our experienced design and engineering teams, we plan every step of a project and, over time, have developed strong project management and execution expertise and capabilities. Our project execution capabilities enable us to exercise greater control over the costs of our projects, quality and timely execution of construction, operation and maintenance allowing us to capture a significant portion of the economic value chain in projects that we execute. We have also received accreditations, such as the ISO 9001:2015, ISO 14001:2015 and OHSAS 18001:2007 certifications for our quality management systems, environmental management systems, and occupational health and safety management systems, respectively.

We have a robust inventory management system which enables us to efficiently manage our inventory and monitor the supply of equipment and mobilisation of resources in a cost effective and timely manner. We have implemented a SAP based ERP system since December 22, 2017, to maintain greater control over our operations. Our head office and each of our project site offices are SAP configured and raw material which is procured at our sites is accounted for at our site offices and then verified at our registered office. Our SAP system helps us to ensure effective monitoring and optimum utilisation of raw materials. We aggregate our orders of raw materials across construction sites and centralize our procurement to negotiate bulk discounts. Additionally, we also produce certain of our raw materials such as aggregates, which gives us a cost advantage. Through our centralized procurement process, we are able to leverage our scale and achieve a high degree of efficiency in procurement.

Equipment ownership: As on September 30, 2017, our equipment base comprised 683 construction equipment assets of gross block worth ₹ 2,470.32 million. We primarily use our own fleet of equipment, which provides us with a competitive advantage, allowing us to utilize our machines and equipment at their optimal levels. With multiple projects in progress at any given time, ready access to such equipment is essential to our ability to execute existing projects on time and bid for additional projects. We maintain our equipment to ensure high availability and reduce equipment cost. We carefully select our equipment suppliers and the equipment that we procure, to help reduce equipment down time and maintenance cost. With multiple projects in progress at any given time, ready access to such equipment is essential to our ability to execute existing projects on time and bid for additional projects.

Manpower management: As on September 30, 2017, we had 2,139 employees. We also hire contract labourers from various agencies from time to time. We undertake selective and need-based recruitment every year to maintain the size of our workforce, which may otherwise decline as a result of attrition and retirement of employees. As on September 30, 2017, of the 2,139 employees on our rolls, 1,832 employees were in our projects and operations department, 124 employees were in our inventory and logistics department, 110 employees were in our human resource and administration department, 51 employees were in our accounts and finance department, 17 employees were in our information technology department, four employees were in our business development department and one employee was in our legal and secretarial department. Since a majority of our employees are on our rolls, we have minimal reliance on contract workers, which helps us exercise greater control over the quality and costs of our project and achieve execution of our projects in a timely manner.

Experienced promoters with senior management team and skilled workforce.

Our Promoters have extensive experience and are actively involved in the management of our business and general administration on a day to day basis. Mr. Pravinbhai Vithalbhai Patel, our Chairman and son of our original founder, the late Vithalbhai Gorabhai Patel, has approximately 36 years of experience in the field of project execution. Our Managing Director, Mr. Arvind Vithalbhai Patel has approximately 33 years of experience in the field of business development and finance. He has been instrumental in expanding our project portfolio in the roads and highways segment. Our other Promoters, Mr. Dineshbhai Pragjibhai Vaviya, with 31 years of experience in the infrastructure industry, heads our building and other civil construction business, Mr. Madhubhai Pragjibhai Vaviya with 25 years of experience, is responsible for project execution, human resources and administrative matters and Mr. Sureshbhai Pragjibhai Vaviya, with 25 years of experience, heads our roads and highways segment.

In addition to our Promoters, we have a dedicated and experienced management team, which is responsible for our overall strategic planning and business development. We have a succession plan in place, with Jay Patel, son of Mr. Pravinbhai Vithalbhai Patel, Mr. Krunal Patel and Mr. Parth Patel, sons of Mr. Arvind Vithalbhai Patel, who are key managerial personnel of our Company, currently serving as our director - technical, director – strategic business development and director - commercial, respectively.

Our motivated team of management and key managerial personnel and our internal systems and processes complement each other, to enable us to deliver high levels of client satisfaction. For more information on our Directors and key managerial personnel, see "***Management***" on page 187.

As on September 30, 2017, we had a workforce of 2,139 employees. 329 of these employees were our technical staff, with necessary experience in the use and handling of modern construction equipment and machinery, to effectively execute our projects. We have strong work culture designed to balance our organizational priorities with life-stage needs and aspirations of our employees. We are able to recognize, reward and develop the right kind of talent, as a result of which we have experienced low attrition at middle and top management levels in the past. We intend to leverage the understanding and the experience of our senior management in successfully managing our operations, which has facilitated the growth of our business.

Strategies

Continue focusing on roads and highways projects while selectively expanding our geographic footprint.

As on October 31, 2017, our Order Book included 12 roads and highways projects across various states in India, amounting to ₹ 61,042.35 million, accounting for 97.39% of our Order Book.

Over the next few years, we will continue to focus on the operations, maintenance and development of our existing projects while seeking opportunities to expand our portfolio of projects. Our strategy is to continue to focus on strengthening our market position and developing and executing EPC projects in the roads and highways sector, while seeking opportunities to bid for additional projects. We intend to draw on our experience, effectively use our assets, market position and our ability to execute and manage multiple projects across geographies, to grow our project portfolio. We will continue to leverage our existing technology and adopt new technologies, designs and project management tools to increase productivity and maximize asset utilization in capital intensive activities.

We plan to continue our strategy of diversifying and expanding our presence in different states for the growth of our business. Our strategy of selective expansion is designed to help us in mitigating diversification related risks. We are selective when we expand in a new location and typically consider geographies where we can deliver high-quality services without experiencing significant delays and interruptions on account of adverse climatic conditions or regulatory delays. We currently have operations in Punjab, Madhya Pradesh, Rajasthan, Karnataka, Tamil Nadu and Gujarat. We intend to expand into states which are economically and politically stable and have favourable geographic and climatic conditions. We intend to broaden our revenue base and reduce risks of volatility of market conditions and price fluctuations by expanding our geographic footprint.

Continue focusing on enhancing execution efficiency.

We intend to continue enhancing our operational efficiencies to better absorb our fixed costs, reduce our other operating costs and strengthen our competitive position through the following initiatives:

Continue scientific selection of projects: We will continue our practices of scientific selection of projects and calibrated growth by avoiding projects that may over-leverage our balance sheets or may require significant investments in equipment or manpower. We will continue to expand into states with less competition, high GDP, stable political conditions, favourable geographic and climatic conditions. We will continue to focus on geographically clustering our projects to further improve our business and financial performance. Our future growth will depend on how successfully we undertake our projects in other states and cluster our existing and new projects to achieve optimal efficiency and profitability.

Focus on timely delivery and quality execution: We intend to continue to focus on performance and project execution in order to maximize client satisfaction and profit margins. We intend to integrate best practices from different sectors and geographic regions and continue our practice of efficient planning and project management and centralizing procurement of major equipment and raw materials. This is designed to help us scale up our operations at a lower cost and enjoy greater economies of scale.

Enhance our existing project execution capabilities: We intend to further enhance our execution efficiency and improve our operating systems of equipment usage, procurement and manpower. We intend to ensure continuous availability of equipment for our projects and exercise better control over the execution of our projects. We intend to adhere to our practice of quick mobilization of the equipment needed for our new projects, further increase spare parts availability and reduce procurement and maintenance costs. We intend to continue using our centralized procurement system to gain bargaining power with our equipment and raw material suppliers and further reduce our procurement costs. We source funding for our projects primarily through loans from banks and other financial institutions. We intend to continue to evaluate various funding mechanisms which will enable us to enhance our credit rating and in turn reduce our borrowing cost and improve our liquidity position.

Focus on strengthening our information technology systems: We intend to continue upgradation of our information and communication technology infrastructure and other internal processes to reduce manual intervention and improve reliability and efficiency of our business and operations. We have installed a SAP-based ERP system since December 22, 2017, increasing data security, training and retaining competent IT staff, enhancing the existing systems for equipment usage, procurement and manpower and exercising more control over the execution of projects.

Focus on exploring the hybrid annuity based model.

We seek to undertake more HAM projects that match our corporate profile, project experience and execution capabilities and offer a risk and reward profile that may be favourable to us, to broaden our revenue base and also improve the geographical diversification of our projects.

As on the date of this Draft Red Herring Prospectus, we are undertaking three HAM projects all awarded by NHAI, namely, the Sethiyahopu-Cholopuram Project and the Cholopuram-Thanjavur Project in Tamil Nadu, and the Darah-Jhalawar Project in Rajasthan, with a total contract value of ₹ 39,302.30 million.

Leveraging our experience, track record, commercial relationships and brand recognition in the EPC Business, we will continue to evaluate opportunities to undertake HAM projects, with a focus on selectively bidding for HAM projects in states with stable growth, and with central or multilateral funding.

Under HAM, a new hybrid annuity model introduced by the Government in 2016, the Government accepts revenue/toll collection risk, along with partial sharing (40%, on a case to case basis) of financial risk and the concessionaire to continue to manage executional and operational and maintenance risk. The introduction of HAM projects in India provides opportunities for private developers to participate in the annuity based model without exposing such private developers to the entire financial and revenue risk.

Capitalize on the growth opportunities in the Indian infrastructure industry.

As the growth of the economy in general and the manufacturing sector in particular is largely dependent on creation of suitable infrastructure, the policy focus in India has been on infrastructure investment which has led to increased budgetary support to the transportation sector. Accordingly, the consequent need for supporting such infrastructure may grow with the increase in infrastructure projects.

The Government's focus on the development of the infrastructure sector and sustained increased budgetary allocation towards the infrastructure sector, together with increased funding by international and multilateral development finance institutions for infrastructure projects have resulted in increased demand for engineering construction services for infrastructure projects. Government spending on the road infrastructure sector is a key component of India's goal of sustained annual GDP growth. The CRISIL Report states that investment in road projects is to double to ₹ 10.70 trillion over next five years. According to the CRISIL Report, investment in state roads is expected to grow steadily, and rise at a faster pace in case of rural roads, owing to higher budgetary allocation to the Pradhan Mantri Gram Sadak Yojana since Fiscal 2016. The Government of India has floated the NHDP in 1998, which is aimed at building, upgradation, rehabilitation and broadening of national highways. The programme is executed by NHAI in coordination with the PWD of various States. The Government has also floated various other NHAI projects including the Special Accelerated Road Development Programme in North-East region and the National Highways' Interconnectivity Improvement Project. According to the CRISIL Report, out of the total ₹ 4.3 trillion expected to be invested in national highways up to Fiscal 2022, about ₹ 1.4 trillion will be through HAM projects. Our expertise and experience in the development, operation and management of road infrastructure projects, as well as our established reputation, provides us with a competitive advantage in pursuing opportunities in this rapidly growing sector.

OUR ORDER BOOK

Our Order Book as on a particular date consists of estimated revenue from unexecuted or uncompleted portions of our ongoing projects, i.e., the total contract value of such ongoing projects as reduced by the value of construction work billed until such date.

Our Order Book was ₹ 62,672.43 million as on October 31, 2017.

The following table sets forth the breakdown of our Order Book as on October 31, 2017 by type of clients:

Client	Number of Contracts	Total contract value (₹ in million)	Outstanding order value (₹ in million)	Percentage of outstanding order value (%)
Private clients	2	11,159.23	11,159.23	17.81
Government clients	17	65,362.11	51,513.20	82.19
• *NHAI*	*3*	*39,302.30*	*39,302.30*	*62.71*
• *MoRTH*	*5*	*16,697.90*	*8,782.19*	*14.01*
• *State PWDs and Municipal Corporations*	*9*	*9,361.91*	*3,428.71*	*5.47*
○ Punjab PWD	2	6,188.41	1,798.62	2.87
○ Ahmedabad Municipal Corporation and Ahmedabad Road and Buildings Department	2	1,848.67	474.11	0.76
○ Vadodara Mahanagar Seva Sadan and Vadodara Urban Development Authority	3	1,154.09	1,023.89	1.63
○ Gujarat University, Ahmedabad	2	170.74	132.09	0.21
Total	**19**	**76,521.34**	**62,672.43**	**100.00**

The following table sets forth the breakdown of our Order Book, as on October 31, 2017, by geographical areas:

State	Number of contracts	Total contract value (₹ in million)	Outstanding order value (₹ in million)	Percentage of outstanding order value (%)
Tamil Nadu	2	28,066.00	28,066.00	44.78
Rajasthan	3	22,395.53	22,395.53	35.73
Punjab	5	17,916.21	7,587.75	12.11
Karnataka	1	2,570.00	2,570.00	4.10
Gujarat	7	3,173.50	1,630.09	2.60
Madhya Pradesh	1	2,400.10	423.06	0.68
Total	**19**	**76,521.34**	**62,672.43**	**100.00**

Order Book – Certain Details of our Ongoing Projects

The following table sets forth certain details of ongoing projects in our Order Book as on October 31, 2017:

S. No.	Project Description	Client	State	Project Cost (₹ in million)	Project Start Date	Role (contractor/ Sub-contractor)	Independent/ Joint Venture
Roads and Highways							
1.	World Bank funded Punjab State Road Sector project- Improvement, Rehabilitation, Resurfacing and routine maintenance works of roads of Sangrur-Mansa-Bathinda Contract Area under OPRC	Chief Engineer (PSRSP), PWD (Building and Roads Division), Punjab Roads & Bridges Development Board, Mohali	Punjab	5,963.61	December 5, 2012	Contractor	Independent
2.	Development to four lane with paved side shoulders of Tapa-Bathinda section of NH-64	PWD, Punjab, MoRTH, Sadbhav-PIPL JV	Punjab	4,537.80	July 28, 2015	Sub-Contractor	Joint Venture
3.	Rehabilitation and upgradation of Katni-Umaria section of NH-78	MoRTH	Madhya Pradesh	2,400.10	July 1, 2015	Contractor	Joint Venture
4.	Development to four lanes with paved side shoulders of Moga-Tallewal section of NH 71	MoRTH	Punjab	3,810.00	December 12, 2016	Contractor	Independent
5.	Development to four lanes with paved side shoulders of Lambra-Shahkot section of NH 71	MoRTH	Punjab	3,380	October 11, 2016	Contractor	Independent
6.	Works for construction of approaches to ROB on existing level crossing no A-227B/E-2 on Bathinda Delhi Rail Section, and of Bhawanigarh-Sunam-Bhikhi-Kotshamir Road near Bhai	Punjab Roads and Bridges Development Board, invited through World Bank	Punjab	224.80	September 29, 2016	Contractor	Independent

S. No.	Project Description	Client	State	Project Cost (₹ in million)	Project Start Date	Role (contractor/ Sub-contractor)	Independent/ Joint Venture
	Bakhtour, Bathinda, along with service lanes and diversion road						
7.	Widening to two/four lane with paved shoulders, Maharashtra border-Bidar section of NH - 50	MoRTH	Karnataka	2,570.00	March 23, 2017	Contractor	Independent
8.	Six laning of Kishangarh to Gulabpura section of NH-79A and NH-79	Modern Road Makers Private Limited	Rajasthan	7,222.71	-	Sub-contractor	Independent
9.	Four laning of Cholopuram – Thanjavur section of NH-45C on HAM basis	NHAI	Tamil Nadu	13,456.00	-	Sub-Contractor	Independent
10.	Four laning of Sethiyahopu-Cholopuram section of NH-45C on HAM basis	NHAI	Tamil Nadu	14,610.00	-	Sub-Contractor	Independent
11.	Four laning of Darah-Jhalawar-Teendhar section of NH-12 (new NH-52)	NHAI	Rajasthan	11,236.30	-	Contractor	Independent
12.	Six laning of Gulabpura-Chittorgarh Section of NH-79	Modern Road Makers Private Limited	Rajasthan	3,936.52	-	Contractor	Independent
Sub-Total (Roads and Highways)				**₹ 73,347.84** million			
Buildings							
13.	Construction of RCC structure in coordination with steel structure for frame of a new multi-storied, multi-speciality hospital building in Ellis bridge area at Ahmedabad	Ahmedabad Municipal Corporation, Ahmedabad	Gujarat	1,113.57	October 3, 2012	Contractor	Independent

S. No.	Project Description	Client	State	Project Cost (₹ in million)	Project Start Date	Role (contractor/ Sub-contractor)	Independent/ Joint Venture
	along with soil nailing						
14.	Construction of eight new court buildings in City Civil Court, Ahmedabad	Executive Engineer, Road and Building Division, Ahmedabad, Government of Gujarat	Gujarat	735.10	February 26, 2014	Contractor	Independent
15.	Construction of Town Hall for Vadodara Mahanagar Seva Sadan, Vadodara	Vadodara Mahanagar Seva Sadan, Vadodara	Gujarat	223.03	June 5, 2015	Contractor	Independent
16.	Installation of new fire fighting system of Town Hall in East Zone for Vadodara Municipal Corporation	Vadodara Mahanagar Seva Sadan, Vadodara	Gujarat	7.38	November 15, 2016	Contractor	Independent
17.	Construction of residential flats, shops and offices (including infrastructure development) at Khatamba under Pradhan Mantri Awas Yojana	Vadodara Urban Development Authority	Gujarat	923.68	December 20, 2016	Contractor	Independent
18.	Construction of law, journalism and commerce building at Gujarat University	Gujarat University	Gujarat	104.51	January 23, 2017	Contractor	Independent
19.	Construction of tennis academy at Gujarat University	Gujarat University	Gujarat	66.23	January 23, 2017	Contractor	Independent
Sub-Total (Buildings)				**₹ 3,173.50 million**			
Total Order Book				**₹ 76,521.34 million**			

OUR EPC BUSINESS

Our EPC Business comprises:

Roads and Highways: Design, engineering, procurement, construction, rehabilitation, upgradation, operation and maintenance, of roads and highways, design, engineering and construction of bridges.

Our EPC Business in the roads and highways segment spread across various states in India, currently including Punjab, Madhya Pradesh, Rajasthan, Karnataka, Tamil Nadu and Gujarat, where we carry out EPC services for various government departments and authorities such as NHAI, MoRTH, state highway authorities, State PWDs such as the Punjab PWD and private players including Modern Road Makers Private Limited.

Building and other Civil Construction: Construction of civil infrastructure for residential, government official buildings and commercial structures and civil works for other infrastructure projects

Currently, our EPC projects in the civil construction sector are primarily awarded to us by the various municipal and state authorities of Gujarat which include the Ahmedabad Municipal Corporation, Ahmedabad City (Road and Building) Department, Vadodara Mahanagar Seva Sadan, Vadodara Urban Development Authority and Gujarat University, Ahmedabad.

EPC contracts are fixed-price contracts wherein the client provides conceptual information about the project. Technical parameters, based on desired output, are specified in the contract. We are required to prepare project specific architectural and/or structural designs that adhere to regulatory requirements, procure raw materials and equipment for the relevant project and effect the actual construction of the project. Based on these designs, we draw up cost estimates and accordingly bid for the project.

Engineering — Our engineering work normally includes work related to project layout, construction process, control systems and instrumentation, equipment usage planning, civil works, designing cost control measures and scheduling.

Procurement — Following the engineering stage, we arrange the equipment and place orders for the raw materials required for the project. We own a large fleet of modern construction equipment, which helps lower our procurement cost.

Construction — We commence construction after the engineering and design aspects are finalized and the required equipment and raw materials are purchased or arranged. We mobilize our workforce and construction machinery to the worksite according to the schedule in the contract. Our work also involves construction of different ancillary structures depending on the projects we undertake.

Lump-sum turn-key contracts – Lump-sum turn-key contracts provide for a single price for the total amount of work, subject to variations pursuant to changes in the client's project requirements. In lump-sum contracts, the client supplies all the information relating to the project, such as designs and drawings. Based on such information, we are required to estimate the quantities of various items, such as raw materials, and the amount of work that would be needed to complete the project, and then prepare our own bill of quantities to arrive at the price to be quoted. We are responsible for the execution of the project based on the information provided and technical stipulations laid down by the client at our quoted price. Escalation clauses might exist in some cases to cover, at least partially, cost overruns.

Item rate contracts - These contracts are also known as unit-price contracts or schedule contracts. For item rate contracts, we are required to quote rates for individual items of work on the basis of a schedule of quantities furnished by our client. The design and drawings are provided by the client. Typically, our risk is lower in item rate contracts as, other than escalation in the rates of items quoted by us to the client, we are paid according to the actual amount of work on the basis of the per-unit price quoted. Item rate contracts typically contain price variation or escalation clauses that provide for either reimbursement by the client in the event of a variation in the prices of key materials (e.g., steel and cement) or a formula that splits the contract into pre-defined components for materials, labour and fuel and links the escalation in amounts payable by the client.

OUR ANNUITY BUSINESS

As on the date of filing of this DRHP, we have three HAM projects, namely, the Sethiyahopu-Cholopuram Project, the Cholopuram-Thanjavur Project and the Darah-Jhalawar Project, the details of which are as follows:

1. Sethiyahopu-Cholopuram Project

The Sethiyahopu-Cholopuram project is being carried out by our Subsidiary, Patel Sethiyahopu-Cholopuram Highway Private Limited ("**PSCHPL**"), which was incorporated for the sole purpose of completing this project.

Under the concession agreement dated November 9, 2017 between NHAI and PSCHPL, the Sethiyahopu-Cholopuram Project involves the four laning of Sethiyahopu – Cholopuram from km. 65.960 to km. 116.440 km section of NH-45C in the State of Tamil Nadu under NHDP Phase IV.

2. Cholopuram-Thanjavur Project

The Cholopuram-Thanjavur Project is being carried out by our Subsidiary, Patel Cholopuram-Thanjavur Highway Private Limited ("**PCTHPL**"), which was incorporated for the sole purpose of completing this project.

Under the concession agreement dated October 12, 2017 between the NHAI and PCTHPL, the Cholopuram-Thanjavur Project involves the four laning of Cholopuram – Thanjavur from km. 116.440 to km. 164.275 section of NH-45C in the State of Tamil Nadu under NHDP Phase IV.

3. Darah-Jhalawar Project

The Darah-Jhalawar Project was awarded to us under a Letter of Award dated October 4, 2017. As on the date of this Draft Red Herring Prospectus, the concession agreement is yet to be executed and we have not yet commenced execution of this project.

The Darah-Jhalawar Project would involve the four laning of Darah-Jhalawar-Teendhar from km. 299.000 to km. 346.540 km section of NH12 in the State of Rajasthan under NHDP Phase III.

HAM, as a model for award of highway projects, is a recent initiative by the GoI, with the objective of realigning the financing risk liability between the government and the private client, in order to make the implementation of HAM projects more beneficial and sustainable for the private client. Under the contracts for carrying out HAM projects, 60% of the project cost is to be borne by the concessionaire through a combination of equity and debt, and the remaining 40% of the project cost is to be paid to the concessionaire by the concessioning authority in equal instalments, which will be linked to the project completion milestones. During the construction phase, 40% of project cost would be shared by the concessioning authority and the balance is payable in pre-approved instalments as per schedule. Thereafter, on completion of the project, the 60% of the project cost is required to be paid by the concessioning authority to the concessionaire in semi-annual annuity payments. While toll collection will be the responsibility of the concessioning authority, the concessionaire will be responsible for the maintenance of the project for the entire concession period.

As a result, under this model, the GoI shares a portion of the total project cost by accepting revenue/toll collection risk, along with a partial sharing (40% on a case to case basis) of financial risk while the concessionaire continues to manage executional and operational and maintenance risks. This reduces the financial burden on the private concessionaire during the project implementation phase and increased its leverage in obtaining bank financing. Three of our projects are currently being undertaken on this hybrid annuity basis.

In addition to the above HAM projects, our Annuity Business currently includes our previously completed BOT annuity projects under which we currently receive toll collection fees and annuity income. For more information on our revenue from toll collection fees and annuity income, see "***Financial Statements***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on pages 211 and 348, respectively.

COMPLETED PROJECTS

During the last five Fiscals, we have completed nine roads and highways projects above the contract value of ₹ 300 million each, aggregating to a total contract value of ₹ 22,732.07 million, and six civil construction projects above the contract value of ₹ 300 million each, aggregating to a total contract value of ₹ 4,406.27 million.

Out of our total 15 projects completed by us during the last five Fiscals, having a contract value above ₹ 300 million each, the following table sets forth certain details of our top five such projects, based on total contract value:

S. No	Description of the Project	Project Type	Client	State	Actual cost incurred on project (₹ in million)	Role (Contractor/Sub-contractor)	Independent/ Joint Venture
1.	Six-laning of Ahmedabad to Vadodara section of NH-8 and	Road	Modern Road Makers Private Limited	Gujarat	3,572.17	Sub-Contractor	Independent

S. No	Description of the Project	Project Type	Client	State	Actual cost incurred on project (₹ in million)	Role (Contractor/Sub-contractor)	Independent/ Joint Venture
	Improvement of existing Ahmedabad Vadodara Expressway						
2.	Four-laning of Sangrur Bypass and Dhanoula Bypass	Road	Executive Engineer, Road & Building Division, Punjab PWD, Patiala	Punjab	2,461.55	Contractor	Independent
3.	Four-laning of Jaipur to Deoli section of NH - 12	Road	Modern Road Makers Private Limited	Rajasthan	2,227.90	Sub-Contractor	Independent
4.	Two-laning with paved shoulders of Nagaur to Netra village section of NH-65	Road	Executive Engineer, Road & Building Division, PWD, Jaipur, Rajasthan	Rajasthan	1,481.80	Contractor	Independent
5.	Widening and strengthening of Rajkot to Bhavnagar section of SH-25	Road	Executive Engineer, Road and Building Division, Bhavnagar	Gujarat	1,401.50	Contractor	Independent

In addition to the above, our completed projects included an OMT project awarded to us in 2010 and undertaken and completed by us through our Subsidiary, Patel Highway Management Private Limited, pursuant to which we currently receive toll collection fees.

JOINT VENTURES

In order to be able to bid for certain large scale infrastructure projects, we enter into joint venture and joint bidding agreements with other companies to meet capital adequacy, technical or other requirements that may be required as part of the pre-qualification for bidding or execution of the contract.

As on date of this Draft Red Herring Prospectus, we are executing two projects through joint ventures, the details of which are set forth hereunder.

1. Sadbhav – PIPL JV

The Punjab PWD, Government of Punjab acting through the MoRTH invited bids in relation to the award of contract for development of four lanes with paved shoulders of Tapa to Bathinda section of National Highway No. 64 (NH-64) from existing 168.00 kilometers to 209.500 kilometers in the State of Punjab through an EPC contract. Our Company has entered into a joint bidding agreement dated April 18, 2015 with Sadbhav Engineering Limited in order to bid for the above-mentioned project as a joint venture. Further, our Company entered into a work allocation agreement dated September 18, 2015 as amended on April 25, 2016 and an agreement of sub-contract dated September 18, 2015, with Sadbhav Engineering Limited, for the purpose of development of four lanes of the existing two-lane carriageway of the 'Tapa-Bathinda' section ranging from existing 168.00 kilometers to 209.500 kilometers of National Highway No. 64 (NH-64) in the State of Punjab.

2. KECL-PIPL JV

The Madhya Pradesh Road Development Corporation invited bids in relation to the award of contract for rehabilitation and upgradation of two-lane with paved side shoulders of the Katni-Umaria section ranging from existing 0.00 kilometers to 7.95 kilometers (Katni bypass) and 4.6 kilometers to 68.4 kilometers of National Highway No. 78 (NH-78) through an EPC contract. Our Company has entered into a joint bidding agreement dated March 9, 2015 in order to bid for the above-mentioned project as a joint venture. Further our Company entered into a work allocation agreement dated January 21, 2017 and an agreement of sub-contract dated January 21, 2017 with Kalthia Engineering and Construction Limited ("**KECL**"), for the purpose of rehabilitation and upgradation of two-lane with paved side shoulders of the Katni-Umaria section ranging from existing 0.00 kilometers to 7.95 kilometers (Katni bypass) and 4.6 kilometers to 68.4 kilometers of National Highway No. 78 (NH-78).

As on date of this Draft Red Herring Prospectus, we have completed one project through a joint venture, the details of which are set forth hereunder.

3. PIPL-KCL JV

The Road and Buildings Division, Bhuj- Kachchh invited bids in relation to the award of contract for wideing to 10 Mt. carriageway and strengthening of Bhuj-Mandvi Road between Km. 5.40 to Km. 48.90 (under Port Connectivity) through an EPC contract. Our Company has entered into a joint venture agreement with Katira Construction Limited ("**KCL**") dated September 17, 2013 in order to bid for the above-mentioned project as a joint venture. The project was completed July 18, 2016.

For further information on our Joint Ventures, see "***History and Certain Corporate Matters – Joint Ventures***" on page 184.

TYPICAL TERMS OF OUR CONTRACTS

Under a project contract, we are primarily responsible for the implementation of all design, engineering, procurement and construction efforts, in compliance with the specifications and standards, and other terms and conditions of the contract, in a timely manner and to the satisfaction of our clients. In the event of our failures or delays, we are typically required to pay liquidated damages. Our contracts are usually for a fixed-sum and we bear the risk of any incorrect estimation of the amount of work, materials or time required for the job. Escalation clauses may exist in some cases to cover cost overruns.

Our Obligations

We are usually required to undertake functions including the survey, investigation, design, engineering, procurement, construction, operation and maintenance of the concerned project highway and observe, fulfil, comply with and perform all the obligations set out in the contract or arising thereunder, including but not limited to compliance with applicable laws and permits, good industry practice, remedy of all loss or damage to the project highway during the maintenance period at its own cost, undertake necessary superintendence to plan, arrange, direct, manage, inspect and test the project works and make applications to the relevant government authorities to procure the relevant licenses, agreements, permits, proprietary rights and permissions for materials, methods, processes, know-how and systems used or incorporated in the project.

Indemnities

We are usually required to indemnify the concessioning authority and its members, officers and employees against all suits, actions, proceedings, demands, claims from third parties, liabilities, damages, losses, costs and expenses due to failure on our part to perform our obligations or any negligence on our part under the contract.

Sub-contracting

Certain contracts restrict us from sub-contracting more than certain specified percentage of the total length of, or work under, the project.

Performance Security and Defect Liability

We are usually required to provide a guarantee equal to a fixed percentage of the contract price, ranging from 2% to 7.5%, as the performance security. We are typically responsible for curing any defects during the defect notification period, which is usually for a period of 12 to 48 months after completion of work.

Retention money

Certain contracts specify a certain percentage of the value of work executed, typically 5% of the contract price, to be withheld by the client as retention money. Our clients have the right to appropriate the retention money upon any default by us as per the terms and conditions of the contract. However, the retention money can be replaced with an irrevocable and unconditional bank guarantee provided to our client, upon the completion of a certain specified percentage of the total length of the project.

Liquidated Damages

We are usually required to pay liquidated damages for delays in completion of project milestones, which are often specified as a fixed percentage, typically 10% of the contract price. Our clients are entitled to deduct the amount of damages from the payments due to us.

Insurance

We are usually required to procure insurance in relation to the employees employed for the execution of the works under the contract as well as necessary insurances for the execution of the project. Typically, we are required to procure third party liability insurance, workmen's compensation insurance and plant and equipment insurance as may be stipulated under the contract.

Events of Default

Our contracts generally contain the events of default, including but not limited to the events specified below, the occurrence of which would amount to a default by us with regard to the contract:

i. failure to provide, extend or replenish the performance security;

ii. failure to cure any default within 30 days;

iii. failure to achieve the latest project milestone subject to applicable time extensions;

iv. abandonment or manifestation of intention of abandonment of the construction or maintenance of the project highway without prior written consent of the concessioning authority;

v. failure to proceed with the works in accordance with the provisions of the contract or unauthorized stoppage of work and/or maintenance of the project for 30 days without reflecting the same in the current programme;

vi. failure to complete punch list items;

vii. failure to rectify any defect, the non-rectification of which shall have a material adverse effect on the project within the time specified in the agreement or directed by the government authority's engineer;

viii. creation of any encumbrance in breach of the contract;

ix. bankruptcy or insolvency of our Company / the relevant project company;

x. a material adverse effect caused by our Company / the relevant project company being in the process of being liquidated, dissolved, wound-up, amalgamated or reconstituted;

xi. passage of a winding up resolution by, or any petition for winding up of, our Company / the relevant project company being admitted in a court of competent jurisdiction and appointment of a provisional liquidator or receiver; and

xii. default in complying with provisions of the contract if such a default causes a material adverse effect on the project or on the government authority.

Termination

Our contracts may be terminated in case any of the abovementioned events of default occur and we fail to cure the default within the specified cure period or where cure period is not specified within 60 days, unless such event of default has occurred solely as a result of any breach of the contract or due to force majeure. Termination shall occur by way of issue of a termination notice to us, provided that before the issue of a termination notice the concessioning authority must by notice inform us of its intention to issue a termination notice and grant us 15 days to make a representation.

Upon termination on account of our default, the concessioning authority may be required to make a termination payment to us, depending on the on the valuation of the unpaid works and the timing of the termination in relation to the payment milestones associated with the respective projects. The concessioning authority may also encash and appropriate the performance security and retention money associated with the project and encash or appropriate the bank guarantee (if any) in respect of the outstanding advance payment and interest thereon.

OPERATIONS

Geographic Clustering of Projects

We typically seek to cluster our projects geographically to improve efficiency and profitability. By leveraging the manpower, equipment and materials already in place at nearby worksites, we intend to save transportation cost and investment in new equipment, thus achieving economies of scale. We maintain our focus on geographically clustering projects, when we expand into multiple sectors of business or to other states.

Business Development and Tendering

We procure and enter into contracts primarily through a competitive bidding process. Our clients typically advertise for potential projects on their websites and in leading newspapers. Our Company has a dedicated planning and monitoring team which reviews newspapers and official websites of various authorities and government project tender aggregators where details of potential projects are typically listed to identify projects that could be of interest to us. After such projects are identified, the department seeks approval of the management in order to determine if the identified projects are to be pursued.

Our Company's planning and monitoring team is responsible for applying for pre-qualifications and tenders. The planning and monitoring team evaluates the credentials of our Company *vis-à-vis* the stipulated eligibility criteria. We endeavor to qualify on our own for projects in which we propose to bid. In the event that we do not qualify for a project in which we are interested due to eligibility requirements relating to the size of the project or other reasons, we may seek to form strategic alliances or project-specific joint ventures with other relevant experienced and qualified contractors, using the combined credentials of the cooperating companies to strengthen our chances of pre-qualifying and winning the bid for the project.

A notice inviting bids may either involve pre-qualification, or short-listing of contractors, or a post-qualification process. In a pre-qualification or short-listing process, the client stipulates technical and financial eligibility criteria to be met by the potential applicants. Pre-qualification applications generally require us to submit details about our organizational set-up, financial parameters (such as turnover, net worth and profit and loss history), employee information, plant and equipment owned, portfolio of executed and ongoing projects and details in respect of litigations and arbitrations in which we are involved. In selecting contractors for major projects, clients generally limit the issue of tender to contractors they have pre-qualified based on several criteria, including experience, technical ability and performance, reputation for quality, safety record, financial strength, bonding capacity and size of previous contracts in similar projects, although the price competitiveness of the bid is usually a significant selection criterion.

We typically undertake work in states which have favorable climatic and geographic conditions and where we can deliver high-quality services without experiencing significant delays and interruptions on account of adverse climatic conditions or regulatory delays. Pre-qualification is key to our winning major projects and we continue to develop our pre-qualification status by executing a diverse range of projects and building our financial strength. We are pre-qualified to bid independently on an annual basis for bids by NHAI and MoRTH of contract value up to ₹ 12,340.0 million for EPC contracts and ₹ 12,030.0 million for Annuity contracts based on our technical and financial capacity as on March 31, 2017.

If we pre-qualify for a project, the next step is to submit a financial bid. Prior to submitting a financial bid, our Company carries out a detailed study of the proposed project, including performing a detailed study of the technical and commercial conditions and requirements of the tender followed by a site visit. Our tendering department determines the bidding strategy depending upon the type of project and our role in the project.

Our Company follows a strategic approach during the pre-bidding stage, which involves undertaking technical surveys and feasibility studies and analysing the technical and design parameters and the cost involved in undertaking the project. A site visit enables us to determine the site conditions by studying the terrain and access to the site. Thereafter, a local market survey is conducted to assess the availability, rates and prices of key construction materials and the availability of labor and specialist sub-contractors in that particular region. Sources of key natural construction materials, such as quarries for aggregates, are also visited to assess the availability, and quality of such material.

Alternatively, the client may choose to invite bids through a post-qualification process wherein the contractor is required to submit the financial bid along with the information mentioned above in separate envelopes. In such a situation, the client typically evaluates the technical bid or pre-qualification application initially and then opens the financial bids only to those contractors who meet the stipulated criteria.

Engineering, Design and Procurement

We provide engineering and design services, as per the requirements of the clients for the projects we undertake. In such projects, the client typically provides scope of the project and specifications, based on which, we are required to provide detailed project plans, structural/architectural designs for the conceptual requirements of the client.

Upon receipt of the letter, we begin mobilizing manpower and equipment resources and the setting up of site offices, stores and other ancillary facilities. Construction activity typically commences once the client approves working designs and issues drawings. Our planning and monitoring team immediately identifies and works with the procurement department to procure the key construction materials and services required to commence construction. Based on the contract documents, a detailed schedule of construction activities is prepared. We have a multi-tiered project management system that helps us track the physical and financial progress of work *vis-à-vis* the project schedule.

Additionally, the senior management of our Company follow a hands-on approach with respect to the project execution.

In Fiscals 2015, 2016 and 2017 and the six months ended September 30, 2017, our cost of raw materials consumed on a consolidated basis, was ₹ 990.94 million, ₹ 2,612.39 million, ₹ 5,718.94 million and ₹ 2,124.15 million, which constituted 17.42%, 29.08%, 35.70% and 26.39% of our total revenue, respectively. Raw materials comprise a significant portion of the total project cost. Consequently, success in any project would depend on the adequate supply of requisite raw materials during the tenure of the contract. We have a separate department, which is responsible for procurement and logistics to ensure timely availability of raw materials at each of our project sites.

The ability to cost-effectively procure material, services and equipment, and meeting quality specifications for our projects is essential for the successful execution of such projects. We continually evaluate our existing vendors and also attempt to develop additional sources of supply for most of the materials, services and equipment needed for our projects. Further, we selectively sub-contract only certain ancillary functions, such as earth work.

Construction

The issuance of a letter of acceptance or letter of intent by the client signifies that we have been awarded the contract. Upon receipt of the letter, we typically commence pre-construction activities promptly, such as mobilizing manpower and equipment resources and setting up site offices, stores and other ancillary facilities.

Construction activity typically commences once the client approves working designs and issues drawings. The planning and monitoring team immediately identifies and works with the purchase department to procure the key construction materials and services required to commence construction. Based on the contract documents, a detailed schedule of construction activities is prepared. The sequence of construction activities largely follows the construction schedule that was prepared initially, subject to changes in scope requested by the client. Projects generally commence with excavation and earthmoving activities. Other major components of a typical construction project include concreting and reinforcement.

Project Monitoring

Our planning and monitoring team are responsible for ensuring that we execute the project in a systematic and cost effective manner by monitoring operational costs, administrative costs and finance costs at every stage of the project cycle and applying checks and controls to avoid any cost and time overruns.

We rely on our IT systems to ensure efficient project management. We have installed a SAP-based ERP system since December 22, 2017 to track raw materials and components that are supplied to us, to monitor the progress and status of our projects as well as the efficiency of our workers, and to allocate work and resources among our construction teams. Our SAP system is also designed to enable us to monitor and record up-to-date operating and financial data for the compilation of management accounts.

Our engineering and management teams are responsible for preparing reports with respect to information regarding daily activities such as raw material consumption rate, requirement and procurement of raw materials. Our mechanical department is responsible for handling of machinery breakdowns and preparing idle status reports and captive production reports about equipment such as crushers, batching plants and hot and wet mix plants. Our planning and monitoring team prepare monthly reports by comparing the target program and the progress achieved, program revision to cover slippages, if any, review status of project design and drawing, reconcile raw materials, prepare an action plan for bottlenecks and provide results of physical site visits.

Additionally, we also have a project management system that helps us track the physical and financial progress of work *vis-à-vis* the project schedule. Each project site has a billing department that is responsible for preparing and dispatching periodic invoices to the clients. Joint measurements with the client's representative are taken on a periodic basis and interim invoices prepared on the basis of such measurements are sent to the client for certification and release of interim payments. The billing department is also responsible for certifying the bills prepared by our vendors and sub-contractors for particular projects and forwarding the same to our head office for further processing.

Equipment

We own a large fleet of sophisticated and modern construction equipment. As our projects have diversified and our Order Book has grown, our investment in our equipment has increased. In Fiscals 2015, 2016 and 2017 and the six months ended September 30, 2017, we expended ₹ 64.83 million, ₹ 945.70 million, ₹ 327.56 million and ₹ 51.72 million on purchase of equipment, which accounted for 1.48%, 13.61%, 2.45% and 0.79% of our total revenue in those periods, respectively. As on September 30, 2017, we had a fleet of 683 construction equipment assets including hot mix plants, concrete batch mix plants, crushers, excavators, loaders, dozers, sensor pavers and transportation vehicles from reputed global equipment suppliers.

A designated department is responsible for identifying the need to procure or hire, deploy, maintain and monitor the plant, equipment and accessories. Machinery deployed to a specific site is monitored by an activity log to track the capacity utilization, fuel consumption, idleness, cost effectiveness and other operational details.

As the owner of a modern fleet of construction equipment, we are able to dispatch our construction vehicles or machinery to worksites where they can be utilized at an efficient level without delay. With high control and availability of our construction equipment, we can take measures to use and maintain our equipment to improve our efficiency and profitability and decide the use of our equipment pursuant to the needs of our projects. In order to do so, a qualified and experienced team works around the clock, to execute our projects in an efficient manner while avoiding high rental costs, risks of renting wrong equipment, delays and use restrictions by third-party equipment owners. To ensure high quality, low cost and timely completion of projects, we have an in-house repair and maintenance team, which carries out scheduled preventive maintenance, breakdown maintenance, proactive maintenance and other activities. Fast running items are stored at project sites in order to minimize the time spent in repair.

For equipment under warranty, we typically seek authorized services under the supervision of the respective manufacturer dealerships.

The following table provides a list of the key equipment owned by us as on September 30, 2017:

Detail of Equipment	Quantity
Earthmovers - Dumpers and Tippers, trailers, tankers	254
Loaders and excavators	65
Rollers and compactors	57
Weigh bridge	26
Transit mixer	23
Motor graders	22
Milling machine	2
Paver finisher	17
Cranes – tower, hydra, recovery	15
Concrete batch mix plant	14
Crushers	8
Hot mix plant – batch type	6
Concrete pavers	2
Others	172
Total	**683**

Human Resources

As on September 30, 2017, we had 2,139 permanent employees. In addition, we hire local labour on contractual basis from time to time. Since a majority of our employees are on our rolls, we have minimal reliance on contract workers, which helps us exercise a greater control over the quality and costs of our project and achieve execution of our projects in a timely manner.

We undertake selective and need-based recruitment every year to maintain the size of our workforce, which may otherwise decline as a result of attrition and retirement of employees. None of our employees are part of any trade union or covered by collective bargaining agreement. We believe that we have a satisfactory working relationship with our employees. As on date of this Draft Red Herring Prospectus, we have not experienced any significant labour disputes in the past.

The following table sets forth the number of persons employed in various roles in our Company as on September 30, 2017:

Department	Number of employees
Projects and operations	1,832
Inventory and logistics	124
Human resource and administration	110
Accounts and finance	51
Information technology	17
Business development	4
Legal and secretarial	1
Total	**2,139**

We are committed to the development of the expertise and know-how of our employees through technical seminars and training sessions organized or sponsored by us. Our personnel policies are aimed towards recruiting the talent that we need, facilitating the integration of our employees and encouraging the development of skills in order to support our performance and the growth of our operations.

Information Technology

Information technology at our project sites allow accessibility and communication among on-site project managers and each site office. Management information systems ("**MIS**") help us plan and monitor progress of project execution in terms of time, cost, quality parameters, efficiency, utilization and deployment of plant, equipment and manpower resources across locations.

We have installed and implemented a SAP system to track raw materials and components supplied to us. The SAP system enables us to track the progress and status of our projects, monitor the efficiency of our workers and allocate work among our construction teams. The SAP system enables us to monitor the daily operation of our business, compile, store and transmit data on supply and production within our organization and for our clients, and maintain up-to-date operating and financial data for the compilation of management accounts.

We have back up hard disk devices for all corporate offices and site data in the SAP system. We also use antivirus software such as Trend Micro and Kaspersky to protect our data from cyber risk.

We are focusing on improving our internal systems and processes and upgrading our IT systems to reduce manual intervention and improve the productivity, reliability and efficiency of our business and operations, and maximize asset utilization in construction activities.

Insurance

We have a standard fire and special perils policy, workmen compensation policy and contractor's all-risk insurance policy, covering injury and material damage to our personnel, construction equipment and vehicles.

Health, Safety and Environment

We have accreditations such as the ISO 9001: 2015, ISO 14001: 2015, and OHSAS 18001: 2007 certifications issued by IQCS Certifications Private Limited, for quality management systems, environmental management systems, and occupational health and safety management systems, respectively.

Additionally, we have obtained the IGBC Green Homes (Silver) and IGBC (LEED India for New Construction - Gold) accreditation for a central office complex we constructed in Vyara, Tapi district, Gujarat.

We have also adopted good practices, including undertaking mock drills and safety orientation programmes to promote a safe working environment.

Typically, in EPC contracts entered into by us, most of the necessary approvals and environmental clearances for the construction of the project are to be procured by our clients.

Competition

We operate in a competitive atmosphere. We compete against various domestic engineering, construction and infrastructure companies such as IRB Infrastructure Developers Limited, Ashoka Buildcon Limited, Hindustan Construction Company Limited, KNR Constructions Limited, NCC Limited, Sadbhav Engineering Limited, and Simplex Infrastructure Limited for infrastructure projects.

Our competition depends on various factors, such as the type of project, total contract value, potential margins, the complexity, location of the project and risks relating to revenue generation. While service quality, technical ability, performance record, experience, health and safety records and the availability of skilled personnel are key factors in client decisions among competitors, price often is the deciding factor in most tender awards. Some of our competitors may have larger financial resources or access to lower cost funds, or may have stronger engineering or technical capabilities in executing complex projects, or projects with certain specifications or in certain geographies. They may also benefit from greater economies of scale and operating efficiencies. Further, the premium placed on having experience may cause some of the new entrants to accept lower margins in order to be awarded a contract. The nature of the bidding process may cause us to accept lower margins in order to be awarded the contract. In certain instances, certain competitors may choose to under-bid, which may adversely impact our market share, margins, revenues and financial condition.

Intellectual Property

Our trademarks "Patel", "Every milestone is our value" and PATEL® Every Milestone is our Value are duly registered under the applicable classes in India.

For further details, see "***Government and Other Approvals***" on page 385.

Property

Our Registered Office, situated at "Patel House", beside Prakruti Resort, Chhani Road, Chhani, Vadodara 391 740, Gujarat, India, is occupied by us pursuant to a lease agreement dated August 31, 2016 with Baroda Packaging Private Limited, a third party, for a period of 30 months, with effect from November 15, 2016.

Additionally, from time to time, we use other properties for the purpose of setting up site offices, storage of raw materials and machinery and equipment, as required at project sites.

KEY REGULATIONS AND POLICIES IN INDIA

The following description is a summary of the relevant regulations and policies currently in force in India that are applicable to our business, as prescribed by the Government of India and other regulatory bodies. The information detailed below has been obtained from various legislations, including rules and regulations and their descriptions promulgated by the regulatory bodies and the bye laws of the respective local authorities that are available in the public domain. The regulations set below may not be exhaustive, are intended only to provide general information to the investors and are neither designed as nor intended to substitute for professional legal advice. Also, *see "**Government and Other Approvals**" beginning on page 385.* *Except as otherwise specified in this Draft Red Herring Prospectus, taxation statutes including the Income Tax Act, 1961, Central Sales Tax Act, 1956, Central Excise Act, 1944, Service Tax under the Finance Act, 1994, applicable local sales tax statutes and other miscellaneous regulations and statutes apply to us as they do to any other Indian company. With effect from July 1, 2017, Goods and Services Tax Laws (including Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, States Goods and Services Tax Act, 2017 and Union Territory Goods and Services Tax Act, 2017) are applicable to our Company. The statements below are based on the current provisions of Indian law and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. Set forth below are certain significant Indian legislations and regulations which are generally adhered to by the industry that we operate in.*

Highways Related Laws

National Highways Act, 1956

The GoI is responsible for the development and maintenance of 'National Highways' under the National Highways Act (the "**NH Act**") and may delegate any function relating to development or maintenance of 'National Highways' to the relevant state government in whose jurisdiction the 'National Highway' falls, or to any officer or authority subordinate to the central or the concerned state government.

The GoI may also enter into an agreement with any person in relation to the development and maintenance of the whole or any part of a National Highway. Such person would have the right to collect and retain fees at such rates as may be notified by the GoI and will also have the power to regulate and control the traffic for proper management of the highway in accordance with the provisions of the Motor Vehicles Act, 1988.

Under NH Act, the GoI is vested with the power to declare a highway as a national highway and also to acquire land for this purpose. The GoI may, by notification, declare its intention to acquire any land when it is satisfied that for a public purpose such land is required to be acquired for the building, maintenance, management or operation of a national highway or part thereof. The NH Act prescribes the procedure for such land acquisition which among other things includes entering and inspecting such land, hearing of objections, declaration of acquisition and the mode of taking possession. The NH Act also provides for payment of compensation to owners and any other person whose right of enjoyment in that land has been affected.

National Highways Fee (Determination of Rates and Collection) Rules, 2008

The National Highways Fee (Determination of Rates and Collection) Rules, 2008 (the "**NH Fee Rules**") regulate the collection of fee for the use of a national highway. Pursuant to the NH Fee Rules, GoI may, by a notification, levy fee for use of any section of a national highway, permanent bridge, bypass or tunnel forming part of a national highway, as the case may be. However, the GoI may, by notification, exempt any section of a national highway, permanent bridge, bypass or tunnel constructed through a public funded project from levy of fees. The NH Fee Rules do not apply to the concession agreements executed or bids invited prior to the publication of such rules i.e. December 5, 2008.

The collection of fee in case of a public funded project shall commence within 45 days from the date of completion of the project. In case of a private investment project, the collection of such fee shall be made in accordance with the terms of the agreement entered into by the concessionaire. The NH Fee Rules further provide for the base rate of fees applicable for the use of a section of the national highway, permanent bridge, bypass or tunnel for different categories of vehicles.

National Highways Authority of India Act, 1988

The National Highways Authority of India Act, 1988 (the "**NHAI Act**") provides for the constitution of an authority for the development, maintenance and management of National Highways. Pursuant to the same, the National Highways Authority of India ("**NHAI**"), was constituted as an autonomous body in 1989 and operationalised in 1995. Under the NHAI Act, GoI carries out development and maintenance of the national highways system, through NHAI. The NHAI has the power to enter into and perform any contract necessary for the discharge of its functions under the NHAI Act.

The NHAI Act prescribes a limit in relation to the value of the contracts that may be entered into by NHAI. However, the NHAI may enter into contracts exceeding the value so specified, on obtaining prior approval of the GoI. NHAI Act provides that the contracts for acquisition, sale or lease of immovable property on behalf of the NHAI cannot exceed a term of 30 years unless previously approved by the GoI. The National Highways Authority of India (Amendment) Act, 2013 which received the assent of the President on September 10, 2013, aimed at increasing the institutional capacity of NHAI to help execute the powers delegated to it.

National Highways Development Project

The GoI, under the Central Road Fund Act, 2000 created a dedicated fund for NHDP. Certain sources for financing of NHDP are through securitization of cess as well as involving the private sector and encouraging Public Private Partnership ("**PPP**"). The NHDP is also being financed through long-term external loans from the World Bank, the ADB and the JBIC as well as through tolling of roads.

Private Participation in NHDP

In an effort to attract private sector participation in the NHDP, the NHAI has formulated model concession agreements where a private entity (the "**Concessionaire**") is awarded a concession to build, operate and collect toll on a road for a specified period of time, which is usually up to 30 years.

The bidding for the projects takes place in two stages as per the process provided below:

- in the pre-qualification stage, NHAI selects certain bidders on the basis of technical and financial expertise, prior experience in implementing similar projects and previous track record; and

- in the second stage, NHAI invites commercial bids from the pre-qualified bidders on the basis of which the right to develop the project is awarded.

In a BOT project, the Concessionaire meets the up-front cost and expenditure on annual maintenance and recovers the entire cost along with the interest from toll collections during the concession period. To increase the viability of the projects, a capital grant is provided by the NHAI/GoI on a case to case basis. The Concessionaire at the end of the concession period transfers the road back to the Government. The Concessionaire's investment in the road is recovered directly through user fees by way of tolls.

In annuity projects, the private entity is required to meet the entire upfront cost (no grant is paid by NHAI/GoI) and the expenditure on annual maintenance. The Concessionaire recovers the entire investment and predetermined return on investments through annuity payments by NHAI/GoI.

The NHAI also forms SPVs for funding road projects. This method of private participation involves very less cash support from the NHAI in the form of equity/debt. Most of the funds come from ports/financial institutions/beneficiary organisations in the form of equity/debt. The amount spent on developments of roads/highways is to be recovered in the prescribed concession period by way of collection of toll fee by the SPV.

In 2015, the Government of India, through the Cabinet Committee on Economic Affairs approved HAM as one of the modes of delivery for implementing the Highway Projects.

Under this model,

- 40% of the project cost is to be provided by the Government as construction support to the private developer during the construction period; and

- the balance 60% is to be funded by the private player as annuity payments over the concession period along with interest at market linked rates on outstanding amount to the concessionaire.

Under HAM, there is no toll right for the developer and revenue collection is the responsibility of NHAI.

Tax incentives which are being provided to the private entity are eligible for 100% exemption for any consecutive 10 years out of the first 20 years after completion of a project. The Government has also allowed duty free import of specified modern high capacity equipment for highway construction.

Control of National Highways (Land and Traffic) Act, 2002

The Control of National Highways (Land and Traffic) Act, 2002 (the "**Control of NH Act**") provides for control of land within national highways, right of way and traffic moving on national highways and also for removal of unauthorised occupation thereon.

In accordance with the provisions of the Control of NH Act, the Central Government has established Highway Administrations. Under the Control of NH Act, all land that forms part of a highway which vests in the Central Government, or that which does not already vest in the Central Government but has been acquired for the purpose of highways shall be deemed to be the property of the Central Government. The Control of NH Act prohibits any person from occupying any highway land or discharging any material through on such land without the permission of the Highway Administration. The Control of NH Act permits the grant of lease and license for use of highway land for temporary use.

Indian Tolls Act, 1851

Pursuant to the Indian Tolls Act, 1851, (the "**Tolls Act**") the State Governments have been vested with the power to levy tolls at such rates as they deem fit, to be levied upon any road or bridge, made or repaired at the expense of the GoI or any State Government. The tolls levied under the Tolls Act, are deemed to be 'public revenue'. The collection of tolls can be placed under any person as the state governments deem fit under the Tolls Act, and they are enjoined with the same responsibilities as if they were employed in the collection of land revenue. Further, all police officers are bound to assist the toll collectors in the implementation of the Tolls Act. The Tolls Act further gives power for recovery of toll and exempts certain category of people from payment of toll.

Provisions under the Constitution of India and other legislations on collection of toll

Entry 59, List II of Schedule VII read with Article 246 of the Constitution of India vests the State Government with the power to levy tolls. Pursuant to the Indian Tolls Act, 1851, the State Governments have been vested with the power to levy tolls at such rates as they deem fit.

Other legislations relevant to the road sector

In addition to the above, there are also certain other legislations that are relevant to the road sector which include the Road Transport Corporation Act, 1950, National Highways Rules, 1957, National Highways (Temporary Bridges) Rules, 1964, National Highways (Fees for the Use of National Highways Section and Permanent Bridge Public Funded Project) Rules, 1997, National Highways (Rate of Fee) Rules, 1997, National Highways Tribunal (Procedure) Rules, 2003, Central Road Fund Act, 2000, Central Road Fund (State Roads) Rules 2007 and Green Highways (Plantation, Transplantation, Beautification & Maintenance) Policy, 2015.

Environmental Laws

The major statutes in India which seek to regulate and protect the environment against pollution related activities in India are the Water (Prevention and Control of Pollution) Act 1974, the Air (Prevention and Control of Pollution) Act, 1981 and the Environment Protection Act, 1986 and the rules and regulations thereunder and the Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008. Pollution Control Boards ("**PCBs**"), which are vested with diverse powers to deal with water and air pollution, have been set up in each state to control and prevent pollution. The PCBs are responsible for setting the standards for the maintenance of clean air and water, directing the installation of pollution control devices in industries and undertaking investigations to ensure that industries are functioning in compliance with the standards prescribed. All industries and factories are required to obtain consent orders from the PCBs, and these orders are required to be renewed annually.

Labour Related Laws

As part of its business, our Company is required to comply with certain laws in relation to the employment of labour. The following is an indicative list of labour laws applicable to our operations:

- Contract Labour (Regulation and Abolition) Act, 1970;
- Employees' Compensation Act, 1923;
- Employees' Provident Funds and Miscellaneous Provisions Act, 1952;
- Employees' State Insurance Act, 1948;
- Industrial Disputes Act, 1947;
- Industrial Employment (Standing orders) Act 1946;
- Building and other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996;
- Child Labour (Prohibition and Regulation) Act, 1986;
- Maternity Benefit Act, 1961;
- Minimum Wages Act, 1948;
- Payment of Bonus Act, 1965;
- Apprentices Act, 1961;
- Payment of Gratuity Act, 1972;
- Payment of Wages Act, 1936; and
- Equal Remuneration Act, 1976.

Other laws

In addition to the above, our Company is also required to, among other thing, comply with the provisions of the Public Liability Insurance Act, 1991, Factories Act, 1948, the Shops and Establishments Legislations of the relevant State, Petroleum Rules, 2002, Explosives Rules, 2008, the Electricity Act, 2003 and the Bureau of Indian Standards Act, 1986.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

On July 21, 1973, Mr. Vithalbhai Gobarbhai Patel founded the business of M/s Patel Construction Company by way of a deed of partnership. On November 3, 1982, a new partnership deed was entered into between Mr. Vithalbhai Gobarbhai Patel and Mr. Pravinbhai Vithalbhai Patel, Mr. Arvind Vithalbhai Patel, Mr. Bhikhala Muljibhai Patel and Mr. Harilal Ramshakal Sharma to conduct the business of Patel Construction Company as per the terms of the partnership deed but based out of Junagarh, Gujarat. On August 13, 1993, following the demise of Shri Vithalbhai Gobarbhai Patel, the partnership deed was amended to include the names of all our Promoters as partners of Patel Construction Company. This partnership deed was further amended on April 17, 1996 to incorporate changes with regard to remuneration of partners and again on December 16, 1998 to incorporate changes with regard to a shift in the registered office of the business. On December 8, 2003, our Promoters entered into a new deed of partnership along with Mrs. Smitaben Pravinbhai Vithalbhai Patel and Mrs. Kaminiben Arvind Vithalbhai Patel and changed the name of the partnership firm to "M/s. Patel Infrastructure". A supplementary deed of partnership was entered into on March 4, 2004 by our Promoters and Mrs. Smitaben Pravinbhai Vithalbhai Patel and Mrs. Kaminiben Arvind Vithalbhai Patel.

Our Company was incorporated as "Patel Infrastructure Private Limited" on April 13, 2004, as a private limited company under the Companies Act 1956, with a certificate of incorporation granted by the Assistant Registrar of Companies, in Dadra and Nagar Haveli. Pursuant to the conversion of our Company to a public limited company and as approved by the Shareholders of our Company pursuant to a special resolution dated December 1, 2017, our name was changed to "Patel Infrastructure Limited" and the RoC issued a fresh certificate of incorporation upon conversion to a public limited company on December 11, 2017.

Business and management

For a description of our activities, technological and managerial competence, market segments, the growth of our Company, the standing of our Company with reference to prominent competitors in connection with our products, management, major suppliers and customers, environmental issues, regional geographical segment etc., see "***Business***", "***Industry Overview***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on pages 154, 116 and 348, respectively. For details of the management of our Company and its managerial competence, see "***Management***" on page 187.

Changes in registered office

Date of change	Details of change in the address of our registered office	Reason for change
December 14, 2016	Our registered office changed from "*Patcon House, Kotecha Chowk, Kalawad Road, Rajkot 360 007, Gujarat, India*" to "*Patel House, near Prakruti Resort, Chhani Road, Chhani, Vadodara 391 740, Gujarat, India*".	To improve operational efficiency

Our main objects

The main objects of our Company as contained in our Memorandum of Association are:

1. To carry on the business as developers, organizer, builder, contractor, designer, architect, decorator, road work, dam work, dam gate work, all types of bridges, all types of building and structures, including houses, flats, apartments, cinemas, theaters, offices, godowns, warehouses, shops, factories, sheds, hospital, hotels, holiday resorts, shopping cum residential complexes, housing schemes, townships, farms, farmhouses, solid and liquid waste management plants, environmental solutions related plants and erection and to develop, erect, install, alter, improve, add, establish, renovate, recondition, protect, participate, enlarge, repair, demolish, remove, replace, maintain, manage, buy, sell, lease, hire, let on hire, handle and control building, structures, plants, land or buildings and properties and to act as a government contractor.

The main objects clause as contained in the Memorandum of Association enables our Company to undertake its existing activities.

Amendments to our Memorandum of Association

Our Memorandum of Association was amended from time to time pursuant to changes to, or reclassification of, the authorized share capital of our Company.

For details of changes to the name of our Company, see "*-Brief History of our Company*" on page 179.

Date of change/ Shareholders' resolution	Nature of amendment
July 27, 2005	The authorized share capital of our Company was increased from ₹ 20,000,000 divided into 2,000,0000 equity shares of ₹ 10 each to ₹ 30,000,000 divided into 3,000,000 equity shares of ₹ 10 each.
March 15, 2006	The authorized share capital of our Company was increased from ₹ 30,000,000 divided into 3,000,000 equity shares of ₹ 10 each to ₹ 40,000,000 divided into 4,000,000 equity shares of ₹ 10 each
October 27, 2017	The authorized share capital of our Company was increased from ₹ 40,000,000 divided into 4,000,000 equity shares of ₹ 10 each to ₹ 600,000,000 divided into 60,000,000 equity shares of ₹ 10 each
December 1, 2017	Our Company was converted from a private limited company into a public limited company and consequently the name of our Company was changed from Patel Infrastructure Private Limited to Patel Infrastructure Limited

Total Number of shareholders of our Company

As on the date of this Draft Red Herring Prospectus, our Company has seven shareholders. For further details on the shareholding of our Company, see "*Capital Structure - Our shareholding pattern*" on page 92.

Major events and milestones

The table below sets forth some of the major events in the history of our Company.

Calendar Year	Details
1973	Establishment of Patel Construction Company in Mumbai
1982	Shifted base to Gujarat with a new registered office in Junagarh
2002	Diversified into the operation and maintenance of roads and highways by obtaining sub-contract from Ideal Road Builders for maintenance and rehabilitation works of the NH-8 section of the Chiloda-Naroda, Ahmedabad Bypass, Gujarat
2004	Incorporation of our Company as "Patel Infrastructure Private Limited"
2004 - 2007	Decided to venture into toll collection for NHAI's operation and maintenance contracts.
2007	Bid for and won the Sardar Patel Ring Road BOT project through Ahmedabad Ring Road Infrastructure Ltd., a joint venture with Sadbhav Engineering Limited
2010	Awarded EPC road construction project for four laning of Jaipur-Tonk-Deoli section of NH-12 (Package-III) in the State of Rajasthan from Ideal Road Builders
2012	Diversified into the output and performance-based road contract by obtaining World Bank-funded Punjab State road sector project involving improvement, rehabilitation, resurfacing and routine maintenance of road of Sangrur -Mansa - Bathinda Contract Area under OPRC basis
2013	Was awarded with a project for construction of modern amenities Hospital, V.S. Hospital at Ahmedabad (Gujarat).
2014	Was awarded with projects for construction of Sangrur Bypass and Dhanaula Bypass highway (NH-64) in Punjab
2015	Was awarded with projects on Tapa - Bhatinda highway (NH-64) in the state of Punjab
2015	Was awarded with projects of Kaithal to Rajasthan border (Section of NH-152/65) on DBFOT Toll basis
2016	Won the project of Lambra- Shahkot Highway (NH-71, new NH-52) in the state of Punjab
2016	Won the project of Moga- Tallewal Highway section (NH-71, new NH-52) in the state of Punjab
2017	• Awarded the HAM Cholopuram-Thanjavur Project (NH - 45C) in the state of Tamil Nadu under NHDP-IV with value of ₹ 13,456 million on Hybrid Annuity basis. • Awarded the Sethiyahopu-Cholopuram Project in Tamil Nadu and the Darah-Jhalawar Project in Rajasthan, both of which are HAM projects
2017	Conversion of our Company into a public limited company

Awards and accreditations

Calendar Year	Details
2016	GCA Vibrant Award for Excellence in Highway Sector

Changes in activities of our Company during the last five years

There have been no changes in the activities of our Company during the last five years from the date of this Draft Red Herring Prospectus, which may have had a material effect on our profits or loss, including discontinuance of our lines of business, loss of agencies or markets and similar factors.

Capital raising through equity/ debt

For our equity issuances in the past and outstanding debt, see "***Capital Structure - Share Capital History***" and "***Financial Indebtedness***" on pages 87 and 375, respectively.

Strike and lock-outs

We have not experienced any strike, lock-outs or labour unrest since incorporation.

Time/cost overrun

As on the date of this Draft Red Herring Prospectus, there have been no time/cost overruns in respect of our projects.

Defaults or rescheduling of borrowings with financial institutions/banks, conversion of loans into equity by our Company.

Except as disclosed below, there have not been any defaults in complying with the terms and conditions of our Company's term loans and other credit facilities, which are currently outstanding. Further, none of our outstanding loans availed from financial institutions/banks have had been converted into Equity Shares or have been rescheduled.

Details	Amount involved (₹ in million)	Duration of default	Present Status
BMW Financial Services Private Limited	0.25	109 days	The said default was cleared on April 4, 2017

Injunctions or restraining order against our Company

Our Company is not operating under any injunction or restraining order as of the date of this Draft Red Herring Prospectus.

Details regarding acquisition of business/undertakings, mergers, amalgamation, revaluation of assets, etc.

Our Company has not acquired any business or undertaking, or entered into any scheme of merger or amalgamation or revalued its assets.

Material agreements

As on the date of this Draft Red Herring Prospectus, our Company has not entered into any material agreement.

Other agreements

Our Company has not entered into any material contract other than in the ordinary course of business carried on or intended to be carried on by our Company in the two years preceding this Draft Red Herring Prospectus.

Holding company

As of the date of this Draft Red Herring Prospectus, our Company does not have a holding company.

Subsidiaries of our Company

As on the date of this Draft Red Herring Prospectus, our Company has six Subsidiaries.

1. Patel Highway Management Private Limited

Patel Highway Management Private Limited ("**PHMPL**") was incorporated under the Companies Act, 1956 on September 24, 2009, as a private limited company with the Registrar of Companies, Gujarat in Dadra and Nagar Haveli. Its CIN is U45203GJ2009PTC058178 and its registered office is located at Patel House, near Prakruti Resort, Chhani Road, Chhani, Vadodara 391 740, Gujarat, India. PHMPL is authorized by its articles of association to carry on the business of operation and maintenance of the Palanpur – Radhanpur section (Km. 340.00 to Km. 458.00) of NH-14 and Radhanpur – Samkhiyali (Km. 138.80 to Km. 281.30) of NH-15 in the State of Gujarat for a specified concession period on Operate Maintain and Transfer ("**OMT**") basis.

The authorized share capital of PHMPL is ₹ 75,000,000 divided into 7,500,000 equity shares of ₹ 10 each and its paid-up share capital is ₹ 75,000,000 divided into 7,500,000 equity shares of ₹ 10 each. PHMPL is a wholly owned subsidiary of our Company.

Shareholding pattern:

The following table sets forth details of the shareholding pattern of PHMPL:

S. No	Name of the shareholder	Number of equity shares of face value ₹ 10 each	Percentage of total equity holding (%)
1.	Patel Infrastructure Limited	7,499,900	99.99
2.	Mr. Pravinbhai Vithalbhai Patel*	100	Negligible
Total		**7,500,000**	**100.0**

**Equity shares as nominee of our Company.*

There are no accumulated profits or losses of PHMPL not accounted for by our Company.

2. *Patel Bridge Nirman Private Limited*

Patel Bridge Nirman Private Limited ("**PBNPL**") was incorporated under the Companies Act, 1956 on August 17, 2011, as a private limited company with the Registrar of Companies, Gujarat in Ahmedabad. Its CIN is U55101GJ201DTCO82840 and its registered office is located at Patel House, near Prakruti Resort, Chhani Road, Chhani, Vadodara 391 740, Gujarat, India. PBNPL is authorized by its articles of association to carry on the business as a special purpose vehicle of development, construction, operation and maintenance of the rail over bridges and related infrastructure including roads and highways in the state of Gujarat for a specified concession period on Build Operate and Transfer ("**BOT**") Annuity basis.

The authorized share capital of PBNPL is ₹ 230,000,000 divided into 23,000,000 equity shares of ₹ 10 each and its paid-up share capital is ₹ 167,850,000 divided into 16,785,000 equity shares of ₹ 10 each.

Shareholding pattern:

The following table sets forth details of the shareholding pattern of PBNPL:

S. No	Name of the shareholder	Number of equity shares of face value ₹ 10 each	Percentage of total equity holding (%)
1.	Patel Infrastructure Limited	4,909,900	29.25
2.	Patel Highway Management Private Limited	7,511,000	44.75
3.	Ajay Engi-Infrastructure Private Limited	4,364,100	26.00
Total		**16,785,000**	**100.0**

There are no accumulated profits or losses of PBNPL not accounted for by our Company.

3. *Patel Hospitality Private Limited*

Patel Hospitality Private Limited ("**PHPL**") was incorporated under the Companies Act, 2013 on April 9, 2015, as a private limited company with the Registrar of Companies, Gujarat in Ahmedabad. Its CIN is U55101GJ2015PTC082840 and its registered office is located at Patel House, near Prakruti Resort, Chhani Road, Chhani, Vadodara 391 740, Gujarat, India. PHPL is authorized by its articles of association to carry on, in India or elsewhere, either alone or jointly other entities, the business of hotels of every kind and sort and also to provide associated services including but not limited to banquet facilities, conference facilities, meeting rooms, function halls, convention centres, shopping galleria, retail and service shops, offices, libraries, swimming pool, health club, spa, beauty parlors, restaurants, coach, cab and motor car providers, caterers, amusement and recreational facilities, parking, moreover to act as hotel management consultants, manager, operators, advisors, planners, values and to impart technical know-how and training in the field of planning, construction, operation of hotels, motels, restaurants, recreation and entertainment centers in the field of tourism industry whether in India or abroad and to purchase erect or otherwise acquire, establish and equip and act as collaborators, technicians, financiers to any other hotel or restaurant in India or abroad.

The authorized share capital of PHPL is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each and its paid-up share capital is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each. PHPL is a wholly owned subsidiary of our Company.

Shareholding pattern:

The following table sets forth details of the shareholding pattern of PHPL:

S. No	Name of the shareholder	Number of equity shares of face value ₹ 10 each	Percentage of total equity holding (%)
1.	Patel Infrastructure Limited	9,999	99.99
2.	Arvind Vithalbhai Patel*	1	Negligible
Total		**10,000**	**100.0**

**Equity shares as nominee of our Company.*

There are no accumulated profits or losses of PHPL not accounted for by our Company.

4. *Patel Cholopuram-Thanjavur Highway Private Limited*

Patel Cholopuram-Thanjavur Highway Private Limited ("**PCTHPL**") was incorporated under the Companies Act, 2013 on September 20, 2017, as a private limited company with the Registrar of Companies, Gujarat in Ahmedabad. Its CIN is U45309GJ2017PTC099166 and its registered office is located at Patel House, beside Prakruti Resort, 3 B.P. Estate, Chhani Road, Chhani, NH-8, Vadodara 391740, Gujarat, India. PCTHPL is authorized by its articles of association to carry on the business of four laning of Cholopuram-Thanjavur from Km. 116.440 to 164.275 (design chainage) (existing chainage – Km. 111.000 to Km. 164.615) section of NH45C in the State of Tamil Nadu under NHDP-IV on hybrid annuity mode.

The authorized share capital of PCTHPL is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each and its paid-up share capital is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each. PCTHPL is a wholly owned subsidiary of our Company.

Shareholding pattern:

The following table sets forth details of the shareholding pattern of PCTHPL:

S. No	Name of the shareholder	Number of equity shares of face value ₹ 10 each	Percentage of total equity holding (%)
1.	Patel Infrastructure Limited	9,999	99.99
2.	Mr. Pravinbhai Vithalbhai Patel*	1	Negligible
Total		**10,000**	**100.0**

**Equity shares as nominee of our Company.*

There are no accumulated profits or losses of PCTHPL not accounted for by our Company.

5. *Patel Sethiyahopu-Cholopuram Highway Private Limited*

Patel Sethiyahopu-Cholopuram Highway Private Limited ("**PSCHPL**") was incorporated under the Companies Act, 2013 on October 16, 2017, as a private limited company with the Registrar of Companies, Gujarat in Ahmedabad. Its CIN is U45309GJ2017PTC099497 and its registered office is located at Patel House, beside Prakruti Resort, 3 B.P. Estate, Chhani Road, Chhani, NH-8, Vadodara 391740, Gujarat, India. PCTPL is authorized by its articles of association to carry on the business of development, maintenance and management of four laning of Sethiyahopu-Cholopuram from Km. 65.960 to 116.440 (design chainage) (existing chainage – Km. 60.250 to Km. 111.000) section of NH45C in the State of Tamil Nadu under NHDP-IV on hybrid annuity mode.

The authorized share capital of PSCHPL is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each and its paid-up share capital is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each. PSCHPL is a wholly owned subsidiary of our Company.

Shareholding pattern:

The following table sets forth details of the shareholding pattern of PSCHPL:

S. No	Name of the shareholder	Number of equity shares of face value ₹ 10 each	Percentage of total equity holding (%)
1.	Patel Infrastructure Limited	9,999	99.99
2.	Mr. Pravinbhai Vithalbhai Patel*	1	Negligible
Total		**10,000**	**100.0**

**Equity shares as nominee of our Company.*

There are no accumulated profits or losses of PSCHPL not accounted for by our Company.

6. Patel Darah-Jhalawar Highway Private Limited

Patel Darah-Jhalawar Highway Private Limited ("**PDJHPL**") was incorporated under the Companies Act, 2013 on October 16, 2017, as a private limited company with the Registrar of Companies, Gujarat in Ahmedabad. Its CIN is U45201GJ2017PTC099499 and its registered office is located at Patel House, beside Prakruti Resort, 3 B.P. Estate, Chhani Road, Chhani, NH-8, Vadodara 391740, Gujarat, India. PDJHPL is authorized by its articles of association to carry on the business of construction of four lane road on NH-12 (new NH-52) from Km. 299.000 to 346.540 (design chainage from Km. 9.860 to Km. 58.740) of the Darah-Jhalawar-Teendhar section in the State of Rajasthan under NHDP-III on hybrid annuity mode.

The authorized share capital of PDJHPL is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each and its paid-up share capital is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each. PDJHPL is a wholly owned subsidiary of our Company.

Shareholding pattern:

The following table sets forth details of the shareholding pattern of PDJHPL:

S. No	Name of the shareholder	Number of equity shares of face value ₹ 10 each	Percentage of total equity holding (%)
1.	Patel Infrastructure Limited	9,999	99.99
2.	Mr. Pravinbhai Vithalbhai Patel*	1	Negligible
Total		**10,000**	**100.0**

**Equity shares as nominee of our Company.*

There are no accumulated profits or losses of PDJHPL not accounted for by our Company.

Joint Ventures

As on the date of this Draft Red Herring Prospectus, our Company has two ongoing joint ventures and one completed joint venture, details of which are set out below.

1. Sadhbhav-PIPL JV

Our Company has entered into a joint bidding agreement dated April 18, 2015, work allocation agreement dated September 18, 2015 as amended on April 25, 2016 and an agreement of sub-contract dated September 18, 2015, with Sadbhav Engineering Limited, for the purpose of development of four lanes of the existing two-lane carriageway of the 'Tapa-Bathinda' section ranging from existing 168.00 kilometers to 209.500 kilometers of National Highway No. 64 (NH-64) in the state of Punjab.

Profit/Loss sharing ratio:

The profit/loss sharing ratio of Sadbhav-PIPL JV as per the joint bidding agreement dated April 18, 2015 is as follows:

S. No	Name	Percentage of partnership holding (%)
1.	Sadbhav Engineering Limited	51
2.	Patel Infrastructure Limited	49
Total		100

2. KECL-PIPL JV

Our Company has entered into a joint bidding agreement dated March 9, 2015, a work allocation agreement dated January 21, 2017 and an agreement of sub-contract dated January 21, 2017 with Kalthia Engineering and Construction Limited ("**KECL**"), for the purpose of rehabilitation and upgradation of two-lane with paved side shoulders of 'Katni-Umaria' section ranging from existing 0.00 kilometers to 7.95 kilometers (Katni bypass) and 4.6 kilometers to 68.4 kilometers of National Highway No. 78 (NH-78).

Profit/Loss sharing ratio:

The profit/loss sharing ratio of KECL-PIPL JV as per the joint bidding agreement dated March 9, 2015 is as follows:

S. No	Name	Percentage of partnership holding (%)
1.	KECL	70
2.	Patel Infrastructure Limited	30
Total		100

3. PIPL-KCL JV

Our Company has entered into a joint venture agreement dated September 17, 2013 with Katira Construction Limited ("**KCL**"), for the purpose of widening to 10mt. carriageway and strengthening of Bhuj-Mandvi road between Km. 5.40 and Km. 48.90 (under Port Connectivity). The project was completed on July 18, 2016.

Profit/Loss sharing ratio:

The profit/loss sharing ratio of PIPL-KCL JV as per the joint venture agreement dated September 17, 2013 is as follows:

S. No	Name	Percentage of partnership holding (%)
1.	Patel Infrastructure Limited	51
2.	KCL	49
Total		100

Our associate companies

As on the date of this Draft Red Herring Prospectus, our Company has no associate companies.

Confirmations

Listing

None of our Subsidiaries are listed in India or abroad.

Sale or purchases exceeding 10% in aggregate of the total sales or purchases of our Company

Other than as provided in "***Financial Statements***" on page 211, our Company is not involved in any sales or purchases with any of our Subsidiaries where such sales or purchases exceed in value in the aggregate 10% of the total sales or purchases of our Company.

Common Pursuits

All our Subsidiaries are permitted by their constitutional documents to engage in activities similar to that of our Company. Our Company will adopt the necessary procedures and practices as permitted by law to address any conflict situation as and when they may arise.

Business Interests between our Company and our Subsidiaries

Except as disclosed in "***Business***" and "***Financial Statements***" on pages 154 and 211 respectively, there are no business interests between our Company and our Subsidiaries.

Other Confirmations

None of our Subsidiaries (i) is listed on any stock exchange in India or abroad; (ii) has become a sick company under the meaning of erstwhile Sick Industrial Companies (Special Provisions) Act, 1985; or (iii) are not under winding up. There are no accumulated profits or losses of our Subsidiaries not accounted for by our Company.

Strategic and financial partnerships

As on the date of this Draft Red Herring Prospectus, our Company does not have any strategic or financial partners.

MANAGEMENT

Under the Articles of Association, our Company is authorised to have not less than three and not more than 15 Directors. As on the date of this Draft Red Herring Prospectus, we have 10 Directors on our Board, comprising five Executive Directors and five Independent Directors, including one woman Director. The Chairman of our Board, Mr. Pravinbhai Vithalbhai Patel is an Executive Director. The present composition of our Board and its committees is in accordance with the corporate governance requirements provided under the Companies Act 2013 and SEBI Listing Regulations.

Our Board

The following table sets forth details regarding our Board as on the date of this Draft Red Herring Prospectus.

Name, Designation, Occupation, Nationality, Term and DIN	Age (years)	Other Directorships
Mr. Pravinbhai Vithalbhai Patel *Designation:* Chairman *Occupation*: Business *Nationality:* Indian *Address*: 23/B Ishavashyam, Street Number 1, Vidyakunj Society, Amin Marg, Rajkot - 360001 *Term:* Liable to retire by rotation *DIN:* 00008911	57	*Indian companies* *Private Companies* • Patel Highway Management Private Limited • Patel Bridge Nirman Private Limited • Patel Structural Private Limited • Patel Cholopuram-Thanjavur Highway Private Limited • Patel Sethiyahopu-Cholopuram Highway Private Limited • Patel Darah-Jhalawar Highway Private Limited *Public Companies* Nil *Foreign companies* Nil
Mr. Arvind Vithalbhai Patel *Designation:* Managing Director *Occupation*: Business *Nationality:* Indian *Address*: Radhevee Krupa, N.R. Abhyuday Park, P.O. Anand, Anand - 388001 *Term:* Liable to retire by rotation *DIN:* 00009089	52	*Indian companies* *Private Companies* • Patel Highway Management Private Limited • Patel Bridge Nirman Private Limited • Patel Hospitality Private Limited • Patel Cholopuram-Thanjavur Highway Private Limited • Patel Sethiyahopu-Cholopuram Highway Private Limited • Patel Darah-Jhalawar Highway Private Limited *Public Companies* Nil *Foreign companies* Nil
Mr. Dineshbhai Pragjibhai Vaviya *Designation:* Executive Director *Occupation*: Business *Nationality:* Indian	50	*Indian companies* *Private Companies* Nil *Public Companies*

Name, Designation, Occupation, Nationality, Term and DIN	Age (years)	Other Directorships
Address: Bungalow No. 23, Adarsh, near Sujal Bungalows, Rajpath Club Area, New 100 Ft. Road, Bodakdev, Thatlej, Ahmedabad - 380054 *Term:* Liable to retire by rotation *DIN:* 00009097		Nil *Foreign companies* Nil
Mr. Madhubhai Pragjibhai Vaviya *Designation:* Executive Director *Occupation*: Business *Nationality:* Indian *Address*: 4, Shiv Residency, Santok Vihar, Shiv Residency, Bakrol Lambhvel Road, Anand – 388001 *Term:* Liable to retire by rotation *DIN:* 00009100	47	*Indian companies* *Private Companies* • Patel Bridge Nirman Private Limited *Public Companies* Nil *Foreign companies* Nil
Mr. Sureshbhai Pragjibhai Vaviya *Designation:* Executive Director *Occupation*: Business *Nationality:* Indian *Address*: 17, Nilkanth, Surya Valley, Bakrol - Anand Road, Bakrol, Bakrol (Part), Anand, Gujarat - 388315 *Term:* Liable to retire by rotation *DIN:* 00009106	45	*Indian companies* *Private Companies* Nil *Public Companies* Nil *Foreign companies* Nil
Mr. Harcharan Singh Pratap Singh Jamdar *Designation:* Independent Director *Occupation*: Business *Nationality:* Indian *Address*: 5, Vishwakarma Colony, Shahibaug, Ahmedabad, Gujarat, India – 380004 *Term:* Five years with effect from December 16, 2017 *DIN:* 00062081	73	*Indian companies* *Private Companies* Nil *Public Companies* • Nila Infrastructures Limited • IL&FS Transportation Networks Limited *Foreign companies* Nil
Mr. Sandip Anilbhai Sheth *Designation:* Independent Director *Occupation*: Professional *Nationality:* Indian *Address*: 31, Darshan Bungalows, near Arvachim Society, opposite Bopal Gram Panchayat Office, Bopal, Ahmedabad - 380058	42	*Indian companies* *Private Companies* • Intrust Corporate Services Private Limited *Public Companies* Nil *Foreign companies*

Name, Designation, Occupation, Nationality, Term and DIN	Age (years)	Other Directorships
Term: Five years with effect from December 16, 2017 *DIN:* 01287413		Nil
Mr. Mehulkumar Dineshchandra Patel *Designation:* Independent Director *Occupation*: Business *Nationality:* Indian *Address*: Sanket Greenland, opposite Lambhvel Hanuman Temple, behind Rotary Service Centre, Lambhvel, Anand – 388001 *Term:* Five years with effect from December 16, 2017 *DIN:* 00027154	41	*Indian companies* *Private Companies* • Velamani India Private Limited • Sanket Multi Biz Private Limited *Public Companies* Nil *Foreign companies* Nil
Mr. Hemant Jayantibhai Patel *Designation:* Independent Director *Occupation*: Professional *Nationality:* Indian *Address*: 7-6-101, Sarvodaya Society, 435 Aryanagar Society, Thi Shahibag Society, Anand – 388001 *Term:* Five years with effect from December 16, 2017 *DIN:* 01976269	64	*Indian companies* *Private Companies* Nil *Public Companies* Nil *Foreign companies* Nil
Ms. Deepti Sharma *Designation:* Independent Director *Occupation*: Business *Nationality:* Indian *Address*: A-1/6, Shantidham Bungalows, Vasha Bhayle Road, Vadodara - 391410 *Term:* Five years with effect from December 16, 2017 *DIN:* 03630613	50	*Indian companies* *Private Companies* Nil *Public Companies* • Anwesha Engineering and Projects Limited *Foreign companies* Nil

In compliance with Section 152 of the Companies Act 2013, not less than two-thirds of our non-independent Directors are liable to retire by rotation.

Arrangement or Understanding with Major Shareholders

None of our Directors has been appointed pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others.

Brief profiles of our Directors

Mr. Pravinbhai Vithalbhai Patel is the Chairman and whole-time Director of our Company. He has basic education. He has been on the Board since 2004. He has approximately 36 years of experience in infrastructure industry. He is instrumental in formulating business strategies of our Company. He has vast experience of project execution and financial matters. He liaises with various departments of the government agencies and oversees the entire business of our Company.

Mr. Arvind Vithalbhai Patel is the Managing Director of our Company. He has basic education. He has been on the Board since 2004. He is instrumental in formulating and implementing our business strategies. He has approximately 33 years of experience in infrastructure industry and has been instrumental in diversifying our business portfolio in the roads and highways segment. He liasons with government and non-government agencies and is focused on business development and stakeholder management. He oversees the overall functioning of our Company including the monitoring of our projects and the capacity expenditure requirements of new projects of our Company.

Mr. Dineshbhai Pragjibhai Vaviya is a whole-time Director of our Company. He has basic education. He has been on the Board since 2004. He has approximately 31 years of experience in infrastructure industry and heads our building and other civil construction business. He is focused on business development in the building sector. His current responsibilities include overall monitoring and execution of building construction and civil construction projects of our Company.

Mr. Madhubhai Pragjibhai Vaviya is a whole-time Director of our Company. He has basic education. He has been on the Board since 2004. He has approximately 25 years of experience in infrastructure industry. He is responsible for commercial, including procurement, material management, accounts and human resources aspects of our business.

Mr. Sureshbhai Pragjibhai Vaviya is a whole-time Director of our Company. He has basic education. He has been on the Board since 2004. He has approximately 25 years of experience in infrastructure industry and he heads the roads and highways construction segment of our Company. He has vast experience in the execution of highways and bridge construction projects. He oversees the project implementation, project estimation and project engineering of the projects that we undertake.

Mr. Harcharan Singh Pratap Singh Jamdar is an Independent Director of our Company. He holds a bachelor's degree in civil engineering from Gujarat University. Mr. Jamdar served as Secretary to the Government of Gujarat during the period 1990 to 2000 and as the Principal Secretary to the Government of Gujarat during the period 2000 to 2001. He has also held the posts of Chairman of the Gujarat State Constructions Corporation Limited, Chairman of Gujarat Maritime Board, Chairman of Gujarat Pipavav Ports Limited, Chairman of Vadodara – Halol Toll Road Corporation Limited and Chairman of Ahmedabad – Mehsana Toll Road Corporation Limited. He is a member of the board of directors of Nila Infrastructures Limited and IL&FS Transportation Network Limited and has in the past, been the president of Indian Roads Congress and Institution of Engineers (India). He received the lifetime achievement award from the Indian Roads Congress in 2016. He has been on our Board since December 2017.

Mr. Sandip Anilbhai Sheth is an Independent Director of our Company. He is an Independent Director of our Company. He holds a bachelor's degree in commerce from Sardar Patel University. He also holds a bachelor's degree in law from Gujarat University. He is a member of and holds a certificate of practice from the Institute of Company Secretaries of India. He has approximately 16 years of experience in the field of corporate advisory and finance. He has served as an Independent Director on the board of Sadbhav Engineering Limited from July, 2014 to June, 2017. He has been on our Board since December 2017.

Mr. Mehulkumar Dineshchandra Patel is an Independent Director of our Company. He holds a bachelor's degree and a master's degree (with specialization in financial management) in business administration from Sardar Patel University. He has approximately 11 years of experience in the field of business administration. He has been on our Board since December 2017.

Mr. Hemantkumar Jayantilal Patel is an Independent Director of our Company. He holds a bachelor's degree in science from Sardar Patel University. He also holds a bachelor's degree in law (special) from Sardar Patel

University. He has approximately 30 years of experience in practicing law. He has been on our Board since December 2017.

Ms. Deepti Sharma is an Independent Director of our Company. She holds a bachelor's degree in science from the University of Ajmer, Ajmer and a master's degree in business administration from Faculty of Management Studies, Mohanlal Sukhadia University, Udaipur. She is a member of the Institute of Directors. She has also completed the AMFI – mutual fund (advisors) module from National Stock Exchange's certification in financial markets ("**NCFM**"). She has been on our Board since December 2017.

Relationship between Directors

Except: (i) Mr. Pravinbhai Vithalbhai Patel and Mr. Arvind Vithalbhai Patel who are brothers, (ii) Mr. Dineshbhai Pragjibhai Vaviya, Mr. Madhubhai Pragjibhai Vaviya and Mr. Sureshbhai Pragjibhai Vaviya who are brothers, (iii) Mr. Pravinbhai Vithalbhai Patel and Mr. Arvind Vithalbhai Patel, who are first cousins of Mr. Dineshbhai Pragjibhai Vaviya and Mr. Madhubhai Pragjibhai Vaviya and Mr. Sureshbhai Pragjibhai Vaviya, none of our Directors are related to each other.

Terms of Appointment of our Executive Directors

Mr. Pravinbhai Vithalbhai Patel

Mr. Pravinbhai Vithalbhai Patel is the Chairman of our Company since 2004. He was appointed as Chairman of our Company pursuant to resolutions passed by the Board on April 14, 2004 and was reappointed as a Whole time Director of our Company pursuant to resolutions passed by the Board and Shareholders on December 16, 2017. He is entitled to an annual remuneration of ₹ 25,200,000, the terms of which are set out below:

S. No	Terms of Remuneration	Details
1.	Basic Salary	₹ 14,400,000 *per annum*
2.	Allowance and Others	₹ 10,800,000 *per annum*

In addition to the remuneration mentioned hereinabove, Mr. Pravinbhai Vithalbhai Patel is entitled to annual increment of up to 20% per annum and is eligible for performance bonus not exceeding one month's remuneration.

Mr. Arvind Vithalbhai Patel

Mr. Arvind Vithalbhai Patel is the Managing Director of our Company since 2004. He was reappointed as Managing Director of our Company pursuant to resolutions passed by the Board and Shareholders on December 16, 2017. He is entitled to an annual remuneration of ₹ 25,200,000, the terms of which are set out below:

S. No	Terms of Remuneration	Details
1.	Basic Salary	₹ 14,400,000 *per annum*
2.	Allowance and Others	₹ 10,800,000 *per annum*

In addition to the remuneration mentioned hereinabove, Mr. Arvind Vithalbhai Patel is entitled to annual increment of up to 20% per annum and is eligible for performance bonus not exceeding one month's remuneration.

Mr. Dineshbhai Pragjibhai Vaviya

Mr. Dineshbhai Pragjibhai Vaviya is a Director of our Company since 2004. He was reappointed as a Director of our Company pursuant to resolutions passed by the Board and Shareholders on December 16, 2017. He is entitled to an annual remuneration of ₹ 8,400,000, the terms of which are set out below:

S. No	Terms of Remuneration	Details
1.	Basic Salary	₹ 5,880,000 *per annum*
2.	Allowance and Others	₹ 2,520,000 *per annum*

In addition to the remuneration mentioned hereinabove, Mr. Dineshbhai Pragjibhai Vaviya is entitled to annual increment of up to 20% per annum and is eligible for performance bonus not exceeding one month's remuneration.

Mr. Madhubhai Pragjibhai Vaviya

Mr. Madhubhai Pragjibhai Vaviya is a Director of our Company since 2004. He was reappointed as a Director of our Company pursuant to resolutions passed by the Board and Shareholders on December 16, 2017. He is entitled to an annual remuneration of ₹ 8,400,000, the terms of which are set out below:

S. No	Terms of Remuneration	Details
1.	Basic Salary	₹ 5,880,000 *per annum*
2.	Allowance and Others	₹ 2,520,000 *per annum*

In addition to the remuneration mentioned hereinabove, Mr. Madhubhai Pragjibhai Vaviya is entitled to annual increment of up to 20% per annum and is eligible for performance bonus not exceeding one month's remuneration.

Mr. Sureshbhai Pragjibhai Vaviya

Mr. Sureshbhai Pragjibhai Vaviya is a Director of our Company since 2004. He was reappointed as a Director of our Company pursuant to resolutions passed by the Board and Shareholders on December 16, 2017. He is entitled to an annual remuneration of ₹ 8,400,000, the terms of which are set out below:

S. No	Terms of Remuneration	Details
1.	Basic Salary	₹ 5,880,000 *per annum*
2.	Allowance and Others	₹ 2,520,000 *per annum*

In addition to the remuneration mentioned hereinabove, Mr. Sureshbhai Pragjibhai Vaviya is entitled to annual increment of up to 20% per annum and is eligible for performance bonus not exceeding one month's remuneration.

Payment or benefit to Directors of our Company

The compensation paid or payable in the form of remuneration or sitting fees to our Directors for Financial Year 2017 are set out below:

1. Compensation paid to our Executive Directors

For details of compensation for our Executive Directors, see "***– Terms of Appointment of our Executive Directors***", on page 191.

2. Compensation paid to our Independent Directors

Pursuant to the resolution passed by our Board on December 16, 2017 our Independent Directors are entitled to receive a sitting fee of ₹ 25,000 for attending each meeting of our Board. Further, the details of the sitting fees payable to Independent Directors for every meeting of committee is set out below:

S. No	Name of the Committee	Sitting Fees (₹)
1.	Audit Committee	15,000
2.	Nomination and Remuneration Committee	15,000
3.	Stakeholders' Relationship Committee	15,000
4.	Corporate Social Responsibility Committee	15,000

Our Company did not have any Independent Directors in Fiscal 2017. Accordingly, no compensation has been paid or payable to our Independent Directors in Fiscal 2017.

3. Compensation paid or payable from our Subsidiaries

No compensation has been paid or is payable by our Subsidiaries to our Directors in the Fiscal 2017.

4. Loans to Directors

As on the date of this Draft Red Herring Prospectus, there are no outstanding loans availed by our Directors from our Company.

As on the date of this Draft Red Herring Prospectus, none of our Directors are related to the beneficiaries of loans, advances and sundry debtors of our Company.

5. Bonus or profit sharing plan for the Directors

Our Company does not have a bonus or profit sharing plan for our Directors.

Shareholding of our Directors

1. Shareholding of our Directors in our Company

Our Articles of Association do not require the Directors to hold any qualification shares.

Other than as disclosed under "***Capital Structure – Shareholding of our Directors and Key Managerial Personnel in our Company***" on page 93, none of our Directors holds any shares in our Company as on the date of this Draft Red Herring Prospectus.

2. Shareholding of Directors in our Subsidiaries

Except as disclosed below, none of our Directors hold Equity Shares in our Subsidiaries:

Name of director	Name of Subsidiary	No. of Equity Shares	% of Equity Share capital
Mr. Pravinbhai Vithalbhai Patel	Patel Highway Management Private Limited*	100	Negligible
Mr. Pravinbhai Vithalbhai Patel	Patel Cholopuram-Thanjavur Highway Private Limited*	1	Negligible
Mr. Pravinbhai Vithalbhai Patel	Patel Sethiyahopu-Cholopuram Highway Private Limited*	1	Negligible
Mr. Pravinbhai Vithalbhai Patel	Patel Darah-Jhalawar Highway Private Limited*	1	Negligible
Mr. Arvind Vithalbhai Patel	Patel Hospitality Private Limited*	1	Negligible

**As a nominee of our Company*

Service contracts with Directors

There are no service contracts entered into with any Directors, which provide for benefits upon termination of employment.

Interest of Directors

Our Directors may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of the Board or a committee thereof, as well as to the extent of other remuneration and reimbursement of expenses, if any, payable to them. For further details, see "***- Payment or benefit to Directors of our Company***" on page 192.

Our Directors may also be interested to the extent of Equity Shares, if any held by them or held by the entities in which they are associated as promoters, directors, partners, proprietors or trustees or held by their relatives or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to the Issue. For further details regarding the shareholding of our Directors, see "***– Shareholding of our Directors***" on page 193. All of our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of such Equity Shares.

Interest in land and property

Our Directors are not interested in any property acquired by our Company within two years of the date of this Draft Red Herring Prospectus, or presently intended to be acquired by it.

None of our Directors have any interests in any transaction by our Company for acquisition of land, construction of building and supply of machinery.

Interest in promotion of our Company

All of our Directors have any interest in the promotion of our Company, as on the date of this Draft Red Herring Prospectus. For more information, see "***Promoters and Group Companies***" and "***– Shareholding of our Directors"*** on pages 203 and 193 respectively.

Directorships of Directors in listed companies

Our Directors are not, and for the five years prior to the date of this Draft Red Herring Prospectus, have not been on the board of any listed company whose shares have been/were suspended from being traded on BSE or NSE.

None of our Directors has been or is a director on the board of any listed companies which have been or were delisted from any stock exchange(s).

None of our Directors are associated with the securities market.

Changes in our Board during the last three years

The changes in our Board during the three years immediately preceding the date of this Draft Red Herring Prospectus are as follows:

Name	Date	Reason
Mr. Harcharan Singh Pratap Singh Jamdar	December 16, 2017	Appointed as Independent Director
Mr. Sandip Anilbhai Sheth	December 16, 2017	Appointed as Independent Director
Mr. Mehulkumar Dineshchandra Patel	December 16, 2017	Appointed as Independent Director
Mr. Hemantkumar Jayantilal Patel	December 16, 2017	Appointed as Independent Director
Ms. Deepti Sharma	December 16, 2017	Appointed as Independent Director

Payment of non-salary related benefits

Except as stated in "**-Compensation paid to our Executive Directors**", "**-Compensation paid to our Independent Directors**", "**-Compensation paid or payable from our Subsidiaries"** and **"Financial Statements-Related Party Transactions"**, our Company has not in the last two years preceding the date of this Draft Red Herring Prospectus paid and nor does it intend to pay any non-salary related amount or benefits to our Directors.

Appointment of relatives to a place of profit

Except for Mr. Krunal Arvind Vithalbhai Patel, Ms. Megha K. Patel, Mr. Parth Arvind Vithalbhai Patel, Mr. Jay Pravinbhai Vithalbhai Patel and Mr. Krishna D. Vaviya, none of the relatives of the Directors have been appointed to an office or place of profit in our Company.

Borrowing Powers

Pursuant to our Articles of Association, subject to applicable laws and pursuant to the resolution passed by the shareholders of our Company on December 16, 2017, our Board has been authorised to borrow sums of money with or without security, which, together with the monies borrowed by our Company (apart from the temporary loans obtained or to be obtained from our Company's bankers in the ordinary course of business) shall not exceed the amount of ₹ 25,000 million over and above the aggregate of the paid-up share capital and free reserves of our Company.

Corporate Governance

As on the date of this Draft Red Herring Prospectus, there are ten Directors on our Board, comprising five Executive Directors and five Independent Directors, including one woman Director. The Chairman of our Board is Mr. Pravinbhai Vithalbhai Patel, an Executive Director. Our Company is in compliance with the corporate governance norms prescribed under the SEBI Listing Regulations and the Companies Act 2013 in relation to the composition of our Board and constitution of committees thereof.

Our Company undertakes to take all necessary steps to continue to comply with all the applicable requirements of the SEBI Listing Regulations and the Companies Act 2013.

Board committees

Our Company has constituted the following Board committees in terms of the SEBI Listing Regulations, and the Companies Act 2013:

(a) Audit Committee;
(b) Nomination and Remuneration Committee;
(c) Stakeholders Relationship Committee; and
(d) Corporate Social Responsibility Committee.

Audit Committee

Our Audit Committee was constituted pursuant to a resolution passed by our Board dated December 16, 2017 and and is in compliance with Section 177 of the Companies Act 2013 and Regulation 18 of the SEBI Listing Regulations. The Audit Committee currently comprises:

1. Ms. Deepti Sharma – *Chairman*
2. Mr. Sandeep Anilbhai Sheth – *Member*
3. Mr. Hemant Jayantibhai Patel – *Member*
4. Mr. Pravinbhai Vithalbhai Patel – *Member*

The Company Secretary shall act as the secretary to the Audit Committee.

Scope and terms of reference: The Audit Committee performs the following functions with regard to accounts and financial management, as per the terms of reference approved by the Board on December 16, 2017.

A. The Audit Committee shall have the powers, including the following:

(a) To investigate any activity within its terms of reference;
(b) To seek information from any employee;
(c) To obtain outside legal or other professional advice; and
(d) To secure attendance of outsiders with relevant expertise, if it considers necessary.

B. Set forth below are the terms of reference of Audit Committee

(a) Oversight of our Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
(b) Recommendation for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of our Company and the fixation of the audit fee;
(c) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
(d) Reviewing the financial statements with respect to its subsidiaries, if any, in particular, investments made by an unlisted subsidiary;
(e) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

    i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms clause (c) of sub-section 3 of section 134 of the Companies Act 2013;
    ii. Changes, if any, in accounting policies and practices and reasons for the same;
    iii. Major accounting entries involving estimates based on the exercise of judgment by management;
    iv. Significant adjustments made in the financial statements arising out of audit findings;
    v. Compliance with listing and other legal requirements relating to financial statements;
    vi. Disclosure of any related party transactions; and
    vii. Modified opinion(s) in the draft audit report;

(f) Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
(g) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency

monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
(h) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
(i) Approval of any subsequent modification of transactions of our Company with related parties;
(j) Scrutiny of inter-corporate loans and investments;
(k) Valuation of undertakings or assets of our Company, wherever it is necessary;
(l) Evaluation of internal financial controls and risk management systems;
(m) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
(n) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
(o) Discussion with internal auditors of any significant findings and follow up there on;
(p) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
(q) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
(r) Looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
(s) Reviewing the functioning of the whistle blower mechanism;
(t) Overseeing the vigil mechanism established by our Company, with the chairman of the Auditor Committee directly hearing the grievances of victimization of the employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;
(u) Approval of appointment of the chief financial officer (i.e., the whole-time finance director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate; and
(v) Carrying out any other functions required to be carried out by the Audit Committee in terms of applicable law.

C. Further, the Audit Committee shall mandatorily review the following –

(a) Management discussion and analysis of financial condition and results of operations;
(b) Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management;
(c) Management letters/ letters of internal control weaknesses issued by the statutory auditors;
(d) Internal auditor reports relating to the internal control weaknesses;
(e) The appointment, removal and terms of remuneration of the chief financial auditor shall be subject to review by the Audit Committee; and
(f) Statement of deviations in terms of the SEBI Listing Regulations;

- Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s); and
- Annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice.

Nomination and Remuneration Committee

Our Nomination and Remuneration Committee was constituted pursuant to a resolution passed by our Board dated December 16, 2017. The Nomination and Remuneration Committee is in compliance with Section 178 of the Companies Act 2013 and Regulation 19 of the SEBI Listing Regulations. The Nomination and Remuneration Committee currently comprises:

1. Mr. Hemant Jayantibhai Patel – *Chairman*
2. Mr. Mehulkumar Dineshchandra Patel – *Member*
3. Mr. Harcharan Singh Pratap Singh Jamdar – *Member*

Scope and terms of reference: The terms of reference of the Nomination and Remuneration Committee are set forth below:

(a) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;
(b) Formulation of the criteria for evaluation of performance of Independent Directors and Board of Directors;
(c) Devising a policy on diversity of Board of Directors;
(d) The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:

  i. the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;
  ii. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  iii. remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of our Company and its goals.

(e) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance (including independent director);
(f) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of directors;
(g) frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:
  i. the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
  ii. the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, our Company and its employees, as applicable; and
(h) perform such other activities as may be delegated by the Board or specified/ provide under the Companies Act, 2013 to the extent notified and effective, as amended or by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended or by any other applicable laws or regulatory authority.

Stakeholders Relationship Committee

Our Stakeholders Relationship Committee was constituted by a resolution of our Board dated December 16, 2017, in compliance with Section 178 of the Companies Act 2013 and Regulation 20 of the SEBI Listing Regulations. The Stakeholders Relationship Committee currently comprises:

1. Mr. Sandip Anilbhai Sheth – *Chairperson*
2. Ms. Deepti Sharma – *Member*
3. Mr. Madhubhai Pragjibhai Vaviya – *Member*

Scope and terms of reference: The terms of reference of the Stakeholders Relationship Committee are as follows:

(a) Considering and resolving grievances of shareholders, debenture holders and other security holders;
(b) Redressal of grievances of the security holders of our Company, including complaints in respect of allotment of Equity Shares, transfer of Equity Shares, non-receipt of declared dividends, annual reports, balance sheets of our Company, etc.; and
(c) Carrying out any other functions required to be undertaken by the Stakeholders Relationship Committee under applicable laws.

Corporate Social Responsibility Committee

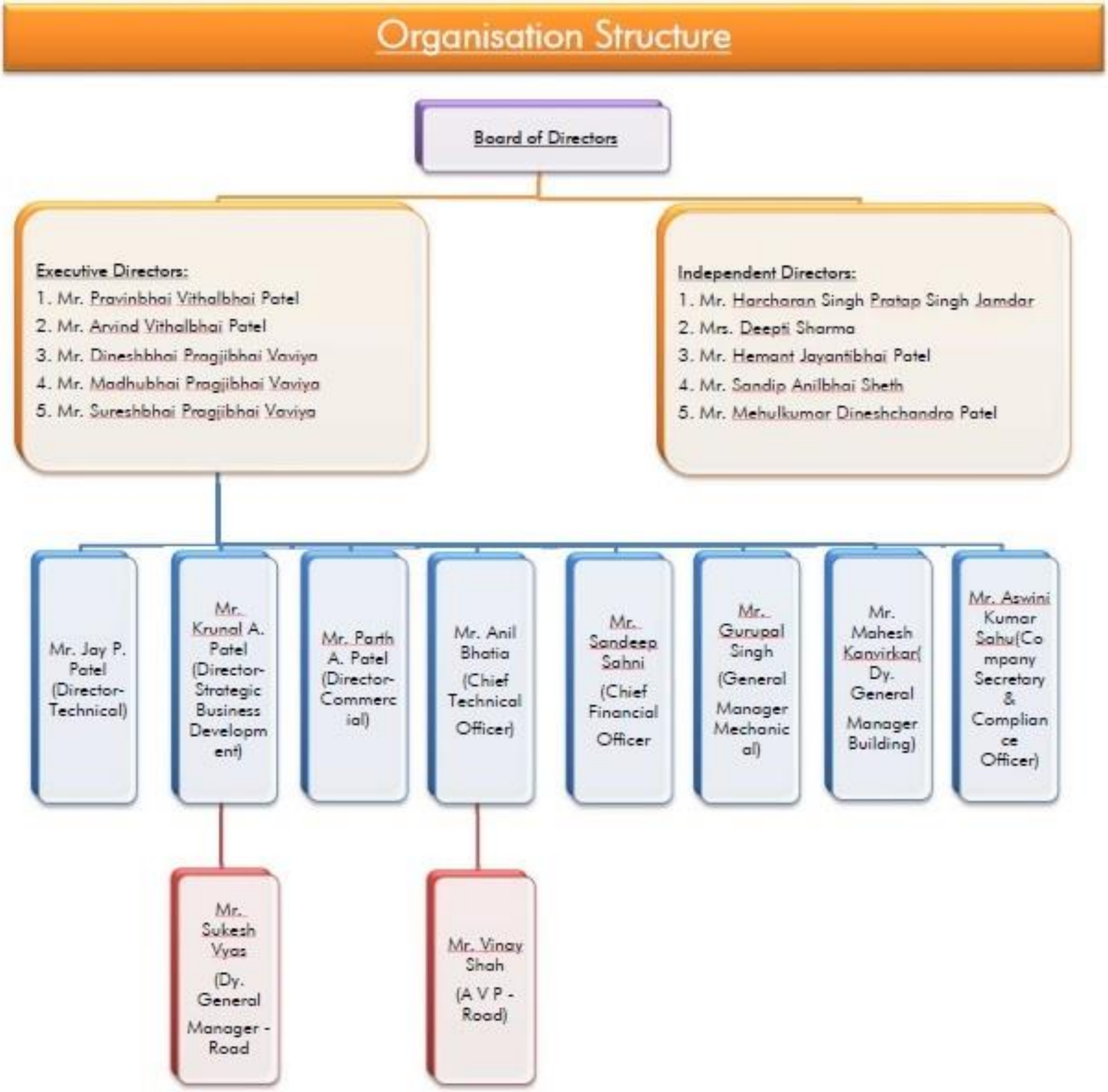
Our Corporate Social Responsibility Committee was constituted by a resolution of our Board dated May 1, 2014 and was last reconstituted pursuant to a resolution of our Board dated December 16, 2017. The Corporate Social Responsibility Committee is in compliance with Section 135 of the Companies Act 2013. The Corporate Social Responsibility Committee currently comprises:

1. Mr. Arvind Vithalbhai Patel – *Chairperson*
2. Mr. Madhubhai Pragjibhai Vaviya – *Member*
3. Ms. Deepti Sharma – *Member*

Scope and terms of reference: The terms of reference of Corporate Social Responsibility Committee are set forth below:

(a) formulate and recommend to Board of Directors a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by our Company as specified in Schedule VII of the Companies Act, 2013;
(b) review and recommend the amount of expenditure to be incurred on the activities referred to in clause (a);
(c) monitor the corporate social responsibility policy of our Company and its implementation from time to time; and
(d) any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board or as may be directed by the Board from time to time

Management Organization Structure



Key Managerial Personnel

In addition to Mr. Pravinbhai Vithalbhai Patel, Mr. Arvind Vithalbhai Patel, Mr. Dineshbhai Pragjibhai Vaviya, Mr. Madhubhai Pragjibhai Vaviya and Mr. Sureshbhai Pragjibhai Vaviya, whose details are provided in "***– Brief Profiles of our Directors***" on page 190, the details of our other Key Managerial Personnel as on the date of this Draft Red Herring Prospectus are set forth below.

Mr. Krunal Patel, aged 27 years joined our Company in July, 2013 and was designated as the Director – Strategic Business Development of our Company on December 16, 2017. He holds a bachelor's degree in civil engineering from Gujarat Technological University. He also holds a diploma in civil engineering from Parul Institute of Engineering and Technology, Gujarat. He has four years of experience in the infrastructure business. During Fiscal 2017, he was paid a gross remuneration of ₹ 4.65 million.

Mr. Jay Patel, aged 28 years joined our Company in April, 2015 and was designated as the Director – Technical of our Company on December 16, 2017. He is currently pursuing a bachelor's degree in civil engineering Gujarat Technological University, Ahmedabad. He has eight years of experience in the infrastructure business. He oversees the technical aspects of our road and building projects. During Fiscal 2017, he was paid a gross remuneration of ₹ 2.55 million..

Mr. Parth Patel, aged 25 years joined our Company in April, 2015 and was designated as the Director – Commercial of our Company on December 16, 2017. He holds a bachelor's degree in business administration from Sardar Patel University and a master's degree in innovation management and entrepreneurship from Middlesex University, United Kingdom. He has two years of experience in the infrastructure business. He oversees commercial aspects of our business, including procurement and logistics. During Fiscal 2017, he was paid a gross remuneration of ₹ 2.03 million.

Mr. Sandeep Sahni, aged 50 years was appointed as the Chief Financial Officer of our Company on May 4, 2015. He is a qualified chartered accountant and a member of the Institute of Chartered Accountants of India and the Institute of Company Secretaries of India. Prior to joining our Company, he was associated with C&C Constructions Limited as general manager – finance. He has 25 years of experience in operation of accounting and finance, inclusive of business planning and controls, financial planning and coordination with banks, fund raising and project monitoring, budgeting, audit, taxation, costing, statutory compliance. During Fiscal 2017, he was paid a gross remuneration of ₹ 3.70 million.

Mr. Anil Bhatia, aged 62 years was appointed as the Chief Technical Officer of our Company on February 1, 2017. He holds a master's in technology degree in building science and construction management from Indian Institute of Technology Delhi. Prior to joining our Company he was associated with Galfar Engineering and Contracting SAOG, Muscat as Project Director. He has 39 years of experience in execution, tendering, planning, monitoring, contract management, contract administration and independently handling highway projects including expressways in India and abroad. During the Fiscal Year 2017, he was paid a gross remuneration of ₹0.89 million.

Mr. Gurupal Singh, aged 44 years was appointed as the General Manager (Mechanical) in our Company on August 17, 2015. He holds a bachelor's of engineering degree in mechanical engineering from the Institution of Mechanical Engineering (India) and an Executive Master of Business Administration in human resource management from the Indian School of Business Management & Administration, Maharashtra. Prior to joining our Company he was associated with Soma Enterprise Limited as senior manager (plant and machinery). He has 11 years of experience in project management, infrastructural development, multisite operation management, insurance & claim handling, plant and equipment maintenance planning and several equipment handling, major plant and machinery procurement, recruitment of appropriate maintenance staff. During the Fiscal Year 2017, he was paid a gross remuneration of ₹ 2.40 million.

Mr. Maheshkumar Karvinkar, aged 48 years was appointed as Deputy General Manager (Building) of our Company on June 5, 2017. He holds a bachelor's of engineering degree in civil engineering from University of Pune. Prior to joining our Company, he was associated with Capacit'e Infrastructure Limited as senior manager – QS and billing. He has 24 years of experience in construction and project management. As he joined our Company in Fiscal 2018, no remuneration was paid to him in Fiscal 2017.

Mr. Sukesh Vyas, aged 44 years was designated as Deputy General Manager of our Company on April 1, 2017, prior to which he was associated with our Company as manager (business development). He holds a diploma in civil engineering from K.J. Polytechnic, Bharuch. Prior to joining our Company, he was associated with Project

Management Services as a senior engineer. He has 22 years of experience in construction and project management. During Fiscal 2017, he was paid a gross remuneration of ₹ 1.80 million.

Mr. Vinay Manojkumar Shah, aged 38 years was appointed as Associate Vice President of our Company on December 4, 2017, prior to which he was associated with our Company as a consultant. He holds master's of engineering degree in highways and transport engineering from the University of Baroda. Prior to joining our Company he was a highways and transport consultant. He has 16 years of experience in execution, tendering, planning, monitoring, contract management, contract administration and independently handling highway projects including expressways. As he joined our Company in Fiscal 2018, no remuneration was paid to him in Fiscal 2017.

Mr. Aswini Kumar Sahu, aged 38 years was appointed as the Company Secretary of our Company on August 17, 2017. He is a law graduate from Ch. Charan Singh University, Meerut and a member of the Institute of Company Secretaries of India. Prior to joining our Company, he was associated with Roop Polymers Limited as senior manager – company secretary. He has 11 years of experience in the field of secretarial laws, due diligence and other compliances. As he joined our Company in Fiscal 2018, no remuneration was paid to him in Fiscal 2017.

Status of Key Managerial Personnel

All the Key Managerial Personnel are permanent employees of our Company.

Relationship among Key Managerial Personnel

Other than as disclosed under "**-Relationship between Directors"** on page 191 and (i) Mr. Pravinbhai Vithalbhai Patel who is the father of Jay Patel, (ii) Mr. Arvind Vithalbhai Patel who is the father of Mr. Krunal Patel and Mr. Parth Patel, and (iii) Mr. Jay Patel, Mr. Krunal Patel and Mr. Parth Patel who are cousins none of our key managerial personnel are related to each other, in terms of the definition of 'relative' under Section 2(77) of the Companies Act 2013.

Bonus or profit sharing plan for the Key Managerial Personnel

There is no profit sharing plan for the Key Managerial Personnel. Our Company makes bonus payments, in accordance with their terms of appointment.

Shareholding of Key Managerial Personnel

Other than as provided under "***Capital Structure – Shareholding our Directors and Key Managerial Personnel***", none of our Key Managerial Personnel hold Equity Shares as on the date of this Draft Red Herring Prospectus.

Service Contracts with Key Managerial Personnel

Our Key Management Personnel have not entered into any service contracts with our Company which provide for any benefits upon termination of their employment in our Company. Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company including Key Management Personnel is entitled to any benefit upon termination of such officer's employment or superannuation.

Interest of Key Managerial Personnel

None of our Key Management Personnel has any interest in our Company except to the extent of their remuneration, benefits, reimbursement of expenses incurred by them in the ordinary course of business. Our Key Management Personnel may also be interested to the extent of Equity Shares, if any, held by them and any dividend payable to them and other distributions in respect of such Equity Shares.

Contingent and deferred compensation payable to Key Managerial Personnel

There is no contingent or deferred compensation payable to our Key Managerial Personnel, which does not form part of their remuneration.

Arrangements and understanding with major shareholders, customers, suppliers or others

None of our Key Managerial Personnel have been appointed pursuant to any arrangement or understanding with our major Shareholders, customers, suppliers or any other person.

Changes in Key Managerial Personnel during the last three years

The changes in our Key Managerial Personnel during the three years immediately preceding the date of this Draft Red Herring Prospectus are set forth below.

Name	Date	Reason
Mr. Sandeep Sahni	May 4, 2015	Appointed as Chief Financial Officer
Mr. Gurupal Singh	August 17, 2015	Appointed as General Manager (Mechanical)
Mr. Anil Bhatia	February 1, 2017	Appointed as Chief Technical Officer
Mr. Sukesh Vyas	April 1, 2017	Appointed as Deputy General Manager
Mr. Maheshkumar Karvinkar	June 5, 2017	Appointed as Deputy General Manager (Building)
Mr. Aswini Kumar Sahu	August 17, 2017	Appointed as Company Secretary
Mr. Vinay Manojkumar Shah	December 4, 2017	Appointed as Associate Vice President
Mr. Pravinbhai Vithalbhai Patel	December 16, 2017	Appointed as Whole Time Director
Mr. Arvind Vithalbhai Patel	December 16, 2017	Appointed as Managing Director
Mr. Dineshbhai Pragjibhai Vaviya	December 16, 2017	Appointed as Whole Time Director
Mr. Madhubhai Pragjibhai Vaviya	December 16, 2017	Appointed as Whole Time Director
Mr. Sureshbhai Pragjibhai Vaviya	December 16, 2017	Appointed as Whole Time Director
Mr. Krunal Patel	December 16, 2017	Appointed as Director – Strategic Business Development
Mr. Jay Patel	December 16, 2017	Appointed as Director – Technical
Mr. Parth Patel	December 16, 2017	Appointed as Director – Commercial

Employee stock option and stock purchase schemes

As on the date of this Draft Red Herring Prospectus, our Company does not have any employee stock option scheme in place.

Payment of non-salary related benefits to officers of our Company

No amount or benefit has been paid or given to any officer of our Company within the two years preceding the date of filing of this Draft Red Herring Prospectus, or is intended to be paid or given, other than in the ordinary course of their employment.

PROMOTERS AND GROUP COMPANY

The Promoters of our Company are:

1. Mr. Pravinbhai Vithalbhai Patel;

2. Mr. Arvind Vithalbhai Patel;

3. Mr. Dineshbhai Pragjibhai Vaviya;

4. Mr. Madhubhai Pragjibhai Vaviya; and

5. Mr. Sureshbhai Pragjibhai Vaviya.

As on the date of this Draft Red Herring Prospectus, our Promoters hold 92.36% of our Company's paid-up Equity Share capital. For details of the build-up of our Promoters' shareholding in our Company, see "***Capital Structure - History of Build up, Contribution and Lock-in of Promoters' Shareholding***" on page 88.

I. Details of our Promoters

1. Mr. Pravinbhai Vithalbhai Patel

Mr. Pravinbhai Vithalbhai Patel is our Promoter and Chairman. For further details, see "***Management - Brief Profiles of our Directors***" on page 190.

His voter identification number is JVT2234458. His driving licence number is GJ03 19800826679.

2. Mr. Arvind Vithalbhai Patel

Mr. Arvind Vithalbhai Patel is our Promoter and Managing Director. For further details, see "***Management - Brief Profiles of our Directors***" on page 190.

His voter identification number is IKN 1790476. His driving licence number is MH02 19830029049.

3. Mr. Dineshbhai Pragjibhai Vaviya

Mr. Dineshbhai Pragjibhai Vaviya is our Promoter and Executive Director. For further details, see "***Management - Brief Profiles of our Directors***" on page 190.

His voter identification number is DDV7255201. His driving licence number is GJ11 19870062296.

4. Mr. Madhubhai Pragjibhai Vaviya

Mr. Madhubhai Pragjibhai Vaviya is our Promoter and Executive Director. For further details, see "***Management - Brief Profiles of our Directors***" on page 190.

His voter identification number is IKN1567551. His driving licence number is GJ14 19930019581.

5. Mr. Sureshbhai Pragjibhai Vaviya

Mr. Sureshbhai Pragjibhai Vaviya is our Promoter and Executive Director. For further details, see "***Management - Brief Profiles of our Directors***" on page 190.

His voter identification number is IKN 1572767. His driving licence number is GJ14 19930019730.

Our Company confirms that the PAN, bank account number and the passport number of each of the Promoters shall be submitted to the Stock Exchanges at the time of filing of this Draft Red Herring Prospectus with the Stock Exchanges.

Interests of our Promoters and Related Party Transactions

Interest of our Promoters in the Promotion of our Company

Our Promoters are interested in our Company to the extent that they have promoted our Company and to the extent of their respective shareholding in our Company and any dividend or other distributions payable, if any, by our Company. For further details of our Promoters' shareholding, see "***Capital Structure - History of Build up, Contribution and Lock-in of Promoters' Shareholding***" and "***Management - Interest of Directors***" on page 88 and 193.

Our Promoters are also interested as Directors and Key Management Personnel, as applicable, and any remuneration payable to them in such capacity. For details, see "***Management - Terms of Appointment of Executive Directors***" and "***Management - Key Management Personnel***" on pages 191 and 200, respectively

Further, except as disclosed in "***Financial Statements – Restated Consolidated Financial Information - Related Party Transactions***" on page 337, our Company has not entered into any contract, agreements or arrangements during the preceding two years from the date of this Draft Red Herring Prospectus or proposes to enter into any such contract in which our Promoters are directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them.

Interest of Promoters in the Property of our Company

Our Promoters do not have any interest in any property acquired by our Company during the two years preceding the date of filing of this Draft Red Herring Prospectus or any property proposed to be acquired by our Company or in any transaction in the acquisition of land, construction of building or supply of machinery.

Our Promoters are not interested as members of any firm or any company and no sum has been paid or agreed to be paid to our Promoters or to such firm or company in cash or shares or otherwise by any person for services rendered by our Promoters or by such firm or company in connection with the promotion or formation of our Company.

Our Promoters are not related to any sundry debtors of our Company.

Payment of Benefits

No benefit or amount has been given or paid to our Promoters or members of our Promoter Group within the two years preceding the date of filing this Draft Red Herring Prospectus or intended to be paid or given to our Promoters or members of our Promoter Group.

Companies with which our Promoters have disassociated in the last three years

Except as discussed below, our Promoters have not disassociated themselves from any company during the preceding three years:

Our Promoters have disassociated from Amidhara Realtors Private Limited ("**Amidhara**") by way of sale of shares of Amidhara to Mr. Navin Shantilal Patel on June 6, 2017. Our Promoters, Mr. Madhubhai Pragjibhai Vaviya and Mr. Arvind Vithalbhai Patel resigned from the board of directors of Amidhara with immediate effect on March 18, 2017.

Change in the management and control of our Company

Our Promoters are the original promoters of our Company and there has not been any change in the management or control of our Company.

Common Pursuits of our Promoters

Our Promoters may be interested in some of the ventures that is or could be involved in activities similar to those conducted by our Company and our Subsidiaries. Our Company will adopt the necessary procedures and practices as permitted by law to address any conflict situation, in the event or as and when a conflict arises.

Guarantees given by the Promoters

Other than as provided in "***Financial Indebtedness***" on page 375, our Promoters have not provided any guarantees in relation to loans availed by our Company.

Confirmations

Neither our Company nor its Promoters, Directors, Group Company, relatives (as per Companies Act, 2013) of the Promoters and companies in which such persons are directors, have been categorized as wilful defaulters by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters issued by the RBI.

There has been no violation of any securities laws committed by our Company, our Subsidiaries, our Directors, Promoters, Promoter Group and our Group Company in the past nor have they been subject to any penalties by the SEBI or any other regulatory authority, court or tribunal inside or outside India and no such proceedings are currently pending against any of them.

Our Promoters and members of our Promoter Group have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Our Promoters and members of the Promoter Group are not and have never been promoters, directors or person in control of any other company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

There are no litigations or legal actions pending or taken by any Ministry, department of Government or statutory authority during the last five years against our Promoters.

II. Group Company

In terms of the SEBI ICDR Regulations and pursuant to the Materiality Policy, for the purposes of identification of group companies for disclosure in connection with the Issue, our Company has considered companies which are included in the list of related parties in our Restated Consolidated Financial Statements in accordance with applicable accounting standards and such other companies considered material by our Board.

Accordingly, as per the Materiality Policy, as on the date of this Draft Red Herring Prospectus, the following companies have been identified as Group Company, for the purposes of disclosure in connection with the Issue:

1. Patel Structural Private Limited.

For avoidance of doubt, it is hereby clarified that our Subsidiaries have not been considered for the purposes of the disclosure as Group Company in the Draft Red Herring Prospectus.

Details of our Group Company

As on the date of this Draft Red Herring Prospectus, our Company has only one Group Company, details of which is set forth below:

1. Patel Structural Private Limited

Patel Structural Private Limited ("**PSPL**") was incorporated under the Companies Act, 1956 on April 9, 1997, as a private limited company with the Registrar of Companies, Gujarat in Ahmedabad. Its CIN is U24236GJ1997PTC032083 and its registered office is located at Patel House, beside Prakruti Resort, 3 B.P. Estate, Chhani Road, Chhani, NH-8, Vadodara 391740, Gujarat, India. PSPL is authorized by its articles of association to carry on the business of and act as promoters, organizers, developers and agents of land, estate, property, industrial estate, housing schemes, shopping/office complexes, townships, warehousing, farms, farm-houses, holiday resorts, hotels, motels and dealing with purchase, sell, exchange, lease and to improve such properties either as owners and/or agents.

The authorized share capital of PSPL is ₹ 5,000,000 divided into 500,000 equity shares of ₹ 10 each and its paid-up share capital is ₹ 102,000 divided into 10,200 equity shares of ₹ 10 each.

Shareholding pattern:

The following table sets forth details of the shareholding pattern of PSPL:

S. No	Name of the shareholder	Number of equity shares of face value ₹ 10 each	Percentage of total equity holding (%)
1.	Mr. Jay Patel	4,200	41.18
2.	Mr. Pravinbhai Vithalbhai Patel	900	8.82
3.	Mr. Arvind Vithalbhai Patel	100	0.98
4.	Mrs. Smitaben Patel	5,000	49.02
Total		10,200	**100.0**

Financial Performance

The financial information derived from the audited financial results of Patel Structural Private Limited for the Fiscals 2015, 2016 and 2017 are set forth below:

(in ₹ million, except per share data)

	Fiscal 2015	Fiscal 2016	Fiscal 2017
Equity Capital	0.1	0.1	0.1
Reserves (Excluding revaluation reserves) and Surplus	55.09	78.79	78.95
Revenue from Operation & Other Income	456.90	192.15	4.46
Profit/ (Loss) after Tax	18.34	23.70	0.16
Basic EPS (in ₹)	1,797.71	2,324.00	15.20
Diluted EPS (in ₹)	1,797.71	2,324.00	15.20

Net assets value per share = Net worth/number of shares as at year end.

There are no significant notes of the auditors in relation to the aforementioned financial statements.

Details of Group Company with negative net worth

There is no Group Company with negative net worth.

Details of loss-making Group Company

There are is loss making Group Company.

Details of Group Company under winding up

As on the date of this Draft Red Herring Prospectus, our Group Company is not under winding up. Further, as on the date of this Draft Red Herring Prospectus, no winding up or revocation proceedings or actions have been initiated against our Group Company.

Sick or defunct companies

Our Group Company is not sick or defunct, under the Sick Industrial Companies (Special Provisions) Act, 1985, the Insolvency and Bankruptcy Code, 2016 and Companies Act, 2013 respectively.

No application has been made to the relevant Registrar of Companies for striking off the name of our Group Company during the preceding five years.

Interests and common pursuits of our Group Company/Entities

As on the date of this Draft Red Herring Prospectus:

a) Our Group Company does not have any interest in the promotion or formation of our Company.

b) Our Group Company does not have any interest in any property acquired by our Company within the two years preceding the date of filing this Draft Red Herring Prospectus or proposed to be acquired by it, or any interest in any transaction by our Company pertaining to acquisition of land, construction of building and supply of machinery, etc.

c) Except as set forth in "***Financial Statements***" on page 211, our Company does not have any sales or purchase transactions with our Group Company exceeding, in the aggregate, 10% of the total sales or purchases of our Company. For more information on business transactions with our Group Company and its significance on our financial performance, see "***Financial Statements***" on page 211.

d) our Group Company is permitted to carry on business activities, similar to that of our Company, pursuant to the provisions of its memorandum of association. As and when conflicts arise, we will examine similar viable solutions under applicable law and as determined by our Board of Directors.

Related Party Transactions

Except as set forth in "***Restated Consolidated Financial Statements - Annexure XXIX - Related Party Transactions***" and "***Restated Standalone Financial Statements - Annexure XXIX - Related Party Transactions***" on pages 337 and 263, respectively, no related party transactions have been entered into between our Group Company and our Company, as on the date of the Restated Financial Statements included in this Draft Red Herring Prospectus.

Other confirmations

a) None of our Promoters, members of Promoter Group or Group Company has been debarred or prohibited from accessing the capital market for any reasons by SEBI or any other authorities.

b) None of our Promoters, members of Promoter Group or Group Company has been identified as Willful Defaulters.

c) For details in relation to legal proceedings involving our Promoter and Group Company, see "***Outstanding Litigation and Other Material Developments***" on pages 383 and 384.

For certain other confirmations in relation to our Promoters, members of Promoter Group and Group Company, see "***Other Regulatory and Statutory Disclosures***" on page 388.

DIVIDEND POLICY

As on the date of this Draft Red Herring Prospectus, our Company does not have a formal dividend policy. The declaration and payment of dividend on our Equity Shares, if any, will be recommended by our Board and approved by our shareholders, at their discretion, in accordance with provisions of our Articles of Association and applicable law, including the Companies Act (together with applicable rules issued thereunder). Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on factors that our Board deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any financing arrangements.

In addition, our ability to pay dividends may be impacted by a number of factors, including but not limited to our profits, capital requirements, contractual obligations, the overall financial condition of our Company and restrictive covenants under the loan or financing arrangements our Company is currently availing of or may enter into to finance our fund requirements for our business activities. For further details, see "***Financial Indebtedness***" on page 375.

Our Company has not declared any dividends during the last five Fiscals immediately preceding the date of filing of this Draft Red Herring Prospectus.

RELATED PARTY TRANSACTIONS

For details of the related party transactions, as per the requirements under the relevant accounting standards and as reported in the Restated Financial Statements, see "***Financial Statements***" on page 211.

SECTION V – FINANCIAL INFORMATION
FINANCIAL STATEMENTS

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Report of auditors on the restated standalone summary statements of Assets and Liabilities as at September 30, 2017, March 31, 2017, 2016, 2015, 2014, and 2013 and Profits and Losses and Cash Flows for six month period ended September 30, 2017 and each of the years ended March 31, 2017, 2016, 2015, 2014 and 2013 of Patel Infrastructure Limited (CIN: U45201GJ2004PLC043955) (collectively, the "Restated Standalone Summary Financial Statements")

To
The Board of Directors,
Patel Infrastructure Limited.
Patel House, Beside Prakruti Resort,
Chhani Road, Chhani,
Vadodra-391740, Gujarat, India.

Dear Sirs,

1) We, Surana Maloo & Co, Chartered Accountants ("we" or "us") have examined the attached Restated Standalone Summary Financial Statements of Patel Infrastructure Limited, as at and for the six month period ended September 30, 2017 and for each of the years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013, annexed to this report, prepared by the Company for the purpose of inclusion in the Draft Red Herring Prospectus ("DRHP") (hereinafter collectively referred to as "Restated Standalone Financial Statements") in connection with its proposed Initial Public Offer ("IPO"). Such Restated Standalone Summary Financial Statements have been approved by the Board of Directors of the Company and prepared in accordance with the requirements of:

    a) Sub-clauses (i), (ii) and (iii) of clause (b) of Sub-section (1) of Section 26 of Part I of Chapter III of the Companies Act 2013 (the "Act") read with Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 ("the Rules"); and

    b) relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the "ICDR Regulations") issued by the Securities and Exchange Board of India ("SEBI") on August 26, 2009, as amended from time to time in pursuance of the Securities and Exchange Board of India Act, 1992.

2) The preparation of the Restated Standalone Summary Financial Statements which is to be included in DRHP is the responsibility of the Management of the Company for the purpose set out in paragraph 16 below. The Management's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Standalone Summary Financial Statements. The Management is also responsible for identifying and ensuring that the Company complies with the Rules and ICDR Regulations.

3) Our work has been carried out in accordance with the Standards on Auditing under section 143(10) of the Act, Guidance Note on Reports in Company Prospectus (Revised 2016) and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India and pursuant to the requirements of Section 26 of the Act read with applicable provisions within Rule 4 to Rule 6 of the Rules and the SEBI (ICDR) Regulations. This work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act and the SEBI Regulations in connection with the Issue.

4) We have examined such Restated Standalone Summary Financial Statements taking into consideration:

   a) The terms of our reference and engagement agreed with you in accordance with our engagement letter dated October 10, 2017, requesting us to carry out the assignment, in connection with the offer document being issued by the Company for its proposed IPO; and

   b) The Guidance Note on Reports in Company Prospectuses (Revised 2016) issued by the Institute of Chartered Accountants of India ("ICAI"), to the extent applicable ("Guidance Note").

5) The management has informed that the Company proposes to make an IPO, which comprises of fresh issue of equity shares having a face value of Rs. 10 each, at such premium, arrived at by the book building process (referred to as the 'Offer'), as may be decided by the Board of Directors of the Company.

6) We have been appointed as statutory auditors of the company in its Annual General Meeting held on September 30, 2017. The standalone financial statements of the Company for the year ended March 31, 2017 as approved by the Board of Directors on June 28, 2017 have been audited by M/s K.P. Bhansali & Co ("the previous auditor"). The previous auditor does not hold a peer review certificate from Peer Review Board of the Institute of Chartered Accountants of India and as required by paragraph (IX) of Part A of Schedule VIII of the ICDR Regulations, we have re-audited the standalone financial statements of the Company for the year ended March 31, 2017, approved by the Board of Directors on December 16, 2017 and issued our audit report dated December 16, 2017 thereon.

   We have audited the standalone financial statements of the Company for the six months period ended September 30, 2017, approved by the Board of Directors on December 16, 2017 and issued our audit report dated December 16, 2017 thereon.

7) The Restated Standalone Summary Financial Statements of the Company have been compiled by the management from:

   (a) the audited standalone financial statements of the Company as at and for the six month period ended September 30, 2017 and Special Purpose Standalone Financial Statements as at and for the year ended March 31, 2017, prepared in accordance with accounting principles generally accepted in India at the relevant time and which have been approved by the Board of Directors on December 16, 2017 and December 16, 2017, respectively and other financial records and;

   (b) the audited standalone financial statements of the Company, as at and for the year ended March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013, prepared in accordance with accounting principles generally accepted in India at the relevant time and which have been approved by the Board of Directors on July 15, 2016, June 22, 2015, June 30, 2014, and August 27, 2013 respectively and other financial records.

8) For the purpose of our examination, we have relied on:

   (a) Auditor's report issued by us dated December 16, 2017 on the standalone financial statements of the Company as at and for the six month period ended September 30, 2017 and auditor's report issued by us dated December 16, 2017 on the Special Purpose Standalone Financial Statements of the Company as at and for the year ended on March, 2017 as referred in paragraph 7(a) above.

(b) Auditor’s report issued by the previous auditor, M/s K. P. Bhansali & Co., dated July 15, 2016, June 22, 2015, June 30, 2014, and August 27, 2013 on the standalone financial statements of the Company as at and for the year ended March 31, 2016, March 31, 2015, March 31, 2014, and March 31, 2013 respectively.

9) In accordance with the requirements of sub-clauses (i), (ii) and (iii) of clause (b) of sub-section (1) of Section 26 of Part I of Chapter III of the Act read with, Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014, the ICDR Regulations and the Guidance Note and based on the above we report that:

(a) The Restated Standalone Summary Statement of Assets and Liabilities of the Company as at September 30, 2017, March 31, 2017, 31 March 2016, 31 March 2015, 31 March 2014 and March 31, 2013, examined by us, as set out in Annexure I to this report read with the significant accounting policies in Annexure V, are after making such adjustments and regroupings / reclassifications as in our opinion were appropriate and more fully described in the Notes to the Restated Standalone Summary Financial Statements enclosed as Annexure IV to this report. For the financial years ended March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 reliance has been placed on the standalone financial statements audited by M/s K.P. Bhansali & Co. As a result of these adjustments, the amounts reported in the above mentioned statements are not necessarily the same as those appearing in the financial statements of the Company for the relevant financial years;

(b) The Restated Standalone Summary Statement of Profits and Losses of the Company for the six month period ended September 30, 2017 and for the year ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013, examined by us, as set out in Annexure II to this report read with the significant accounting policies in Annexure V, are after making such adjustments and regrouping / reclassifications as in our opinion were appropriate and more fully described in the Notes to the Restated Standalone Summary Financial Statements enclosed as Annexure IV to this report. For the financial years ended March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 reliance has been placed on the standalone financial statements audited by K.P.Bhansali & Co. As a result of these adjustments, the amounts reported in the above mentioned statements are not necessarily the same as those appearing in the financial statements of the Company for the relevant financial years;

(c) The Restated Standalone Summary Statement of Cash Flows of the Company for the six month period ended September 30, 2017 and for the year ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013, examined by us, as set out in Annexure III to this report read with the significant accounting policies in Annexure V, are after making such adjustments and regrouping / reclassifications as in our opinion were appropriate and more fully described in the Notes to the Restated Standalone Summary Financial Statements enclosed as Annexure IV to this report. For the financial years ended March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 reliance has been placed on the standalone financial statements audited by K.P.Bhansali & Co. As a result of these adjustments, the amounts reported in the above mentioned statements are not necessarily the same as those appearing in the financial statements of the Company for the relevant financial years;

10) Based on the above, and based on the reliance placed on the financial statements audited by K.P. Bhansali & Co. for the years ended March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 and according to the information and explanations given to us, we are of the opinion that:

    a) Restated Standalone Summary Financial Statements have been made after incorporating adjustments / rectification of all incorrect accounting practices for the material amounts in the respective financial years to which they relate; and

    b) Restated Standalone Summary Financial Statements do not contain any extra-ordinary items, except as disclosed, that need to be disclosed separately in the Restated Standalone Summary Statements:

    c) Audit qualifications /observations included in the annexure to the Auditors' reports on the financial statements of the Company for the years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013, which do not require any corrective adjustment in the Restated Standalone Summary Financial Statements are mentioned as "Non-Adjusting Items" under Annexure IV.

11) We have not audited any Financial Statement of the Company as of any date or for any period subsequent to September 30, 2017. Accordingly, we express no opinion on the financial position, results of operations or cash flows of the Company as of any date or for any period subsequent to September 30, 2017.

12) We have also examined the following Restated Standalone Summary Financial Information proposed to be included in the DRHP, prepared by the management and approved by the Board of Directors of the Company and annexed to this report, as at September 30, 2017, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014, and March 31, 2013 and for the six month period ended September 30, 2017 and for each of the years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014, and March 31, 2013.

    a. Restated Standalone Statement of Share Capital, as Annexure VI,
    b. Restated Standalone Statement of Reserves and Surplus, as Annexure VII
    c. Restated Standalone Statement of Long-term Borrowings, as Annexure VIII,
    d. Restated Standalone Statement of Deferred Tax liability (net), as Annexure IX,
    e. Restated Standalone Statement of Other Long-Term Liabilities, as Annexure X
    f. Restated Standalone Statement of Long-term Provisions and Short-term Provisions, as Annexure XI,
    g. Restated Standalone Statement of Short Term Borrowings, as Annexure XII
    h. Restated Standalone Statement of Trade payables and Other Current Liabilities, as Annexure XIII,
    i. Restated Standalone Statement of Fixed Assets, as Annexure XIV,

j. Restated Standalone Statement of Non-current Investments, as Annexure XV,
k. Restated Standalone Statement of Long Term Loans and Advances and Other Non-current Assets, as Annexure XVI,
l. Restated Standalone Statement of Inventories, as Annexure XVII,
m. Restated Standalone Statement of Trade Receivables, as Annexure XVIII,
n. Restated Standalone Statement of Cash and Bank balance, as Annexure XIX,
o. Restated Standalone Statement of Short Term Loans and Advances and Other Current Assets, as Annexure XX,
p. Restated Standalone Statement of Revenue from Operations, as Annexure XXI,
q. Restated Standalone Statement of Other Income, as Annexure XXII,
r. Restated Standalone Statement of Construction Expenses, as Annexure XXIII,
s. Restated Standalone Statement of Employee Benefit Expense, as Annexure XXIV,
t. Restated Standalone Statement of Depreciation and Amortization Expense, as Annexure XXV,
u. Restated Standalone Statement of Finance Cost, as Annexure XXVI,
v. Restated Standalone Statement of Other Expenses, as Annexure XXVII,
w. Restated Standalone Statement of Contingent Liabilities and Capital Commitments, as Annexure XXVIII,
x. Restated Standalone Statement of Related Party Transactions, as Annexure XXIX,
y. Restated Standalone Statement of Earnings per Share, as Annexure XXX,
z. Restated Standalone Statement of Other Notes, as Annexure XXXI,
aa. Restated Standalone Statement of Accounting Ratios, as Annexure XXXII,
bb. Restated Standalone Summary of Capitalization, as Annexure XXXIII,
cc. Restated Standalone Statement of Tax Shelter, as Annexure XXXIV.

13) According to the information and explanations given to us, in our opinion, the Restated Standalone Summary Financial Statements and the above Restated Standalone Summary Financial Information contained in Annexures VI to XXXIV accompanying this report, read with Notes to the Restated Standalone Summary Statements of Assets and Liabilities, Statement of Profits and Losses and Statement of Cash Flows disclosed in Annexure V, are prepared after making adjustments and regroupings / reclassifications as considered appropriate and have been prepared in accordance with Section 26 of Part I of Chapter III of the Act read with Rules 4 to 6 of the Rules, the ICDR Regulations and the Guidance Note.

14) This report should not be in any way construed as a reissuance or re-dating of any of the previous audit reports issued by us or by other firm of Chartered Accountants, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

15) We have no responsibility to update our report for events and circumstances occurring after the date of the report.

16) Our report is intended for use of the management for inclusion in the DRHP to be filed with SEBI, BSE Limited, National Stock Exchange of India Limited and Registrar of Companies, Gujarat in connection with the proposed IPO of the Company. Our report should not to be used, referred to or distributed for any other purpose except with our prior consent in writing.

For Surana Maloo & Co.
Chartered Accountants
Firm Registration No.: 112171W

Sd/-

Per, S. D. Patel
Partner
Membership No.: 037671

Place: Baroda
Date: December 16, 2017

Patel Infrastructure Limited
CIN : U45201GJ2004PLC043955
Annexure I
Restated Standalone Summary Statement of Assets and Liabilities

(Amount in ₹ million)

Sr No	Particulars	Annexure	As at					
			30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
	Equity and liabilities							
A	**Shareholders' funds**							
	Share capital	VI	38.00	38.00	38.00	38.00	38.00	38.00
	Reserves and surplus	VII	2,974.12	2,608.20	1,966.32	1,199.11	1,087.18	769.50
B	**Non-current liabilities**							
	Long-term borrowings	VIII	156.47	356.18	451.44	111.30	271.90	386.93
	Deferred Tax Liability (Net)	IX	80.16	78.53	65.46	56.54	67.19	50.97
	Other Long-term liabilities	X	502.54	694.30	377.23	266.29	235.00	503.75
	Long Term provision	XI	39.21	32.60	30.70	19.78	15.13	10.41
C	**Current Liabilities**							
	Short-tem Borrowings	XII	1,636.56	1,479.31	539.40	513.40	336.65	263.75
	Trade Payables	XIII						
	• total outstanding dues of micro enterprises and small enterprises		-	-	-	-	-	-
	• total outstanding dues of creditors other than micro enterprises and small enterprises		1,299.43	1,667.72	1,316.88	386.70	642.68	578.28
	Other current liabilities	XIII	1,583.36	1,107.78	1,383.28	848.12	882.17	468.76
	Short-term provisions	XI	37.93	22.74	18.01	14.37	32.20	7.68
	TOTAL (A+B+C)		**8,347.78**	**8,085.36**	**6,186.73**	**3,453.60**	**3,608.09**	**3,078.03**
	Assets							
D	**Non-current Assets**							
	Fixed Assets	XIV						
	i) Property, Plant and Equipment		2,079.66	2,155.57	1,793.01	955.61	1,022.73	1,016.04
	ii) Intangible Assets		28.76	22.55	-	-	-	0.04
	iii) Capital Work-in-Progress			-	-	-	-	12.57
	iv) Intangible Assets under Development			-	2.38	0.79	-	-
	Non-current investments	XV	128.16	128.18	128.11	232.31	233.31	197.99
	Long Term Loans and Advances	XVI	177.61	147.87	205.18	384.46	390.22	246.91
	Other non current assets	XVI	60.78	121.48	114.61	46.55	200.46	100.17
E	**Current Assets**							
	Inventories	XVII	968.13	778.04	513.55	515.52	593.10	326.39
	Trade Receivables	XVIII	507.38	749.20	1,407.17	174.60	370.72	445.08
	Cash and Bank Balances	XIX	506.43	792.69	383.48	409.07	163.75	274.31
	Short Term Loans and Advances	XX	2,184.16	1,800.28	1,188.42	593.22	606.02	383.12
	Other Current Assets	XX	1,706.72	1,389.50	450.82	141.47	27.79	75.40
	TOTAL (D+E)		**8,347.78**	**8,085.36**	**6,186.73**	**3,453.60**	**3,608.09**	**3,078.03**

Note
The above statement should be read with the notes to the Restated Standalone Summary Statements as appearing in Annexure V and Statement of Restatement Adjustments to Audited Standalone Financial Statements appearing in Annexure IV.

As per our report of even date

For Surana Maloo & Co.
Chartered Accountants
Firm Registration Number : 112171W

Sd/-
Per, S. D. Patel
Partner
Membership No.: 037671

Place: Baroda
Date : December 16, 2017

For and Behalf of the Board of Directors
Patel Infrastructure Limited
CIN: U45201GJ2004PLC043955

Sd/-
Pravinbhai Patel
Chairman & Director
DIN: 00008911

Sd/-
Arvindbhai Patel
Managing Director
DIN: 00009089

Sd/-
Sandeep Sahni
Chief Financial Officer

Sd/-
Aswini Sahu
Company Secretary

Place: Baroda
Date : December 16, 2017

Patel Infrastructure Limited
CIN : U45201GJ2004PLC043955
Annexure-II
Restated Standalone Summary Statement of Profit and Losses

(Amount in ₹ million)

Sr. No.	Particulars	Annexure	For the six month period ended	For the year ended				
			30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
A	**Income**							
	Revenue from Operations	XXI	6,511.07	13,294.05	6,906.45	4,356.79	6,670.19	4,622.19
	Other Income	XXII	20.79	60.95	44.53	38.24	34.70	20.32
	Total Revenue		**6,531.87**	**13,355.01**	**6,950.98**	**4,395.03**	**6,704.89**	**4,642.50**
B	**Expenses**							
	Construction expenses	XXIII	5,181.82	10,710.22	5,434.14	3,423.79	5,365.36	3,649.51
	Employee benefits expense	XXIV	362.24	674.37	426.83	257.86	264.89	201.99
	Depreciation and Amortisation expenses	XXV	132.42	244.63	175.16	144.16	86.51	67.61
	Finance costs	XXVI	159.27	339.81	199.04	184.41	191.54	135.90
	Other expenses	XXVII	269.63	608.90	351.37	204.14	308.59	240.53
	Total expenses		**6,105.38**	**12,577.92**	**6,586.55**	**4,214.35**	**6,216.88**	**4,295.55**
C	**Restated profit before Extraordinary items & Tax (A - B)**		**426.48**	**777.08**	**364.43**	**180.68**	**488.00**	**346.96**
D	**Extraordinary Items**							
	Profit from sale of investments in associates		-	-	515.80	-	-	-
E	**Restated profit After Extraordinary Items & Before Tax (C + D)**		**426.48**	**777.08**	**880.23**	**180.68**	**488.00**	**346.96**
F	**Tax Expenses**							
	Current tax		78.48	167.92	168.35	71.21	154.11	99.42
	MAT Credit		(21.04)	(47.24)	(66.16)	-	-	-
	Deferred tax		1.63	13.07	8.92	(10.65)	16.22	14.63
	Total tax expenses		**59.07**	**133.75**	**111.11**	**60.55**	**170.33**	**114.05**
G	**Restated net profit for the year (E - F)**		**367.42**	**643.34**	**769.12**	**120.13**	**317.68**	**232.91**

Note
The above statement should be read with the notes to the Restated Standalone Summary Statements as appearing in Annexure V and Statement of Restatement Adjustments to Audited Standalone Financial Statements appearing in Annexure IV.

As per our report of even date

For Surana Maloo & Co.
Chartered Accountants
Firm Registration Number : 112171W

Sd/-
Per, S. D. Patel
Partner
Membership No.: 037671

Place: Baroda
Date : December 16, 2017

For and Behalf of the Board of Directors
Patel Infrastructure Limited
CIN: U45201GJ2004PLC043955

Sd/-
Pravinbhai Patel
Chairman & Director
DIN: 00008911

Sd/-
Arvindbhai Patel
Managing Director
DIN: 00009089

Sd/-
Sandeep Sahni
Chief Financial Officer

Sd/-
Aswini Sahu
Company Secretary

Place: Baroda
Date : December 16, 2017

Patel Infrastructure Limited
CIN : U45201GJ2004PLC043955
Annexure - III
Restated Standalone Summary Statement of Cash Flows

(Amount in ₹ million)

Sr. No.	Particulars	As at					
		30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
A	**Cash flow from operating activities**						
	Restated profit after Extraordinary items & before Tax	**426.48**	**777.08**	**880.23**	**180.68**	**488.00**	**346.96**
	Adjustment for:						
	Depreciation and Amortisation expense	132.42	244.63	175.16	144.16	86.51	67.61
	(Profit) / Loss on sale of Fixed Assets (net)	(0.26)	(1.42)	0.82	(0.03)	0.31	1.33
	Interest Expense	128.85	228.04	129.28	133.18	118.56	92.01
	Interest Income on FDR	(12.28)	(35.91)	(34.96)	(30.84)	(29.80)	(19.02)
	Profit on sale of Mutual Fund	-	-	-	(1.60)	-	-
	(Gain) / Loss on account of foreign exchange fluctuation (net)	-	0.39	5.24	4.69	17.13	9.88
	Profit from Sale of Investments in Associates	-	-	(515.80)	-	-	-
	Dividend Income	(0.02)	(0.01)	(0.01)	(0.01)	(0.02)	(0.01)
	Intangibles under Development charged off to P/L	-	2.38	-	-	-	-
	Expenditure towards Corporate Social Responsibility	(1.50)	(1.46)	(1.90)	(2.31)	-	-
		247.20	**436.64**	**(242.16)**	**247.24**	**192.69**	**151.79**
	Operating Profit Before Working Capital Changes	**673.68**	**1,213.73**	**638.07**	**427.92**	**680.69**	**498.75**
	Adjustment for:						
	Changes in Inventories	(190.09)	(264.49)	1.97	77.58	(266.71)	(199.85)
	Changes in Trade Receivables	241.82	657.98	(1,232.57)	196.11	74.37	(263.70)
	Changes in Loans & Advances	(696.53)	(1,431.27)	(745.50)	(32.77)	(220.77)	(165.98)
	Changes in Trade and Other Payables	(80.43)	315.85	1,843.40	(503.12)	16.95	651.98
	Cash generated from / (used in) operations	**(51.54)**	**491.79**	**505.37**	**165.73**	**284.53**	**521.19**
	Income tax Paid	(114.71)	(249.25)	(244.69)	(84.19)	(130.51)	(99.89)
	Net Cash Flow From Operating Activities (A)	**(166.25)**	**242.55**	**260.68**	**81.54**	**154.02**	**421.30**
B	**Cash flows from investing activities**						
	Loan and Advances received back/ (given) to Subsidiaries (net)	14.61	(14.62)	196.64	(92.00)	(36.93)	(67.71)
	Loan and Advances received back/ (given) to Joint Venture (net)	0.01	(0.01)	-	-	-	-
	Investment in Subsidiaries (made) /sold (net)	-	(0.10)			(32.82)	(68.12)
	Investment in Associates (made) / sold (net)	0.02	0.03	620.00			(0.05)
	Investment in Mutual Fund (made) / sold (net)	-	-	-	2.60		-
	Purchase of Fixed Assets (including advances for capital expenditure)	(57.72)	(555.82)	(1,055.80)	(89.56)	(105.41)	(411.67)
	Sale of Fixed Assets	4.85	5.94	6.92	7.32	2.41	1.93
	Dividend Income	0.02	0.01	0.01	0.01	0.02	0.01
	Increase decrease in Other Bank Balance / FDRs	34.71	(93.91)	(76.62)	(43.41)	(43.59)	(102.35)
	Interest Income on FDR	12.28	35.91	34.96	30.84	29.80	19.02
	Advance from Sale of Investment	-	-	(400.00)	400.00	-	-
	Share Application in Subsidiary	-	-	-	41.19	(41.19)	-
	Advance for acquisition of investment	-	-	-	-		(2.50)
	Net Cash Flow From Investing Activities (B)	**8.80**	**(622.58)**	**(673.90)**	**256.99**	**(227.72)**	**(631.43)**
C	**Cash flows from financing activities**						
	Proceeds(Payment) from Secured Loans	(25.85)	683.18	357.62	(157.63)	118.10	207.13
	Proceeds(Payment) from Unsecured Loans	1.15	244.25	150.73	0.29	20.39	16.66
	Interest Expense	(128.85)	(228.04)	(129.28)	(133.18)	(118.56)	(92.01)
	Net Cash Flow From Financing Activities (C)	**(153.54)**	**699.39**	**379.07**	**(290.52)**	**19.93**	**131.78**
	Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	(310.99)	319.36	(34.15)	48.01	(53.77)	(78.35)
	Cash And Cash Equivalents At The Beginning Of The Year	354.55	35.19	69.34	21.33	75.10	153.44
	Cash And Cash Equivalents At The End Of The Year	**43.55**	**354.55**	**35.19**	**69.34**	**21.33**	**75.10**

Note
The above statement should be read with the notes to the Restated Standalone Summary Statements as appearing in Annexure V and Statement of Restatement Adjustments to Audited Standalone Financial Statements appearing in Annexure IV.

As per our report of even date

For Surana Maloo & Co.
Chartered Accountants
Firm Registration Number : 112171W

Sd/-

Per, S. D. Patel
Partner
Membership No.: 037671

For and Behalf of the Board of Directors
Patel Infrastructure Limited
CIN: U45201GJ2004PLC043955

Sd/-
Pravinbhai Patel
Chairman & Director
DIN: 00008911

Sd/-
Arvindbhai Patel
Managing Director
DIN: 00009089

Sd/-
Sandeep Sahni
Chief Financial Officer

Sd/-
Aswini Sahu
Company Secretary

Place: Baroda
Date : December 16, 2017

Place: Baroda
Date : December 16, 2017

Patel Infrastructure Limited
CIN : U45201GJ2004PLC043955
Annexure - IV
Notes on adjustments for Restated Standalone Summary Financial Information

(Amount in ₹ million)

Sr.No.	Particulars	Note	For the period / year ended					
			30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
A	**Net profit as per audited financial statements**		367.42	718.80	673.14	122.23	324.31	234.53
B	**Material Adjustments**							
	Interest on Term Loans from Banks and Financial Institutions not provided for	1	-	-	(3.93)	(0.58)	(0.97)	(1.37)
	Interest on Term Loans from Banks and Financial Institutions relating to previous period	1	-	3.93	0.58	0.97	1.37	0.90
	Interest Income relating to previous period	2	-	(4.29)	0.42	0.42	0.42	0.42
	Corporate Social Responsibility Expenses	3	-	-	1.90	2.31	-	-
	Gratuity Expenses	4	-	20.74	(5.88)	(4.62)	(1.88)	(1.63)
	Leave Encashment Expense	5	-	18.76	(7.36)	(2.86)	(3.02)	0.13
	Bonus Expenses not provided for	6	-	-	(9.20)	(6.92)	(4.94)	(4.07)
	Bonus Expenses relating to previous period	6	-	9.20	7.86	4.00	4.21	2.83
	Share of Profit in Joint Venture	7	-	(0.32)	0.32			
C	**Material Adjustments related to Tax**							
	(Short) / Excess tax provision recognised for year	8	-	-	-	(0.78)	(1.73)	3.67
	Short / (Excess) TDS credit created / (written off)	9	-	-	-	0.33	2.18	(3.67)
	Restatement of Short / Excess Provision of Income Tax of Earlier Years	10	-	(43.02)	40.03	2.99	(2.95)	(0.77)
	MAT Credit of Earlier Years	11	-	(66.16)	66.16	-	-	-
	Adjustment to Deferred Tax Expense relating to previous period	12	-	0.84	0.28	(0.77)	(1.39)	1.18
D	**Deferred tax (charge)/ credit on material adjustments**	13	-	(15.15)	4.81	3.40	2.05	0.75
E	**Restated profit / (loss) after tax (A+B+C+D)**		367.42	643.34	769.12	120.13	317.68	232.91

Re-audit of Standalone Financial Statements for the year ended March 31, 2017

As per the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2009 as amended from time to time, re-audit for the year ended March 31, 2017 is conducted, since the financial information to be included in the restated standalone summary financial information was audited by the previous auditor M/s K.P. Bhansali & Co. Chartered Accountants who did not hold Peer Review Certificate issued by the Institute of Chartered Accountants of India.

Incomes, Expenses, Profit before and after Tax and Balance of Assets and Liabilities as per re-audited financials for the year ended March 31, 2017 varies from the audited financial statements of the company for the year ended March 31, 2017. Audit Observations and changes pursuant to re-audit have been incorporated in the books of accounts for the six month period ended September 30, 2017.

In material adjustments above, for reconciliation of profit as per audited financial statements and restated profit after tax for the year ended March 31, 2017, net profit perused is based on Re-audit. Accordingly, for reconciliation of profit as per audited financial statements and restated profit after tax for the period ended September 30, 2017, net profit is taken after eliminating the effects of re-audit which has already been considered in reconciliation of profit for the year ended March 31, 2017. Effect of said eliminations for the period ended September 30, 2017 is given below:

(Amount in ₹ million)

Profit as per Audited Financial Statements for the period ended September 30, 2017	**568.83**
Elimination of Audit Observations and Changes already considered in re-audited financial statements for year ended March 31, 2017, which has been given effect to and recorded in the books of accounts for the six month period ended September 30, 2017:-	
Interest Income	(0.45)
Bonus Expense Provision	13.10
Gratuity Expense Provision	30.18
Provision for Entitlement to Leave Encashment	12.06
Provision for Interest on Term Loans from banks and financial institutions	4.34
Prepaid Insurance	(1.26)
Intangibles under development written off	3.48
Interest on Income tax provided for but no longer required	(2.72)
Short / Excess Provision of Income tax (net)	(242.35)
Deposit for Appeal made with Income Tax wrongly expensed off, classified as Deposit on rectification	(3.70)
Deferred Tax Asset on Gratuity and Leave Encashment	(14.62)
Reversal of Deferred Tax on Bonus	(4.53)
Adjustment to Deferred Tax Expense relating to previous period	5.06
Profit used for reconciliation of net profit as per audited financial statements and restated	**367.42**

The above table does not contain impact of regrouping/reclassification done in accordance with the requirement of Schedule III to the Companies Act, 2013. The above table should be read with notes on adjustments for Restated Standalone Summary Statement of Assets and Liabilities, Restated Standalone Summary Statement of Profit and Loss and Restated Standalone Summary Statement of Cash Flows.

Restatement adjustments made in the Restated Standalone Summary Statement of Reserves and Surplus to the balance as at 1 April 2012 to the Surplus in the Restated Standalone Summary Statement of Profit and Loss is as detailed below:

Particulars	Note	(Amount in ₹ Million)
A) Net Surplus in the Statement of Profit and Loss as at 1 April 2012 as per audited financial statements		**542.53**
B) Material Adjustments:		
Interest on Term Loans from Banks and Financial Institutions relating to previous period	1	(0.90)
Interest Income relating to previous period	2	2.62
Gratuity Expense	4	(6.74)
Leave Encashment Expense	5	(5.65)
Bonus Expenses relating to previous period	6	(2.97)
C) Material Adjustments related to Tax:		
Short Provision of Income Tax of Earlier Years	10	3.71
Adjustment to Deferred Tax Expense relating to previous period	12	(0.14)
D) Deferred tax (charge)/ credit on material adjustments	13	4.13
Net Surplus in the Restated Standalone Summary of Profit and Loss as at 1 April 2012 (A + B + C+D)		**536.59**

A Notes to Material Adjustments in Restated Summary Financial Statements

1 Interest on Term Loans from Banks and Financial Institutions

Interest on term loans from banks and financial institutions accrued but not due as on March 31, 2013, March 31, 2014, March 31, 2015 and March 31, 2016 falling due and payable in respective succeeding financial year, recorded in the books of accounts for the year ended on March 31, 2014, March 31, 2015, March 31, 2016, and March 31, 2017 respectively has been restated to the year to which it pertains. Similarly, interest accrued but not due as on March 31, 2012 recorded in the books of accounts for the year ended on March 31, 2013 has been adjusted to the surplus as per profit and loss as on April 1, 2012.

2 Interest Income relating to previous period

Claim of liquidated damages made by NHAI on the company being defended since financial year 2006-07, reflected in current assets is settled through arbitration and realized together with interest in the financial year 2016-17. The company on restatement has restated the interest income pertaining to the year ended March 31, 2013, March 31, 2014, March 31, 2015 and March 31, 2016 to the respective years and pertaining to the period upto March 31, 2012 has been adjusted to the surplus as per profit and loss as on April 1, 2012.

3 Corporate Social Responsibility Expenses

Amount required to be spent towards Corporate Social Responsibility as per the provisions of Companies Act, 2013 read with Rules and Regulations thereof is appropriated from Surplus of Profit and Loss and transferred to Corporate Social Responsibility Reserve (specific reserve), which in turn is utilized towards the amount spent by the company as per its CSR Policy.

For the year ended on March 31, 2015 and March 31, 2016 expense towards corporate social responsibility has been charged to profit and loss account, reflected as miscellaneous expenses under the head Other Expenses, which on restatement, has been added back and appropriated from Surplus of Profit and Loss of the respective years.

4 Gratuity Expenses

Based on the report of Independent Actuary M. L. Sodhi issued on October 11, 2017, cumulative expenditure towards Gratuity for the services rendered by the employees relating to each of the year ended March 31, 2013, March 31, 2014, March 31, 2015 and March 31, 2016, considered in re-audit for the year ended March 31, 2017 has been restated to the year to which it pertains. Similarly, cumulative expenditure up to March 31, 2012 considered in re-audit for the year ended on March 31, 2017 has been adjusted to the surplus as per profit and loss as on April 1, 2012.

5 Leave Encashment Expense

Based on the report of Independent Actuary M. L. Sodhi issued on October 11, 2017, cumulative expenditure towards paid leaves carried forward and encashable in future relating to the services rendered by the employees for each of the year ended March 31, 2013, March 31, 2014, March 31, 2015 and March 31, 2016, considered in re-audit for the year ended on March 31, 2017 has been restated to the year to which it pertains. Similarly, cumulative expenditure towards paid leaves carried forward and encashable in future relating to services rendered up to March 31, 2012, recorded in the books of accounts for the year ended on March 31, 2017 has been adjusted to the surplus as per profit and loss as on April 1, 2012.

6 Bonus Expenses

Bonus expenditure accrued for the services rendered as on March 31, 2013, March 31, 2014, March 31, 2015 and March 31, 2016 falling due and payable in respective succeeding financial year, recorded in the books of accounts for the year ended on March 31, 2014, March 31, 2015, March 31, 2016, and March 31, 2017 respectively has been restated to the year to which it pertains. Similarly, bonus expenditure accrued as on March 31, 2012 recorded in the books of accounts for the year ended on March 31, 2013 has been adjusted to the surplus as per profit and loss as on April 1, 2012.

7 Share of Profit in Joint Venture

The company on restatements, has restated the share of profit in joint venture amounting to Rs. 0.32 million pertaining to the year ended on March 31, 2016 which was recorded in the profit and loss statement for the year ended on March 31, 2017.

8 (Short) / Excess tax provision recognised for year

The company has recognised (short) / excess tax provision for the year ended March 31, 2015, March 31, 2014 and March 31, 2013 of Rs. 0.78 million, Rs. 1.73 million and Rs. 3.67 million respectively which has been recomputed and restated in the same year, since the same has not been reflected as write back of excess provision of tax in the succeeding year (viz.March 31, 2016, March 31, 2015 and March 31, 2014 respectively).

9 Short / (Excess) TDS credit created / (written off)

For the year ended March 31, 2015, March 31, 2014 and March 31, 2013, TDS Credit Receivable reflected in the financial statements is in short / (excess) of the amount eligible for and claimed in the Income Tax Return. The company on restatement has created / (written off) the excess TDS credit and accordingly the refund of income tax for the year has been restated.

10 Restatement of Short / Excess Provision of Income Tax of Earlier Years

Based on the Computation of Income Tax at the time of filing Income Tax Return, short / (excess) provision of current tax reflected in profit and loss statement for the year ended March 31, 2017, March 31, 2016 and March 31, 2014 amounting to Rs.43.02 million, Rs. 2.99 million and Rs. 2.95 million respectively pertaining to respective preceding financial year has been restated to the year to which it pertains. Similarly, short / (excess) provision of current tax reflected in profit and loss statement for the year ended March 31, 2013 amounting to Rs. 3.71 million pertaining to year March 31, 2012 has been adjusted to the surplus as per profit and loss as on April 1, 2012.

11 MAT Credit of Earlier Years

Based on the Computation of Income Tax at the time of filing Income Tax Return, MAT credit reflected in profit and loss statement for the year ended March 31, 2017 amounting to Rs.66.16 million pertaining to March 31, 2016 has been restated.

12 Deferred Tax Liability

The company on re-audit has accurately re-computed deferred tax liability (net) taking into consideration the income tax rates prevailing in the respective years for timing difference between depreciation and amortization on fixed assets under income tax law and depreciation and amortization provided in the books of accounts to rectify the computational errors made while taking the base for ascertaining deferred tax liability, which has been restated to the year to which it pertains.

13 Deferred tax (charge)/ credit on material adjustments

Deferred tax has been computed on adjustments made as detailed above and has been adjusted in the restated profits and losses for the years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 and Surplus as per Profit and Loss as on April 1, 2012.

B Material regroupings

Appropriate adjustments have been made in the respective years of Restated Standalone Summary Statements of Assets and Liabilities, Profits and Losses and Cash flows, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the regroupings as per the audited financials of the Company for the six months ended 30th September 2017, prepared in accordance with Revised Schedule III, and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009 (as amended). Significant regroupings, amongst other includes:

i) Revenue from Operations

As required by Accounting Standard - 7 ' Construction Contracts ', the company on restatement, has presented the net effect of changes in work in progress as revenue from operations which was earlier presented as Changes in inventories of work in progress on the face of Profit and Loss Statement, since these amounts to gross contract revenue receivable.

ii) Cost of Material Consumed

In line with Schedule III to the Companies Act, 2013 and Guidance note issued by Institute of Chartered Accountants of India on the same, the company on restatement, has presented the material consumption as a line item under Construction Expenses which was earlier presented as Cost of Material Consumed on the face of Profit and Loss Statement.

iii) Work in Progress

In line with Schedule III to the Companies Act, 2013 and as required by Accounting Standard - 7 ' Construction Contracts ', the company on restatement, has presented the work in progress as Other Current Asset which was earlier presented as Inventories.

iv) Fixed Deposits

In line with Schedule III to the Companies Act, 2013 and as required by Accounting Standard - 3 ' Cash Flow Statements ', Balances with banks to the extent held as margin money or security against the borrowings cannot be included in Cash and Cash Equivalents. Accordingly, the company on restatement, has presented the Fixed Deposits made with bank maturing within 3 months from the reporting date held as margin money or security against the borrowings or lien marked as Other Bank Balances under the head 'Cash and Bank Balance' which was earlier presented as Cash and Cash Equivalents.

In line with Schedule III to the Companies Act, 2013 and Guidance note issued by Institute of Chartered Accountants of India on the same, the company on restatement, has presented fixed deposits made with the bank having maturity after 12 months from the reporting date as Other Non Current Assets which were earlier presented as Other Bank Balances under the head 'Cash and Bank Balance'.

v) Capital Advances

In line with Schedule III to the Companies Act, 2013 and Guidance note issued by Institute of Chartered Accountants of India on the same, the company on restatement, has presented Advances for Acquisition of Capital Assets (Capital Advances) as Long Term Loans and Advances which were earlier presented as Short Term Loans and Advances.

C Related Party Transactions

Certain disclosures in respect of related party transactions were either not included or the amounts were incorrectly considered in the earlier audited financial statements have now been rectified in the Restated Standalone Summary Statements based on the examination reports issued by auditors.

D Contingent Liabilities

Certain contingent liabilities were erroneously considered in the disclosure in the earlier audited financial statements, which have now been rectified in the Restated Standalone Summary Statements based on examination report issued by auditors

E **Non-adjusting items**

Audit Qualifications in Auditors' Report, which do not require any corrective adjustments in the Restated Standalone Summary Financial Information

In addition to the audit opinion on the financial statements, the auditors are required to comment upon the matters included in the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India terms of sub-section (11) of Section 143 of the Companies Act, 2013 for the year ended March 31, 2017 and March 31, 2016, Companies (Auditor's Report) Order, 2015 issued by the Central Government of India terms of sub-section (11) of Section 143 of the Companies Act, 2013 for the year ended 31 March 2015 and the Companies (Auditor's Report) Order, 2003 ('CARO') issued by the Central Government of India under sub section (4A) of Section 227 of the Companies Act, 1956 for the years ended 31 March 2014 and 31 March 2013. Certain statements/comments included in the annexure to the Audit report on the financial statements (i.e. CARO), which do not require any adjustments in the Restated Standalone Summary Financial Information are reproduced below in respect of the financial statements presented:

For the year ended March 31, 2017

(i) **Clause (i)(c) of CARO**

According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deed of Building at Junagadh (Gross Block : ₹ 0.06 million and Net Block : ₹ 0.05 million) which is held in the name of Patel Construction Co. (i.e. Partnership firm before conversion into private limited company) and title deeds of all other immovable properties are held in the name of Patel Infrastructure Private Limited.

(ii) **Clause (vii)(a) of CARO**

According to the information and explanations given to us and on the basis of our examination of the records of the Company in respect of undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of custom, excise duty, value added tax, cess and other material statutory dues as applicable have been regularly deposited during the year by the Company with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, service tax, value added tax, cess and other material statutory dues were in arrears as at 31st March, 2017 for a period of more than six months from the date they became payable except those mentioned below:

(Amount in ₹ million)

Nature of Statute	Nature of Dues	Period to which the amounts relates	Demand Raised as on	Amount
Income Tax	Demand raised u/s 220(2) by CPC	AY 2008-09 relevant to FY 2007-08	23/03/2016	5.08
Income Tax	Demand raised u/s 143(1)(a) related to disallowance of subcontractor expense and unaccounted sale of stone.	AY 2011-12 relevant to FY 2010-11	15/03/2012	4.09
Income Tax	Defaults related to Tax Deduction at Source	AY 2008-09 (FY 2007-08) to AY 2017-18 (FY 2016-17)	-	1.88

(iii) **Clause (vii)(b) of CARO**

According to the information and explanations given to us, there are no material dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax or cess which have not been deposited with the appropriate authorities on account of any dispute except those mentioned below:

(Amount in ₹ million)

Nature of Statute	Nature of Dues	Amount Demanded	Amount under Dispute Deposited	Period to which the amounts relates	Forum where dispute is pending
Income Tax	Disallowance of claim u/s 80IA.	6.09	0.91	AY 2009-10 relevant to FY 2008-09	Commissioner of Income tax (Appeals)-I
Income Tax	Disallowance of claim u/s 80IA, Disallowance of Subcontractor Expense.	10.94	1.64	AY 2010-11 relevant to FY 2009-10	Commissioner of Income tax (Appeals)-I
Income Tax	Disallowance of Subcontractor Expense.	7.66	1.15	AY 2012-13 relevant to FY 2011-12	Commissioner of Income tax (Appeals)-I
Service Tax	Service Tax on Toll Collection	10.41	-	FY 2004 to 2008	Supreme Court

(iv) **Clause (viii) of CARO**

Based on our audit procedure and the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of loans to banks, except stated below. The Company has not borrowed or raised any money from debenture holders during the year.

(Amount in ₹ million)

Name of the Lender	Amount of Default	Period of Default	Remarks
BMW Financial Service Private Limited	0.25	109 days from the date of instalment	The said default was cleared on 04/04/2017

Patel Infrastructure Limited
CIN: U45201GJ2004PLC043955

Annexure - V

Notes to the Restated Standalone Summary Statements of Assets and Liabilities, Statements of Profits and Losses and Statement of Cash flows

COMPANY OVERVIEW

Patel Infrastructure Limited, incorporated in 2004 is engaged in the business of construction of roads and highways, bridges, irrigation and mining projects, construction of commercial buildings, and other ancillary services like toll collection, operation and maintenance of highways.

BASIS OF PREPARATION

The Restated Standalone Summary Statement of Assets and Liabilities in Annexure I of the Company as at September 30, 2017, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 and the Related Restated Standalone Summary Statement of Profits and Losses in Annexure II and Restated Standalone Summary Statement of Cash Flows in Annexure III for the period ended September 30, 2017, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 and other financial information in Annexure IV to XXXIV (herein collectively referred to as "Restated Standalone Summary Statements") have been derived by the Management from the then Audited Standalone Financial Statements of the Company for the respective corresponding periods.

The Audited Standalone Financial Statements were prepared in accordance with the generally accepted accounting principles in India (Indian GAAP) at the relevant time. The Company has prepared the Restated Standalone Summary Statements to comply in all material aspects with the accounting standards notified under Section 133 of the Companies Act, 2013 ('the Act'), read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016. The Restated Standalone Summary Statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies are applied consistently in preparation of restated Standalone summary statements and are consistent with those used in the preparation of interim financial statement for six months period ended on September 30, 2017.

These Restated Statements and Other Financial Information have been prepared for inclusion in the Offer Document to be filed by the Company with the Securities and Exchange Board of India ('SEBI') in connection with proposed Initial Public Offering of its equity shares, in accordance with the requirements of:

(a) Sub-clause (i), (ii) and (iii) of clause (b) of Sub-section (1) of Section 26 of Part 1 Chapter III of the Act read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014; and

(b) relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the "Regulations") issued by the Securities and Exchange Board of India ('SEBI') on 26 August 2009, as amended from time to time in pursuance of the Securities and Exchange Board of India Act, 1992.

These restated statements and other financial information have been prepared after incorporating adjustments for the material amounts in the respective years to which they relate.

The Restated Standalone Summary Financial Information are presented in Indian rupees, rounded off to nearest million, except per share data, face value of equity shares and expressly stated otherwise.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

PRESENTATION AND DISCLOSURE

With effect from March 31, 2012, the Revised Schedule VI under the Companies Act, 1956 came into effect and accordingly, the Audited Standalone financial statements pertaining to the period March 31, 2013 and the year ended March 31, 2014 was prepared as per Revised Schedule VI. With effect from April 1, 2014, Schedule III has been notified under the Act for the preparation and presentation of financial statements and accordingly, the Audited Standalone financial statements pertaining to the year ended March 31, 2015, March 31, 2016, March 31, 2017 and period ended September 30, 2017 has been prepared as per Schedule III. The adoption of Schedule III does not impact recognition and measurement principles followed for preparation of Standalone financial statements. The Company has prepared the Restated Standalone Summary Statements along with the relevant notes in accordance with the requirements of Schedule III of the Act.

A. USE OF ESTIMATES

The preparation of financial statements in conformity with Indian GAAP requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results may differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in current and future periods.

B. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at cost net of recoverable taxes, trade discounts and rebates and include amounts added on revaluation (if any), less accumulated depreciation and impairment loss, if any. Cost comprises its purchase price, borrowing cost and any cost attributable to bringing the asset to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Subsequent expenditures related to an item of property, plant and equipment are added to its book value if and only if, it is probable that future economic benefits associated with the item will flow to the enterprise and the cost of the item can be measured reliably.

Capital work in-progress represents expenditure incurred in respect of assets which are yet to be brought to it working condition for its intended use and are carried at cost. Cost includes related acquisition expenses, construction or development cost, borrowing costs capitalised and other direct expenditure.

C. INTANGIBLE ASSETS

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortization and impairment loss, if any. These assets include lease rights and computer software. The cost comprises purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use and net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

Intangibles under development represent expenditure, incurred in respect of intangibles under development and carried at cost.

D. DEPRECIATION AND AMORTISATION

Depreciation on property, plant and equipment is provided to the extent of depreciable amount on the Straight-Line Method (SLM). Depreciation is provided on the basis of useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

In respect of additions or extensions forming an integral part of existing assets and insurance spares, depreciation is provided as aforesaid over the residual life of the respective assets.

Computer software is amortized over their estimated useful life of ten years.

E. IMPAIRMENT

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised in the Statement of Profit and Loss whenever the carrying amount of an asset or a cash generating unit exceeds its recoverable amount. The recoverable amount of the assets (or where applicable, that of the cash generating unit to which the asset belongs) is estimated as the higher of its net selling price and its value in use. A previously recognized impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

F. INVESTMENTS

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long term investments are carried at cost and provision for diminution in value is made to recognize a decline, other than temporary, in the value of the investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares, securities or other assets, the acquisition cost is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.
On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

G. INVENTORIES

Stock of construction materials, stores & spares and embedded goods and fuel is valued at cost or net realizable value, whichever is lower after providing for obsolescence, if any, except in case of byproducts which are valued at net realizable value. Cost of inventories comprises of cost of purchase, cost of conversion and directly attributable overheads incurred in bringing them to their present location and condition. Cost is determined on First In First Out basis.

H. WORK IN PROGRESS

Work in progress in respect of construction contracts is valued on the basis of technical estimates and percentage completion basis.

I. FOREIGN CURRENCY TRANSACTIONS

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.

Monetary items denominated in foreign currencies at the year-end are restated at closing rates. In case of items which are covered by forward exchange contracts, the difference between the year-end rate and rate on the date of the contract is recognized as exchange difference and the premium paid on forward contracts is recognized over the life of the contract.

J. REVENUE RECOGNITION

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

a. Contract revenue

Contract revenue and costs associated with the contracts/ project related activities are accrued and recognized by reference to the stage of completion of the contract/projects at the reporting date.

Contract revenue comprises the initial amount of revenue agreed in the contract, the variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue and they are capable of being reliably measured.

Contract cost comprises of cost that relate directly to the specific contract, cost that are attributable to contract activity in general and can be allocated to the contract and such other cost as are specifically chargeable to the customer under the terms of the contract.

Stage of completion is determined based on the survey of work performed at the end of each year. The effect of a change in the estimate of contract revenue or contract costs, or the effect of a change in the estimate of the outcome of a contract, is accounted for as a change in accounting estimate and the effect of which are recognized in the Statement of Profit and Loss in the period in which the change is made and in subsequent periods.

Any excess/short revenue recognized in accordance with the stage of completion of the project, in comparison to the amounts billed in accordance with the milestones completed as per the respective project, is accrued as unearned/unbilled revenue.

An expected loss on construction contract is recognized as an expense immediately when it is certain that the total contract costs will exceed the total contract revenue.

b. Material Sale

Sale of Material is accounted on accrual basis.

c. Other income

- Interest income

Interest Income is recognized on a time proportionate basis taking into account the amount outstanding and the rate applicable.

- Dividend Income

Dividend income is recognized when the right to receive dividend is established.

- Profit from Joint Ventures

Revenue from construction/project related activity and contracts executed in Joint Ventures under work-sharing agreement is recognized in the statement of Profit and Loss to the extent of the share of profit receivable from the jointly controlled entity for the reporting period, if the right to receive payment is established at the balance sheet date.

K. EMPLOYEE BENEFITS

Defined Contribution Plans

Contribution to "Defined Contribution Plans" such as Provident Fund is charged to the profit and loss as incurred. Provident Fund Contribution is made to the Government Administered Provident Fund.

Defined benefit plans

Gratuity

The company's gratuity benefit scheme is defined benefit plan. The company's net obligation in respect of defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognized past service costs and the fair value of any plan assets are deducted. The calculation of the company's obligation plan is performed annually by a qualified actuary using the projected unit credit method.

The company recognizes all acturial gains and losses arising from defined benefit plans immediately in the statement of Profit and Loss. All expenses related to defined benefits plans are recognized in employee benefits expense in the statement of Profit and Loss. When the benefits of a plan are improved, the portion of the increased benefit related to past services by employees is recognized in Profit and Loss on a straight line basis over the average period untill the benefits become vested. The company recognizes gains and losses on the curtailment or settlement of a defined benefit plan when the cuttailment or settlement occurs.

Leave Encashment

The employees can carry forward a portion of the unutilized accrued leaves and utilize it in future service periods or receive cash compensation on termination of employment. Since the leave encashment do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as long term employee benefit. The company records an obligation for such leave encashment in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

L. BORROWING COSTS

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Profit and Loss Statement in the period in which they are incurred and included for computation of work in progress.

M. INCOME TAXES

Current Tax

Current tax is recognized at the amount expected to be paid to the tax authorities, using the applicable tax rates after taking credit for allowances and exemptions in accordance with the Income Tax Act, 1961.

Deferred Tax

Deferred tax assets and liabilities are recognized for future tax consequences attributable to timing differences between financial statements' carrying amount of existing assets and liabilities and their respective tax basis. Deferred tax assets are recognized only to the extent that there is a reasonable certainty that sufficient future income will be available except that deferred tax assets, in case there are unabsorbed depreciation or losses, are recognized if there is virtual certainty that sufficient future taxable income will be available to realize the same.

Deferred tax assets and liabilities are measured using the enacted tax rates or tax rates that have been enacted or substantively enacted by the Balance Sheet date. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the period that includes the enactment date.

MAT Credit

Minimum Alternate Tax (MAT) paid in a year is charged to statement of profit and loss as current Tax. The company recognizes MAT Credit available as an asset only when and to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e. the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on "Accounting for Credit Available in respect of Minimum Alternative Tax under Income Tax Act, 1961", the said assets is created by way of credit to the statement of Profit and loss and shown as "MAT credit entitlement". The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the assets to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

N. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provision is recognized in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within control of the company. A contingent liability also arises, in rare cases, where a liability cannot be recognized because it cannot be measured reliably unless the possibility of outflow of resources is remote. Contingent assets are neither recognized nor disclosed in the financial statements.

O. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise of cash at bank and cash on hand. The Company considers all highly liquid investments without encumbrance/lien having maturity of three month or less from the reporting date to be cash equivalents.

P. ACCOUNTING FOR JOINT VENTURE CONTRACTS

Contracts executed in Joint Venture under work sharing arrangement (consortium) are accounted in accordance with the accounting policy followed by the Company as that of an independent contract to the extent work is executed by the Company.

In respect of contracts executed through Joint Ventures under profit sharing arrangement (assessed as AOP under the Income tax laws), the services rendered to the Joint Ventures are accounted as income on accrual basis. The Company's share in the profit / loss is accounted for, as and when it is determined by the Joint Venture and the net investment in the Joint Venture is reflected as investments, loans & advances or current liabilities, as the case may be.

Q. EARNINGS PER SHARE

Basic earnings per share is 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. 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 weighted average number of equity shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Patel Infrastructure Limited
CIN : U45201GJ2004PLC043955
Annexure - VI
Restated Standalone Statement of Share Capital

Particulars	As At											
	30-Sep-17		31-Mar-17		31-Mar-16		31-Mar-15		31-Mar-14		31-Mar-13	
	Number of Shares	Amount in ₹ Millions	Number of Shares	Amount in ₹ Millions	Number of Shares	Amount in ₹ Millions	Number of Shares	Amount in ₹ Millions	Number of Shares	Amount in ₹ Millions	Number of Shares	Amount in ₹ Millions
a) Authorised share capital												
Equity shares of ₹10 each	40,00,000	40.00	40,00,000	40.00	40,00,000	40.00	40,00,000	40.00	40,00,000	40.00	40,00,000	40.00
b) Issued, subscribed and fully paid-up share capital												
Equity shares of ₹10 each	38,00,000	38.00	38,00,000	38.00	38,00,000	38.00	38,00,000	38.00	38,00,000	38.00	38,00,000	38.00

The shareholders of the Company on October 27, 2017 approved for an increase in the Authorised Share Capital from ₹ 40 million to ₹ 600 million divided into 60 million equity shares of ₹ 10 each by way of additional 56 million equity shares of ₹ 10 each.

c) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity Shares	30-Sep-17		31-Mar-17		31-Mar-16		31-Mar-15		31-Mar-14		31-Mar-13	
	Number of Shares	Amount in ₹ Millions	Number of Shares	Amount in ₹ Millions	Number of Shares	Amount in ₹ Millions	Number of Shares	Amount in ₹ Millions	Number of Shares	Amount in ₹ Millions	Number of Shares	Amount in ₹ Millions
At the beginning of the period	38,00,000	38.00	38,00,000	38.00	38,00,000	38.00	38,00,000	38.00	38,00,000	38.00	38,00,000	38.00
Issued during the period	-	-	-	-	-	-	-	-	-	-	-	-
Outstanding at the end of the period	**38,00,000**	**38.00**	**38,00,000**	**38.00**	**38,00,000**	**38.00**	**38,00,000**	**38.00**	**38,00,000**	**38.00**	**38,00,000**	**38.00**

On December 16, 2017, pursuant to the provisions of the Companies Act, 2013, the shareholders of the Company approved for issue and allotment of 4,18,00,000 Bonus Equity Shares of ₹ 10/- each, under a bonus issue in ratio of 11 Equity Shares for each equity share of ₹ 10/- held by the members as on the date of the meeting.

Accordingly sum of ₹ 418 million will be capitalized out of Surplus as per Profit and Loss as on September 30, 2017 and transferred to the Share Capital Account towards issue of fully paid up bonus shares pursuant to which the paid up capital of the Company will be increased from ₹ 38 million to ₹ 456 million and the balance in Surplus as per Profit and Loss will be reduced by ₹ 418 million.

d) Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the Company, the holders of shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of shares held by the shareholders.

e) Details of shareholders holding more than 5% in the Company

Name of the Shareholder	30-Sep-17		31-Mar-17		31-Mar-16		31-Mar-15		31-Mar-14		31-Mar-13	
	Number of Shares	% of Holding	Number of Shares	% of Holding	Number of Shares	% of Holding	Number of Shares	% of Holding	Number of Shares	% of Holding	Number of Shares	% of Holding
Equity shares of ₹10 each fully paid												
Pravinbhai Patel	11,85,000	31.18%	11,85,000	31.18%	11,85,000	31.18%	11,85,000	31.18%	11,85,000	31.18%	11,85,000	31.18%
Arvindbhai Patel	11,85,000	31.18%	11,85,000	31.18%	11,85,000	31.18%	11,85,000	31.18%	11,85,000	31.18%	11,85,000	31.18%
Madhubhai Vaviya	3,80,000	10.00%	3,80,000	10.00%	3,80,000	10.00%	3,80,000	10.00%	3,80,000	10.00%	3,80,000	10.00%
Dineshbhai Vaviya	3,80,000	10.00%	3,80,000	10.00%	3,80,000	10.00%	3,80,000	10.00%	3,80,000	10.00%	3,80,000	10.00%
Sureshbhai Vaviya	3,80,000	10.00%	3,80,000	10.00%	3,80,000	10.00%	3,80,000	10.00%	3,80,000	10.00%	3,80,000	10.00%

There are no shares which are reserved to be issued under options and there are no securities issues / outstanding which are convertible into equity shares.

As per the records of the company including its register of shareholders / members and other declarations received from the shareholders.

Patel Infrastructure Limited
CIN : U45201GJ2004PLC043955
Annexure-VII
Restated Standalone Statement of Reserves and surplus

(Amount in ₹ million)

Particulars	As at					
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Surplus as per Restated Standalone Statement of Profits and loss						
At the beginning of the year/period	2,608.20	1,966.32	1,199.11	1,087.18	769.50	536.59
Restated Standalone Profit for the period	367.42	643.34	769.12	120.13	317.68	232.91
Utilized towards Corporate Social Responsibility	(1.50)	(1.46)	(1.90)	(2.31)	-	-
Transition Adjustments of Depreciation	-	-	-	(5.89)	-	-
Total	**2,974.12**	**2,608.20**	**1,966.32**	**1,199.11**	**1,087.18**	**769.50**

Note:
i) The figures disclosed above are based on the Restated Standalone Summary Statements of Assets and Liabilities of the Company.
ii) The above statement should be read with the notes on adjustments to Restated Standalone Summary Statement of Assets and Liabilities, Restated Standalone Summary Statement of Profit and Loss and Restated Standalone Summary Statement of Cash Flows as appearing in Annexure IV and Significant Accounting Policies as appearing in Annexure V.

Patel Infrastructure Limited

CIN : U45201GJ2004PLC043955

Annexure - VIII

Restated Standalone Statement of Long-term borrowings

(Amount in ₹ million)

Particulars	As at					
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Long term borrowings- Non current portion						
Secured						
Term loans						
-From banks	112.91	244.46	379.77	14.62	67.49	124.34
-From financial institutions	43.56	111.72	65.16	10.77	36.13	22.70
-Foreign Currency Term Loan	-	-	6.52	85.91	168.28	239.89
Total	**156.47**	**356.18**	**451.44**	**111.30**	**271.90**	**386.93**

(Amount in ₹ million)

Particulars	As at					
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Long term borrowings- Current portion of Long Term Borrowings is disclosed under the head "Other current liabilities"(refer Annexure XIII)	450.19	432.43	349.26	201.81	370.60	169.18

Notes:

i) The figures disclosed above are based on the Restated Standalone Summary Statements of Assets and Liabilities of the Company.

ii) The above statement should be read with the notes on adjustments to Restated Standalone Summary Statement of Assets and Liabilities, Restated Standalone Summary Statement of Profit and Loss and Restated Standalone Summary Statement of Cash Flows as appearing in Annexure IV and Significant Accounting Policies as appearing in Annexure V.

Patel Infrastructure Limited
CIN : U45201GJ2004PLC043955
Standalone Statement of Details of Borrowings Outstanding as at September 30, 2017

Long-term borrowings

Sr No	Lender	Nature of Facility	Number of Loans Outstanding	Loan Currency	Amount Sanctioned (In ₹ Million)	Amount Outstanding as on September 30, 2017 (In ₹ Million)	Rate of interest(p.a)	Balance No. of Installment as at September 30, 2017	Frequency of Installment	Range of Installment (Amount in ₹)	Security and / or Guarantees
1	HDFC Bank	Vehicle Loan	10	INR	13.63	7.11	8-11%	12-36	Monthly	20,576 to 1,73,915	Loan is secured by exclusive charge on vehicle financed and personal guarantee of Pravin Vithalbhai Patel and Arvind Vithalbhai Patel
2	ICICI Bank	Vehicle Loan	16	INR	12.74	4.19	8-11%	02-20	Monthly	17,147 to 41,310	Loan is secured by exclusive charge on vehicle financed and personal guarantee of Pravin Vithalbhai Patel and Arvind Vithalbhai Patel
3	BMW Financial Services	Vehicle Loan	3	INR	18.90	9.57	8.75-9.55%	01-30	Monthly	1,44,359 to 2,45,270	Loan is secured by exclusive charge on vehicle financed and personal guarantee of Pravin Vithalbhai Patel and Arvind Vithalbhai Patel
4	Volkswagen Finance Pvt. Ltd.	Vehicle Loan	2	INR	7.17	4.10	9%	02-21	Monthly	18,390 to 2,10,440	Loan is secured by exclusive charge on vehicle financed and personal guarantee of Pravin Vithalbhai Patel and Arvind Vithalbhai Patel
5	Kotak Mahindra Prime Ltd.	Vehicle Loan	2	INR	14.85	11.96	9%	26-30	Monthly	1,91,220 to 2,76,030	Loan is secured by exclusive charge on vehicle financed and personal guarantee of Pravin Vithalbhai Patel and Arvind Vithalbhai Patel
6	Vallabh Vidhyanagar Co-Op Bank	Vehicle Loan	1	INR	3.12	2.92	11%	24	Monthly	1,32,532	Loan is secured by exclusive charge on vehicle financed and personal guarantee of Pravin Vithalbhai Patel and Arvind Vithalbhai Patel
7	HDB Financial Service	Machinery Loan	2	INR	22.60	16.25	8-11%	24	Monthly	3,78,360	Loan is secured by exclusive charge on respective machinery financed and personal guarantee of Pravin Vithalbhai Patel and Arvind Vithalbhai Patel
8	HDFC Bank	Machinery Loan	45	INR	318.04	145.79	7-10%	6-32	Monthly	18,806 to 23,11,500	Loan is secured by exclusive charge on respective machinery financed and personal guarantee of Pravin Vithalbhai Patel and Arvind Vithalbhai Patel
9	ICICI Bank	Machinery Loan	28	INR	265.98	129.52	7-10%	10-20	Monthly	13,393 to 13,26,650	Loan is secured by exclusive charge on respective machinery financed and personal guarantee of Pravin Vithalbhai Patel and Arvind Vithalbhai Patel

10	Kotak Mahindra Bank	Machinery Loan	64	INR	247.18	101.51	7-11%	5-37	Monthly	17,368 to 8,74,900	Loan is secured by exclusive charge on respective machinery financed and personal guarantee of Pravin Vithalbhai Patel and Arvind Vithalbhai Patel
11	SREI Equipment Finance Limited	Machinery Loan	44	INR	144.37	60.68	6.50-11%	8-32	Monthly	33,830 to 3,37,050	Loan is secured by exclusive charge on respective machinery financed and personal guarantee of Pravin Vithalbhai Patel and Arvind Vithalbhai Patel
12	South Indian Bank Ltd.	Machinery Loan	10	INR	16.89	7.98	9-11%	14-21	Monthly	25,750 to 1,20,217	Loan is secured by exclusive charge on respective machinery financed and personal guarantee of Pravin Vithalbhai Patel and Arvind Vithalbhai Patel
13	Tata Motors Finance Ltd.	Machinery Loan	4	INR	23.47	13.65	8.50 - 9.70%	19-20	Monthly	1,04,213 to 4,37,850	Loan is secured by exclusive charge on respective machinery financed and personal guarantee of Pravin Vithalbhai Patel and Arvind Vithalbhai Patel
14	Tata Capital Financial Services Ltd.	Machinery Loan	2	INR	22.18	15.25	12%	23	Monthly	3,44,160 to 3,89,400	Loan is secured by exclusive charge on respective machinery financed and personal guarantee of Pravin Vithalbhai Patel and Arvind Vithalbhai Patel
15	Daimler Fin Serv (I) Pvt. Ltd.	Machinery Loan	1	INR	31.97	18.44	10%	19	Monthly	10,49,250	Loan is secured by exclusive charge on respective machinery financed and personal guarantee of Pravin Vithalbhai Patel and Arvind Vithalbhai Patel
16	IBM India Pvt. Ltd.	Software and Computer Peripherals	3	INR	17.86	9.98	11-12.35%	1-4	Quarterly	7,49,542 to 14,76,828	Loan is secured by exclusive charge on respective Computer Hardware and software financed and personal guarantee of Pravin Vithalbhai Patel and Arvind Vithalbhai Patel
17	Tata Capital Financial Services	Software and Computer Peripherals	1	INR	68.50	47.74	9-11%	24	Monthly	20,76,000	Loan is secured by exclusive charge on various machinery financed and personal guarantee of Pravin Vithalbhai Patel and Arvind Vithalbhai Patel

Note:

i) The figures disclosed above are based on the Restated Standalone Summary Statements of Assets and Liabilities of the Company.

ii) The above statement should be read with the notes on adjustments to Restated Standalone Summary Statement of Assets and Liabilities, Restated Standalone Summary Statement of Profit and Loss and Restated Standalone Summary Statement of Cash Flows as appearing in Annexure IV and Significant Accounting Policies as appearing in Annexure V.

iii) The above includes long term borrowings disclosed under Annexure VIII and the current maturities of long-term borrowings included in other current liabilities under Annexure XIII

Patel Infrastructure Limited
CIN : U45201GJ2004PLC043955
Annexure IX
Restated Standalone Statement of Deferred tax liability (net)

(Amount in ₹ million)

Particulars	As at					
	30-Sep-17	**31-Mar-17**	**31-Mar-16**	**31-Mar-15**	**31-Mar-14**	**31-Mar-13**
Deferred tax Liabilities						
Excess of depreciation and amortization on fixed assets under income tax law over depreciation and amortization provided in accounts	97.74	97.68	80.61	66.88	74.13	55.86
Other Interest Receivable	-	-	1.41	1.27	1.13	0.99
Less: Deferred Tax Assets						
Provision for Gratuity	12.55	10.45	7.05	5.05	3.48	2.71
Provision for Leave Encashment	5.03	4.17	6.38	3.88	2.90	1.79
Provision for Bonus	-	4.53	3.13	2.68	1.68	1.37
Deferred Tax Liability (Net)	**80.16**	**78.53**	**65.46**	**56.54**	**67.19**	**50.97**

Note:

i) The figures disclosed above are based on the Restated Standalone Summary Statements of Assets and Liabilities of the Company.

ii) The above statement should be read with the notes on adjustments to Restated Standalone Summary Statement of Assets and Liabilities, Restated Standalone Summary Statement of Profit and Loss and Restated Standalone Summary Statement of Cash Flows as appearing in Annexure IV and Significant Accounting Policies as appearing in Annexure V.

Patel Infrastructure Limited
CIN : U45201GJ2004PLC043955
Annexure X
Restated Standalone Statement of Other long-term liabilities

(Amount in ₹ million)

Particulars	As at					
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Security and Other Deposits	65.87	204.99	101.44	93.19	163.82	116.13
Mobilisation Advances & Other Advances	436.67	489.31	275.79	173.10	71.18	387.61
Total	**502.54**	**694.30**	**377.23**	**266.29**	**235.00**	**503.75**

Notes:

i) The figures disclosed above are based on the Restated Standalone Summary Statements of Assets and Liabilities of the Company.

ii) The above statement should be read with the notes on adjustments to Restated Standalone Summary Statement of Assets and Liabilities, Restated Standalone Summary Statement of Profit and Loss and Restated Standalone Summary Statement of Cash Flows as appearing in Annexure IV and Significant Accounting Policies as appearing in Annexure V.

iii) Following are the amounts due to Directors/ Promoters /Promoter Group/ Relatives of Promoters/ Relatives of Directors/ Entities having significant influence/ subsidiary/ Key managerial Personnel/ Group Companies:

(Amount in ₹ million)

Particulars	As at					
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Security and Other Deposits						
Patel Highway Management Private Limited	18.70	18.70	18.70	18.70	17.50	17.50
Patel Bridge Nirman Private Limited	4.63	4.63	4.63	4.63	4.63	4.63
Patel Structural Private Limited	-	-	-	19.35	57.99	8.47
Mobilisation Advances & Other Advances :-						
Patel Highway Management Private Limited	1.93	21.96	-	21.96	-	-
Sadbhav PIPL JV	-	-	223.78	-	-	-

iv) List of persons/ entities classified as 'Promoters', 'Relatives of Promoters', 'Promoter Group' and 'Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.

Patel Infrastructure Limited

CIN : U45201GJ2004PLC043955

Annexure XI

Restated Standalone Statement of Long-term provisions and Short-term provisions

(Amount in ₹ million)

Particulars	As at					
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
A. Long Term Provision						
Provision For Employee Benefits						
Gratuity	28.56	23.78	16.20	11.51	8.05	6.45
Leave Encashment	10.64	8.83	13.64	8.27	6.14	3.97
Bonus	-	-	0.86	-	0.94	-
Total	**39.21**	**32.60**	**30.70**	**19.78**	**15.13**	**10.41**
B. Short-term provisions						
i) Provision for employee benefits						
Gratuity	7.70	6.41	4.54	3.35	2.19	1.92
Leave Encashment	3.90	3.23	5.13	3.13	2.40	1.56
Bonus	26.33	13.10	8.34	7.89	4.00	4.21
Total (i)	**37.93**	**22.74**	**18.01**	**14.37**	**8.59**	**7.68**
ii) Other provisions						
Provision for income tax (Net of Advance Tax)	-	-	-	-	23.60	-
Total(i+ii)	**37.93**	**22.74**	**18.01**	**14.37**	**32.20**	**7.68**

Notes:

i) The figures disclosed above are based on the Restated Standalone Summary Statements of Assets and Liabilities of the Company.

ii) The above statement should be read with the notes on adjustments to Restated Standalone Summary Statement of Assets and Liabilities, Restated Standalone Summary Statement of Profit and Loss and Restated Standalone Summary Statement of Cash Flows as appearing in Annexure IV and Significant Accounting Policies as appearing in Annexure V.

Patel Infrastructure Limited
CIN : U45201GJ2004PLC043955
Annexure - XII
Restated Standalone Statement of Short-term borrowings

(Amount in ₹ million)

Particulars	As at					
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Working Capital Borrowings and Demand Loans						
Secured Loans:-						
From Banks	1,234.86	1,078.77	383.10	417.97	241.51	192.69
Unsecured Loans:-						
From Banks	395.12	394.25	150.00	-	-	-
Loans and Advance from related parties	6.58	6.30	6.30	5.56	5.10	4.68
Loans and Advances from Shareholders	-	-	-	89.86	90.03	66.38
Total	**1,636.56**	**1,479.31**	**539.40**	**513.40**	**336.65**	**263.75**

Note:

i) The figures disclosed above are based on the Restated Standalone Summary Statements of Assets and Liabilities of the Company.

ii) The above statement should be read with the notes on adjustments to Restated Standalone Summary Statement of Assets and Liabilities, Restated Standalone Summary Statement of Profit and Loss and Restated Standalone Summary Statement of Cash Flows as appearing in Annexure IV and Significant Accounting Policies as appearing in Annexure V.

iv) Following are the amounts due to Directors/ Promoters /Promoter Group/ Relatives of Promoters/ Relatives of Directors/ Entities having significant influence/ subsidiary/ Key managerial Personnel/ Group Companies:

(Amount in ₹ million)

Particulars	As at					
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Loans and Advances from related parties						
Pravinbhai Patel	0.45	0.43	0.43	0.39	0.36	0.33
Arvindbhai Patel	0.03	0.03	0.03	0.03	0.03	0.02
Dineshbhai Vaviya	1.27	1.22	1.22	0.85	0.78	0.72
Madhubhai Vaviya	0.06	0.06	0.06	0.05	0.05	0.04
Sureshbhai Vaviya	0.58	0.56	0.56	0.51	0.47	0.43
Pravinbhai V Patel (HUF)	0.06	0.06	0.06	0.05	0.05	0.04
Arvindbhai V Patel (HUF)	1.05	1.00	1.00	0.92	0.84	0.77
Sureshbhai P Vaviya (HUF)	0.10	0.10	0.10	0.09	0.08	0.08
Smt. Kaminiben A Patel	2.17	2.07	2.07	1.95	1.79	1.64
Rekhaben S Vaviya	0.80	0.77	0.77	0.70	0.65	0.59

Short-term borrowings

Sr No	Lender	Nature of Facility	Loan Currency	Amount Sanctioned (In ₹ Million)	Amount Outstanding as on September 30, 2017 (In ₹ Million)	Rate of interest(p.a)	Mode of Repayment	Security and / or Guarantees
1	Oriental Bank of Commerce	Cash Credit	INR	300	279.07	10.80%	Repayable on demand subject to annual renewal	Primary Security: Secured by Hypothecation of receivables, stock of materials and other current assets on basis with other member banks in the consortium. Collateral security: First paripassu charge by equitable mortgage on the immovable properties described below: 1) Residential building admeasuring 541.00 sqmt situated at "Radhevi Krupa" Sub plot No:1, Jivandeep Colony, Near Nehru Baaug, F.P no 387/P, T.P.S No:3, Anand held in the name of Smt Kaminiben Arvindbhai Patel. 2) Residential building admeasuring 268.49 sqmt (Land 408.91 sqmt Build up area) situated at " Plot no 23/B, Shree Vidya Kunj Society, R.S No 441/P, ward no 15, C.S. No. 86, F.P. no 335, Amin Road, Rajkot held in the name of Pravinbhai Vithalbhai Patel (HUF). 3) Open Residential land admeasuring 999.77 sqmt situated at Plot no A-41, Parth township, R.S No 966/1/P, 967, 972/P & 973, Bakrol, Anand held in the name of Shri Arvindbhai Vithalbhai Patel (HUF) 4) Residential flats-commercial building admeasuring 316.20 sqmt city survey No: 160/P Revenue S. No. 454, Plot No:5, T.P. Scheme No. 1, O P No: 2, Final Plot No 19, flat No 1&2 on first floor (Area 158.10 sqmt), flat No. 3&4 at second floor (Area 158.10 sqmt situated at City ward No. 15 Dreamland Apartment, Kalavad, Road, Near Hotel K.K.at Rajkot held in the name of Patel Infrastructure Limited. 5) Commercial Office building 'PATCON House' admeasuring 299.50 situated at R S No 534/2 TPS No 7, FP No 39, Sub Plot No 2 Palki land towards south side Behind J K Anand Hall, Anand held in the name of Patel Infrastructure Limited. 6) Non agriculture Land admeasuring 30316 sqmt situated at R.s. No. 713/1/8, 716, Samarkha District, Anand having area of 30316 sqmt and various construction thereon held in the name of Arvindbhai Vithalbhai Patel. 7) Plot at ahmedabad admeasuring 1198.70 sqmt having TP No 50, plot no. 32 Bodakdev Village, Memnagar, Ahmedabad held in the name of Patel Infrastructure Limited. 8) Non agriculture land admeasuring 34451.00 sqmt i.e 16536 sqmt in RS No. 974/63/Palki 1 and 17915 sqmt in RS No. 974/64/Palki 1 in the sim village Timba, Tal Godhra, Jilla Panchmahal held in the name of Patel Infrastructure Limited.
2	Bank of Baroda	Cash Credit	INR	80	69.80	10.70%	Repayable on demand subject to annual renewal	
3	Punjab National Bank	Cash Credit	INR	165	164.79	11.15%	Repayable on demand subject to annual renewal	
4	Standard Chartered Bank (Refer Note 1)	Cash Credit	INR	305	11.10	10.60%	Repayable on demand subject to annual renewal	
5	Standard Chartered Bank (Packing Credit) (Refer Note 1)	Packing Credit	INR	145	363.00	10.50%	Repayable on demand subject to annual renewal	

6	State Bank of India	Cash Credit	INR	100	97.12	11.50%	Repayable on demand subject to annual renewal	9) Plot No. 82 FP No, 236 TPS No. 3 Flat No. 1 Ground floor, Anubhuti apartment, Swastik Co Op Housing Society Ltd B/H sant Xavior Ladies Hostel Nr. City Center At Navarangpura Ahmedabad admeasuring 255.00 sqmt held in the name of Patel Infrastructure Limited. 10) Commercial Building admeasuring 319 sqmt Known as "Patcon House" situated at Rs. no 517 Pali, Residential Plot 22,23,24,& 25 Shanti Kunj Residency, Near Ashtha Hospital, Bhabhar Road, Radhanpur District, Patan, Gujarat held in the name of Patel Infrastructure Limited Personal Guarantee of Directors : Pravin Vitalbhai Patel Arvind Vitalbhai Patel Dineshbhai Pragjibhai Vaviya Madhubhai Vaviya Pragjibhai Sureshbhai Pragjibhai Vaviya Personal Guarantee of Others : Smitaben Pravinbhai Patel (Wife of Director) Kaminiben Arvindbhai Patel (Wife of Director) Pravinbhai V Patel (HUF) Arvindbhai V Patel (HUF)
7	RBL Bank	Cash Credit	INR	250.00	177.48	10.75%	Repayable on demand subject to annual renewal	
		Working Capital Demand Loan (Sub Limit of Cash Credit)	INR	(250.00)	-	10.50%	Repayable on demand subject to annual renewal	
8	Oriental Bank of Commerce	Bill Discounting	INR	96.58	72.51	8.43%	1 Year Validity of sanction	Secured against Trade Receivables
9	HDFC	Working Capital Demand Loan	INR	250	250.00	10.50%	1 Year Validity of sanction / Rollover of facility on every 60 days / 90 days	Unsecured
10	Kotak Mahindra Bank	Bill Discounting	INR	150	145.12	10.25%	1 Year Validity of sanction	Unsecured
11	Loans and Advances from Related Parties	Working Capital	INR	-	6.58	10.00%	Payable on demand as mutually agreed	Unsecured

Notes:
1) Rs. 145 million is under the sub limit of Bank Guarantee. Rs. 305 million is under the sub limit of Cash Credit

i) The figures disclosed above are based on the Restated Standalone Summary Statements of Assets and Liabilities of the Company.
ii) The above statement should be read with the notes on adjustments to Restated Standalone Summary Statement of Assets and Liabilities, Restated Standalone Summary Statement of Profit and Loss and Restated Standalone Summary Statement of Cash Flows as appearing in Annexure IV and Significant Accounting Policies as appearing in Annexure V.

Annexure XIII

Restated Standalone Statement of Trade payables and Other-current liabilities

(Amount in ₹ million)

Particulars	As at					
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
A. Trade payables						
For Goods	692.64	942.99	549.57	120.79	417.72	294.86
For Expenses	606.78	724.73	767.31	265.92	224.96	283.42
Total (A)	**1,299.43**	**1,667.72**	**1,316.88**	**386.70**	**642.68**	**578.28**
B. Other-current liabilities						
Current maturities of long-term borrowings (refer Annexure VIII)						
Secured Loans from Banks	310.23	313.10	217.90	85.76	235.82	73.31
Secured Loans from others	139.96	118.70	48.94	30.05	50.63	22.48
Secured Foreign Currency Term Loans	-	0.63	82.41	86.00	84.15	73.39
Unsecured From Others	-	-	-	-	-	3.68
Other Payables						
Advances Received from clients and Customers	68.21	11.84	11.25	3.73	2.78	4.73
Advance received for sale of investment in shares	-	-	-	400.00	-	-
Mobilisation Advances & Other Advances	234.09	257.65	695.07	76.74	418.27	214.04
Statutory Dues	214.09	42.24	42.74	11.67	11.34	8.78
Securities and Other deposits	416.71	171.35	93.50	97.78	56.29	31.37
Sundry Creditors for Capital Expenditure	148.92	141.70	159.34	42.27	10.41	24.96
Interest on Working Capital Demand Loan	2.16	-	-	-	-	-
Interest Accrued but not due on Term loans	3.39	4.34	3.93	0.58	0.97	1.37
Employee related dues	45.61	46.22	28.20	13.55	11.50	10.64
Total (B)	**1,583.36**	**1,107.78**	**1,383.28**	**848.12**	**882.17**	**468.76**

Notes:

i) The figures disclosed above are based on the Restated Standalone Summary Statements of Assets and Liabilities of the Company.

ii) The above statement should be read with the notes on adjustments to Restated Standalone Summary Statement of Assets and Liabilities, Restated Standalone Summary Statement of Profit and Loss and Restated Standalone Summary Statement of Cash Flows as appearing in Annexure IV and Significant Accounting Policies as appearing in Annexure V.

iii) Following are the amounts due to Directors/ Promoters /Promoter Group/ Relatives of Promoters/ Relatives of Directors/ Entities having significant influence/ subsidiary/ Key managerial Personnel/ Group Companies:

(Amount in ₹ million)

Particulars	As at					
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Trade Payables						
Patel Structural Private Limited	48.65	72.14	91.41	128.94	62.55	-
Other Current Liabilities						
Ahmedabad Ring Road Infrastructure Limited	-	-	-	400.00	-	-
Advances Received from clients and Customers						
Sadbhav PIPL JV	-	5.08	-	-	-	-
Securities and Other deposits						
Patel Structural Private Limited	4.37	4.37	6.41	37.89	2.57	-
Advances Received from clients and Customers						
Patel Highway Management Private Limited	13.34	-	-	-	-	-
Mobilisation Advances & Other Advances						
Patel Bridge Nirman Private Limited	-	-	-	-	8.69	46.54
Patel Highway Management Private Limited	-	-	21.96	-	105.37	167.49
Sadbhav PIPL JV	-	-	200.00	-	-	-
Employee related dues						
Pravinbhai Patel	2.10	0.72	1.08	0.15	0.12	0.01
Arvindbhai Patel	2.10	0.73	1.08	0.35	0.07	0.10
Dineshbhai Vaviya	0.70	0.36	0.36	0.45	0.18	0.02
Madhubhai Vaviya	0.70	0.36	0.36	0.10	0.03	0*
Sureshbhai Vaviya	0.70	0.32	0.35	0.15	0.07	0.06

* Amount of Rs. 4927 for the year ended on March 31, 2013 is below rounding off norm adopted by company.

iv) List of persons/ entities classified as 'Promoters', 'Relatives of Promoters', 'Promoter Group' and 'Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.

Patel Infrastructure Limited
CIN : U45201GJ2004PLC043955
Annexure - XIV
Restated Standalone Statement of Fixed Asset

As at September 30, 2017

(Amount in ₹ million)

Particulars	Gross Block				Depreciation					Net Block
	As at April 1, 2017	Additions	Deductions/ Adjustments	As at September 30, 2017	As at April 1, 2017	Deductions/ Adjustments	For the Year	Transitional Adjustment	As at September 30, 2017	As at September 30, 2017
A. Property, Plant and Equipment										
Free Hold Land	227.37	-	2.39	224.98	-	-	-	-	-	224.98
Buildings	58.67	-	-	58.67	18.54	-	0.57	-	19.11	39.56
Plant & Machinery	1,504.22	41.38	6.62	1,538.98	412.16	4.98	63.65	-	470.83	1,068.15
Earth Movers	260.95	-	-	260.95	85.62	-	13.48	-	99.10	161.84
Computers	42.81	2.58	-	45.39	18.48	-	2.88	-	21.36	24.03
Two Wheelers	2.29	-	-	2.29	1.45	-	0.09	-	1.54	0.75
Furniture & Fixtures	67.72	0.97	-	68.69	18.62	-	3.03	-	21.65	47.04
Motor Vehicles	126.45	3.22	0.80	128.86	35.20	0.25	7.60	-	42.55	86.30
Office Equipment	38.78	1.41	-	40.19	19.43	-	2.82	-	22.25	17.94
Motor Lories	660.05	10.33	-	670.39	224.25	-	37.08	-	261.33	409.06
Total (A)	**2,989.31**	**59.89**	**9.82**	**3,039.38**	**833.74**	**5.23**	**131.21**	-	**959.72**	**2,079.66**
B. Intangible Assets										
Softwares	22.94	7.42	-	30.36	0.38	-	1.21	-	1.60	28.76
Total (B)	**22.94**	**7.42**	**-**	**30.36**	**0.38**	**-**	**1.21**		**1.60**	**28.76**
Grand Total (A+B)	**3,012.24**	**67.31**	**9.82**	**3,069.73**	**834.12**	**5.23**	**132.42**	**-**	**961.32**	**2,108.42**

Notes:
i) The figures disclosed above are based on the Restated Standalone Summary Statements of Assets and Liabilities of the Company.
ii) The above statement should be read with the notes on adjustments to Restated Standalone Summary Statement of Assets and Liabilities, Restated Standalone Summary Statement of Profit and Loss and Restated Standalone Summary Statement of Cash Flows as appearing in Annexure IV and Significant Accounting Policies as appearing in Annexure V.

Patel Infrastructure Limited
CIN : U45201GJ2004PLC043955
Annexure - XIV
Restated Standalone Statement of Fixed Asset

As at March 31, 2017

(Amount in ₹ million)

Particulars	Gross Block				Depreciation					Net Block
	As at April 1, 2016	Additions	Deductions/ Adjustments	As at March 31, 2017	As at April 1, 2016	Deductions/ Adjustments	For the Year	Transitional Adjustment	As at March 31, 2017	As at March 31, 2017
A. Property, Plant and Equipment										
Free Hold Land	33.54	193.83	-	227.37	-	-	-	-	**-**	**227.37**
Buildings	56.44	2.65	0.42	58.67	17.47	0.04	1.11	-	**18.54**	**40.13**
Plant & Machinery	1,248.94	256.00	0.72	1,504.22	295.00	0.00	117.16	-	**412.16**	**1,092.07**
Earth Movers	251.46	9.66	0.18	260.95	58.95	-	26.68	-	**85.62**	**175.33**
Computers	21.66	21.18	0.03	42.81	13.87	0.00	4.61	-	**18.48**	**24.33**
Two Wheelers	2.29	-	-	2.29	1.26	-	0.19	-	**1.45**	**0.84**
Furniture & Fixtures	47.51	20.22	0.01	67.72	13.14	-	5.48	-	**18.62**	**49.11**
Motor Vehicles	99.38	31.67	4.60	126.45	23.56	1.39	13.04	-	**35.20**	**91.25**
Office Equipment	24.58	14.20	-	38.78	15.28	-	4.14	-	**19.43**	**19.35**
Motor Lories	598.16	61.90	-	660.05	152.41	-	71.83	-	**224.25**	**435.81**
Total (A)	**2,383.95**	**611.32**	**5.96**	**2,989.31**	**590.94**	**1.44**	**244.24**	**-**	**833.74**	**2,155.57**
B. Intangible Assets										
Softwares	-	22.94	-	22.94	-	-	0.38	-	0.38	22.55
Total (B)	**-**	**22.94**	**-**	**22.94**	**-**	**-**	**0.38**	**-**	**0.38**	**22.55**
C. Intangible Assets under Development	2.38	-	2.38	-	-	-	-	-	**-**	-
Grand Total (A+B+C)	**2,386.33**	**634.25**	**8.34**	**3,012.24**	**590.94**	**1.44**	**244.63**	**-**	**834.12**	**2,178.12**

Notes:
i) The figures disclosed above are based on the Restated Standalone Summary Statements of Assets and Liabilities of the Company.
ii) The above statement should be read with the notes on adjustments to Restated Standalone Summary Statement of Assets and Liabilities, Restated Standalone Summary Statement of Profit and Loss and Restated Standalone Summary Statement of Cash Flows as appearing in Annexure IV and Significant Accounting Policies as appearing in Annexure V.

Patel Infrastructure Limited
CIN : U45201GJ2004PLC043955
Annexure - XIV
Restated Standalone Statement of Fixed Asset

As at March 31, 2016

(Amount in ₹ million)

Particulars	Gross Block				Depreciation					NET BLOCK
	As at April 1, 2015	Additions	Deductions/ Adjustments	As at March 31, 2016	As at April 1, 2015	Deletion/ Adjustments	For the year	Transitional Adjustment	As at March 31, 2016	As at March 31, 2016
A. Property, Plant and Equipment										
Free Hold Land	33.54	-	-	**33.54**	-	-	-	-	**-**	**33.54**
Buildings	56.44	-	-	**56.44**	16.30	-	1.17	-	**17.47**	**38.97**
Plant & Machinery	809.36	439.58	-	**1,248.94**	197.59	-	97.41	-	**294.99**	**953.94**
Earth Movers	93.94	157.52	-	**251.46**	42.58	-	16.36	-	**58.95**	**192.52**
Computers	15.36	6.30	-	**21.66**	10.65	-	3.23	-	**13.87**	**7.78**
Two Wheelers	2.18	0.11	-	**2.29**	1.08	-	0.19	-	**1.26**	**1.03**
Furniture & Fixtures	31.55	15.96	-	**47.51**	8.50	-	4.64	-	**13.14**	**34.37**
Motor Vehicles	66.72	47.55	14.90	**99.38**	21.20	7.20	9.55	-	**23.56**	**75.82**
Office Equipment	19.96	4.67	0.05	**24.58**	11.52	0.02	3.78	-	**15.28**	**9.30**
Motor Lories	249.55	348.61	-	**598.16**	113.57	-	38.85	-	**152.41**	**445.75**
Total (A)	**1,378.60**	**1,020.30**	**14.95**	**2,383.95**	**422.99**	**7.22**	**175.16**	**-**	**590.93**	**1,793.01**
B. Intangible Assets under Development	0.79	1.59	-	**2.38**	-	-	-	-	-	**2.38**
Grand Total (A+B)	**1,379.38**	**1,021.90**	**14.95**	**2,386.33**	**422.99**	**7.22**	**175.16**	**-**	**590.93**	**1,795.39**

Notes:
i) The figures disclosed above are based on the Restated Standalone Summary Statements of Assets and Liabilities of the Company.
ii) The above statement should be read with the notes on adjustments to Restated Standalone Summary Statement of Assets and Liabilities, Restated Standalone Summary Statement of Profit and Loss and Restated Standalone Summary Statement of Cash Flows as appearing in Annexure IV and Significant Accounting Policies as appearing in Annexure V.

Patel Infrastructure Limited
CIN : U45201GJ2004PLC043955
Annexure - XIV
Restated Standalone Statement of Fixed Asset

As at March 31, 2015

(Amount in ₹ million)

Particulars	Gross Block				Depreciation					NET BLOCK
	As at April 1, 2014	Additions	Deletion/ Adjustments	As at March 31, 2015	As at April 1, 2014	Deletion/ Adjustments	For the Year	Transitional Adjustment	As at March 31, 2015	As at March 31, 2015
A. Property, Plant and Equipment										
Free Hold Land	32.95	0.59	-	**33.54**	-	-	-	-	**-**	**33.54**
Buildings	52.12	4.32	-	**56.44**	9.64	-	6.66	0.00	**16.30**	**40.13**
Plant & Machinery	756.99	62.80	10.43	**809.36**	121.44	5.12	80.20	1.07	**197.59**	**611.77**
Earth Movers	93.94	-	-	**93.94**	33.17	-	9.41	-	**42.58**	**51.36**
Computers	13.97	1.45	0.06	**15.36**	6.74	0.02	2.99	0.93	**10.65**	**4.71**
Two Wheelers	2.28	0.09	0.19	**2.18**	1.06	0.17	0.19	-	**1.08**	**1.10**
Furniture & Fixtures	27.48	4.06	-	**31.55**	5.06	-	3.44	-	**8.50**	**23.05**
Motor Vehicles	58.45	13.24	4.96	**66.72**	16.95	3.50	7.75	0.00	**21.20**	**45.52**
Office Equipment	18.33	1.64	-	**19.96**	3.38	-	4.27	3.88	**11.52**	**8.44**
Motor Lories	248.09	2.03	0.57	**249.55**	84.42	0.12	29.26	-	**113.57**	**135.99**
Total (A)	**1,304.60**	**90.21**	**16.22**	**1,378.60**	**281.87**	**8.93**	**144.16**	**5.89**	**422.99**	**955.61**
B. Intangible Assets under Development	**-**	0.79	-	**0.79**	-	-		-	-	**0.79**
Grand Total(A+B)	**1,304.60**	**91.00**	**16.22**	**1,379.38**	**281.87**	**8.93**	**144.16**	**5.89**	**422.99**	**956.40**

Notes:

i) Pursuant to the enactment of Companies Act 2013, the Company has applied the estimated useful lives as specified in Schedule II. Accordingly the unamortized carrying value is being depreciated over the revised remaining useful life. The written down value of fixed assets whose lives have expired as at April 01, 2014 have been adjusted net of tax, in the opening balance of profit and loss account amounting to Rs.5.89 millions.

ii) The figures disclosed above are based on the Restated Standalone Summary Statements of Assets and Liabilities of the Company.

iii) The above statement should be read with the notes on adjustments to Restated Standalone Summary Statement of Assets and Liabilities, Restated Standalone Summary Statement of Profit and Loss and Restated Standalone Summary Statement of Cash Flows as appearing in Annexure IV and Significant Accounting Policies as appearing in Annexure V.

Patel Infrastructure Limited
CIN : U45201GJ2004PLC043955
Annexure - XIV
Restated Standalone Statement of Fixed Asset

As at March 31, 2014

(Amount in ₹ million)

Particulars	Gross Block				Depreciation					NET BLOCK
	As at April 1, 2013	Additions	Deletion/ Adjustments	As at March 31, 2014	As at April 1, 2013	Deletion/ Adjustments	For the Year	Transitional Adjustment	As at March 31, 2014	As at March 31, 2014
A. Property, Plant and Equipment										
Buildings	51.30	0.84	0.03	**52.12**	5.47	0.03	4.20	-	**9.64**	**42.48**
Plant & Machinery	719.98	37.01	-	**756.99**	86.04	-	35.41	-	**121.44**	**635.55**
Earth Movers	83.57	10.38	-	**93.94**	22.84	-	10.33	-	**33.17**	**60.77**
Computers	11.87	2.09	-	**13.97**	5.15	-	1.59	-	**6.74**	**7.23**
Two Wheelers	2.28	-	-	**2.28**	0.85	-	0.22	-	**1.06**	**1.22**
Furniture & Fixtures	22.21	5.28	-	**27.48**	3.41	-	1.65	-	**5.06**	**22.43**
Motor Vehicles	48.42	13.18	3.15	**58.45**	13.91	1.97	5.01	-	**16.95**	**41.49**
Office Equipment	16.06	2.31	0.04	**18.33**	2.55	0.00	0.83	-	**3.38**	**14.95**
Motor Lories	232.77	17.11	1.79	**248.09**	57.48	0.29	27.23	-	**84.42**	**163.67**
Land	25.26	7.68	-	**32.95**	-	-	-	-	**-**	**32.95**
Total (A)	**1,213.73**	**95.89**	**5.01**	**1,304.60**	**197.69**	**2.29**	**86.47**		**281.87**	**1,022.73**
B.Intangible Assets										
Lease Rights	1.03	-	-	**1.03**	0.99	-	0.04	-	**1.03**	**-**
Total(B)	**1.03**	**-**	**-**	**1.03**	**0.99**	**-**	**0.04**	-	**1.03**	**-**
C. Capital Work in Progress	12.57	-	12.57	**-**	-	-	-	-	**-**	**-**
Grand Total(A+B+C)	**1,227.32**	**95.89**	**17.58**	**1,305.63**	**198.68**	**2.29**	**86.51**	**-**	**282.90**	**1,022.73**

Notes:
i) The figures disclosed above are based on the Restated Standalone Summary Statements of Assets and Liabilities of the Company.
ii) The above statement should be read with the notes on adjustments to Restated Standalone Summary Statement of Assets and Liabilities, Restated Standalone Summary Statement of Profit and Loss and Restated Standalone Summary Statement of Cash Flows as appearing in Annexure IV and Significant Accounting Policies as appearing in Annexure V.

Patel Infrastructure Limited
CIN : U45201GJ2004PLC043955
Annexure - XIV
Restated Standalone Statement of Fixed Asset

As at March 31, 2013

(Amount in ₹ million)

Particulars	Gross Block				Depreciation					NET BLOCK
	As at April 1, 2012	Additions	Deletion/ Adjustments	As at March 31, 2013	As at April 1, 2012	Deletion/ Adjustments	For the Year	Transitional Adjustment	As at March 31, 2013	As at March 31, 2013
A. Property, Plant and Equipment										
Buildings	34.97	16.82	0.48	**51.30**	2.29	0.04	3.22	-	**5.47**	**45.84**
Plant & Machinery	498.53	221.46	-	**719.98**	58.84	-	27.20	-	**86.04**	**633.95**
Earth Movers	66.18	17.38	-	**83.57**	13.46	-	9.38	-	**22.84**	**60.73**
Computers	7.38	4.49	-	**11.87**	3.98	-	1.18	-	**5.15**	**6.72**
Two Wheelers	1.87	0.41	-	**2.28**	0.65	-	0.20	-	**0.85**	**1.44**
Furniture & Fixtures	11.06	11.71	0.56	**22.21**	2.76	0.31	0.95	-	**3.41**	**18.80**
Motor Vehicles	46.61	5.27	3.46	**48.42**	10.48	0.93	4.36	-	**13.91**	**34.51**
Office Equipment	10.20	5.89	0.03	**16.06**	1.95	0.00	0.60	-	**2.55**	**13.50**
Motor Lories	117.46	115.45	0.14	**232.77**	37.43	0.14	20.19	-	**57.48**	**175.29**
Land	25.26	-	-	**25.26**	-	-	-	-	**-**	**25.26**
Total (A)	**819.53**	**398.88**	**4.68**	**1,213.73**	**131.84**	**1.42**	**67.27**		**197.69**	**1,016.04**
B.Intangible Assets										
Lease Rights	1.03	-	-	1.03	0.64	-	0.34	-	**0.99**	**0.04**
Total (B)	**1.03**	**-**	**-**	**1.03**	**0.64**	**-**	**0.34**	-	**0.99**	**0.04**
C. Capital Work in Progress	45.34	67.56	100.33	**12.57**	**-**	**-**	**-**	-	**-**	**12.57**
Grand Total(A+B+C)	**865.89**	**466.43**	**105.00**	**1,227.32**	**132.49**	**1.42**	**67.61**	**-**	**198.68**	**1,028.64**

Notes:
i) The figures disclosed above are based on the Restated Standalone Summary Statements of Assets and Liabilities of the Company.
ii) The above statement should be read with the notes on adjustments to Restated Standalone Summary Statement of Assets and Liabilities, Restated Standalone Summary Statement of Profit and Loss and Restated Standalone Summary Statement of Cash Flows as appearing in Annexure IV and Significant Accounting Policies as appearing in Annexure V.

Patel Infrastructure Limited
CIN : U45201GJ2004PLC043955
Annexure XV
Restated Standalone Statement of Non-current Investments

Particulars	As At											
	30-Sep-17		31-Mar-17		31-Mar-16		31-Mar-15		31-Mar-14		31-Mar-13	
	Nos. / Units	Amount in ₹ Millions	Nos. / Units	Amount in ₹ Millions	Nos. / Units	Amount in ₹ Millions	Nos. / Units	Amount in ₹ Millions	Nos. / Units	Amount in ₹ Millions	Nos. / Units	Amount in ₹ Millions
Trade Investments												
Investments in Subsidiary												
Investment in Equity Instruments - Unquoted												
Equity Shares in Patel Highway Management Private Limited, of Rs. 10 fully paid up (Refer Note 1)	75,00,000	75.52	75,00,000	75.52	75,00,000	75.52	75,00,000	75.52	75,00,000	75.52	75,00,000	75.52
Equity Shares in Patel Bridge Nirman Private Limited, of Rs. 10 fully paid up	49,09,900	49.10	49,09,900	49.10	49,09,900	49.10	49,09,900	49.10	49,09,900	49.10	16,28,000	16.28
Patel Hospitality Private Limited, of Rs. 10 fully paid up	10,000	0.10	10,000	0.10	-	-	-	-	-	-	-	-
Non - Trade Investments												
Quoted												
Investment in Equity Instruments												
Equity Shares in IRB Infra Developers Limited, of Rs. 10 fully paid up	4,500	0.83	4,500	0.83	4,500	0.83	4,500	0.83	4,500	0.83	4,500	0.83
Equity Shares in Reliance Power Limited, of Rs. 10 fully paid up	24	0.01	24	0.01	24	0.01	24	0.01	24	0.01	24	0.01
Investment in Mutual Funds												
HDFC Prudence Mutual Fund	-	-	-	-	-	-	-	-	3,915.55	0.50	3,915.55	0.50
Magnum Balanced	-	-	-	-	-	-	-	-	12,970.17	0.50	12,970.17	0.50
Unquoted												
Investment in Equity Instruments												
Equity Shares in Jay Hind Leasing & Finance Limited, of Rs. 10 fully paid up	10,000	0.10	10,000	0.10	10,000	0.10	10,000	0.10	10,000	0.10	10,000	0.10
Equity Shares Ahmedabad Ring Road Infrastructure Limited, of Rs. 10 fully paid up	-	-	-	-	-	-	20,92,000	104.20	20,92,000	104.20	20,92,000	104.20
Equity Shares in Ameedhara Realtors Private Limited, of Rs. 10 fully paid up	-	-	2,400	0.02	4,900	0.05	4,900	0.05	4,900	0.05	4,900	0.05
Equity Shares in Grand Mahi Club & Banquets Private Limited, of Rs. 10 fully paid up	2,50,000	2.50	2,50,000	2.50	2,50,000	2.50	2,50,000	2.50	2,50,000	2.50	-	-
Other Non-current investments												
Equity in The Sarvoday Co-Op. Credit Soc. Limited, of Rs. 10 fully paid up *	12	0.00	12	0.00	12	0.00	12	0.00	12	0.00	12	0.00
Total		**128.16**		**128.18**		**128.11**		**232.31**		**233.31**		**197.99**

* Amounts (RS. 2500 for each of the years ended on March 31, 2013 to March 31, 2017 and for the period ended September 30, 2017) are below rounding off norm adopted by company.

Note 1: Out of the total equity shares of Patel Highway Management Private Limited, 30% equity shares are pledged with the bank and 21% equity shares are maintained in Escrow account for benefit of lender till currency of loan borrowed by Patel Highway Management Private Limited.

The aggregate book value and market value of quoted non - current investments and book value of un-quoted non-current investments are as follows

(Amount in ₹ million)

Particulars	As at					
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Quoted non-current investments in Equity Instruments						
Aggregate book value	0.84	0.84	0.84	0.84	0.84	0.84
Aggregate market value	0.96	1.06	1.05	1.10	0.47	0.51
Quoted non-current investments in Mutual Funds						
Aggregate book value	-	-	-	-	1.00	1.00
Aggregate market value	-	-	-	-	1.90	1.58
Aggregate book value of un-quoted non-current investments	127.32	127.35	127.27	231.47	231.47	196.15

Note:
i) The figures disclosed above are based on the Restated Standalone Summary Statements of Assets and Liabilities of the Company.
ii) The above statement should be read with the notes on adjustments to Restated Standalone Summary Statement of Assets and Liabilities, Restated Standalone Summary Statement of Profit and Loss and Restated Standalone Summary Statement of Cash Flows as appearing in Annexure IV and Significant Accounting Policies as appearing in Annexure V.

Patel Infrastructure Limited
CIN : U45201GJ2004PLC043955
Annexure XVI
Restated Standalone Statement of Long Term Loans and Advance and Other non current assets

(Amount in ₹ million)

Particulars	As at					
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
A. Loans and Advance						
Security Deposits (Unsecured, considered good)	165.49	114.75	105.05	122.44	176.73	123.97
Advances for Capital Goods	12.11	21.70	100.13	66.23	67.66	45.57
Advances for acquisition of shares	-	-	-	-	41.19	2.50
Loan to Subsidiaries	-	11.40	-	195.79	104.64	67.64
Loan to Joint Ventures	-	0.01	-	-	-	-
Mobilization Advances	-	-	-	-	-	7.23
Total (A)	**177.61**	**147.87**	**205.18**	**384.46**	**390.22**	**246.91**
B. Other non current assets						
Deferred Maintenance Expenditure	1.56	2.81	-	-	-	-
Fixed Deposits - Maturing after 12 Months from the reporting date*	59.22	118.67	114.61	46.55	200.46	100.07
Others		-	-	-	-	0.10
Total (B)	**60.78**	**121.48**	**114.61**	**46.55**	**200.46**	**100.17**

* Above fixed deposits made with bank is given to Customers as Security and Earnest Money Deposit and lien marked with bank for bank guarantee facilities.

Notes:

i) The figures disclosed above are based on the Restated Standalone Summary Statements of Assets and Liabilities of the Company.

ii) The above statement should be read with the notes on adjustments to Restated Standalone Summary Statement of Assets and Liabilities, Restated Standalone Summary Statement of Profit and Loss and Restated Standalone Summary Statement of Cash Flows as appearing in Annexure IV and Significant Accounting Policies as appearing in Annexure V.

iii) Following are the amounts due to Directors/ Promoters /Promoter Group/ Relatives of Promoters/ Relatives of Directors/ Entities having significant influence/ subsidiary/ Key managerial Personnel/ Group Companies:

(Amount in ₹ million)

Particulars	As at					
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Loan to Subsidiaries						
Patel Bridge Nirman Private Limited	-	-	-	195.79	104.64	67.64
Patel Hospitality Private Limited	-	11.40	-	-	-	-
Loan to Joint Ventures						
Sadbhav PIPL JV	-	0.01	-	-	-	-
Advances for Capital Goods						
Amidhara Realtors Private Limited	-	16.80	66.00	66.00	66.00	42.50
Advance for acquisition of shares						
Patel Bridge Nirman Private Limited	-	-	-	-	41.19	-

iv) List of persons/ entities classified as 'Promoters', 'Relatives of Promoters', 'Promoter Group' and 'Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.

Patel Infrastructure Limited

CIN : U45201GJ2004PLC043955

Annexure XVII

Restated Standalone Statement of Inventories

(Amount in ₹ million)

Particulars	As at					
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Raw material	968.13	778.04	513.55	515.52	593.10	326.39
Total	**968.13**	**778.04**	**513.55**	**515.52**	**593.10**	**326.39**

Notes:

i) The figures disclosed above are based on the Restated Standalone Summary Statements of Assets and Liabilities of the Company.

ii) The above statement should be read with the notes on adjustments to Restated Standalone Summary Statement of Assets and Liabilities, Restated Standalone Summary Statement of Profit and Loss and Restated Standalone Summary Statement of Cash Flows as appearing in Annexure IV and Significant Accounting Policies as appearing in Annexure V.

Annexure XVIII

Restated Standalone Statement of Trade Receivables

(Amount in ₹ million)

Particulars	As at					
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Unsecured considered good unless stated otherwise						
Outstanding for more than six months	61.35	60.98	66.66	26.29	19.75	15.64
Outstanding for less than six months	446.03	688.22	1,340.52	148.31	350.97	429.45
Total	**507.38**	**749.20**	**1,407.17**	**174.60**	**370.72**	**445.08**

Notes:

i) The figures disclosed above are based on the Restated Standalone Summary Statements of Assets and Liabilities of the Company.

ii) The above statement should be read with the notes on adjustments to Restated Standalone Summary Statement of Assets and Liabilities, Restated Standalone Summary Statement of Profit and Loss and Restated Standalone Summary Statement of Cash Flows as appearing in Annexure IV and Significant Accounting Policies as appearing in Annexure V.

iii) Following are the amounts due from Directors/ Promoters /Promoter Group/ Relatives of Promoters/ Relatives of Directors/ Entities having significant influence/ subsidiary/ Key managerial Personnel/ Group Companies:

(Amount in ₹ million)

Particulars	As at					
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Trade receivables :-						
Patel Bridge Nirman Private Limited	1.32	12.17	41.94	1.48	7.01	-
Patel Highway Management Private Limited	-	10.73	50.80	46.75	114.59	94.38
Patel Structural Private Limited	-	-	0.59	-	28.33	5.32
Sadbhav PIPL JV	0.00	-	127.64	-	-	-

iv) List of persons/ entities classified as 'Promoters', 'Relatives of Promoters', 'Promoter Group' and 'Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.

Patel Infrastructure Limited
CIN : U45201GJ2004PLC043955
Annexure XIX
Restated Standalone Statement of Cash and Bank Balance

(Amount in ₹ million)

Particulars	As at					
	30-Sep-17	**31-Mar-17**	**31-Mar-16**	**31-Mar-15**	**31-Mar-14**	**31-Mar-13**
(A) Cash and Cash Equivalents						
(a) Cash Balance	5.35	3.58	11.23	3.70	4.48	6.71
(b) Balance With Banks in Current Account	38.20	350.96	23.96	65.64	16.85	68.39
Total (A)	**43.55**	**354.55**	**35.19**	**69.34**	**21.33**	**75.10**
(B) Other Bank Balance *						
(a) In Fixed Deposit - Maturing within 3 Months or Less from reporting date	279.21	347.50	175.65	166.26	71.23	83.71
(b) In Fixed Deposit - Maturity after 3 Months but before 12 Months from reporting date	183.67	90.64	172.64	173.47	71.19	115.50
Total (B)	**462.88**	**438.14**	**348.29**	**339.73**	**142.42**	**199.21**
Total (A+B)	**506.43**	**792.69**	**383.48**	**409.07**	**163.75**	**274.31**

* Above fixed deposits made with bank is given to Customers as Security & Earnest Money Deposit and lien marked bank for bank guarantee facilities.

Note:

i) The figures disclosed above are based on the Restated Standalone Summary Statements of Assets and Liabilities of the Company.

ii) The above statement should be read with the notes on adjustments to Restated Standalone Summary Statement of Assets and Liabilities, Restated Standalone Summary Statement of Profit and Loss and Restated Standalone Summary Statement of Cash Flows as appearing in Annexure IV and Significant Accounting Policies as appearing in Annexure V.

Patel Infrastructure Limited
CIN : U45201GJ2004PLC043955
Annexure XX
Restated Standalone Statement of Short Term Loans and Advances and Other current assets

(Amount in ₹ million)

Particulars	As at					
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
A. Loans & advances						
(A) Advance Recoverable in cash or kind						
(Unsecured, considered good unless stated otherwise)						
Advances to Vendors	90.78	178.57	83.78	30.28	36.44	29.64
Loan to Subsidiaries	0.01	3.21	-	0.85	-	0.07
Mobilization Advances	0.40	0.41	2.99	40.80	28.58	33.73
Total(A)	**91.18**	**182.19**	**86.77**	**71.92**	**65.02**	**63.44**
(B) Deposits - Others						
(Unsecured, considered good unless stated otherwise)						
Security Deposits and Other Deposits	932.57	881.91	715.56	366.10	425.94	275.79
Total(B)	**932.57**	**881.91**	**715.56**	**366.10**	**425.94**	**275.79**
(C) Other Loans and Advances						
Balance with Revenue Authorities	940.96	559.98	255.07	115.02	78.80	21.22
Loans and Advances to employees	2.91	1.10	1.78	1.50	1.60	0.72
MAT Credit Entitlement	134.44	113.40	66.16	-	-	-
Other Loans and Advances	82.10	61.69	63.08	38.68	34.66	21.95
Total(C)	**1,160.41**	**736.17**	**386.09**	**155.20**	**115.06**	**43.89**
Total(A+B+C)	**2,184.16**	**1,800.28**	**1,188.42**	**593.22**	**606.02**	**383.12**
B. Other current assets						
Deferred Maintenance Expenditure	2.49	2.49	-	-	-	-
Work-in-progress	1,704.22	1,387.01	446.21	137.07	24.12	72.37
Other Interest Receivable	-	-	4.29	3.87	3.45	3.04
Other Income Receivable	-	-	0.32	0.53	0.21	-
Total	**1,706.72**	**1,389.50**	**450.82**	**141.47**	**27.79**	**75.40**

Notes:

i) The figures disclosed above are based on the Restated Standalone Summary Statements of Assets and Liabilities of the Company.

ii) The above statement should be read with the notes on adjustments to Restated Standalone Summary Statement of Assets and Liabilities, Restated Standalone Summary Statement of Profit and Loss and Restated Standalone Summary Statement of Cash Flows as appearing in Annexure IV and Significant Accounting Policies as appearing in Annexure V.

iii) Following are the amounts due from Directors/ Promoters /Promoter Group/ Relatives of Promoters/ Relatives of Directors/ Entities having significant influence/ subsidiary/ Key managerial Personnel/ Group Companies

(Amount in ₹ million)

Particulars	As at					
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Advances for Vendors						
Patel Structural Private Limited	-	2.97	-	-	-	
Mobilization Advances						
Patel Structural Private Limited	-	-	-	39.95	-	-
Loan to Subsidiary Companies						
Patel Cholapuram Thanjavur Highway Private Limited	0.01	-	-	-	-	-
Patel Highway Management Private Limited	-	2.91	-	0.05	-	0.07
Patel Bridge Nirman Private Limited	-	0.30	-	0.80	-	-
Security Deposits and Other Deposits						
Patel Bridge Nirman Private Limited	-	-	8.64	8.64	29.20	23.86
Patel Highway Management Private Limited	-	6.05	4.93	20.43	17.69	30.57
Sadbhav PIPL JV	202.49	124.17	56.78			
Other Income Receivable						
PIPL-KCL JV	-	-	0.32	0.53	0.21	-

iv) List of persons/ entities classified as 'Promoters', 'Relatives of Promoters', 'Promoter Group' and 'Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.

Patel Infrastructure Limited
CIN : U45201GJ2004PLC043955
Annexure-XXI
Restated Standalone Statement of Revenue from operations

(Amount in ₹ million)

Particulars	For the six month period ended	For the year ended				
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Revenue from operations						
Work Income						
Amount billed to customers (A)	6,182.68	12,297.47	6,550.95	4,117.36	6,380.58	4,604.95
Work-in-Progress at the beginning of the year/period	(1,387.01)	(446.21)	(137.07)	(24.12)	(72.37)	(110.63)
Work-in-Progress at the end of the year/period	1,704.22	1,387.01	446.21	137.07	24.12	72.37
Net effect of changes in Work-in-progress (B)	317.21	940.79	309.15	112.95	(48.24)	(38.27)
Total Work Income (A+B)	**6,499.89**	**13,238.26**	**6,860.10**	**4,230.31**	**6,332.33**	**4,566.69**
Other Operating Revenues						
Material Sales	11.18	55.79	46.36	126.48	337.85	55.50
Total Revenue from operations	**6,511.07**	**13,294.05**	**6,906.45**	**4,356.79**	**6,670.19**	**4,622.19**

Notes:

i) The figures disclosed above are based on the Restated Standalone Summary Statements of Profit and Losses of the Company.

ii) The above statement should be read with the notes on adjustments to Restated Standalone Summary Statement of Assets and Liabilities, Restated Standalone Summary Statement of Profit and Loss and Restated Standalone Summary Statement of Cash Flows as appearing in Annexure IV and Significant Accounting Policies as appearing in Annexure V.

Patel Infrastructure Limited
CIN : U45201GJ2004PLC043955
Annexure-XXII
Restated Standalone Statement of Other Income

(Amount in ₹ million)

Particulars	For the six month period ended	For the year ended					Recurring / Non-recurring	Related / Not related to Business
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13		
Interest Income								
Fixed deposits with Bank	12.28	35.91	34.96	30.84	29.80	19.02	Recurring	Not Related
Others	0.55	1.79	0.42	0.56	0.42	0.42	Non-recurring	Related
Miscellaneous income	7.17	13.76	7.28	2.33	4.25	0.77	Recurring	Not Related
Dividend Income	0.02	0.01	0.01	0.01	0.02	0.01	Recurring	Not Related
Profit from Joint Venture	-	0.68	1.71	2.61	0.21	-	Recurring	Related
Profit on Sale of Items of Property Plant and Equipment	0.76	1.42	0.15	0.30	-	0.09	Non-recurring	Not Related
Profit on sale of Mutual Funds	-	-	-	1.60	-	-	Non-recurring	Not Related
Net gain on account of foreign exchange fluctuation	-	7.39	-	-	-	-	Non-recurring	Related
Total	**20.79**	**60.95**	**44.53**	**38.24**	**34.70**	**20.32**		

Notes:

i) The figures disclosed above are based on the Restated Standalone Summary Statements of Profit and Losses of the Company.

ii) The above statement should be read with the notes on adjustments to Restated Standalone Summary Statement of Assets and Liabilities, Restated Standalone Summary Statement of Profit and Loss and Restated Standalone Summary Statement of Cash Flows as appearing in Annexure IV and Significant Accounting Policies as appearing in Annexure V.

Patel Infrastructure Limited
CIN : U45201GJ2004PLC043955
Annexure-XXIII
Restated Standalone Statement of Construction expenses

(Amount in ₹ million)

Particulars	For the six month period ended	For the year ended				
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Consumption of Construction Materials						
Inventory at the beginning of the year/period	778.04	513.55	515.52	593.10	326.39	126.54
Add: Purchases during the year/period	2,352.55	6,014.21	2,731.45	1,439.04	3,202.04	2,201.54
Less: Inventory at the end of the year/period	968.13	778.04	513.55	515.52	593.10	326.39
Material consumed during the year/period (A)	**2,162.47**	**5,749.72**	**2,733.42**	**1,516.62**	**2,935.33**	**2,001.69**
Other Construction Expenses						
Works & Labour Contract	2,570.80	3,863.84	2,119.73	1,556.30	1,737.66	1,149.20
Power and Fuel	268.41	720.97	347.70	251.72	477.56	357.08
Technical Consultancy Charges	12.18	34.73	34.85	15.05	31.93	6.22
Consumption of Spares, Tools and Consumables	66.83	61.56	25.47	9.73	19.49	9.20
Testing Charges	3.81	10.41	11.66	14.11	17.68	15.07
Machinery Hiring Charges	38.07	68.52	30.54	12.40	30.28	21.06
Repairs and Maintenance of Plant and Machinery	57.94	164.73	115.74	46.61	90.78	84.79
Other Construction Charges	1.31	35.75	15.04	1.24	24.65	5.19
Total Other Construction Expenses (B)	**3,019.35**	**4,960.50**	**2,700.72**	**1,907.16**	**2,430.03**	**1,647.82**
Total (A+B)	**5,181.82**	**10,710.22**	**5,434.14**	**3,423.79**	**5,365.36**	**3,649.51**

Notes:

i) The figures disclosed above are based on the Restated Standalone Summary Statements of Profit and Losses of the Company.

ii) The above statement should be read with the notes on adjustments to Restated Standalone Summary Statement of Assets and Liabilities, Restated Standalone Summary Statement of Profit and Loss and Restated Standalone Summary Statement of Cash Flows as appearing in Annexure IV and Significant Accounting Policies as appearing in Annexure V.

Patel Infrastructure Limited

CIN : U45201GJ2004PLC043955

Annexure-XXIV

Restated Standalone Statement of Employees benefit expenses

(Amount in ₹ million)

Particulars	For the six month period ended	For the year ended				
	30-Sep-17	**31-Mar-17**	**31-Mar-16**	**31-Mar-15**	**31-Mar-14**	**31-Mar-13**
Salaries, wages and bonus	278.55	524.90	313.37	196.58	206.28	161.48
Director's Remuneration	37.80	56.36	56.17	28.61	21.24	12.86
Staff Welfare expenses	28.39	65.54	41.35	21.97	29.56	24.18
Contribution to Provident Fund and Other Funds	7.23	10.34	0.92	0.86	0.82	0.84
Gratuity Fund Expense	6.08	9.44	5.88	4.62	1.88	1.63
Leave Encashment	4.19	7.79	9.14	5.22	5.12	1.01
Total	**362.24**	**674.37**	**426.83**	**257.86**	**264.89**	**201.99**

Notes:

i) The figures disclosed above are based on the Restated Standalone Summary Statements of Profits and Losses of the Company.

ii) The above statement should be read with the notes on adjustments to Restated Standalone Summary Statement of Assets and Liabilities, Restated Standalone Summary Statement of Profit and Loss and Restated Standalone Summary Statement of Cash Flows as appearing in Annexure IV and Significant Accounting Policies as appearing in Annexure V.

Patel Infrastructure Limited
CIN : U45201GJ2004PLC043955
Annexure-XXV
Restated Standalone Statement of Depreciation and Amortisation expenses

(Amount in ₹ million)

Particulars	For the six month period ended	For the year ended				
	30-Sep-17	**31-Mar-17**	**31-Mar-16**	**31-Mar-15**	**31-Mar-14**	**31-Mar-13**
Depreciation on Property, Plant and Equipment	131.21	244.24	175.16	144.16	86.47	67.27
Amortisation on Intangible Assets	1.21	0.38	-	-	0.04	0.34
Total	**132.42**	**244.63**	**175.16**	**144.16**	**86.51**	**67.61**

Notes:
i) The figures disclosed above are based on the Restated Standalone Summary Statements of Profits and Losses of the Company.
ii) The above statement should be read with the notes on adjustments to Restated Standalone Summary Statement of Assets and Liabilities, Restated Standalone Summary Statement of Profit and Loss and Restated Standalone Summary Statement of Cash Flows as appearing in Annexure IV and Significant Accounting Policies as appearing in Annexure V.

Patel Infrastructure Limited
CIN : U45201GJ2004PLC043955
Annexure-XXVI
Restated Standalone Statement of Finance Cost

(Amount in ₹ million)

Particulars	For the six month period ended	For the year ended				
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Interest on Working Capital Facilities	97.34	138.90	82.14	81.93	59.70	42.54
Interest on Term Loans from Banks and Financial Institutions	31.19	84.48	46.43	29.33	38.99	36.70
Interest on loans from related parties	0.32	4.66	0.71	21.91	19.86	12.76
Other Borrowing Cost	30.42	111.37	64.52	46.54	55.86	34.01
Exchange Loss (Net)	-	0.39	5.24	4.69	17.13	9.88
Total	**159.27**	**339.81**	**199.04**	**184.41**	**191.54**	**135.90**

Notes:

i) The figures disclosed above are based on the Restated Standalone Summary Statements of Profits and Losses of the Company.

ii) The above statement should be read with the notes on adjustments to Restated Standalone Summary Statement of Assets and Liabilities, Restated Standalone Summary Statement of Profit and Loss and Restated Standalone Summary Statement of Cash Flows as appearing in Annexure IV and Significant Accounting Policies as appearing in Annexure V.

Patel Infrastructure Limited
CIN : U45201GJ2004PLC043955
Annexure-XXVII
Restated Standalone Statement of Other Expenses

(Amount in ₹ million)

Particulars	For the six month period ended	For the year ended				
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Advertisement	2.13	2.01	0.89	0.40	0.46	1.01
Printing & stationery	2.01	5.11	4.45	1.68	2.30	2.13
Security charges	14.51	27.51	14.94	9.28	8.98	7.01
Electricity	4.63	7.01	4.27	10.57	9.50	8.66
Foreign Exchange Loss	8.48	-	-	-	-	3.12
Rent	12.85	22.47	12.03	7.27	8.55	3.47
Repairs and Maintenance:-						
-Buildings	2.11	6.47	11.16	3.17	2.50	5.36
-Others	6.19	8.20	6.61	5.57	12.86	13.86
Rates and Taxes	134.18	414.15	210.34	105.87	200.27	143.25
Insurance	21.33	33.53	27.34	15.76	16.71	14.05
Travelling and Conveyance	19.54	38.36	28.30	16.91	21.05	15.75
Legal and Professional Charges	14.77	10.96	8.48	8.19	5.94	4.33
Software Maintenance Expense	2.05	1.08	-	-	-	-
Telephone and Internet Expenses	4.52	7.89	4.97	4.06	4.05	2.75
Tender Fees	1.21	1.17	4.79	3.62	2.61	1.13
Loss on sale of Assets	0.50	-	0.97	0.27	0.31	1.41
Auditors' Remuneration:-						
-Audit Fees	0.80	0.15	0.10	0.10	0.14	0.10
-Tax Audit Fees	0.20	0.04	0.04	0.04	0.04	0.04
-Other Services	-	0.03	0.08	0.10	0.06	0.06
Miscellaneous	17.61	22.74	11.63	11.28	12.26	13.04
Total	**269.63**	**608.90**	**351.37**	**204.14**	**308.59**	**240.53**

Notes:
i) The figures disclosed above are based on the Restated Standalone Summary Statements of Profits and Losses of the Company.
ii) The above statement should be read with the notes to Restated Standalone Summary Statements as appearing in Annexure IV and Statement of Restatement Adjustments to Audited Standalone Financial Statements appearing in Annexure V.

Patel Infrastructure Limited
CIN : U45201GJ2004PLC043955
Annexure-XXVIII
Restated Standalone Statement of Contingent Liabilities and Capital Commitments

Contingent Liabilities Not Provided For (as per AS 29 - Provisions, Contingent Liabilities and Contingent Assets)

(Amount in ₹ million)

Particulars	For the six month period ended	For the year ended				
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
a) Claims against the company not acknowledged as debt	2.72	2.72	0.88	0.88	0.88	-
b) Guarantees						
i) Outstanding Bank Guarantees	4,114.17	4,615.73	3,884.34	2,019.60	2,183.59	1,612.49
ii) Corporate Guarantees	630.50	751.20	1,137.84	1,332.59	1,325.88	857.88
c) Other money for which the company is contingently liable (Direct and Indirect Taxes)	44.27	44.27	44.27	30.63	30.63	42.10

Capital Commitments

(Amount in ₹ million)

Particulars	For the six month period ended	For the year ended				
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Capital Commitments - Acquisition of Capital Assets (Net of Capital Advances)	78.94	0.62	89.90	0.69	-	1.63

Patel Infrastructure Limited
CIN : U45201GJ2004PLC043955
Annexure-XXIX
Restated Standalone Statement of Related Party Transactions

Particulars	For the six month period ended 30-Sep-17	For the year ended 31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Subsidiary Company	Patel Highway Management Private Limited	Patel Highway Management Private Limited	Patel Highway Management Private Limited	Patel Highway Management Private Limited	Patel Highway Management Private Limited	Patel Highway Management Private Limited
	Patel Bridge Nirman Private Limited	Patel Bridge Nirman Private Limited	Patel Bridge Nirman Private Limited	Patel Bridge Nirman Private Limited	Patel Bridge Nirman Private Limited	Patel Bridge Nirman Private Limited
	Patel Hospitality Private Limited	Patel Hospitality Private Limited	-	-	-	-
	Patel Cholopuram-Thanjavur Highway Private Limited					

* Patel Darah-Jhalawar Highway Private Limited and Patel Sethiyahopu-Cholopuram Highway Private Limited incorporated as on October 16, 2017 are wholly owned subsidiaries of the company.

Particulars	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Associate Company	Amidhara Realtors Private Limited	Amidhara Realtors Private Limited	Amidhara Realtors Private Limited	Amidhara Realtors Private Limited	Amidhara Realtors Private Limited	Amidhara Realtors Private Limited
	-	-	Ahmedabad Ring Road Infrastructure Limited	Ahmedabad Ring Road Infrastructure Limited	Ahmedabad Ring Road Infrastructure Limited	Ahmedabad Ring Road Infrastructure Limited
Joint Ventures	PIPL KCl JV	PIPL KCl JV	PIPL KCl JV	PIPL KCl JV	PIPL KCl JV	-
	Sadbhav PIPL JV	Sadbhav PIPL JV	Sadbhav PIPL JV	-	-	-
	Kalthia Engineering & Construction Limited Patel Infrastructure Pvt Ltd Joint Venture	Kalthia Engineering & Construction Limited Patel Infrastructure Pvt Ltd Joint Venture	-	-	-	-
Key Management Personnel (KMP)	Pravinbhai Patel (Chairman & Director)	Pravinbhai Patel (Chairman & Director)	Pravinbhai Patel (Chairman & Director)	Pravinbhai Patel (Chairman & Director)	Pravinbhai Patel (Chairman & Director)	Pravinbhai Patel (Chairman & Director)
	Arvindbhai Patel (Managing Director)	Arvindbhai Patel (Managing Director)	Arvindbhai Patel (Managing Director)	Arvindbhai Patel (Managing Director)	Arvindbhai Patel (Managing Director)	Arvindbhai Patel (Managing Director)
	Dineshbhai Vaviya (Director)	Dineshbhai Vaviya (Director)	Dineshbhai Vaviya (Director)	Dineshbhai Vaviya (Director)	Dineshbhai Vaviya (Director)	Dineshbhai Vaviya (Director)
	Madhubhai Vaviya (Director)	Madhubhai Vaviya (Director)	Madhubhai Vaviya (Director)	Madhubhai Vaviya (Director)	Madhubhai Vaviya (Director)	Madhubhai Vaviya (Director)
	Sureshbhai Vaviya (Director)	Sureshbhai Vaviya (Director)	Sureshbhai Vaviya (Director)	Sureshbhai Vaviya (Director)	Sureshbhai Vaviya (Director)	Sureshbhai Vaviya (Director)
	Sandeep Sahni (Chief Financial Officer)	Sandeep Sahni (Chief Financial Officer)	-	-	-	-
	Aswini Sahu (Company Secretary)	-	-	-	-	-
	Kaminiben Arvindbhai Patel - Wife of Arvindbhai Patel	Kaminiben Arvindbhai Patel - Wife of Arvindbhai Patel	Kaminiben Arvindbhai Patel - Wife of Arvindbhai Patel	Kaminiben Arvindbhai Patel - Wife of Arvindbhai Patel	Kaminiben Arvindbhai Patel - Wife of Arvindbhai Patel	Kaminiben Arvindbhai Patel - Wife of Arvindbhai Patel

	Smitaben Pravinbhai Patel - Wife of Pravinbhai Patel	Smitaben Pravinbhai Patel - Wife of Pravinbhai Patel	Smitaben Pravinbhai Patel - Wife of Pravinbhai Patel	Smitaben Pravinbhai Patel - Wife of Pravinbhai Patel	Smitaben Pravinbhai Patel - Wife of Pravinbhai Patel	Smitaben Pravinbhai Patel - Wife of Pravinbhai Patel
	Pravinbhai V Patel (HUF)	Pravinbhai V Patel (HUF)	Pravinbhai V Patel (HUF)	Pravinbhai V Patel (HUF)	Pravinbhai V Patel (HUF)	Pravinbhai V Patel (HUF)
	Arvindbhai V Patel (HUF)	Arvindbhai V Patel (HUF)	Arvindbhai V Patel (HUF)	Arvindbhai V Patel (HUF)	Arvindbhai V Patel (HUF)	Arvindbhai V Patel (HUF)
	Rekhaben Sureshbhai Vaviya - Wife of Sureshbhai Vaviya	Rekhaben Sureshbhai Vaviya - Wife of Sureshbhai Vaviya	Rekhaben Sureshbhai Vaviya - Wife of Sureshbhai Vaviya	Rekhaben Sureshbhai Vaviya - Wife of Sureshbhai Vaviya	Rekhaben Sureshbhai Vaviya - Wife of Sureshbhai Vaviya	Rekhaben Sureshbhai Vaviya - Wife of Sureshbhai Vaviya
	Sureshbhai P Vaviya (HUF)	Sureshbhai P Vaviya (HUF)	Sureshbhai P Vaviya (HUF)	Sureshbhai P Vaviya (HUF)	Sureshbhai P Vaviya (HUF)	Sureshbhai P Vaviya (HUF)
	Jay Pravinbhai Patel - Son of Pravinbhai Patel	Jay Pravinbhai Patel - Son of Pravinbhai Patel	Jay Pravinbhai Patel - Son of Pravinbhai Patel	Jay Pravinbhai Patel - Son of Pravinbhai Patel	Jay Pravinbhai Patel - Son of Pravinbhai Patel	Jay Pravinbhai Patel - Son of Pravinbhai Patel
	Radhika Nimitkumar Sanghani - Daughter of Pravinbhai Patel	Radhika Nimitkumar Sanghani - Daughter of Pravinbhai Patel	Radhika Nimitkumar Sanghani - Daughter of Pravinbhai Patel	Radhika Nimitkumar Sanghani - Daughter of Pravinbhai Patel	Radhika Nimitkumar Sanghani - Daughter of Pravinbhai Patel	Radhika Nimitkumar Sanghani - Daughter of Pravinbhai Patel
	Manjulaben G Badhani - Sister of Pravinbhai Patel and Arvindbhai Patel	Manjulaben G Badhani - Sister of Pravinbhai Patel and Arvindbhai Patel	Manjulaben G Badhani - Sister of Pravinbhai Patel and Arvindbhai Patel	Manjulaben G Badhani - Sister of Pravinbhai Patel and Arvindbhai Patel	Manjulaben G Badhani - Sister of Pravinbhai Patel and Arvindbhai Patel	Manjulaben G Badhani - Sister of Pravinbhai Patel and Arvindbhai Patel
	Bhavnaben D Patel - Sister of Pravinbhai Patel and Arvindbhai Patel	Bhavnaben D Patel - Sister of Pravinbhai Patel and Arvindbhai Patel	Bhavnaben D Patel - Sister of Pravinbhai Patel and Arvindbhai Patel	Bhavnaben D Patel - Sister of Pravinbhai Patel and Arvindbhai Patel	Bhavnaben D Patel - Sister of Pravinbhai Patel and Arvindbhai Patel	Bhavnaben D Patel - Sister of Pravinbhai Patel and Arvindbhai Patel
	Krunal Arvindbhai Patel - Son of Arvindbhai Patel	Krunal Arvindbhai Patel - Son of Arvindbhai Patel	Krunal Arvindbhai Patel - Son of Arvindbhai Patel	Krunal Arvindbhai Patel - Son of Arvindbhai Patel	Krunal Arvindbhai Patel - Son of Arvindbhai Patel	Krunal Arvindbhai Patel - Son of Arvindbhai Patel
Relatives of KMP	Parth Arvindbhai Patel - Son of Arvindbhai Patel	Parth Arvindbhai Patel - Son of Arvindbhai Patel	Parth Arvindbhai Patel - Son of Arvindbhai Patel	Parth Arvindbhai Patel - Son of Arvindbhai Patel	Parth Arvindbhai Patel - Son of Arvindbhai Patel	Parth Arvindbhai Patel - Son of Arvindbhai Patel
	Krishna Dineshbhai Vaviya - Son of Dineshbhai Vaviya	Krishna Dineshbhai Vaviya - Son of Dineshbhai Vaviya	Krishna Dineshbhai Vaviya - Son of Dineshbhai Vaviya	Krishna Dineshbhai Vaviya - Son of Dineshbhai Vaviya	Krishna Dineshbhai Vaviya - Son of Dineshbhai Vaviya	Krishna Dineshbhai Vaviya - Son of Dineshbhai Vaviya
	Nikita Bhargav Bhavsar - Daughter of Dineshbhai Vaviya	Nikita Bhargav Bhavsar - Daughter of Dineshbhai Vaviya	Nikita Bhargav Bhavsar - Daughter of Dineshbhai Vaviya	Nikita Bhargav Bhavsar - Daughter of Dineshbhai Vaviya	Nikita Bhargav Bhavsar - Daughter of Dineshbhai Vaviya	Nikita Bhargav Bhavsar - Daughter of Dineshbhai Vaviya
	Janvi Dineshbhai Vaviya - Daughter of Dineshbhai Vaviya	Janvi Dineshbhai Vaviya - Daughter of Dineshbhai Vaviya	Janvi Dineshbhai Vaviya - Daughter of Dineshbhai Vaviya	Janvi Dineshbhai Vaviya - Daughter of Dineshbhai Vaviya	Janvi Dineshbhai Vaviya - Daughter of Dineshbhai Vaviya	Janvi Dineshbhai Vaviya - Daughter of Dineshbhai Vaviya
	Kasturben Zalavadiya - Sister of Dineshbhai Vaviya, Madhubhai Vaviya and Sureshbhai Vaviya	Kasturben Zalavadiya - Sister of Dineshbhai Vaviya, Madhubhai Vaviya and Sureshbhai Vaviya	Kasturben Zalavadiya - Sister of Dineshbhai Vaviya, Madhubhai Vaviya and Sureshbhai Vaviya	Kasturben Zalavadiya - Sister of Dineshbhai Vaviya, Madhubhai Vaviya and Sureshbhai Vaviya	Kasturben Zalavadiya - Sister of Dineshbhai Vaviya, Madhubhai Vaviya and Sureshbhai Vaviya	Kasturben Zalavadiya - Sister of Dineshbhai Vaviya, Madhubhai Vaviya and Sureshbhai Vaviya

	Vilasben Dhorajiya - Sister of Dineshbhai Vaviya, Madhubhai Vaviya and Sureshbhai Vaviya	Vilasben Dhorajiya - Sister of Dineshbhai Vaviya, Madhubhai Vaviya and Sureshbhai Vaviya	Vilasben Dhorajiya - Sister of Dineshbhai Vaviya, Madhubhai Vaviya and Sureshbhai Vaviya	Vilasben Dhorajiya - Sister of Dineshbhai Vaviya, Madhubhai Vaviya and Sureshbhai Vaviya	Vilasben Dhorajiya - Sister of Dineshbhai Vaviya, Madhubhai Vaviya and Sureshbhai Vaviya	Vilasben Dhorajiya - Sister of Dineshbhai Vaviya, Madhubhai Vaviya and Sureshbhai Vaviya
	Ramaben Dineshbhai Vaviya - Wife of Dineshbhai Vaviya	Ramaben Dineshbhai Vaviya - Wife of Dineshbhai Vaviya	Ramaben Dineshbhai Vaviya - Wife of Dineshbhai Vaviya	Ramaben Dineshbhai Vaviya - Wife of Dineshbhai Vaviya	Ramaben Dineshbhai Vaviya - Wife of Dineshbhai Vaviya	Ramaben Dineshbhai Vaviya - Wife of Dineshbhai Vaviya
	Rutv Madhubhai Vaviya - Son of Madhubhai Vaviya	Rutv Madhubhai Vaviya - Son of Madhubhai Vaviya	Rutv Madhubhai Vaviya - Son of Madhubhai Vaviya	Rutv Madhubhai Vaviya - Son of Madhubhai Vaviya	Rutv Madhubhai Vaviya - Son of Madhubhai Vaviya	Rutv Madhubhai Vaviya - Son of Madhubhai Vaviya
	Shweta Madhubhai Vaviya - Daughter of Madhubhai Vaviya	Shweta Madhubhai Vaviya - Daughter of Madhubhai Vaviya	Shweta Madhubhai Vaviya - Daughter of Madhubhai Vaviya	Shweta Madhubhai Vaviya - Daughter of Madhubhai Vaviya	Shweta Madhubhai Vaviya - Daughter of Madhubhai Vaviya	Shweta Madhubhai Vaviya - Daughter of Madhubhai Vaviya
	Aditi Madhubhai Vaviya - Daughter of Madhubhai Vaviya	Aditi Madhubhai Vaviya - Daughter of Madhubhai Vaviya	Aditi Madhubhai Vaviya - Daughter of Madhubhai Vaviya	Aditi Madhubhai Vaviya - Daughter of Madhubhai Vaviya	Aditi Madhubhai Vaviya - Daughter of Madhubhai Vaviya	Aditi Madhubhai Vaviya - Daughter of Madhubhai Vaviya
	Abhishek Sureshbhai Vaviya - Son of Sureshbhai Vaviya	Abhishek Sureshbhai Vaviya - Son of Sureshbhai Vaviya	Abhishek Sureshbhai Vaviya - Son of Sureshbhai Vaviya	Abhishek Sureshbhai Vaviya - Son of Sureshbhai Vaviya	Abhishek Sureshbhai Vaviya - Son of Sureshbhai Vaviya	Abhishek Sureshbhai Vaviya - Son of Sureshbhai Vaviya
	Sangitaben Madhubhai Vaviya - Wife of Madhubhai Vaviya	Sangitaben Madhubhai Vaviya - Wife of Madhubhai Vaviya	Sangitaben Madhubhai Vaviya - Wife of Madhubhai Vaviya	Sangitaben Madhubhai Vaviya - Wife of Madhubhai Vaviya	Sangitaben Madhubhai Vaviya - Wife of Madhubhai Vaviya	Sangitaben Madhubhai Vaviya - Wife of Madhubhai Vaviya
Enterprises over which KMP and/or Relatives of KMP are able to exercise significant Influence	V G Patel Foundation	V G Patel Foundation	V G Patel Foundation	V G Patel Foundation	V G Patel Foundation	V G Patel Foundation
	Patel Structural Private Limited	Patel Structural Private Limited	Patel Structural Private Limited	Patel Structural Private Limited	Patel Structural Private Limited	Patel Structural Private Limited

Related Party Transactions : Subsidiary Companies

(Amount in ₹ million)

Particulars	For the six month period ended	For the year ended				
	30-Sep-17	**31-Mar-17**	**31-Mar-16**	**31-Mar-15**	**31-Mar-14**	**31-Mar-13**
Sub Contracting Income						
Patel Highway Management Private Limited	120.73	178.58	317.27	581.47	1,067.03	1,036.03
Patel Bridge Nirman Private Limited	6.04	68.58	95.89	578.10	473.21	363.39
Mobilisation Advance Received during the year						
Patel Highway Management Private Limited	1.93	-	11.26	-	122.51	158.78
Patel Bridge Nirman Private Limited	-	-	-	-	14.46	-
Mobilisation Advance Repaid during the year						
Patel Highway Management Private Limited	21.96	-	11.26	83.41	184.64	13.25
Patel Bridge Nirman Private Limited	-	-	-	8.69	52.32	22.58
Closing Balance of Mobilisation Advance						
Patel Highway Management Private Limited	1.93	21.96	21.96	21.96	105.37	167.49
Patel Bridge Nirman Private Limited	-	16.00	16.00	16.00	8.69	46.54
Trade Receivables						
Patel Highway Management Private Limited	-	10.73	50.80	46.75	114.59	94.39
Patel Bridge Nirman Private Limited	1.00	12.17	41.94	1.48	7.01	-

Advance from Clients						
Patel Highway Management Private Limited	13.34	-	-	-	-	-
Investments						
Patel Highway Management Private Limited	-	-	-	-	-	68
Patel Bridge Nirman Private Limited	-	-	-	-	33	-
Patel Hospitality Private Limited	-	0.10	-	-	-	-
Loan Given During the year						
Patel Highway Management Private Limited	-	37.53	20.99	27.46	46.64	56.17
Patel Bridge Nirman Private Limited	-	2.96	0.07	91.95	37.00	67.64
Patel Hospitality Private Limited	-	18.10	-	-	-	-
Patel Cholopuram Thanjavur Highway Private Limited	0.01	-	-	-	-	-
Loan Received Back During the Year						-
Patel Highway Management Private Limited	2.91	34.61	21.03	27.41	46.71	56.10
Patel Bridge Nirman Private Limited	0.30	2.66	196.66	-	-	-
Patel Hospitality Private Limited	11.40	6.70	-	-	-	-
Closing Balance of Loan Given						
Patel Highway Management Private Limited	-	2.91	-	0.05	-	0.07
Patel Bridge Nirman Private Limited	-	0.30	-	196.59	104.64	67.64
Patel Hospitality Private Limited	-	11.40	-	-	-	-
Patel Cholopuram Thanjavur Highway Private Limited	0.01	-	-	-	-	-

Related Party Transactions : Associate Companies

(Amount in ₹ million)

	For the six month period ended	For the year ended				
Particulars	**30-Sep-17**	**31-Mar-17**	**31-Mar-16**	**31-Mar-15**	**31-Mar-14**	**31-Mar-13**
Acquisiition of Investments						
Amidhara Realtors Private Limited	-	-	-	-	-	0.05
Disposal of Investments						
Amidhara Realtors Private Limited	-	0.03	-	-	-	-
Ahmedabad Ring Road Infrastructure Limited	-	-	620.00	-	-	-
Advance Received for sale of Investment						
Ahmedabad Ring Road Infrastructure Limited	-	-	-	400.00	-	-
Advance given for Acquisition of Asset						
Amidhara Realtors Private Limited	-	-	-	-	23.50	10.00
Advance received back on cancellation of Acquisition of Asset						
Amidhara Realtors Private Limited	16.80	49.20	-	-	-	-
Closing Balance of Advance given						
Amidhara Realtors Private Limited	-	16.80	66.00	66.00	66.00	42.50
Fixed Assets Purchased						
Amidhara Realtors Private Limited	-	23.01	-	-	-	-

Related Party Transactions : Joint Ventures

(Amount in ₹ million)

Particulars	For the six month period ended 30-Sep-17	For the year ended 31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Sub Contracting Income						
Sadbhav PIPL JV	989.05	1,340.65	312.82	-	-	-
Kalthia Engineering & Construction Limited Patel Infrastructure Pvt Ltd Joint Venture	255.72	385.28	-	-	-	-
Share of Profit From Jointly Controlled Entities						
PIPL KCl JV	-	0.68	1.71	2.61	0.21	-
Mobilisation Advance Received during the year						
Sadbhav PIPL JV	-	-	453.78	-	-	-
Mobilisation Advance Repaid during the year						
Sadbhav PIPL JV	-	423.78	30.00	-	-	-
Closing Balance of Mobilisation Advance						
Sadbhav PIPL JV	-	-	423.78	-	-	-
Advance From Clients						
Sadbhav PIPL JV	-	5.08	-	-	-	-
Trade Receivables						
Sadbhav PIPL JV	0.01	-	127.64	-	-	-
PIPL KCL JV	-	-	0.32	0.53	0.21	-
Loans Given During the Year			-	-	-	-
Sadbhav PIPL JV	-	18.90				
Loans Received Back During the Year						
Sadbhav PIPL JV	0.01	18.89	-	-	-	-
Closing Balance of Loan Given						
Sadbhav PIPL JV	-	0.01	-	-	-	-

Related Party Transactions : Key Management Personnel

(Amount in ₹ million)

Particulars	For the six month period ended 30-Sep-17	For the year ended 31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Remuneration						
Pravinbhai Patel	12.60	18.00	19.50	11.25	2.28	3.28
Arvindbhai Patel	12.60	18.00	19.50	7.01	10.98	2.28
Dineshbhai Vaviya	4.20	6.00	6.50	3.25	3.10	3.18
Madhubhai Vaviya	4.20	6.00	6.50	2.60	2.75	2.50
Sureshbhai Vaviya	4.20	6.00	6.50	2.10	1.43	1.30
Sandeep Sahni	2.06	3.70	3.20			
Aswini Sahu	0.28					
Interest Expense						
Pravinbhai Patel	0.02	0.84	0.04	0.04	0.03	0.10
Arvindbhai Patel	0.00	1.37	0.00	0.00	0.00	0.00
Dineshbhai Vaviya	0.06	0.12	0.11	0.08	0.07	0.07
Madhubhai Vaviya	0.00	1.88	0.01	0.00	0.00	0.00
Sureshbhai Vaviya	0.03	0.06	0.05	0.05	0.04	0.04

Insurance premium paid towards key man term policy taken by Company						
Pravinbhai Patel	1.46	1.98	1.63	1.08	0.17	-
Arvindbhai Patel	1.01	1.62	1.62	1.07	0.17	-
Dineshbhai Vaviya	0.29	0.58	0.47	0.31	0.05	-
Madhubhai Vaviya	0.38	0.58	0.47	0.31	0.05	-
Sureshbhai Vaviya	0.38	0.58	0.48	0.31	0.05	-
Loans from Key management personnel						
Pravinbhai Patel	-	25.00	-	-	-	-
Arvindbhai Patel	-	25.00	-	-	-	-
Dineshbhai Vaviya	-	-	0.26	-	-	-
Madhubhai Vaviya	10.52	30.00	-	-	-	-
Loans Repaid during the year						
Pravinbhai Patel	-	25.00	-	-	-	1.50
Arvindbhai Patel	-	25.00	-	-	-	-
Madhubhai Vaviya	10.52	30.00	-	-	-	-
Closing Balances of Loan Given						
Pravinbhai Patel	0.45	0.43	0.43	0.39	0.36	0.33
Arvindbhai Patel	0.03	0.03	0.03	0.03	0.03	0.02
Dineshbhai Vaviya	1.27	1.22	1.22	0.85	0.78	0.72
Madhubhai Vaviya	0.06	0.06	0.06	0.05	0.05	0.04
Sureshbhai Vaviya	0.58	0.56	0.56	0.51	0.47	0.43
Acquisition of Investment						
Arvindbhai Patel	-	0.05	-	-	-	-

Related Party Transactions : Relatives of KMP

(Amount in ₹ million)

Particulars	For the six month period ended	For the year ended				
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Remuneration						
Kunal A Patel	1.80	4.65	1.80	-	-	-
Parth A Patel	0.60	2.03	1.20	-	-	-
Jay P Patel	0.60	2.55	-	-	-	-
Stipend						
Krishna D. Vaviya	0.21	0.09	0.20	-	-	-
Sweta M Vaviya	-	-	0.12	-	-	-
Jay P Patel	-	-	-	0.14	-	-
		-	-	-	-	-
Interest						
Pravinbhai V Patel (HUF)	0.00	0.01	0.01	0.00	0.00	0.00
Arvindbhai V Patel (HUF)	0.05	0.10	0.09	0.08	0.08	0.07
Sureshbhai P Vaviya (HUF)	0.00	0.01	0.01	0.01	0.01	0.01
Smt. Kaminiben A Patel	0.10	0.21	0.19	0.18	0.16	0.15
Smt. Rekhaben S Vaviya	0.04	0.08	0.07	0.06	0.06	0.05
Smt. Smitaben P. Patel	-	-	-	-	-	0.07
Insurance premium paid towards key man term policy taken by Company						
Kunal A Patel	0.20	0.55	-	-	-	-
Parth A. Patel	-	0.20	-	-	-	-

Loans Repaid During The Year						
Smt. Kaminiben A Patel	-	-	0.05	-	-	0.14
Smt. Smitaben P. Patel	-	-	-	-	-	0.92
Closing Balances of Loan Received						
Pravinbhai V Patel (HUF)	0.06	0.06	0.06	0.05	0.05	0.04
Arvindbhai V Patel (HUF)	1.05	1.00	1.00	0.92	0.84	0.77
Sureshbhai P Vaviya (HUF)	0.10	0.10	0.10	0.09	0.08	0.08
Smt. Kaminiben A Patel	2.17	2.07	2.07	1.95	1.79	1.64
Rekhaben S Vaviya	0.80	0.77	0.77	0.70	0.65	0.59
Acquisition of Investment						
Krunal A Patel	-	0.05	-	-	-	-

Related Party Transactions : Enterprises over which KMP and/or Relatives of KMP are able to exercise significant Influence

(Amount in ₹ million)

Particulars	For the six month period ended	For the year ended				
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Material Sale Income						
Patel Structural Private Limited	-	-	12.08	97.75	-	-
Sub Contracting Expenses						
Patel Structural Private Limited	-	4.30	191.58	456.75	465.81	21.07
Trade Payable						
Patel Structural Private Limited	-	72.14	91.41	128.89	62.55	-
Donation						
V G Patel Foundation	0.55		-	-	-	-

Patel Infrastructure Limited
CIN : U45201GJ2004PLC043955
Annexure - XXX
Restated Standalone Statement of Earnings Per Share

Particulars	For the six month period ended	For the year ended				
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Restated Profit after Tax (Rs. In Millions) (excluding extraordinary items)	367.42	643.34	253.32	120.13	317.68	232.91
Net Profit available to Equity Shareholders (Rs. In Millions)	367.42	643.34	253.32	120.13	317.68	232.91
Weighted Average No. of Equity Shares for Basic and Diluted EPS (Refer Note 2 below)	4,56,00,000	4,56,00,000	4,56,00,000	4,56,00,000	4,56,00,000	4,56,00,000
Face Value of Equity Shares	10.00	10.00	10.00	10.00	10.00	10.00
Basic & Diluted Earning Per Share *	8.06	14.11	5.56	2.63	6.97	5.11

* Basic and Diluted EPS for the period ended September 30, 2017 is not annualised.

Note:

1 Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.

2 Subsequent to the period ended September 30, 2017, the Company has issued 4,18,00,000 bonus shares thereby increasing the number of equity shares to 4,56,00,000 shares. Accordingly, Basic and Diluted earning per share presented above has been adjusted in line with the Accounting Standard (AS) - 20 "Earnings per share".

A Employee Benefits

The Company has classified various employee benefits as under:
Defined contribution plans
a) Provident fund

The company has recognised the following amounts in the Statement of Profit and Loss for the year:

(Amount in ₹ million)

Particulars	For the six month period ended	For the year ended				
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
The company has recognised the following amounts in the Restated Standalone Summary Statement of Profit and Loss for the year:	7.23	10.32	0.90	0.86	0.82	0.84

Defined Benefit Plan
a) Gratuity
b) Leave Encashment

Leave encashment is payable to eligible employees who have earned leave during the employment as per the Group policy.

Valuations in respect of Gratuity and Leave Encashment have been carried out by an independent actuary, as at the Balance Sheet date, based on the following assumptions:

Particulars	For the year ended				
	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Discount rate	6.70%	7.70%	7.80%	9.00%	8.00%
Expected rate of return on the plan assets	-	-	-	-	-
Annual increase in salary cost	10.00%	10.00%	10.00%	10.00%	10.00%

a) Gratuity

(Amount in ₹ million)

Particulars	For the year ended				
	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
A. Change in the present value of the defined benefit obligation.					
Opening defined benefit obligation	**20.74**	**14.86**	**10.24**	**8.37**	6.74
Interest cost	1.60	1.16	0.92	0.67	0.54
Current service cost	6.81	3.91	2.74	2.29	1.67
Actuarial (gain) / losses on obligation	1.03	0.81	0.96	(1.08)	(0.58)
Closing defined obligation	**30.18**	**20.74**	**14.86**	**10.24**	**8.37**
B. Reconciliation of present value of defined benefit					
Closing balance of present value of obligation	30.18	20.74	14.86	10.24	8.37
Closing balance of fair value of plan assets	-	-	-	-	-
Amount not recognised as an asset	-	-	-	-	-
(Asset) / Liability recognised in the Balance Sheet	**30.18**	**20.74**	**14.86**	**10.24**	**8.37**
C. Amount recognized in the balance sheet:					
Unfunded liability recognized in the Balance Sheet	30.18	20.74	14.86	10.24	8.37
D. Expenses/ (Income) recognized in Profit / Loss Statement					
Current Service Cost	6.81	3.91	2.74	2.29	1.67
Net Interest Cost	1.60	1.16	0.92	0.67	0.54
Curtailment Cost					
Actuarial (Gains) / Loss	1.03	0.81	0.96	(1.08)	(0.58)
Expenses Recognised in Statement of Profit and Loss	**9.44**	**5.88**	**4.62**	**1.88**	**1.63**
E. Balance Sheet Reconciliation					
Opening net liability	20.74	14.86	10.24	8.37	6.74
Expenses recognised in Profit and Loss	9.44	5.88	4.62	1.88	1.63
Employer’s contribution	-	-	-	-	-
(Assets)/Liability recognized in the Balance Sheet	**30.18**	**20.74**	**14.86**	**10.24**	**8.37**

For the six month period ended September 30, 2017 management of the respective companies in the Group has estimated the Gratuity Entitlement to be Rs.6.01 million and accordingly recognizes expenses in the Consolidated Statement of Profit and Loss which reflected is as Current and Non-Current liability in the same proportion as on March 31, 2017.

b) Leave Encashment

(Amount in ₹ million)

Particulars	For the year ended 31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
A. Change in the present value of the defined benefit obligation.					
Opening defined benefit obligation	**18.76**	**11.41**	**8.54**	**5.52**	5.65
Interest cost	1.44	0.89	0.77	0.44	0.45
Current service cost	2.77	1.62	0.38	0.40	0.23
Curtailment Cost	(0.23)	-	-	-	
Benefits Paid	(14.49)	(1.79)	(2.36)	(2.10)	(1.14)
Actuarial (gain) / losses on obligation	3.80	6.63	4.07	4.28	0.33
Closing defined obligation	**12.06**	**18.76**	**11.41**	**8.54**	**5.52**
B. Reconciliation of present value of defined benefit obligations and the fair value of assets					
Closing balance of present value of obligation	12.06	18.76	11.41	8.54	5.52
Closing balance of fair value of plan assets	-	-	-	-	-
Amount not recognised as an asset	-	-	-	-	-
(Asset) / Liability recognised in the Balance Sheet	**12.06**	**18.76**	**11.41**	**8.54**	**5.52**
C. Amount recognized in the balance sheet:					
Unfunded liability recognized in the Balance Sheet	12.06	18.76	11.41	8.54	5.52
D. Expenses/ (Income) recognized in Profit / Loss Statement					
Current Service Cost	2.77	1.62	0.38	0.40	0.23
Net Interest Cost	1.44	0.89	0.77	0.44	0.45
Curtailment Cost	(0.23)	-	-	-	-
Actuarial (Gains) / Loss	3.80	6.63	4.07	4.28	0.33
Expenses Recognised in Statement of Profit and Loss	**7.79**	**9.14**	**5.22**	**5.12**	**1.01**
E. Balance Sheet Reconciliation					
Opening net liability	18.76	11.41	8.54	5.52	5.65
Expenses recognised in Profit and Loss	7.79	9.14	5.22	5.12	1.01
Employer's contribution	(14.49)	(1.79)	(2.36)	(2.10)	(1.14)
(Assets)/Liability recognized in the Balance Sheet	**12.06**	**18.76**	**11.41**	**8.54**	**5.52**

For the six month period ended September 30, 2017 management of the respective companies in the Group has estimated the leave encashment entitlement to be Rs.4.91 million and accordingly recognizes expenses in the Consolidated Statement of Profit and Loss and liability (net of payments actually made) is reflected is as Current and Non-Current liability in the same proportion as on March 31, 2017.

B Corporate Social Responsibility

Expenditure towards Corporate Social Responsibility as per Companies Act, 2013 read with Rules and Regulations thereof is treated as an appropriation of profit.

(Amount in ₹ million)

Particulars	For the six month period ended 30-Sep-17	For the year ended 31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Gross Amount required to be spent by the Company	8.99*	7.23	7.11	7.09	-	-
Amount Spent during the year towards activities specified in CSR Policy	1.50	1.46	1.90	2.31	-	-
Related Party Transactions in relation to Corporate Social Responsibility	-	-	-	-	-	-

* Gross amount required to be spent for the financial year 2017-18.

C Accounting Standard 7 - Accounting of Construction Contracts

(Amount in ₹ million)

Particulars	For the six month period ended 30-Sep-17	For the year ended 31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
For contracts in progress and completed projects during the year						
Contract Revenue recognised as revenue for the year	6,499.89	13,238.26	6,860.10	4,230.31	6,332.33	4,566.69
Gross amount due from customers for contract work	1,704.22	1,387.01	446.21	137.07	24.12	72.37
For contracts in progress at the year end						
Aggregate amount of contract costs incurred and recognised profits (less recognised losses) upto reporting date for all contracts in progress at the reporting date	23,873.10	22,471.02	14,252.48	10,246.91	10,519.20	6,044.96
Customer Advances pertaining to the contracts in progress	670.76	746.96	970.86	249.84	489.45	601.65
Retention amounts due from customers	1,098.06	996.66	820.61	488.54	602.67	399.76

D Statement under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED)

Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from 2 October 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with the Management, the following disclosures are made for the amounts due to the Micro, Small and Medium enterprises, who have registered with the competent authorities:

(Amount in ₹ million)

Particulars	For the six month period ended	For the year ended				
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
The amounts remaining unpaid to micro and small suppliers as at the end of the period/year	-	-	-	-	-	-
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
The amounts of interest paid by the buyer as per the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)	-	-	-	-	-	-
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting period/year	-	-	-	-	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period/year but without adding the interest specified under MSMED Act, 2006	-	-	-	-	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting period/ year	-	-	-	-	-	-
The amount of further interest remaining due and payable even in the succeeding period/year, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductive expenditure under the MSMED Act, 2006	-	-	-	-	-	-

E Foreign Currency Transactions

(Amount in ₹ million)

Particulars	For the six month period ended	For the year ended				
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Interest Payment on Foreign Currency Borrowings	0.30	3.24	10.04	19.06	23.22	25.11
Repairs & Maintenance of Plant and Machinery	-	0.87	-	-	-	-
Procurement of Plant and Machinery	-	82.51	-	10.86	-	77.29

F As per the Accounting Standard 11, "The effect of Change in Foreign Exchange Rates", the following disclosure is to be given:

The company uses Cross Currency Swap to hedge the interest rate and currency risk on its USD floating rate liability Such transactions are governed by the strategy approved by the board of directors which provides principles on the use of these instruments, consistent with the Company's Risk Management Policy. The company does not use these contracts for speculative purposes.

Outstanding Instruments to hedge against foreign currency exchange rates and fluctuations in interest rate changes are as under:

Particulars	For the six month period ended	For the year ended				
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Cross Currency Swap						
- Equivalent INR (Amount in ₹ million)	-	6.53	39.17	78.37	117.57	150.26
- Equivalent USD (Amount in $ million)	-	0.13	0.75	1.50	2.25	2.88

The company has entered into an agreement whereby it has to pay fixed principal amount in INR for exchange.

Un-hedged Foreign Currency Exposure

Particulars	For the six month period ended	For the year ended				
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Principal & Interest Payable on Loan						
- Equivalent INR (Amount in ₹ million)	-	-	49.75	93.54	134.86	163.02
- Equivalent USD (Amount in $ million)	-	-	0.75	1.50	2.25	3.00
Trade Payables						
- Equivalent INR (Amount in ₹ million)	83.61	75.13	-	-	-	-
- Equivalent USD (Amount in $ million)	1.09	1.09	-	-	-	-

G Segment Reporting

In accordance with the requirements of Accounting Standard 17-"Segment Reporting" prescribed in the Companies Accounting Standard Rules, 2006, as amended from time to time, the company has determined its business segment as Infrastructure Developments. Since more than 99% of the Company's business is from Infrastructure Developments, there are no other primary reportable segments. Thus segment revenue, segment result, total carrying amount of segment assets, total carrying amount of segment liabilities, total cost incurred to acquired segment assets, the total amount of charge for depreciation and amortisation during the year are all as reflected in the Restated Standalone Summary Financial Statements as at and for the six month period ended September 30, 2017 and for each of the year ended March 31, 2013, March 31, 2014, March 31, 2015, March 31, 2016, and March 31, 2017. There are no geographical segment to be reported since all the operation are undertake in India.

H Details of Specified Bank Notes (SBNs) held and transacted during the period 8th November, 2016 to 30th December, 2016

(Amount in ₹ million)

Particulars	SBNs*	Other denominations	Total
Closing cash in hand as on 08.11.2016	4.25	7.99	12.24
(+) Permitted receipts	-	10.56	10.56
(-) Permitted Payments	-	16.34	16.34
(-) Amount deposited in Banks	4.25	-	4.25
Closing cash in hand as on 30.12.2016	-	2.20	2.20

* For the purpose of this clause, the term “Specified Banks Notes” shall have the same meaning provided in the notification of the Government of India, in the ministry of finance, Department of Economic Affairs number SO 340E, dated 8th November, 2016.

I Survey Action u/s 133A of the Income Tax Act, 1961 was carried out on April 6, 2017.

J All amounts in the Restated Standalone Summary Financial Statements has been presented in Millions, except per share data, face value of equity shares and expressly otherwise stated.

Patel Infrastructure Limited
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Annexure-XXXII
Restated Standalone Statement of Accounting Ratios

	Particulars		For the six month period ended	For the year ended				
			30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
1	**Earning Per Share (EPS) - Basic and Diluted**							
	Restated Net Profit for calculation of basic and diluted EPS (excluding extra-ordinary items) (₹ in million)	A	367.42	643.34	253.32	120.13	317.68	232.91
	Weighted average number of equity shares for calculating basic and diluted EPS	B	4,56,00,000.00	4,56,00,000.00	4,56,00,000.00	4,56,00,000.00	4,56,00,000.00	4,56,00,000.00
	EPS (in Rupees) - Basic and Diluted (excluding extra ordinary items)	**A/B**	**8.06**	**14.11**	**5.56**	**2.63**	**6.97**	**5.11**
2	**Return on Net Worth**							
	Restated Profit / (Loss) for the periods (excluding extra ordinary items) (₹ in million)	C	367.42	643.34	253.32	120.13	317.68	232.91
	Net worth at the end of the periods (excluding extra ordinary items) (₹ in million)	D	2,492.27	2,125.10	1,488.52	1,237.11	1,125.18	807.50
	Return on Net Worth (%)	**C/D*100**	**14.74**	**30.27**	**17.02**	**9.71**	**28.23**	**28.84**
3	**Net Asset Value Per Equity Share**							
	Net worth at the end of the periods (including extra ordinary items) (₹ in million)	E	3,008.07	2,640.90	2,004.32	1,237.11	1,125.18	807.50
	Weighted average number of equity shares	F	4,56,00,000.00	4,56,00,000.00	4,56,00,000.00	4,56,00,000.00	4,56,00,000.00	4,56,00,000.00
	Net Asset Value Per Equity Share (in Rupees)	**E/F**	**65.97**	**57.91**	**43.95**	**27.13**	**24.67**	**17.71**

Notes:

i) Formula:

$$\text{Basic and Diluted Earnings per share (Rupees)} = \frac{\text{Restated Net Profit after Tax (excluding extra ordinary items)}}{\text{Weighted average number of equity shares}}$$

$$\text{Return on net worth (\%)} = \frac{\text{Restated Net Profit after Tax (excluding extra ordinary items)}}{\text{Net worth at the end of the periods (excluding extra ordinary items)}} \times 100$$

$$\text{Net Asset Value per equity share (Rupees)} = \frac{\text{Net worth at the end of the periods}}{\text{Weighted average number of equity shares}}$$

ii) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period / year adjusted by the number of equity shares issued during period / year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period/year.

iii) Net worth for ratios mentioned represents sum of Paid-up share capital, reserves and surplus (excluding extra ordinary items).

iv) The company issued bonus shares in the ratio of 11 shares for every 1 share held, to the existing shareholders by way of capitalisation of Surplus as per Profit and Loss which has been approved at the Extraordinary General Meeting held by the company on December 16, 2017.

v) Earnings per share calculations are in accordance with Accounting Standard 20 - Earnings Per Share ('AS 20') , notified under Section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014. As per AS 20, in case of bonus share , the number of shares outstanding before the event is adjusted for the proportionate change in the number of equity shares outstanding as if the event has occurred at the beginning of the earliest period reported. Weighted average number of equity shares outstanding during all the previous years have been considered accordingly.

vi) The figures disclosed above are based on the Restated Standalone Summary Statements of Profit and Losses of the Company.

vii) The above statement should be read with the notes on adjustments to Restated Standalone Summary Statement of Assets and Liabilities, Restated Standalone Summary Statement of Profit and Loss and Restated Standalone Summary Statement of Cash Flows as appearing in Annexure IV and Significant Accounting Policies as appearing in Annexure V.

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Annexure - XXXIII
Restated Standalone Summary Statement of Capitalisation

(Amount in ₹ million)

Particulars	**Pre IPO as at September 30, 2017**	**As adjusted for IPO (Refer Note ii) below**
Borrowings		
Long-term borrowings		
Non current portion	156.47	-
Current maturity of long term borrowings	450.19	-
Sub Total (A)	606.66	-
Short-term borrowings (B)	1,636.56	-
Total (C)=(A) + (B)	**2,243.22**	-
Shareholder's Fund		
Share Capital (D)	38.00	-
Reserves and Surplus (E)	2,974.12	-
Total (F)=(D) + (E)	**3,012.12**	-
Debt / Equity Ratio - (C) / (F)	**0.74:1**	-
Long term Debt / Equity ratio - (A) / (F)	**0.2:1**	-

Notes:

i) The above ratios has been computed on the basis of the Restated Standalone Summary Statement of Assets and Liabilities as of September 30, 2017.

ii) The corresponding Post IPO capitalisation data for each of the amounts given in the above table is not determinable at this stage pending the completion of the Book Building Process and hence the same has not been provided in the above statement.

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CIN : U45201GJ2004PLC043955
Annexure-XXXIV
Restated Standalone Statement of Tax Shelter

(Amount in ₹ million)

	Particulars	As at 30-Sep-2017	As at 31-Mar-2017	As at 31-Mar-2016	As at 31-Mar-2015	As at 31-Mar-2014	As at 31-Mar-2013
A	**Profit Before Tax As Per Restated P&L**	**426.48**	**777.08**	**880.23**	**180.68**	**488.00**	**346.96**
B	Tax Rates (including surcharge and education cess)						
	Normal Tax Rate	34.61%	34.61%	34.61%	33.99%	33.99%	32.45%
	Minimum Alternate Tax Rate	21.34%	21.34%	21.34%	20.96%	20.96%	20.01%
C	Tax thereon on at normal rate	147.60	268.93	304.63	61.41	165.87	112.57
D	**Permanent Differences**						
	Disallowance under Income Tax Act (net)	15.60	0.17	(514.18)	0.41	4.13	2.61
	Deductions allowed under Income Tax Act	(268.25)	(396.78)	(318.89)	(1.34)	(1.59)	(1.11)
	Exempt Income	(0.02)	(1.01)	(1.40)	(4.22)	(0.02)	(0.01)
	Total Permanent Difference(D)	**(252.67)**	**(397.62)**	**(834.47)**	**(5.15)**	**2.51**	**1.48**
E	**Timing Difference**						
	Difference in Book depreciation and depreciation under Income tax Act	0.09	(36.53)	(41.20)	24.69	(46.23)	(48.73)
	Other timing difference	(7.94)	5.44	17.51	9.27	2.62	6.72
	Total timing difference (E)	**(7.85)**	**(31.09)**	**(23.69)**	**33.96**	**(43.61)**	**(42.00)**
F	**Net adjustments(D+E)**	**(260.52)**	**(428.71)**	**(858.15)**	**28.81**	**(41.10)**	**(40.52)**
G	**Tax Expenses/(savings) thereon (F*B) (using normal tax rate)**	**(90.16)**	**(148.37)**	**(296.99)**	**9.79**	**(13.97)**	**(13.15)**
H	**Current Tax on Profits & Gains of Business or Profession(C+G)**	**57.44**	**120.57**	**7.64**	**71.21**	**151.90**	**99.42**
I	**Capital Gains**						
	Lon Term Capital Gain	-	-	407.67	-	-	-
	Tax at Special Rate (20%)	-	-	94.06	-	-	-
J	**Tax as per Normal Provisions (H+I)**	**57.44**	**120.57**	**101.70**	**71.21**	**151.90**	**99.42**
K	**Calculation of MAT**						
	Taxable Income (Book Profits) as per MAT	**367.72**	786.81	786.02	187.64	496.63	357.13
	Tax Liability as per MAT	**78.48**	**167.92**	**167.75**	**39.33**	**104.10**	**71.45**
L	**Current Tax being higher of J and K**	**78.48**	**167.92**	**167.75**	**71.21**	**151.90**	**99.42**
M	**Interest on current tax**	-	-	0.60	-	2.21	-
N	**Total Tax (L+M)**	**78.48**	**167.92**	**168.35**	**71.21**	**154.11**	**99.42**
O	**Provision for current tax as per books of accounts**	**78.48**	**167.92**	**168.35**	**71.21**	**154.11**	**99.42**

Report of auditors on the restated consolidated summary financial statements of Assets and Liabilities as at September 30, 2017, March 31, 2017, 2016, 2015, 2014, and 2013 and Profits and Losses and Cash Flows for six month period ended September 30, 2017 and each of the years ended March 31, 2017, 2016, 2015, 2014 and 2013 of Patel Infrastructure Limited (CIN: U45201GJ2004PLC043955) (collectively, the "Restated Consolidated Summary Financial Statements")

To
The Board of Directors,
Patel Infrastructure Limited,
Patel House, Beside Prakruti Resort,
Chhani Road, Chhani, Vadodara-391740
Gujarat, India.

Dear Sirs,

1) We, **Surana Maloo & Co**, Chartered Accountants ("we" or "us") have examined the attached Restated Consolidated Summary Financial Statements of Patel Infrastructure Limited ('Company') and its subsidiaries, associates and joint ventures (collectively known as 'the Group'), as at and for the six month period ended September 30, 2017 and for each of the years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013, annexed to this report, prepared by the Company for the purpose of inclusion in the Draft Red Herring Prospectus ("DRHP") (hereinafter collectively referred to as "Restated Consolidated Summary Financial Statements") in connection with its proposed Initial Public Offer ("IPO"). Such Restated Consolidated Summary Financial Statements have been approved by the Board of Directors of the Company and prepared in accordance with the requirements of:

   a) Sub-clauses (i), (ii) and (iii) of clause (b) of Sub-section (1) of Section 26 of Part I of Chapter III of the Companies Act 2013 (the "Act") read with Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 ("the Rules"); and

   b) relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the "ICDR Regulations") issued by the Securities and Exchange Board of India ("SEBI") on August 26, 2009, as amended from time to time in pursuance of the Securities and Exchange Board of India Act, 1992.

2) The preparation of the Restated Consolidated Summary Financial Statements which is to be included in DRHP is the responsibility of the Management of the Company for the purpose set out in paragraph 16 below. The Management's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Summary Financial Statements. The Management is also responsible for identifying and ensuring that the Company complies with the Rules and ICDR Regulations.

3) Our work has been carried out in accordance with the Standards on Auditing under section 143(10) of the Act, Guidance Note on Reports in Company Prospectus (Revised 2016) and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India and pursuant to the requirements of Section 26 of the Act read with applicable provisions within Rule 4 to Rule 6 of the Rules and the SEBI (ICDR) Regulations. This work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act and the SEBI Regulations in connection with the Issue.

4) We have examined such Restated Consolidated Summary Financial Statements after taking into consideration:

   a) the terms of our engagement agreed with you in accordance with our engagement letter dated October 10, 2017 requesting us to carry out the assignment, in connection with the offer document being issued by the Company for its proposed IPO;

   b) The Guidance Note on Reports in Company Prospectuses (Revised 2016) issued by the Institute of Chartered Accountants of India (the "ICAI"), to the extent applicable (the "Guidance Note").

5) The management has informed that the Company proposes to make an IPO, which comprises of fresh issue of equity shares having a face value of Rs. 10 each, at such premium, arrived at by the book building process (referred to as the 'Offer'), as may be decided by the Board of Directors of the Company.

6) We have been appointed as statutory auditors of the Company in the Annual General Meeting held on September 30, 2017. The consolidated financial statements of the Company for the year ended March 31, 2017 as approved by the Board of Directors on June 28, 2017 have been audited by M/s K.P.Bhansali & Co ("the previous auditor"). The previous auditor does not hold a peer review certificate from Peer Review Board of the ICAI and as required by paragraph (IX) of Part A of Schedule VIII of the ICDR Regulations, we have re-audited the consolidated financial statements of the Company for the year ended March 31, 2017, approved by the Board of Directors on December 16, 2017 and issued our audit report dated December 16, 2017 thereon.

   We have audited the consolidated financial statements of the Company for the six month period ended September 30, 2017, approved by the Board of Directors on December 16, 2017 and issued our report dated December 16, 2017 thereon.

7) The Restated Consolidated Summary Financial Statements of the Company have been compiled by the management from:

   (a) the audited consolidated financial statements of the Company as at and for the six month period ended September 30, 2017 and Special Purpose Consolidated Financial Statements as at and for the year ended March 31, 2017, prepared in accordance with accounting principles generally accepted in India at the relevant time and which have been approved by the Board of Directors on December 16, 2017 and other financial records and;

   (b) the audited consolidated financial statements of the Company, as at and for the year ended March 31, 2016 and March 31, 2015 prepared in accordance with accounting principles generally accepted in India at the relevant time and which have been approved by the Board of Directors on July 15, 2016 and June 22, 2015, respectively and other financial records.

(c) the consolidated financial statements of the Company, as at and for the year ended March 31, 2014 and March 31, 2013 prepared in accordance with accounting principles generally accepted in India at the relevant time certified by management on June 30, 2014 and August 27, 2013, respectively and other financial records.

(d) the consolidated financial statements of the company referred above in para 7(a) included information in relation to the Company's subsidiaries, associates and joint ventures as under:

<table>
<tr><th>Particulars</th><th>Relationship</th><th>Period Covered</th></tr>
<tr><td>Patel Highway Management Private Limited</td><td>Subsidiary</td><td rowspan="6">As at and for the six month period ended September 30, 2017 and as at and for the year ended on March 31, 2017.</td></tr>
<tr><td>Patel Bridge Nirman Private Limited</td><td>Subsidiary</td></tr>
<tr><td>Patel Hospitality Private Limited</td><td>Subsidiary</td></tr>
<tr><td>Sadbhav PIPL JV</td><td>Joint Venture</td></tr>
<tr><td>PIPL KCL JV</td><td>Joint Venture</td></tr>
<tr><td>Kalthia Engineering & Construction Limited Patel Infrastructure Private Limited Joint Venture</td><td>Joint Venture</td></tr>
<tr><td>Amidhara Realtors Private Limited</td><td>Associate</td><td>As at and for the year ended on March 31, 2017.</td></tr>
</table>

(e) the consolidated financial statements of the company referred above in paragraph 7(b) included information in relation to the Company's subsidiaries as listed below:

Particulars	Relationship	Period Covered
Patel Highway Management Private Limited	Subsidiary	As at and for the year ended on March 31, 2016 and March 31, 2015.
Patel Bridge Nirman Private Limited	Subsidiary	As at and for the year ended on March 31, 2016 and March 31, 2015.

(f) the consolidated financial statements of the company referred above in paragraph 7(c) included information in relation to the Company's subsidiaries as listed below:

Particulars	Relationship	Period Covered
Patel Highway Management Private Limited	Subsidiary	As at and for the year ended on March 31, 2014 and March 31, 2013.
Patel Bridge Nirman Private Limited	Subsidiary	As at and for the year ended on March 31, 2014 and March 31, 2013.

(g) the audited standalone financial statements of the associates and joint venture, as at and for the years mentioned below prepared in accordance with accounting principles generally accepted in India at the relevant time and which have been approved by the Board of Directors or concerned authority of respective entities on the dates mentioned there against, since the consolidated financial statements of the Company for the year ended March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 does not include the below mentioned associates and joint ventures:

Particulars	**Relationship**	**Period Covered**
Amidhara Realtors Private Limited	Associate	As at and for the year ended on March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 approved by the Board of Directors on September 2, 2016, September 24, 2015, June 26, 2014 and May 22, 2013 respectively.
Ahmedabad Ring Road Infrastructure Limited	Associate	As at and for the year ended on March 31, 2015, March 31, 2014 and March 31, 2013 approved by the Board of Directors on May 27, 2015, May 19, 2014 and May 22, 2013 respectively.
Sadbhav PIPL JV	Joint Venture	As at and for the year ended on March 31, 2016 approved by the Board of Directors on July 15, 2016.
PIPL KCL JV	Joint Venture	As at and for the year ended on March 31, 2016, March 31, 2015 and March 31, 2014 approved as on October 11, 2016, September 22, 2015 and September 27, 2014 respectively.

8) For the purpose of our examination, we have relied on:

(a) Auditor’s report dated December 16, 2017 issued by us on the consolidated financial statements of the Company as at and for the six month period ended September 30, 2017 and auditor’s report dated December 16, 2017 issued by us on the special purpose consolidated financial statements of the Company as at and for the year ended on March, 2017 as referred in paragraph 7(a) above.

As indicated in our audit reports referred to above, we did not audit the financial statements of the certain associates and joint ventures listed below, which were audited by the respective auditors and, accordingly, reliance has been placed on the financial statements audited by them:

Name of the Entity	Relationship	Name of Auditor	Audit Report Date
Patel Highway Management Private Limited	Subsidiary	K.P. Bhansali & Co.	June 28, 2017 on standalone financial statements for the year ended on March 31, 2017.
Patel Bridge Nirman Private Limited	Subsidiary	K.P. Bhansali & Co.	June 28, 2017 on standalone financial statements for the year ended on March 31, 2017.
Patel Hospitality Private Limited	Subsidiary	Kiran Patel & Co.	June 28, 2017 on standalone financial statements for the year ended on March 31, 2017.
Amidhara Realtors Private Limited	Associate	J D M & Co.	September 18, 2017 on standalone financial statements for the year ended on March 31, 2017.
PIPL KCL JV	Joint Ventures	Zahir Meman & Associates	June 13, 2017 on standalone financial statements for the year ended on March 31, 2017.
Sadbhav PIPL JV	Joint Ventures	K.P.Bhansali & Co.	June 28, 2017 on standalone financial statements for the year ended on March 31, 2017.
Kalthia Engineering & Construction Limited Patel Infrastructure Private Limited Joint Venture	Joint Ventures	J.B. Shah & Co.	October 18, 2017 on standalone financial statements for the year ended on March 31, 2017.

These financial statements included the following amounts with respect to such subsidiaries, associates and joint venture and were audited by other auditors, whose reports have been provided to us by the management. Accordingly, our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and Joint ventures, is based solely on the reports of other auditors.

As indicated in audit reports referred to above, we did not audit the financial statements of the certain joint ventures listed below, which were certified by the management and, accordingly, reliance has been placed on the management certified financial statements:

Name of the Entity	Relationship	Period
PIPL KCL JV	Joint Ventures	Certified by the Management for the six month period ended September 30, 2017.
Kalthia Engineering & Construction Limited Patel Infrastructure Private Limited Joint Venture	Joint Ventures	

Total assets, revenue, net cash flow and group's share of net profit/(loss) included in the consolidated financial statements for the period ended September 30, 2017 certified by management and for the year ended March 31, 2017, audited by their respective auditors .

(Amounts ₹ in Million)

Particulars	**September 30, 2017**	**March 31, 2017**
Total Assets	51.20	3439.62
Revenue	225.00	3598.30
Net Cash inflow/(outflow)	0.14	(97.55)
Group's Share of net profit/(loss)	-	38.99

(b) Auditor's report issued by the previous auditor, M/s K.P.Bhansali & Co. dated July 15, 2016 and June 22, 2015 on the consolidated financial statements of the Company for the year ended March 31, 2016 and March 31, 2015.

(c) Consolidated Financial Statements for the year ended March 31, 2014 and March 31, 2013 prepared and certified by management on June 30, 2014 and August 27, 2013, respectively and other financial records

(d) Auditor's report issued by the respective auditors on audited standalone financial statements of associates and joint ventures, as at and for the years mentioned below which have been approved by the Board of Directors or concerned authorities of respective entities on the dates mentioned there against, since the consolidated financial statements of the Company for the year ended March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 does not include the below mentioned associates and joint ventures, but included in the Restated Consolidated Summary Financial Statements for the years ended March 31, 2016, March 31, 2015, March 31, 2014, and March, 2013.

Name of the Entity	**Relationship**	**Name of Auditor**	**Audit Report Date**
Amidhara Realtors Private Limited	Associate	J D M & Co.	September 2, 2016 and September 24, 2015, for the years ended March 31, 2016 and March 31, 2015 respectively.
Amidhara Realtors Private Limited	Associate	Dhruvit Patel & Co.	June 26, 2014 for the year ended March 31, 2014.
Amidhara Realtors Private Limited	Associate	Kamleshkumar & Associates	May 25, 2013 for the year ended March 31, 2013.
Ahmedabad Ring Road Infrastructure Limited	Associate	Manubhai & Shah LLP	May 27, 2015, May 19, 2014 and May 22, 2013 for the years ended March 31, 2015, March 31, 2014 and March 31, 2013 respectively.
Sadbhav PIPL JV	Joint Venture	K.P. Bhansali & Co.	July 15, 2016 for the year ended March 31, 2016.
PIPL KCL JV	Joint Ventures	Zahir Meman & Associates	October 11, 2016, September 22, 2015 and September 27, 2014 for the years ended March 31, 2016, March 31, 2015 and March 31, 2014 respectively.

9) In accordance with the requirements of sub-clauses (i), (ii) and (iii) of clause (b) of sub-section (1) of Section 26 of Part I of Chapter III of the Act read with, Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014, the ICDR Regulations and the Guidance Note and based on the above we report that:

(a) The Restated Consolidated Summary Statement of Assets and Liabilities of the Company as at September 30, 2017, March 31, 2017, 31 March 2016, 31 March 2015, 31 March 2014 and March 31, 2013, examined by us, as set out in Annexure I to this report read with the significant accounting policies in Annexure V, are after making such adjustments and regroupings/ reclassifications as in our opinion were appropriate and more fully described in the Notes to the Restated Consolidated Summary Financial Statements enclosed as Annexure IV to this report. For the financial years ended March 31, 2016 and March 31, 2015, reliance has been placed on the consolidated financial statements audited by respective auditors referred to in paragraph 8(b), for the financial years ended March 31, 2014 and March 31, 2013, reliance has been placed on consolidated financial statements prepared and certified by management referred to in paragraph 8(c) and standalone financial statements of associates and joint ventures audited by respective auditors for the financial years referred to in paragraph 8(d). As a result of these adjustments, the amounts reported in the above mentioned statements are not necessarily the same as those appearing in the financial statements of the Company for the relevant financial years;

(b) The Restated Consolidated Summary Statement of Profit and Loss of the Company for the six month period ended September 30, 2017 and for the years ended March 31, 2017, 31 March 2016, 31 March 2015, 31 March 2014 and March 31, 2013, examined by us, as set out in Annexure II to this report read with the significant accounting policies in Annexure V, are after making such adjustments and regroupings / reclassifications as in our opinion were appropriate and more fully described in the Notes to the Restated Consolidated Summary Financial Statements enclosed as Annexure IV to this report. For the financial years ended March 31, 2016 and March 31, 2015, reliance has been placed on the consolidated financial statements audited by respective auditors referred to in paragraph 8(b) for the financial years ended March 31, 2014 and March 31, 2013, reliance has been placed on consolidated financial statements prepared and certified by management referred to in paragraph 8(c) and standalone financial statements of associates and joint ventures audited by respective auditors for the financial years referred to in paragraph 8(d). As a result of these adjustments, the amounts reported in the above mentioned statements are not necessarily the same as those appearing in the financial statements of the Company for the relevant financial years;

(c) The Restated Consolidated Summary Statement of Cash Flows of the Company for the six month period ended September 30, 2017 and for the years ended March 31, 2017, 31 March 2016, 31 March 2015, 31 March 2014 and March 31, 2013, examined by us, as set out in Annexure III to this report read with the significant accounting policies in Annexure V, are after making such adjustments and regroupings / reclassifications as in our opinion were appropriate and more fully described in the Notes to the Restated Consolidated Summary Financial Statements enclosed as Annexure IV to this report. For the financial years ended March 31, 2016 and March 31, 2015, reliance has been placed on the consolidated financial statements audited by respective auditors referred to in paragraph 8(b) for the financial years ended March 31, 2014 and March 31, 2013, reliance has been placed on consolidated financial statements prepared and certified by management referred to in paragraph 8(c) and standalone financial statements of associates and joint ventures audited by respective auditors for the financial years referred to in paragraph 8(d). As a result of these adjustments, the amounts reported in the above mentioned statements are not necessarily the same as those appearing in the financial statements of the Company for the relevant financial years.

10) Based on the above, in respect of the company, its subsidiaries, associates and joint ventures for the respective years, we report that:

   a) Restated Consolidated Summary Financial Statements have been made after incorporating adjustments for the material amounts in the respective financial years to which they relate to; and

   b) Restated Consolidated Summary Financial Statements do not contain any extra-ordinary items, except as disclosed, that need to be disclosed separately in the Restated Standalone Summary Statements;

   c) Audit qualifications /observations included in the annexure to the Auditors' reports on the financial statements of the Company for the years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013, which do not require any corrective adjustment in the Restated Consolidated Summary Financial Statements are mentioned as "Non-Adjusting Items" under Annexure IV.

11) We have not audited any Financial Statement of the Group as of any date or for any period subsequent to September 30, 2017. Accordingly, we express no opinion on the financial position, results of operations or cash flows of the Company as of any date or for any period subsequent to September 30, 2017.

12) We have also examined the following Restated Consolidated Summary Financial Information proposed to be included in the DRHP, prepared by the management and approved by the Board of Directors of the Company and annexed to this report as at September 30, 2017, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014, and March 31, 2013 and for the six month period ended September 30, 2017 and for each of the years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014, and March 31, 2013. In respect of the years ended March 31, 2016, March 31, 2015, March 31, 2014, and March 31, 2013 this information has been included based upon the reports referred to in paragraph 7(b) and 7(c) above and relied upon by us:

   a. Restated Consolidated Statement of Share Capital, as Annexure VI,
   b. Restated Consolidated Statement of Reserves and Surplus, as Annexure VII
   c. Restated Consolidated Statement of Long-term Borrowings, as Annexure VIII,
   d. Restated Consolidated Statement of Deferred Tax liability (net), as Annexure IX,

e. Restated Consolidated Statement of Other Long-Term Liabilities, as Annexure X
f. Restated Consolidated Statement of Long-term Provisions and Short-term Provisions, as Annexure XI,
g. Restated Consolidated Statement of Short Term Borrowings, as Annexure XII
h. Restated Consolidated Statement of Trade payables and Other Current Liabilities, as Annexure XIII,
i. Restated Consolidated Statement of Fixed Assets, as Annexure XIV,
j. Restated Consolidated Statement of Non-current Investments, as Annexure XV,
k. Restated Consolidated Statement of Long Term Loans and Advances and Other Non-current Assets, as Annexure XVI,
l. Restated Consolidated Statement of Inventories, as Annexure XVII,
m. Restated Consolidated Statement of Trade Receivables, as Annexure XVIII,
n. Restated Consolidated Statement of Cash and Bank balance, as Annexure XIX,
o. Restated Consolidated Statement of Short Term Loans and Advances and Other Current Assets, as Annexure XX,
p. Restated Consolidated Statement of Revenue from Operations, as Annexure XXI,
q. Restated Consolidated Statement of Other Income, as Annexure XXII,
r. Restated Consolidated Statement of Construction Expenses, as Annexure XXIII,
s. Restated Consolidated Statement of Employee Benefit Expense, as Annexure XXIV,
t. Restated Consolidated Statement of Depreciation and Amortization Expense, as Annexure XXV,
u. Restated Consolidated Statement of Finance Cost, as Annexure XXVI,
v. Restated Consolidated Statement of Other Expenses, as Annexure XXVII,
w. Restated Consolidated Statement of Contingent Liabilities and Capital Commitments, as Annexure XXVIII,
x. Restated Consolidated Statement of Related Party Transactions, as Annexure XXIX,
y. Restated Consolidated Statement of Earnings per Share, as Annexure XXX,
z. Restated Consolidated Statement of Other Notes, as Annexure XXXI,
aa. Restated Consolidated Statement of Accounting Ratios, as Annexure XXXII,
bb. Restated Consolidated Summary of Capitalization, as Annexure XXXIII.

13) According to the information and explanations given to us and in our opinion, the restated consolidated summary financial statements and the above restated consolidated summary financial information contained in Annexures VI to XXXIII accompanying this report, read with Notes to the Restated Consolidated Summary Statements of Assets and Liabilities, Statement of Profits and Losses and Statement of Cash Flows disclosed in Annexure V, are prepared after making adjustments and regroupings / reclassifications as considered appropriate and have been prepared in accordance with Section 26 of Part I of Chapter III of the Act read with Rules 4 to 6 of the Rules, the ICDR Regulations and the Guidance Note.

14) This report should not be in any way construed as a reissuance or re-dating of any of the previous audit reports issued by us or by other firm of Chartered Accountants, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

15) We have no responsibility to update our report for events and circumstances occurring after the date of the report.

16) Our report is intended for use of the management for inclusion in the DRHP to be filed with SEBI, BSE Limited, National Stock Exchange of India Limited and Registrar of Companies, Gujarat in connection with the proposed IPO of the Company. Our report should not to be used, referred to or distributed for any other purpose except with our prior consent in writing.

For Surana Maloo & Co.
Chartered Accountants
Firm Registration Number: 112171W

Sd/-
Per, S. D. Patel
Partner
Membership No.: 037671

Place: Baroda
Date: December 16, 2017

Patel Infrastructure Limited
CIN : U45201GJ2004PLC043955
Annexure I
Restated Consolidated Summary Statement of Assets and Liabilities

(Amount In ₹ million)

Sr No	Particulars	Annexure	As at					
			30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
	Equity and liabilities							
A	**Shareholders' funds**							
	Share capital	VI	38.00	38.00	38.00	38.00	38.00	38.00
	Reserves and surplus	VII	3,437.57	2,959.31	2,250.27	1,372.56	1,243.09	1,016.79
B	**Share Application Money Pending Allotment**		-	-	-	-	14.51	-
C	**Minority Interest**		67.68	63.36	59.87	56.06	43.83	32.11
D	**Non-current liabilities**							
	Long-term borrowings	VIII	1,675.92	2,047.58	2,729.26	2,292.78	2,210.96	1,464.56
	Deferred Tax Liability (Net)	IX	79.07	77.33	64.60	55.89	66.77	50.68
	Other Long-term liabilities	X	502.54	695.36	368.62	221.15	213.34	267.58
	Long Term provision	XI	41.78	34.76	32.14	20.90	15.90	10.94
E	**Current Liabilties**							
	Short-tem Borrowings	XII	1,648.17	1,479.31	539.40	582.06	373.36	287.46
	Trade Payables	XIII						
	• total outstanding dues of micro enterprises and small enterprises			-	-	-	-	-
	• total outstanding dues of creditors other than micro enterprises and small enterprises		1,290.15	1,663.12	1,319.79	392.36	543.85	582.66
	Other current liabilities	XIII	2,280.85	1,750.81	1,882.09	1,231.55	1,207.74	667.32
	Short-term provisions	XI	77.07	211.81	19.48	15.59	33.01	26.43
	TOTAL (A+B+C+D+E)		**11,138.82**	**11,020.74**	**9,303.52**	**6,278.90**	**6,004.36**	**4,444.53**
	Assets							
F	**Non-current Assets**							
	Fixed Assets	XIV						
	i) Property, Plant and Equipment		2,105.36	2,181.56	1,822.55	979.51	1,048.83	1,048.81
	ii) Intangible Assets		1,864.04	2,062.99	2,463.79	2,774.59	1,420.68	795.17
	iii) Capital Work-in-Progress			-	-	-	-	12.57
	iv) Intangible Assets under Development		11.68	10.73	30.72	0.79	1,034.33	510.00
	Non-current investments	XV	3.44	5.88	6.87	90.88	87.00	83.84
	Long Term Loans and Advances	XVI	201.45	205.79	241.28	198.86	245.62	180.84
	Other non current assets	XVI	60.78	121.48	114.61	46.55	200.54	102.28
G	**Current Assets**							
	Inventories	XVII	968.13	778.04	513.55	515.52	593.10	326.39
	Investments	XV	-	95.47	-	-	-	-
	Trade Receivables	XVIII	492.37	726.41	1,362.41	126.43	257.33	345.38
	Cash and Bank Balances	XIX	1,235.30	1,227.09	916.43	637.51	499.79	626.35
	Short Term Loans and Advances	XX	2,336.08	1,876.14	1,233.12	619.63	586.74	335.82
	Other Current Assets	XX	1,860.19	1,729.17	598.19	288.63	30.41	77.08
	TOTAL (F+G)		**11,138.82**	**11,020.74**	**9,303.52**	**6,278.90**	**6,004.36**	**4,444.53**

Note

The above statement should be read with the notes to the Restated Consolidated Summary Statements as appearing in Annexure V and Statement of Restatement Adjustments to Audited Consolidated Financial Statements appearing in Annexure IV.

As per our report of even date

For Surana Maloo & Co.
Chartered Accountants
Firm Registration Number : 112171W

Sd/-

Per, S. D. Patel
Partner
Membership No.: 037671

For and Behalf of the Board of Directors
Patel Infrastructure Limited
CIN: U45201GJ2004PLC043955

Sd/-

Pravinbhai Patel
Chairman & Director
DIN: 00008911

Sd/-

Arvindbhai Patel
Managing Director
DIN: 00009089

Sd/-

Sandeep Sahni
Chief Financial Officer

Sd/-

Aswini Sahu
Company Secretary

Place: Baroda
Date : December 16, 2017

Place: Baroda
Date : December 16, 2017

Patel Infrastructure Limited
CIN : U45201GJ2004PLC043955
Annexure-II
Restated Consolidated Summary Statement of Profit and Losses

(Amount In ₹ million)

Sr. No.	Particulars	Annexure	For the six month period ended	For the year ended				
			30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
A	**Income**							
	Revenue form Operations	XXI	7,994.00	15,932.67	8,911.35	5,643.64	6,608.21	4,539.21
	Other Income	XXII	53.75	87.87	70.73	46.46	41.08	20.90
	Total Revenue		**8,047.76**	**16,020.55**	**8,982.07**	**5,690.10**	**6,649.29**	**4,560.11**
B	**Expenses**							
	Construction expenses	XXIII	6,090.04	12,458.01	6,499.45	3,859.01	4,923.82	3,274.58
	Employee benefits expense	XXIV	382.55	715.50	465.84	297.77	301.41	234.31
	Depreciation and amortisation expenses	XXV	388.97	743.42	649.97	573.15	369.15	202.88
	Finance costs	XXVI	282.32	599.68	497.89	497.92	323.05	162.31
	Other expenses	XXVII	311.17	650.29	389.45	238.25	334.73	269.46
	Total expenses		**7,455.04**	**15,166.89**	**8,502.60**	**5,466.10**	**6,252.16**	**4,143.54**
C	**Restated profit / (loss) before Extraordinary items, Tax & Minority Interest (A-B)**		**592.71**	**853.66**	**479.47**	**224.00**	**397.13**	**416.57**
D	**Extraordinary Items**							
	Profit on sale of Shares of Associates		-	-	532.86	-	-	-
E	**Profit After Extraordinary Items but before minority interest and tax (C+D)**		**592.71**	**853.66**	**1,012.34**	**224.00**	**397.13**	**416.57**
F	**Tax Expenses**							
	Current tax		128.21	174.20	186.37	84.97	154.55	134.17
	MAT Credit		(21.04)	(47.24)	(66.16)	-	-	-
	Deferred tax		1.46	12.72	8.71	(10.88)	16.09	14.57
	Total tax expenses(F)		**108.63**	**139.68**	**128.92**	**74.09**	**170.64**	**148.74**
G	**Restated profit / (loss) after tax but before minority interest for the year/period (E-F)**		**484.09**	**713.98**	**883.42**	**149.90**	**226.49**	**267.83**
H	**(Profit) / Loss attributable to Minority Interest**		(4.32)	(3.49)	(3.81)	(12.23)	(0.19)	-
I	**Restated profit / (loss) for the year / period (G-H)**		**479.77**	**710.49**	**879.61**	**137.67**	**226.30**	**267.83**

Note
The above statement should be read with the notes to the Restated Consolidated Summary Statements as appearing in Annexure V and Statement of Restatement Adjustments to Audited Consolidated Financial Statements appearing in Annexure IV.

As per our report of even date

For Surana Maloo & Co.
Chartered Accountants
Firm Registration Number : 112171W

Sd/-
Per, S. D. Patel
Partner
Membership No.: 037671

Place: Baroda
Date : December 16, 2017

For and Behalf of the Board of Directors
Patel Infrastructure Limited
CIN: U45201GJ2004PLC043955

Sd/-
Pravinbhai Patel
Chairman & Director
DIN: 00008911

Sd/-
Arvindbhai Patel
Managing Director
DIN: 00009089

Sd/-
Sandeep Sahni
Chief Financial Officer

Sd/-
Aswini Sahu
Company Secretary

Place: Baroda
Date : December 16, 2017

Patel Infrastructure Limited
CIN : U45201GJ2004PLC043955
Annexure - III
Restated Consolidated Summary Statement of Cash Flows

(Amount In ₹ million)

Sr. No.	Particulars	As at					
		30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
A	**Cash flow from operating activities**						
	Net Profit before taxation	**592.71**	**853.66**	**1,012.34**	**224.00**	**397.13**	**416.57**
	Adjustment for:						
	Depreciation and Amortisation expense	388.97	743.42	649.97	573.15	369.15	202.88
	(Profit) / Loss on sale of Fixed Assets (net)	(0.26)	(1.16)	0.82	(0.03)	0.35	1.33
	Interest Expense	251.57	486.42	419.68	435.25	247.51	109.21
	Interest Received on FDR	(20.47)	(51.15)	(41.26)	(37.41)	(35.74)	(19.33)
	Profit on sale of Mutual Fund	(9.33)	(11.39)	(16.96)	(1.60)	-	-
	(Gain) / Loss on account of foreign exchange fluctuation (net)	-	0.39	5.24	4.69	17.13	9.88
	(Profit)/Loss from Disposal of Investments (net)	1.41	1.43	(532.86)	-	-	-
	Share in (Profit) / Loss of Associate (net)	-	(0.47)	(3.12)	(3.89)	(0.65)	0.21
	Pre-operative expenses written off	-	0.17	-	1.67	1.67	1.67
	Dividend Income	(0.02)	(0.01)	(0.01)	(0.01)	(0.02)	(0.01)
	Intangibles under Development charged off to P/L	-	2.38	-	-	-	-
	Income Tax Expenses	-	-	-	0.05	0.05	3.82
	Expenditure towards Corporate Social Responsibility	(1.50)	(1.46)	(1.90)	(2.31)	-	-
	Total	**610.37**	**1,168.57**	**479.58**	**969.56**	**599.46**	**309.65**
	Operating Profit Before Working Capital Changes	**1,203.08**	**2,022.23**	**1,491.91**	**1,193.56**	**996.59**	**726.22**
	Adjustment for:						
	Changes in Inventories	(190.09)	(264.49)	1.97	77.58	(266.71)	(199.85)
	Changes in Trade Receivables	234.04	636.00	(1,235.99)	130.91	88.05	(164.00)
	Changes in Loans & Advances	(540.31)	(1,667.12)	(716.23)	(207.53)	(231.58)	(0.78)
	Changes in Trade and Other Payables	(221.75)	535.37	1,908.36	(442.85)	176.49	313.69
	Cash generated from operations	**484.98**	**1,261.99**	**1,450.02**	**751.67**	**762.85**	**675.28**
	Income tax Paid	(131.40)	(279.64)	(342.99)	(139.48)	(166.92)	(152.58)
	Net Cash Flow From Operating Activities (A)	**353.58**	**982.35**	**1,107.03**	**612.20**	**595.93**	**522.70**
B	**Cash flows from investing activities**						
	Loan and Advances received back/ (given) to Subsidiaries (net)	(0.01)	-	-	-	-	-
	Investment in Subsidiaries (made) /sold (net)	-	-	-	-	-	(3.12)
	Investment in Associates (made) / sold (net)	0.24	0.03	620.00	-	-	(0.05)
	Investment in Mutual Fund (made) / sold (net)	105.80	(84.08)	16.96	1.60	-	-
	Purchase of Fixed Assets (including advances for capital expenditure)	(107.10)	(610.75)	(1,246.33)	(846.12)	(1,531.12)	(1,656.14)
	Proceeds from Sale of Fixed Assets	4.85	6.22	6.92	8.50	2.63	1.93
	Dividend Income	0.02	0.01	0.01	0.01	0.02	0.01
	Increase decrease in Other Bank Balance / FDRs	19.71	(212.09)	(201.69)	(43.57)	(43.59)	(102.35)
	Interest Received on FDRs	20.47	51.15	41.26	37.41	35.74	19.33
	Advances received / (adjusted) for Sale of Investment	-	-	(400.00)	400.00	-	-
	Advance for acquisition of investment	-	-	-	-	-	(2.50)
	Net Cash Flow From / (used in) Investing Activities (B)	**43.99**	**(849.52)**	**(1,162.86)**	**(442.17)**	**(1,536.33)**	**(1,742.88)**
C	**Cash flows from financing activities**						
	Proceeds / (Payment) from Secured Loans	(178.68)	211.96	628.59	187.74	1,058.78	1,472.90
	Proceeds / (Payment) from Unsecured Loans	1.15	244.25	(7.79)	32.24	33.32	40.44
	Share Application Money Received / (Adjusted)	-	-	-	(14.51)	26.04	-
	Interest Expense	(251.57)	(486.42)	(419.68)	(435.25)	(247.51)	(109.21)
	Net Cash Flow From / (used in) Financing Activities (C)	**(429.10)**	**(30.21)**	**201.11**	**(229.78)**	**870.63**	**1,404.13**
	Net Increase In Cash Or Cash Equivalents(A+B+C)	(31.53)	102.63	145.28	(59.75)	(69.77)	183.95
	Cash And Cash Equivalents At The Beginning Of The Year	544.68	442.05	296.77	356.52	426.29	242.34
	Cash And Cash Equivalents At The End Of The Year	**513.15**	**544.68**	**442.05**	**296.77**	**356.52**	**426.29**

Note

The above statement should be read with the notes to the Restated Consolidated Summary Statements as appearing in Annexure V and Statement of Restatement Adjustments to Audited Consolidated Financial Statements appearing in Annexure IV.

As per our report of even date

For Surana Maloo & Co.
Chartered Accountants
Firm Registration Number : 112171W

Sd/-

Per, S. D. Patel
Partner
Membership No.: 037671

Place: Baroda
Date : December 16, 2017

For and Behalf of the Board of Directors
Patel Infrastructure Limited
CIN: U45201GJ2004PLC043955

Sd/-

Pravinbhai Patel
Chairman & Director
DIN: 00008911

Sd/-

Arvindbhai Patel
Managing Director
DIN: 00009089

Sd/-

Sandeep Sahni
Chief Financial Officer

Sd/-

Aswini Sahu
Company Secretary

Place: Baroda
Date : December 16, 2017

Patel Infrastructure Limited
CIN : U45201GJ2004PLC043955
Annexure - IV
Notes on adjustments for Restated Consolidated Summary Financial Information

(Amount In ₹ million)

Sr.No.	Particulars	Note	For the period / year ended					
			30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
A	**Net profit as per audited consolidated financial statements**		483.60	906.34	718.50	113.25	-	-
	Net Profit as per management certified consolidated financial statements		-	-	-	-	205.97	259.31
B	**Material Adjustments**							
	Interest on Term Loans from Banks and Financial Institutions not provided for	1	-	-	(3.93)	(0.58)	(0.97)	(1.37)
	Interest on Term Loans from Banks and Financial Institutions relating to previous period	1	-	3.93	0.58	0.97	1.37	0.90
	Interest Income relating to previous period	2	-	(4.29)	0.42	0.42	0.42	0.42
	Corporate Social Responsibility Expenses	3	-	-	1.90	2.31	-	-
	Gratuity Expenses	4	2.56	19.91	(6.35)	(5.17)	(2.16)	(1.76)
	Leave Encashment Expense	5	-	18.76	(7.36)	(2.86)	(3.02)	0.13
	Bonus Expenses not provided for	6	-	-	(9.89)	(7.47)	(5.37)	(4.45)
	Bonus Expenses relating to previous period	6	-	9.89	8.40	4.43	4.59	3.18
	Share of Profit / (Loss) from Investments in Associates (net)	7	-	(2.38)	3.12	3.89	0.65	(0.21)
	Profit on Disposal of Investments in Associates	7	-	-	17.06	-	-	-
	Share of Profit in Joint Venture	8	-	(0.32)	0.32	-	-	-
	Depreciation on unrealised profit eliminated on intra group transactions	9	-	(111.02)	39.61	35.83	24.07	11.44
	Excess Depreciation and Amortization of earlier years	10	-	-	-	-	-	1.68
C	**Material Adjustments related to Tax**							
	(Short) / Excess tax provision recognised for year	11	-	-	-	(0.78)	(1.73)	3.67
	Short / (Excess) TDS credit created / (written off)	12	-	-	-	0.33	2.18	(3.67)
	Restatement of Short / Excess Provision of Income Tax of Earlier Years	13	(5.57)	(46.44)	49.57	2.47	(0.31)	(3.43)
	MAT Credit of Earlier Years	14	-	(66.16)	66.16	-	-	-
	Adjustment to Deferred Tax Expense relating to previous period	15	-	0.84	0.28	(0.77)	(1.39)	1.18
D	**Deferred tax (charge)/ credit on material adjustments**	16	(0.92)	(15.08)	5.01	3.63	2.18	0.81
E	**Restated profit / (loss) after tax before minority interest (A+B+C+D)**		479.67	713.98	883.42	149.90	226.49	267.83
F	**Minority Interest in above adjustments**		0.10	-	-	-	-	-
G	**Restated Profit / (loss) after tax and minority interest (E-F)**		479.77	713.98	883.42	149.90	226.49	267.83

Re-audit of Consolidated Finanical Statements for the year ended March 31, 2017

As per the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2009 as amended from time to time, re-audit for the year ended March 31, 2017 is conducted, since the financial information to be included in the restated consolidated summary finanical information was audited by the previous auditor M/s K.P. Bhansali & Co. Chartered Accountants who did not hold Peer Review Certificate issued by the Institute of Chartered Accountants of India.

Incomes, Expenses, Profit before and after Tax and Balance of Assets and Liabilites as per re-audited consolidated finanicals for the year ended March 31, 2017 varies from the audited consolidated financial statements of the company for the year ended March 31, 2017. Audit Observations and changes pursuant to re-audit have been incorporated in the books of accounts for the six month period ended September 30, 2017.

In material adjustments above, for reconciliation of profit as per audited consolidated financial statements and restated profit after tax for the year ended March 31, 2017, net profit for the year ended March 31, 2017 is based on Re-audit. Accordingly, for reconciliation of profit as per audited consolidated finanical statements and restated profit after tax for ther period ended September 30, 2017, net profit for the period ended September 30, 2017 is taken after eliminating the effects of re-audit which has already been considered in reconciliation of profit for the year ended March 31, 2017. Effect of Eliminations for the period ended September 30, 2017 is given below:

(Amount In ₹ million)

Profit as per Audited Consolidated Financial Statements for the period ended September 30, 2017	**837.31**
Elimination of Audit Observations and Changes already considered in re-audited finanical statements for year ended March 31, 2017, which has been given effect to and recorded in the books of accounts for the six month period ended September 30, 2017:-	
Interest Income	(0.45)
Bonus Expense Provision	13.91
Gratuity Expense Provision	30.18
Provision for Entiltement to Leave Encashment	12.06
Provision for Interest on Term Loans from banks and financial institutions	4.34
Prepaid Insurance	(1.26)
Share of income from associate	(2.84)
Loss on sale of Investment in Associate	1.43
Intangibles under development written off	3.48
Interest on Income tax provided for but no longer required	(2.72)
Short / Excess Provision of Income tax (net)	(242.35)
Depreciation on unrealised profit eliminated on intra group transactions	(151.70)
Deposit for Appeal made with Income Tax wrongly expensed off, classified as Deposit on	(3.70)
Deferred Tax Asset on Gratuity and Leave Encashment	(14.62)
Revesal of Deferred Tax on Bonus	(4.53)
Adjustment to Deferred Tax Expense relating to previous period	5.06
Profit used for reconciliation of net profit as per audited consolidated finanical statements and restated finanical statements	**483.60**

The above table does not contain impact of regrouping/reclassification done in accordance with the requirement of Schedule III to the Companies Act, 2013. The above table should be read with notes on adjustments for Restated Consolidated Summary Statement of Assets and Liabilities, Restated Consolidated Summary Statement of Profit and Loss and Restated Consolidated Summary Statement of Cash Flows.

Restatement adjustments made in the Restated Consolidated Summary Statement of Reserves and Surplus to the balance as at 1 April 2012 to the Surplus in the Restated Consolidated Summary Statement of Profit and Loss is as detailed below:

Particulars	Note	Amount In ₹ million
A) Net Surplus in the Statement of Profit and Loss as at 1 April 2012 as per audited consolidated financial statements		**712.95**
B) Material Adjustments:		
Interest on Term Loans from Banks and Financial Institutions relating to previous period	1	(0.90)
Interest Income relating to previous period	2	2.62
Gratuity Expense	4	(7.04)
Leave Encashment Expense	5	(5.65)
Bonus Expenses relating to previous period	6	(3.32)
Share of Profit / (Loss) from Investments in Associates (net)	7	(22.14)
Depreciation on unrealised profit eliminated on intra group transactions	9	0.06
C) Material Adjustments related to Tax:		
Short Provision of Income Tax of Earlier Years	13	3.71
Adjustment to Deferred Tax Expense relating to previous period	15	(0.14)
D) Deferred tax (charge)/ credit on material adjustments	16	4.38
E) Restated profit / (loss) after tax before minority interest (A+B+C+D)		684.53
F) Minority Interest on Above Adjustments		(0.10)
Restated Profit / (loss) after tax and minority interest (E-F)		**684.43**

A <u>Notes to Material Adjustments</u>

1 Interest on Term Loans from Banks and Financial Institutions

Interest on term loans from banks and financial institutions accrued but not due as on March 31, 2013, March 31, 2014, March 31, 2015 and March 31, 2016 falling due and payable in respective succeeding financial year, recorded in the books of accounts for the year ended on March 31, 2014, March 31, 2015, March 31, 2016, and March 31, 2017 respectively has been restated to the year to which it pertains. Similarly, interest accrued but not due as on March 31, 2012 recorded in the books of accounts for the year ended on March 31, 2013 has been adjusted to the surplus as per profit and loss as on April 1, 2012.

2 Interest Income relating to previous period

Claim of liquidated damages made by NHAI on the company being defended since financial year 2006-07 and reflected in current assets is settled through arbitration and realized together with interest in the financial year 2016-17. The company on restatement has restated the interest income pertaining to the year ended March 31, 2013, March 31, 2014, March 31, 2015 and March 31, 2016 to the respective years and pertaining to the period upto March 31, 2012 has been adjusted to the surplus as per profit and loss as on April 1, 2012.

3 Corporate Social Responsibility Expenses

Amount required to be spent towards Corporate Social Responsibility as per the provisions of Companies Act, 2013 read with Rules and Regulations thereof is appropriated from Surplus of Profit and Loss and transferred to Corporate Social Responsibility Reserve (specific reserve), which in turn is utilized towards the amount spent by the company as per its CSR Policy.

For the year ended on March 31, 2015 and March 31, 2016 expense towards corporate social responsibility has been charged to profit and loss account, reflected as miscellaneous expenses under the head Other Expenses, which on restatement, has been added back and appropriated from Surplus of Profit and Loss of the respective years.

4 Gratuity Expenses

Based on the report of Independent Actuary M. L. Sodhi issued on October 11, 2017, cumulative expenditure towards Gratuity for the services rendered by the employees of the Holding Company relating to each of the year ended March 31, 2013, March 31, 2014, March 31, 2015 and March 31, 2016, considered in re-audit for the year ended March 31, 2017 has been restated to the year to which it pertains. Similarly, cumulative expenditure up to March 31, 2012 considered in re-audit for the year ended on March 31, 2017 has been adjusted to the surplus as per profit and loss as on April 1, 2012.

Based on the report of Independent Actuary M. L. Sodhi issued on October 17, 2017, cumulative expenditure towards Gratuity for the services rendered by the employees of the subsidiar(ies), relating to each of the year / period ended March 31, 2013, March 31, 2014, March 31, 2015, March 31, 2016, March 31, 2017 and September 30, 2017 recorded in the books of accounts for the period ended September 30, 2017 has been restated to the year to which it pertains. Similarly, cumulative expenditure up to March 31, 2012 recorded in the books of accounts for the period ended on September, 2017 has been adjusted to the surplus as per profit and loss as on April 1, 2012.

5 Leave Encashment Expense

Based on the report of Independent Actuary M. L. Sodhi issued on October 11, 2017, cumulative expenditure towards paid leaves carried forward and encashable in future relating to the services rendered by the employees for each of the year ended March 31, 2013, March 31, 2014, March 31, 2015 and March 31, 2016, considered in re-audit for the year ended on March 31, 2017 has been restated to the year to which it pertains. Similarly, cumulative expenditure towards paid leaves carried forward and encashable in future relating to services rendered up to March 31, 2012, recorded in the books of accounts for the year ended on March 31, 2017 has been adjusted to the surplus as per profit and loss as on April 1, 2012.

6 Bonus Expenses

Bonus expenditure accrued for the services rendered as on March 31, 2013, March 31, 2014, March 31, 2015 and March 31, 2016 falling due and payable in respective succeeding financial year, recorded in the books of accounts for the year ended on March 31, 2014, March 31, 2015, March 31, 2016, and March 31, 2017 respectively has been restated to the year to which it pertains. Similarly, bonus expenditure accrued as on March 31, 2012 recorded in the books of accounts for the year ended on March 31, 2013 has been adjusted to the surplus as per profit and loss as on April 1, 2012.

7 Share of Profit / (Loss) from Investments in Associates (net) and Profit on Disposal of Investments

Share of Profit / (Loss) from Investments in Amidhara Realtors Private Limited for the year ended March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 amounting to Rs. (1.51) millions, Rs. 3.94 millions, Rs. Nil, Rs.(0.05) millions respectively, has been recorded in the consolidated financial statements for the year ended March 31, 2017 with corresponding effect to carrying value of investments as per AS 23 'Accounting for Investments in Associates in Consolidated Financial Statements'. The company on restatement, has restated the profit to the year to which it pertains.

Share of Profit / (Loss) from Investments in Ahmedabad Ring Road Infrastructure Limited for the year ended March 31, 2016 (upto the date of sale of investments), March 31, 2015, March 31, 2014 and March 31, 2013 amounting to Rs.4.64 millions, Rs. (0.05) millions, Rs. 0.65 millions and Rs. (0.16) millions respectively, has not been recorded in the consolidated financial statements with corresponding effect to carrying value of investments as per AS 23 'Accounting for Investments in Associates in Consolidated Financial Statements'. The company on restatement, has recorded the profit in the year to which it pertains and cumulative profit / (loss) amounting to Rs. (22.14) millions upto March 31, 2012 has been adjusted to the surplus as per profit and loss as on April 1, 2012 with corresponding effect to the carrying value of investments. Accordingly, sale proceeds over and above the carrying value of investments on the date of sale is reflected as profit.

8 Share of Profit in Joint Venture

Share of Profit in Joint Venture pertaining to the year ended March 31, 2016 recorded in the financial statements for the year ended March 31 , 2017, has been restated to the year to which it pertains.

9 Depreciation on unrealised profit eliminated on intra group transactions

As per Accounting Standard - 21 'Consolidated Financial Statements', Profit in Work Income recorded by Holding Company included in the Assets capitalised by the Subsidiaries is eliminated in respective years, since it is unrealised, but cumulative depreciation and amortisation expense on such proportion is eliminated in the financial statements for the year ended March 31, 2017. The company on restatement has eliminated the depreciation and amortisation expense in the year to which it pertains.

10 Excess Depreciation and Amortization of earlier years

Excess Depreciation and Amortization expense for the year ended March 31, 2013 adjusted against the surplus of profit and loss as April 1, 2013 has been restated to the year to which it pertains.

11 (Short) / Excess tax provision recognised for year

The company has recognised (short) / excess tax provision for the year ended March 31, 2015, March 31, 2014 and March 31, 2013 of Rs. 0.78 million, Rs. 1.73 million and Rs. 3.67 million respectively which has been recomputed and restated in the same year, since the same has not been reflected as write back of excess provision of tax in the succeeding year (viz.March 31, 2016, March 31, 2015 and March 31, 2014 respectively).

12 Short / (Excess) TDS credit created / (written off)

For the year ended March 31, 2015, March 31, 2014 and March 31, 2013, TDS Credit Receivable reflected in the financial statements is in short / (excess) of the amount eligible for and claimed in the Income Tax Return. The company on restatement has created / (written off) the excess TDS credit and accordingly the refund of income tax for the year has been restated.

13 Restatement of Short / Excess Provision of Income Tax of Earlier Years

Based on the Computation of Income Tax at the time of filing Income Tax Return, short / excess provision of current tax reflected in profit and loss statement for the year ended September 30, 2017, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 amounting to Rs. 5.57 million, Rs.52.02 million, Rs. 2.45 million, Rs. 0.02 million and Rs. 0.29 million respectively pertaining to respective preceding financial year has been restated to the year to which it pertains. Similarly, short / (excess) provision of current tax reflected in profit and loss statement for the year ended March 31, 2013 amounting to Rs. 3.71 million pertaining to year March 31, 2012 has been adjusted to the surplus as per profit and loss as on April 1, 2012.

14 MAT Credit of Earlier Years

Based on the Computation of Income Tax at the time of filing Income Tax Return, MAT credit reflected in profit and loss statement for the year ended March 31, 2017 amounting to Rs.66.16 million pertaining to March 31, 2016 has been restated.

15 Deferred Tax Liability

The company on restatement, has accurately re-computed deferred tax liability (net) taking into consideration the income tax rates prevailing in the respective years for timing difference between depreciation and amortization on fixed assets under income tax law and depreciation and amortization provided in the books of accounts to rectify the computational errors made while taking the base for ascertaining deferred tax liability.

16 Deferred tax (charge)/ credit on material adjustments

Deferred tax has been computed on adjustments made as detailed above and has been adjusted in the restated profits and losses for the years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 and Surplus as per Profit and Loss as on April 1, 2012.

B <u>Material regroupings</u>

Appropriate adjustments have been made in the respective years of Restated Standalone Summary Statements of Assets and Liabilities, Profits and Losses and Cash flows, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the regroupings as per the audited financials of the Company for the six months ended 30th September 2017, prepared in accordance with Revised Schedule III, and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009 (as amended). Significant regroupings, amongst other includes:

i) Revenue from Operations

As required by Accounting Standard - 7 ' Construction Contracts ', the company on restatement, has presented the net effect of changes in work in progress as revenue from operations which was earlier presented as Changes in inventories of work in progress on the face of Profit and Loss Statement, since these amounts to gross contract revenue receivable.

ii) Cost of Material Consumed

In line with Schedule III to the Companies Act, 2013 and Guidance note issued by Institute of Chartered Accountants of India on the same, the company on restatement, has presented the material consumption as a line item under Construction Expenses which was earlier presented as Cost of Material Consumed on the face of Profit and Loss Statement.

iii) Work in Progress

In line with Schedule III to the Companies Act, 2013 and as required by Accounting Standard - 7 ' Construction Contracts ', the company on restatement, has presented the work in progress as Other Current Asset which was earlier presented as Inventories.

iv) Fixed Deposits

In line with Schedule III to the Companies Act, 2013 and as required by Accounting Standard - 3 ' Cash Flow Statements ', Balances with banks to the extent held as margin money or security against the borrowings cannot be included in Cash and Cash Equivalents. Accordingly, the company on restatement, has presented the Fixed Deposits made with bank maturing within 3 months from the reporting date held as margin money or security against the borrowings or lien marked as Other Bank Balances under the head 'Cash and Bank Balance' which was earlier presented as Cash and Cash Equivalents.

In line with Schedule III to the Companies Act, 2013 and Guidance note issued by Institute of Chartered Accountants of India on the same, the company on restatement, has presented fixed deposits made with the bank having maturity after 12 months from the reporting date as Other Non Current Assets which were earlier presented as Other Bank Balances under the head 'Cash and Bank Balance'.

v) Capital Advances

In line with Schedule III to the Companies Act, 2013 and Guidance note issued by Institute of Chartered Accountants of India on the same, the company on restatement, has presented Advances for Acquisition of Capital Assets (Capital Advances) as Long Term Loans and Advances which were earlier presented as Short Term Loans and Advances.

vi) Intangible Assets

Rights to collect toll or receive annuity income is obtained in consideration for costs incurred in rendering construction, operation and/or maintenance services in relation to build, operate and transfer projects and maintenance projects has been classified as intangible assets which were earlier presented as tangible assets.

C Related Party Transactions

Certain disclosures in respect of related party transactions were either not included or the amounts were incorrectly considered in the earlier audited financial statements have now been rectified in the Restated Standalone Summary Statements based on the examination reports issued by auditors.

D Contingent Liabilities

Certain contingent liabilities were erroneously considered in the disclosure in the earlier audited financial statements, which have now been rectified in the Restated Standalone Summary Statements based on examination report issued by auditors.

E Non-adjusting items

Audit Qualifications in Auditors' Report, which do not require any corrective adjustments in the Restated Consolidated Summary Financial Information

In addition to the audit opinion on the financial statements, the auditors are required to comment upon the matters included in the Companies (Auditor’s Report) Order, 2016 issued by the Central Government of India terms of sub-section (11) of Section 143 of the Companies Act, 2013 for the year ended March 31, 2017 and March 31, 2016, Companies (Auditor’s Report) Order, 2015 issued by the Central Government of India terms of sub-section (11) of Section 143 of the Companies Act, 2013 for the year ended 31, March 2015 and the Companies (Auditor’s Report) Order, 2003 (‘CARO’) issued by the Central Government of India under sub section (4A) of Section 227 of the Companies Act, 1956 for the years ended 31 March, 2014 and 31 March, 2013. Certain statements/comments included in the annexure to the Audit report on the financial statements (i.e. CARO), which do not require any adjustments in the Restated Standalone Summary Financial Information are reproduced below in respect of the financial statements presented:

Patel Infrastructure Limited (Holding Company)

For the year ended March 31, 2017

(i) Clause (i)(c) of CARO

According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of Building at Junagadh (Gross Block : ₹ 0.0 million and Net Block : ₹ 0.05 million) is held in the name of Patel Construction Co. (i.e. Partnership firm before conversion into Private Limited Company) and title deeds of all other immovable properties are held in the name of Patel Infrastructure Private Limited.

(ii) Clause (vii)(a) of CARO

According to the information and explanations given to us and on the basis of our examination of the records of the Company in respect of undisputed statutory dues including provident fund, employees’ state insurance, income tax, sales tax, service tax, duty of custom, excise duty, value added tax, cess and other material statutory dues as applicable have been regularly deposited during the year by the Company with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, service tax, value added tax, cess and other material statutory dues were in arrears as at 31st March, 2017 for a period of more than six months from the date they became payable except those mentioned below:

(Amount In ₹ million)

Nature of Statute	Nature of Dues	Period to which the amounts relates	Demand Raised as on	Amount
Income Tax	Demand raised u/s 220(2) by CPC	AY 2008-09 relevant to FY 2007-08	23/03/2016	5.08
Income Tax	Demand raised u/s 143(1)(a) related to disallowance of subcontractor expense and unaccounted sale of stone.	AY 2011-12 relevant to FY 2010-11	15/03/2012	4.09
Income Tax	Defaults related to Tax Deduction at Source	AY 2008-09 (FY 2007-08) to AY 2017-18 (FY 2016-17)	-	1.88

(iii) Clause (vii)(b) of CARO

According to the information and explanations given to us, there are no material dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax or cess which have not been deposited with the appropriate authorities on account of any dispute except those mentioned below:

(Amount In ₹ million)

Nature of Statute	Nature of Dues	Amount Demanded	Amount under Dispute Deposited	Period to which the amounts relates	Forum where dispute is pending
Income Tax	Disallowance of claim u/s 80IA.	6.09	0.91	AY 2009-10 relevant to FY 2008-09	Commissioner of Income tax (Appeals)-I
Income Tax	Disallowance of claim u/s 80IA, Disallowance of Subcontractor Expense.	10.94	1.64	AY 2010-11 relevant to FY 2009-10	Commissioner of Income tax (Appeals)-I
Income Tax	Disallowance of Subcontractor Expense.	7.66	1.15	AY 2012-13 relevant to FY 2011-12	Commissioner of Income tax (Appeals)-I
Service Tax	Service Tax on Toll Collection	10.41	-	FY 2004 to 2008	Supreme Court

(iv) Clause (viii) of CARO

Based on our audit procedure and the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of loans to banks, except stated below. The Company has not borrowed or raised any money from debenture holders during the year.

(Amount In ₹ million)

Name of the Lender	Amount of Default	Period of Default	Remarks
BMW Financial Service Private Limited	0.25	109 days from the date of instalment	The said default was cleared on 04/04/2017

Patel Infrastructure Limited
CIN: U45201GJ2004PLC043955

Annexure - V

Notes to the Restated Consolidated Summary Statements of Assets and Liabilities, Statements of Profits and Losses and Statement of Cash flows

OVERVIEW

Patel Infrastructure Limited, incorporated in 2004 is engaged in the business of construction of roads and highways, bridges, irrigation and mining projects, construction of commercial buildings, and other ancillary services like toll collection, operation and maintenance of highways.

BASIS OF PREPARATION

The Restated Consolidated Summary Statement of Assets and Liabilities in Annexure I of the Company as at September 30, 2017, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 and the Related Restated Consolidated Summary Statement of Profits and Losses in Annexure II and Restated Consolidated Summary Statement of Cash Flows in Annexure III for the period ended September 30, 2017, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 and other financial information in Annexure IV to XXXIII (herein collectively referred to as "Restated Consolidated Summary Statements") have been prepared and complied by the Management from:

- Audited consolidated Financial Statements for the year ended March 31, 2017 (re-audited), March 31, 2016 and March 31, 2015;
- Management Certified consolidated financial statements of the for the year ended March 31, 2014 and March 31, 2013;
- Audited standalone financial statements of associates and joint ventures for the year ended March 31, 2017, March 31, 2016 and March 31, 2015, since associates and joint ventures have not been included in consolidated financial statements for the said years.

The audited financial statements, from which the restated consolidated financial statements have been prepared and compiled, were prepared in accordance with the generally accepted accounting principles in India (Indian GAAP) at the relevant time. The Company has prepared the Restated Consolidated Summary Statements to comply in all material aspects with the accounting standards notified under Section 133 of the Companies Act, 2013 ('the Act'), read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016. The Restated Consolidated Summary Statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies are applied consistently in preparation of restated consolidation summary statements and are consistent with those used in the preparation of interim financial statement for the six month period ended on September 30, 2017.

These Restated Statements and Other Financial Information have been prepared for inclusion in the Offer Document to be filed by the Company with the Securities and Exchange Board of India (‘SEBI’) in connection with proposed Initial Public Offering of its equity shares, in accordance with the requirements of:

(a) Sub-clause (i), (ii) and (iii) of clause (b) of Sub-section (1) of Section 26 of Part 1 Chapter III of the Act read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014; and

(b) relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the "Regulations") issued by the Securities and Exchange Board of India ('SEBI') on 26 August 2009, as amended from time to time in pursuance of the Securities and Exchange Board of India Act, 1992.

These restated statements and other financial information have been prepared after incorporating adjustments for the material amounts in the respective years to which they relate.

The Restated Consolidated Summary Financial Information are presented in Indian rupees, rounded off to nearest million, except per share data, face value of equity shares and expressly otherwise stated.

PRESENTATION AND DISCLOSURE

With effect from April 1, 2014, Schedule III has been notified under the Act for the preparation and presentation of financial statements and accordingly, the audited consolidated financial statements pertaining to the year ended March 31, 2015, March 31, 2016, March 31, 2017 and period ended September 30, 2017 has been prepared as per Schedule III. The adoption of Schedule III does not impact recognition and measurement principles followed for preparation of Standalone financial statements. The Company has prepared the Restated Standalone Summary Statements along with the relevant notes in accordance with the requirements of Schedule III of the Act.

PRINCIPLES OF CONSOLIDATION

Investments in Subsidiaries

The Restated Consolidated Summary Financial Information relating to the Group is prepared in accordance with Accounting Standard 21 (AS) 'Consolidated Financial Statements' and notified by the Companies (Accounting Standard) Rules, 2006 as amended from time to time.

The Restated Consolidated Summary Financial Information comprise the financial Statements of the Company and its subsidiaries, combined on a line-by-line basis by adding together book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances and transactions and resulting unrealized gain / loss. The Restated Consolidated Summary Financial Information is prepared by applying uniform accounting policies for similar transactions and other events in similar circumstances. Minority interests represent that part of the net profit or loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the Company.

The excess of cost of investment in subsidiaries over the share of equity in subsidiaries as at the date of making the investment is recognized in the Restated Consolidated Summary Financial Information as Goodwill. Goodwill arising out of consolidation is not amortized. However, the same is tested for impairment at each Balance Sheet date.

The excess of share of equity of subsidiaries over the cost of acquisition of the respective investments as at the date of making the investment is treated as Capital Reserve.

For the purpose of arriving at Goodwill or Capital Reserve, share of equity is determined on the basis of the latest financial statement prior to the acquisition after making necessary adjustments for material events between the date of such financial Statements and the date of respective acquisition.

The Build, Operate and Transfer (BOT) contracts are governed by Service Concession Agreements with government authorities (grantor). Under these agreements, the operator does not own the road, but gets "toll collection rights" against the construction services rendered. Since the construction revenue earned by the operator is considered as exchanged with the grantor against toll collection rights, revenue is recognized at nominal value of construction services rendered and profit from such contracts is considered as realized.

The Subsidiaries considered in Restated Consolidated Summary Financial Information are:

Name of the Company	% of Holding by the Ultimate Holding Company					
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Patel Highway Management Private Limited	100	100	100	100	100	100
Patel Bridge Nirman Private Limited*	74	74	74	74	74	74
Patel Hospitality Private Limited	100	100	-	-	-	-

* Patel Highway Management Private Limited, wholly owned subsidiary of Patel Infrastructure Private Limited holds 44.75% in the equity of Patel Bridge Nirman Private Limited since March 2014.

Note:

Three wholly owned subsidiaries have been incorporation as on the dates mentioned below:

- Patel Cholopuram – Thanjavur Highway Private Limited (September 20, 2017)
- Patel Darah - Jhalawar Highway Private Limited (October 16, 2017)
- Patel Sethiyahopu – Cholopuram Highway Private Limited (October 16, 2017)

The above mentioned subsidiaries have not been considered in the consolidated financial statements since the these subsidiaries have no financial transaction and balances upto the period ended September 30, 2017 except a loan given by Patel Infrastructure Limited to Patel Cholopuram Highway Private Limited amounting to Rs.5,395.

Investments in Associates

Investment in associate is accounted using the equity method prescribed in Accounting Standard 23 (AS-23) "Accounting for Investments in Associates in Consolidated Financial Statements" and disclosed separately in the Consolidated Balance Sheet.

The Associates considered in Restated Consolidated Summary Financial Information are:

Name of the Company	% of Holding					
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Ahmedabad Ring Road Infrastructure Limited	-	-	-	20	20	20
Amidhara Realtors Private Limited *	-	24	49	49	49	49

* As on September 30, 2017, the company does not hold any equity shares in Amidhara Realtors Private Limited.

Interests in Joint Ventures

The financial Statements of joint ventures, being jointly controlled entities, have been consolidated on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances and intra-group transactions resulting in unrealized profits or losses using the proportionate consolidation method as required by Accounting Standard-27 "Financial Reporting of Interests in Joint Ventures".

The interest in joint ventures is as follows:

Name of Joint Ventures	Date of Acquisition of Interest in Joint Venture	Proportion of Interest in Joint Venture (%)
Sadbhav PIPL JV	21.07.2015	49
PIPL KCL JV	17.09.2013	51
Kalthia Engineering & Construction Limited Patel Infrastructure Private Limited Joint Venture	09.03.2015	30

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. USE OF ESTIMATES

The preparation of financial statements in conformity with Indian GAAP requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results may differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in current and future periods.

B. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at cost net of recoverable taxes, trade discounts and rebates and include amounts added on revaluation (if any), less accumulated depreciation and impairment loss, if any. Cost comprises its purchase price, borrowing cost and any cost attributable to bringing the asset to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Subsequent expenditures related to an item of property, plant and equipment are added to its book value if and only if, it is probable that future economic benefits associated with the item will flow to the enterprise and the cost of the item can be measured reliably.

Capital work in-progress represents expenditure incurred in respect of assets which are yet to be brought to it working condition for its intended use and are carried at cost. Cost includes related acquisition expenses, construction or development cost, borrowing costs capitalized and other direct expenditure.

C. INTANGIBLE ASSETS

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortization and impairment loss, if any. Intangible Assets comprises computer software, lease rights, right to collect toll and rights to receive annuity income. The cost comprises purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use and net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

Intangible Assets in the form of Right to collect toll or receive annuity income is obtained in consideration for costs incurred in rendering construction, operation and/or maintenance services in relation to build, operate and transfer projects and maintenance projects. The cost of such rights comprises civil works, machinery under erection, construction and erection materials, pre-operative expenditure, borrowing cost incurred during the implementation phase, expenditure indirectly related to the project and other expenses incidental to such projects. Such costs, on completion of project are capitalized as Intangible Assets.

Intangibles under development represent expenditure, incurred in respect of intangibles under development and carried at cost.

D. DEPRECIATION AND AMORTISATION

Depreciation on property, plant and equipment is provided to the extent of depreciable amount on the Straight-Line Method (SLM). Depreciation is provided on the basis of useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

In respect of additions or extensions forming an integral part of existing assets and insurance spares, depreciation is provided as aforesaid over the residual life of the respective assets.

Computer software is amortized over useful life of ten years. Intangible asset in the form of rights to collect toll and receive annuity is amortised on straight line basis over the period for which the company owns rights.

E. IMPAIRMENT

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized in the Statement of Profit and Loss whenever the carrying amount of an asset or a cash generating unit exceeds its recoverable amount. The recoverable amount of the assets (or where applicable, that of the cash generating unit to which the asset belongs) is estimated as the higher of its net selling price and its value in use. A previously recognized impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

F. INVESTMENTS

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long term investments are carried at cost and provision for diminution in value is made to recognize a decline, other than temporary, in the value of the investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares, securities or other assets, the acquisition cost is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

G. INVENTORIES

Stock of construction materials, stores & spares and embedded goods and fuel is valued at cost or net realizable value, whichever is lower after providing for obsolescence, if any, except in case of byproducts which are valued at net realizable value. Cost of inventories comprises of cost of purchase, cost of conversion and directly attributable overheads incurred in bringing them to their present location and condition. Cost is determined on First In First Out basis.

H. WORK IN PROGRESS

Work in progress in respect of construction contracts is valued on the basis of technical estimates and percentage completion basis.

I. FOREIGN CURRENCY TRANSACTIONS

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.

Monetary items denominated in foreign currencies at the year-end are restated at closing rates. In case of items which are covered by forward exchange contracts, the difference between the year-end rate and rate on the date of the contract is recognized as exchange difference and the premium paid on forward contracts is recognized over the life of the contract.

J. REVENUE RECOGNITION

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

a. Contract revenue from EPC Contracts

Contract revenue and costs associated with the contracts/ project related activities are accrued and recognized by reference to the stage of completion of the contract/projects at the reporting date.

Contract revenue comprises the initial amount of revenue agreed in the contract, the variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue and they are capable of being reliably measured.

Contract cost comprises of cost that relate directly to the specific contract, cost that are attributable to contract activity in general and can be allocated to the contract and such other cost as are specifically chargeable to the customer under the terms of the contract.

Stage of completion is determined based on the survey of work performed at the end of each year. The effect of a change in the estimate of contract revenue or contract costs, or the effect of a change in the estimate of the outcome of a contract, is accounted for as a change in accounting estimate and the effect of which are recognized in the Statement of Profit and Loss in the period in which the change is made and in subsequent periods.

Any excess/short revenue recognized in accordance with the stage of completion of the project, in comparison to the amounts billed in accordance with the milestones completed as per the respective project, is accrued as unearned/unbilled revenue.

An expected loss on construction contract is recognized as an expense immediately when it is certain that the total contract costs will exceed the total contract revenue.

b. Material Sale

Sale of Material is accounted on accrual basis.

c. Toll Income

Fee collection from users of the facility are accounted for as and when the amount is due and received.

d. Annuity Income

Operation and maintenance of Rail over Bridge (ROBs) entitles to receive annuity income which recognized on accrual basis.

e. Other income

- Interest income

Interest Income is recognized on a time proportionate basis taking into account the amount outstanding and the rate applicable.

- Dividend Income

Dividend income is recognized when the right to receive dividend is established.

- Profit from Joint Ventures

Revenue from construction/project related activity and contracts executed in Joint Ventures under work-sharing agreement is recognized in the statement of Profit and Loss to the extent of the share of profit receivable from the jointly controlled entity for the reporting period, if the right to receive payment is established at the balance sheet date.

K. EMPLOYEE BENEFITS

Defined Contribution Plans

Contribution to "Defined Contribution Plans" such as Provident Fund is charged to the profit and loss as incurred. Provident Fund Contribution is made to the Government Administered Provident Fund.

Defined benefit plans

Gratuity

The company's gratuity benefit scheme is defined benefit plan. The company's net obligation in respect of defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognized past service costs and the fair value of any plan assets are deducted. The calculation of the company's obligation plan is performed annually by a qualified actuary using the projected unit credit method.

The company recognizes all acturial gains and losses arising from defined benefit plans immediately in the statement of Profit and Loss. All expenses related to defined benefits plans are recognized in employee benefits expense in the statement of Profit and Loss. When the benefits of a plan are improved, the portion of the increased benefit related to past services by employees is recognized in Profit and Loss on a straight line basis over the average period untill the benefits become vested. The company recognizes gains and losses on the curtailment or settlement of a defined benefit plan when the cuttailment or settlement occurs.

Leave Encashment

The employees can carry forward a portion of the unutilized accrued leaves and utilize it in future service periods or receive cash compensation on termination of employment. Since the leave encashment do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as long term employee benefit. The company records an obligation for such leave encashment in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

L. BORROWING COSTS

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Profit and Loss Statement in the period in which they are incurred and included for computation of work in progress.

M. INCOME TAXES

Current Tax

Current tax is recognized at the amount expected to be paid to the tax authorities, using the applicable tax rates after taking credit for allowances and exemptions in accordance with the Income Tax Act, 1961.

Deferred Tax

Deferred tax assets and liabilities are recognized for future tax consequences attributable to timing differences between financial statements' carrying amount of existing assets and liabilities and their respective tax basis. Deferred tax assets are recognized only to the extent that there is a reasonable certainty that sufficient future income will be available except that deferred tax assets, in case there are unabsorbed depreciation or losses, are recognized if there is virtual certainty that sufficient future taxable income will be available to realize the same.

Deferred tax assets and liabilities are measured using the enacted tax rates or tax rates that have been enacted or substantively enacted by the Balance Sheet date. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the period that includes the enactment date.

MAT Credit

Minimum Alternate Tax (MAT) paid in a year is charged to statement of profit and loss as current Tax. The company recognizes MAT Credit available as an asset only when and to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e. the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on "Accounting for Credit Available in respect of Minimum Alternative Tax under Income Tax Act, 1961", the said assets is created by way of credit to the statement of Profit and loss and shown as "MAT credit entitlement". The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the assets to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

N. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provision is recognized in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within control of the company. A contingent liability also arises, in rare cases, where a liability cannot be recognized because it cannot be measured reliably unless the possibility of outflow of resources is remote.

Contingent assets are neither recognized nor disclosed in the financial statements.

O. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise of cash at bank and cash on hand. The Company considers all highly liquid investments without encumbrance having maturity of three month or less from the reporting date to be cash equivalents.

P. ACCOUNTING FOR JOINT VENTURE CONTRACTS

Contracts executed in Joint Venture under work sharing arrangement (consortium) are accounted in accordance with the accounting policy followed by the Company as that of an independent contract to the extent work is executed by the Company.

In respect of contracts executed through Joint Ventures under profit sharing arrangement (assessed as AOP under the Income tax laws), the services rendered to the Joint Ventures are accounted as income on accrual basis. The Company's share in the profit / loss is accounted for, as and when it is determined by the Joint Venture and the net investment in the Joint Venture is reflected as investments, loans & advances or current liabilities, as the case may be.

Q. EARNINGS PER SHARE

Basic earnings per share is 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. 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 weighted average number of equity shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

R. SEGMENT REPORTING

Identification of segments:

The Group's operating businesses are organized and managed separately according to the nature of services provided, with each segment representing a strategic business unit that offers different services, the risk return profile of individual business unit.

Allocation of common costs:

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated Items:

Unallocated items include general corporate incomes and expenses which are not allocated to any business segment. Assets and liabilities that cannot be allocated between the segments are shown as a part of unallocated corporate assets and liabilities respectively.

Segment Policies:

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Group as a whole.

Patel Infrastructure Limited
CIN : U45201GJ2004PLC043955
Annexure - VI
Restated Consolidated Statement of Share Capital

Particulars	As At											
	30-Sep-17		31-Mar-17		31-Mar-16		31-Mar-15		31-Mar-14		31-Mar-13	
	Number of Shares	Amount In ₹ million	Number of Shares	Amount In ₹ million	Number of Shares	Amount In ₹ million	Number of Shares	Amount In ₹ million	Number of Shares	Amount In ₹ million	Number of Shares	Amount In ₹ million
a) Authorised share capital												
Equity shares of ₹ 10 each	40,00,000	40.00	40,00,000	40.00	40,00,000	40.00	40,00,000	40.00	40,00,000	40.00	40,00,000	40.00
b) Issued, subscribed and fully paid-up share capital												
Equity shares of ₹ 10 each	38,00,000	38.00	38,00,000	38.00	38,00,000	38.00	38,00,000	38.00	38,00,000	38.00	38,00,000	38.00

The shareholders of the Company on October 27, 2017 approved for an increase in the Autorized Share Capital from ₹ 40 million to ₹ 600 million divided into 60 million equity shares of ₹ 10 each by way of additional 56 million equity shares of ₹ 10 each.

c) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity Shares	30-Sep-17		31-Mar-17		31-Mar-16		31-Mar-15		31-Mar-14		31-Mar-13	
	Number of Shares	Amount In ₹ million	Number of Shares	Amount In ₹ million	Number of Shares	Amount In ₹ million	Number of Shares	Amount In ₹ million	Number of Shares	Amount In ₹ million	Number of Shares	Amount In ₹ million
At the beginning of the period	38,00,000	38.00	38,00,000	38.00	38,00,000	38.00	38,00,000	38.00	38,00,000	38.00	38,00,000	38.00
Issued during the period	-	-	-	-	-	-	-	-	-	-	-	-
Outstanding at the end of the period	**38,00,000**	**38.00**	**38,00,000**	**38.00**	**38,00,000**	**38.00**	**38,00,000**	**38.00**	**38,00,000**	**38.00**	**38,00,000**	**38.00**

On December 16, 2017, pursuant to the provisions of the Companies Act, 2013, the shareholders of the Company approved for issue and allotment of 4,18,00,000 Bonus Equity Shares of ₹ 10/- each, under a bonus issue in ratio of 11 Equity Shares for each equity share of ₹ 10/- held by the members as on the date of the meeting.

Accordingly sum of ₹ 418 million will be capitalized out of Surplus as per Profit and Loss as on September 30, 2017 and transferred to the Share Capital Account towards issue of fully paid up bonus shares pursuant to which the paid up capital of the Company will be increased from ₹ 38 million to ₹ 456 million and the balance in Surplus as per Profit and Loss will be reduced by ₹ 418 million.

d) Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share. In In the event of liquidation of the Company, the holders of shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of shares held by the shareholders.

e) Details of shareholders holding more than 5% in the Company

Name of the Shareholder	30-Sep-17		31-Mar-17		31-Mar-16		31-Mar-15		31-Mar-14		31-Mar-13	
	Number of Shares	% of Holding	Number of Shares	% of Holding	Number of Shares	% of Holding	Number of Shares	% of Holding	Number of Shares	% of Holding	Number of Shares	% of Holding
Equity shares of ₹10 each fully paid												
Pravinbhai Patel	11,85,000	31.18%	11,85,000	31.18%	11,85,000	31.18%	11,85,000	31.18%	11,85,000	31.18%	11,85,000	31.18%
Arvindbhai Patel	11,85,000	31.18%	11,85,000	31.18%	11,85,000	31.18%	11,85,000	31.18%	11,85,000	31.18%	11,85,000	31.18%
Madhubhai Vaviya	3,80,000	10.00%	3,80,000	10.00%	3,80,000	10.00%	3,80,000	10.00%	3,80,000	10.00%	3,80,000	10.00%
Dineshbhai Vaviya	3,80,000	10.00%	3,80,000	10.00%	3,80,000	10.00%	3,80,000	10.00%	3,80,000	10.00%	3,80,000	10.00%
Sureshbhai Vaviya	3,80,000	10.00%	3,80,000	10.00%	3,80,000	10.00%	3,80,000	10.00%	3,80,000	10.00%	3,80,000	10.00%

There are no shares which are reserved to be issued under options and there are no securities issues / outstanding which are convertible into equity shares.

As per the records of the company including its register of shareholders / members and other declarations received from the shareholders.

Patel Infrastructure Limited
CIN : U45201GJ2004PLC043955
Annexure-VII
Restated Consolidated Statement of Reserves and surplus

(Amount In ₹ million)

Particulars	As at					
	30-Sep-17	**31-Mar-17**	**31-Mar-16**	**31-Mar-15**	**31-Mar-14**	**31-Mar-13**
Surplus as per Restated Consolidated Statement of Profits and loss						
At the beginning of the year/period	2,868.29	2,159.25	1,281.54	1,152.07	925.77	684.43
Restated Consolidated Profit for the period	479.77	710.49	879.61	137.67	226.30	267.83
Pre-Acquisition profit on acquisition of shares in subsidiaries	-	-	-	-	-	(26.49)
Utilised towards Corporate Social Responsibility	(1.50)	(1.46)	(1.90)	(2.31)	-	-
Transition Adjustments of Depreciation	-	-	-	(5.89)	-	-
At the end of the year/period	**3,346.55**	**2,868.29**	**2,159.25**	**1,281.54**	**1,152.07**	**925.77**
Capital Reserve on Acquistion of Shares in Subsidiaries	91.02	91.02	91.02	91.02	91.02	91.02
Total Reserves and Surplus	**3,437.57**	**2,959.31**	**2,250.27**	**1,372.56**	**1,243.09**	**1,016.79**

Note:

i) The figures disclosed above are based on the Restated Consolidated Summary Statements of Assets and Liabilities of the Company.

ii) The above statement should be read with the notes on adjustments to Restated Consolidated Summary Statement of Assets and Liabilities, Restated Consolidated Summary Statement of Profit and Loss and Restated Consolidated Summary Statement of Cash Flows as appearing in Annexure IV and Significant Accounting Policies as appearing in Annexure V.

Patel Infrastructure Limited
CIN : U45201GJ2004PLC043955
Annexure - VIII
Restated Consolidated Statement of Long-term borrowings

(Amount In ₹ million)

Particulars	As at					
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Long term borrowings- Non current portion						
Secured						
Term loans						
-From banks	1,632.36	1,935.86	2,657.59	2,196.11	2,006.42	1,201.35
-From financial institutions	43.56	111.72	65.16	10.77	36.26	23.32
-Foreign Current Term Loan	-	-	6.52	85.91	168.28	239.89
Total	**1,675.92**	**2,047.58**	**2,729.26**	**2,292.78**	**2,210.96**	**1,464.56**

(Amount In ₹ million)

Particulars	As at					
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Long term borrowings- Current portion of Long Term Borrowings is disclosed under the head "Other current liabilities" (refer Annexure XIII)	1,027.99	1,002.73	804.36	572.14	637.99	357.32

Notes:

i) The figures disclosed above are based on the Restated Consolidated Summary Statements of Assets and Liabilities of the Company.

ii) The above statement should be read with the notes on adjustments to Restated Consolidated Summary Statement of Assets and Liabilities, Restated Consolidated Summary Statement of Profit and Loss and Restated Consolidated Summary Statement of Cash Flows as appearing in Annexure IV and Significant Accounting Policies as appearing in Annexure V.

Patel Infrastructure Limited
CIN : U45201GJ2004PLC043955
Standalone Statement of Details of Borrowings Outstanding as at September 30, 2017

Long-term borrowings

Sr No	Lender	Nature of Facility	Number of Loans Outstanding	Loan Currency	Amount Sanctioned (₹ In Million)	Amount Outstanding as on September 30, 2017 (₹ In Million)	Rate of interest(p.a)	Balance No. of Installment as at September 30, 2017	Frequency of Installment	Range of Installment (Amount in `)	Security and / or Guarantees
1	HDFC Bank	Vehicle Loan	10	INR	13.63	7.11	8-11%	12-36	Monthly	20,576 to 1,73,915	Loan is secured by exclusive charge on vehicle financed and personal guarantee of Pravin Vithalbhai Patel and Arvind Vithalbhai Patel
2	ICICI Bank	Vehicle Loan	16	INR	12.74	4.19	8-11%	02-20	Monthly	17,147 to 41,310	Loan is secured by exclusive charge on vehicle financed and personal guarantee of Pravin Vithalbhai Patel and Arvind Vithalbhai Patel
3	BMW Financial Services	Vehicle Loan	3	INR	18.90	9.57	8.75-9.55%	01-30	Monthly	1,44,359 to 2,45,270	Loan is secured by exclusive charge on vehicle financed and personal guarantee of Pravin Vithalbhai Patel and Arvind Vithalbhai Patel
4	Volkswagen Finance Pvt. Ltd.	Vehicle Loan	2	INR	7.17	4.10	9%	02-21	Monthly	18,390 to 2,10,440	Loan is secured by exclusive charge on vehicle financed and personal guarantee of Pravin Vithalbhai Patel and Arvind Vithalbhai Patel
5	Kotak Mahindra Prime Ltd.	Vehicle Loan	2	INR	14.85	11.96	9%	26-30	Monthly	1,91,220 to 2,76,030	Loan is secured by exclusive charge on vehicle financed and personal guarantee of Pravin Vithalbhai Patel and Arvind Vithalbhai Patel
6	Vallabh Vidhyanagar Co-Op Bank	Vehicle Loan	1	INR	3.12	2.92	11%	24	Monthly	1,32,532	Loan is secured by exclusive charge on vehicle financed and personal guarantee of Pravin Vithalbhai Patel and Arvind Vithalbhai Patel
7	HDB Financial Service	Machinery Loan	2	INR	22.60	16.25	8-11%	24	Monthly	3,78,360	Loan is secured by exclusive charge on respective machinery financed and personal guarantee of Pravin Vithalbhai Patel and Arvind Vithalbhai Patel
8	HDFC Bank	Machinery Loan	45	INR	318.04	145.79	7-10%	6-32	Monthly	18,806 to 23,11,500	Loan is secured by exclusive charge on respective machinery financed and personal guarantee of Pravin Vithalbhai Patel and Arvind Vithalbhai Patel
9	ICICI Bank	Machinery Loan	28	INR	265.98	129.52	7-10%	10-20	Monthly	13,393 to 13,26,650	Loan is secured by exclusive charge on respective machinery financed and personal guarantee of Pravin Vithalbhai Patel and Arvind Vithalbhai Patel
10	Kotak Mahindra Bank	Machinery Loan	64	INR	247.18	101.51	7-11%	5-37	Monthly	17,368 to 8,74,900	Loan is secured by exclusive charge on respective machinery financed and personal guarantee of Pravin Vithalbhai Patel and Arvind Vithalbhai Patel
11	SREI Equipment Finance Limited	Machinery Loan	44	INR	144.37	60.68	6.50-11%	8-32	Monthly	33,830 to 3,37,050	Loan is secured by exclusive charge on respective machinery financed and personal guarantee of Pravin Vithalbhai Patel and Arvind Vithalbhai Patel

12	South Indian Bank Ltd.	Machinery Loan	10	INR	16.89	7.98	9-11%	14-21	Monthly	25,750 to 1,20,217	Loan is secured by exclusive charge on respective machinery financed and personal guarantee of Pravin Vithalbhai Patel and Arvind Vithalbhai Patel
13	Tata Motors Finance Ltd.	Machinery Loan	4	INR	23.47	13.65	8.50 - 9.70%	19-20	Monthly	1,04,213 to 4,37,850	Loan is secured by exclusive charge on respective machinery financed and personal guarantee of Pravin Vithalbhai Patel and Arvind Vithalbhai Patel
14	Tata Capital Financial Services Ltd.	Machinery Loan	2	INR	22.18	15.25	12%	23	Monthly	3,44,160 to 3,89,400	Loan is secured by exclusive charge on respective machinery financed and personal guarantee of Pravin Vithalbhai Patel and Arvind Vithalbhai Patel
15	Daimler Fin Serv (I) Pvt. Ltd.	Machinery Loan	1	INR	31.97	18.44	10%	19	Monthly	10,49,250	Loan is secured by exclusive charge on respective machinery financed and personal guarantee of Pravin Vithalbhai Patel and Arvind Vithalbhai Patel
16	IBM India Pvt. Ltd.	Software and Computer Peripherals	3	INR	17.86	9.98	11-12.35%	1-4	Quaterly	7,49,542 to 14,76,828	Loan is secured by exclusive charge on respective Computer Hardware and software financed and personal guarantee of Pravin Vithalbhai Patel and Arvind Vithalbhai Patel
17	Tata Capital Financial Services	Software and Computer Peripherals	1	INR	68.50	47.74	9-11%	24	Monthly	20,76,000	Loan is secured by exclusive charge on various machinery financed and personal guarantee of Pravin Vithalbhai Patel and Arvind Vithalbhai Patel
18	Punjab National Bank	Term Loan	1	INR	1,788.90	630.50	12.25%	5	Quaterly	12,07,00,000 to 13,42,00,000	Primary Security : Loan is secured by exclusive charge on movable, immovable asset ,book debts & bank balances. Collateral Security : Corporate guarantee of Patel Infrastructure Limited Additional Stipulations : Out of total Equity shares of Patel Highway Management Private Limited held by the holding company, 30 % equity shares are pledged with the bank and 21% equity shares are maintained in Escrow account for benifit of lender till currency of loan.
19	Punjab National Bank	Term Loan	1	INR	1,590.00	1,466.75	10.60%	21	Semi - Annually	4,37,50,000 to 10,73,50,000	Primary Security : Assignment of Annuity payments to be made by R&BD. GoG and shall be backed by DSRA requirement i.e. DSRA of ensuring 6 months interest and 1 Principal Repayment installment in the form of bank guarantee during the entire tenure of the facility. Collateral Security : Loan is secured by exclusive charge on movable, immovable asset & book debts and personal guarantee of Pravin Vithalbhai Patel and Arvind Vithalbhai Patel

Note:

i) The figures disclosed above are based on the Restated Consolidated Summary Statements of Assets and Liabilities of the Company.

ii) The above statement should be read with the notes on adjustments to Restated Consolidated Summary Statement of Assets and Liabilities, Restated Consolidated Summary Statement of Profit and Loss and Restated Consolidated Summary Statement of Cash Flows as appearing in Annexure IV and Significant Accounting Policies as appearing in Annexure V.

iii) The above includes long term borrowings disclosed under Annexure VIII and the current maturities of long-term borrowings included in other current liabilities under Annexure XIII

Patel Infrastructure Limited

CIN : U45201GJ2004PLC043955

Annexure IX

Restated Consolidated Statement of Deferred tax liability (net)

(Amount In ₹ million)

Particulars	**As at**					
	30-Sep-17	**31-Mar-17**	**31-Mar-16**	**31-Mar-15**	**31-Mar-14**	**31-Mar-13**
Deferred tax Liabilities						
Excess of depreciation and amortization on fixed assets under income tax law over depreciation and amortization provided in accounts	97.75	97.68	80.61	66.88	74.13	55.86
Other Interest Receivable	-	-	1.41	1.27	1.13	0.99
Less: Deferred Tax Assets						
Provision for Gratuity	13.65	11.37	7.67	5.52	3.76	2.89
Provision for Leave Encashment	5.03	4.17	6.38	3.88	2.90	1.79
Provision for Bonus	-	4.81	3.36	2.87	1.82	1.49
Deferred Tax Liability (Net)	**79.07**	**77.33**	**64.60**	**55.89**	**66.77**	**50.68**

Note:

i) The figures disclosed above are based on the Restated Consolidated Summary Statements of Assets and Liabilities of the Company.

ii) The above statement should be read with the notes on adjustments to Restated Consolidated Summary Statement of Assets and Liabilities, Restated Consolidated Summary Statement of Profit and Loss and Restated Consolidated Summary Statement of Cash Flows as appearing in Annexure IV and Significant Accounting Policies as appearing in Annexure V.

Patel Infrastructure Limited
CIN : U45201GJ2004PLC043955
Annexure X
Restated Consolidated Statement of Other long-term liabilities

(Amount In ₹ million)

Particulars	As at					
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Security and Other Deposits	65.87	206.05	92.83	70.01	142.16	94.01
Mobilisation Advances & Other Advances	436.67	489.31	275.79	151.14	71.18	173.58
Total	**502.54**	**695.36**	**368.62**	**221.15**	**213.34**	**267.58**

Notes:

i) The figures disclosed above are based on the Restated Consolidated Summary Statements of Assets and Liabilities of the Company.

ii) The above statement should be read with the notes on adjustments to Restated Consolidated Summary Statement of Assets and Liabilities, Restated Consolidated Summary Statement of Profit and Loss and Restated Consolidated Summary Statement of Cash Flows as appearing in Annexure IV and Significant Accounting Policies as appearing in Annexure V.

iii) Following are the amounts due to Directors/ Promoters /Promoter Group/ Relatives of Promoters/ Relatives of Directors/ Entities having significant influence/ subsidiary/ Key managerial Personnel/ Group Companies:

(Amount In ₹ million)

Particulars	As at					
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Security and Other Deposits						
Patel Structural Private Limited	-	-	-	19.35	57.99	8.47

iv) List of persons/ entities classified as 'Promoters', 'Relatives of Promoters', 'Promoter Group' and 'Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.

Patel Infrastructure Limited
CIN : U45201GJ2004PLC043955
Annexure XI
Restated Consolidated Statement of Long-term provisions and Short-term provisions

(Amount In ₹ million)

Particulars	As at					
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
A. Long Term Provision						
Provision For Employee Benefits						
Gratuity	31.14	25.93	17.64	12.63	8.82	6.98
Leave Encashment	10.64	8.83	13.64	8.27	6.14	3.97
Bonus	-	-	0.86	-	0.94	-
Total (A)	**41.78**	**34.76**	**32.14**	**20.90**	**15.90**	**10.94**
B. Short-term provisions						
i) Provision for employee benefits						
Gratuity	8.31	6.92	4.93	3.60	2.24	1.92
Leave Encashment	3.90	3.23	5.13	3.13	2.40	1.56
Bonus	28.12	13.91	9.03	8.43	4.43	4.59
Total (i)	**40.33**	**24.06**	**19.09**	**15.16**	**9.07**	**8.07**
ii) Other provisions						
Provision for income tax (Net of Advance Tax)	33.04	-	-	-	23.60	18.11
Provision for Expenses	3.48	187.46	-	-	-	-
Provision for Auditor Remuneration	0.23	0.29	0.39	0.43	0.34	0.25
Total (ii)	**36.74**	**187.75**	**0.39**	**0.43**	**23.94**	**18.36**
Total (B) (i+ii)	**77.07**	**211.81**	**19.48**	**15.59**	**33.01**	**26.43**

Notes:
i) The figures disclosed above are based on the Restated Consolidated Summary Statements of Assets and Liabilities of the Company.
ii) The above statement should be read with the notes on adjustments to Restated Consolidated Summary Statement of Assets and Liabilities, Restated Consolidated Summary Statement of Profit and Loss and Restated Consolidated Summary Statement of Cash Flows as appearing in Annexure IV and Significant Accounting Policies as appearing in Annexure V.

Patel Infrastructure Limited

CIN : U45201GJ2004PLC043955

Annexure - XII

Restated Consolidated Statement of Short-term borrowings

(Amount In ₹ million)

Particulars	As at					
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Working Capital Borrowings and Demand Loans						
Secured Loans:-						
From Banks	1,234.86	1,078.77	383.10	417.97	241.51	192.69
Unsecured Loans:-						
From Banks	406.73	394.25	150.00	-	-	-
Loans and Advance from related parties	6.58	6.30	6.30	74.23	41.81	28.39
Loans and Advances from Shareholders	-	-	-	89.86	90.03	66.38
Total	**1,648.17**	**1,479.31**	**539.40**	**582.06**	**373.36**	**287.46**

Note:

i) The figures disclosed above are based on the Restated Consolidated Summary Statements of Assets and Liabilities of the Company.

ii) The above statement should be read with the notes on adjustments to Restated Consolidated Summary Statement of Assets and Liabilities, Restated Consolidated Summary Statement of Profit and Loss and Restated Consolidated Summary Statement of Cash Flows as appearing in Annexure IV and Significant Accounting Policies as appearing in Annexure V.

iii) Following are the amounts due to Directors/ Promoters /Promoter Group/ Relatives of Promoters/ Relatives of Directors/ Entities having significant influence/ subsidiary/ Key managerial Personnel/ Group Companies:

(Amount In ₹ million)

Particulars	As at					
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Loans and Advances from related parties						
Pravinbhai Patel	0.45	0.43	0.43	0.39	0.36	0.33
Arvindbhai Patel	0.03	0.03	0.03	0.03	0.03	0.02
Dineshbhai Vaviya	1.27	1.22	1.22	0.85	0.78	0.72
Madhubhai Vaviya	0.06	0.06	0.06	0.05	0.05	0.04
Sureshbhai Vaviya	0.58	0.56	0.56	0.51	0.47	0.43
Pravinbhai V Patel (HUF)	0.06	0.06	0.06	0.05	0.05	0.04
Arvindbhai V Patel (HUF)	1.05	1.00	1.00	0.92	0.84	0.77
Sureshbhai P Vaviya (HUF)	0.10	0.10	0.10	0.09	0.08	0.08
Smt. Kaminiben A Patel	2.17	2.07	2.07	1.95	1.79	1.64
Rekhaben S Vaviya	0.80	0.77	0.77	0.70	0.65	0.59

iv) List of persons/ entities classified as 'Promoters', 'Relatives of Promoters', 'Promoter Group' and 'Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.

Short-term borrowings

Sr No	Lender	Nature of Facility	Loan Currency	Amount Sanctioned (₹ In Million)	Amount Outstanding as on September 30, 2017 (₹ In Million)	Rate of interest(p.a)	Mode of Repayment	Security and / or Guarantees
1	Oriental Bank of Commerce	Cash Credit	INR	300	279.07	10.80%	Repayable on demand subject to annual renewal	Primary Security: Secured by Hypothecation of receivables, stock of materials and other current assets on basis with other member banks in the consortium. Collateral security: First paripassu charge by equitable mortgage on the immovable properties described below: 1) Residential building admeasuring 541.00 sqmt situated at "Radhevi Krupa" Sub plot No:1, Jivandeep Colony, Near Nehru Baaug, F.P no 387/P, T.P.S No:3, Anand held in the name of Smt Kaminiben Arvindbhai Patel. 2) Residential building admeasuring 268.49 sqmt (Land 408.91 sqmt Build up area) situated at " Plot no 23/B, Shree Vidya Kunj Society, R.S No 441/P, ward no 15, C.S. No. 86, F.P. no 335, Amin Road, Rajkot held in the name of Pravinbhai Vithalbhai Patel (HUF). 3) Open Residential land admeasuring 999.77 sqmt situated at Plot no A-41, Parth township, R.S No 966/1/P, 967, 972/P & 973, Bakrol, Anand held in the name of Ahri Arvindbhai Vithalbhai Patel (HUF) 4) Residential flats-commercial building admeasuring 316.20 sqmt city survey No: 160/P Revenue S. No. 454, Plot No:5, T.P. Scheme No. 1, O P No: 2, Final Plot No 19, flat No 1&2 on first floor (Area 158.10 sqmt), flat No. 3&4 at seconf floor (Area 158.10 sqmt situated at City ward No. 15 Dreamland Apartment, Kalavad, Road, Near Hotel K.K.at Rajkot held in the name of Patel Infrastructure Limited. 5) Commercial Office building 'PATCON House' admeasuring 299.50 situated at R S No 534/2 TPS No 7, FP No 39, Sub Plot No 2 Palki land towards south side Behind J K Anand Hall, Anand held in the name of Patel Infrastructure Limited. 6) Non agriculture Land admeasuring 30316 sqmt situated at R.s. No. 713/1/8, 716, Samarkha District, Anand having area of 30316 sqmt and various construction thereon held in the mame of Arvindbhai Vithalbhai Patel. 7) Plot at ahmedabad admeasuring 1198.70 sqmt having TP No 50, plot no. 32 Bodakdev Village, Memnagar, Ahmedabad held in the name of Patel Infrastructure Limited. 8) Non agriculture land admeasuring 34451.00 sqmt i.e 16536 sqmt in RS No. 974/63/Palki 1 and 17915 sqmt in RS No. 974/64/Palki 1 in the sim village Timba, Tal Godhra, Jilla Panchmahal held in the name of Patel Infrastructure Limited. 9) Plot No. 82 FP No, 236 TPS No. 3 Flat No. 1 Ground floor, Anubhuti apartment, Swastik Co Op Housingt Society Ltd B/H sant Xavior Ladies Hostel Nr. City Center At Navarangpura Ahmedabad admeasuring 255.00 aqmt held in the name of Patel Infrastructure Limited. 10) Commercial Building admeasuring 319 sqmt Known as "Patcon House" situated at Rs. no 517 Pali, Residential Plot 22,23,24,& 25 Shanti Kunj Residency, Near Ashtha Hospital, Bhabhar Road, Radhanpur District, Patan, Gujarat held in the name of Patel Infrastructure Limited
2	Bank of Baroda	Cash Credit	INR	80	69.80	10.70%	Repayable on demand subject to annual renewal	
3	Punjab National Bank	Cash Credit	INR	165	164.79	11.15%	Repayable on demand subject to annual renewal	
4	Standard Chartered Bank (Refer Note 1)	Cash Credit	INR	305	11.10	10.60%	Repayable on demand subject to annual renewal	
5	Standard Chartered Bank (Packing Credit) (Refer Note 1)	Packing Credit	INR	145	363.00	10.50%	Repayable on demand subject to annual renewal	
6	State Bank of India	Cash Credit	INR	100	97.12	11.50%	Repayable on demand subject to annual renewal	

7	RBL Bank	Cash Credit	INR	250.00	177.48	10.75%	Repayable on demand subject to annual renewal	Personal Guarantee of Directors : Pravin Vitalbhai Patel Arvind Vitalbhai Patel Dineshbhai Pragjibhai Vaviya Madhubhai Vaviya Pragjibhai Sureshbhai Pragjibhai Vaviya Personal Guarantee of Others : Smitaben Pravinbhai Patel (Wife of Director) Kaminiben Arvindbhai Patel (Wife of Director) Pravinbhai V Patel (HUF) Arvindbhai V Patel (HUF)
		Working Capital Demand Loan (Sub Limit of Cash Credit)	INR	(250.00)	-	10.50%	Repayable on demand subject to annual renewal	
9	Oriental Bank of Commerce	Bill Discounting	INR	96.58	72.51	8.43%	1 Year Validity of sanction	Secured against Trade Receivables
10	HDFC	Working Capital Demand Loan	INR	250	250.00	10.50%	1 Year Validity of sanction / Rollover of facility on every 60 days / 90 days	Unsecured
11	Kotak Mahindra Bank	Bill Discounting	INR	150	145.12	10.25%	1 Year Validity of sanction	Unsecured
12	The Co Op Bank of Rajkot	Working Capital Loan	INR	13.5	11.61	9.00%	1 Year Validity of sanction	Unsecured
13	Loans and Advances from Related Parties	Working Capital	INR	-	6.58	10.00%	Payable on demand as mutually agreed	Unsecured

Notes:
1) Rs. 145 million is under the sub limit of Bank Guarantee. Rs. 305 million is under the sub limit of Cash Credit

i) The figures disclosed above are based on the Restated Consolidated Summary Statements of Assets and Liabilities of the Company.
ii) The above statement should be read with the notes on adjustments to Restated Consolidated Summary Statement of Assets and Liabilities, Restated Consolidated Summary Statement of Profit and Loss and Restated Consolidated Summary Statement of Cash Flows as appearing in Annexure IV and Significant Accounting Policies as appearing in Annexure V.

Annexure XIII

Restated Consolidated Statement of Trade payables and Other-current liabilities

(Amount In ₹ million)

Particulars	As at					
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
A. Trade payables						
For Goods	692.64	942.99	551.67	121.51	439.91	294.86
For Expenses	597.51	720.12	768.11	270.85	103.94	287.80
Payable to Related Parties						
Total (A)	**1,290.15**	**1,663.12**	**1,319.79**	**392.36**	**543.85**	**582.66**
B Other-current liabilities						
Current maturities of long-term borrowings (refer Annexure VIII)						
Secured Loans from Banks	888.03	883.40	673.00	455.96	502.72	261.45
Secured Loans from others	139.96	118.70	48.94	30.18	51.12	22.48
Secured Foreign Currency Term Loans	-	0.63	82.41	86.00	84.15	73.39
Unsecured From Others	-	-	-	-	-	3.75
Other Payables						
Advances Received from clients and Customers	68.21	46.17	12.13	6.87	56.37	4.73
Advance received for sale of investment in shares	-	-	-	400.00	-	-
Mobilisation Advances & Other Advances	235.71	235.69	673.11	76.70	304.22	214.04
Statutory Dues	220.90	50.39	52.67	17.38	16.13	18.36
Securities and Other deposits	494.28	210.98	100.56	101.97	57.34	31.68
Sundry Creditors for Capital Expenditure	162.44	154.20	207.03	42.27	123.19	25.43
Audit Fees & Expense Payable	-	0.09	0.11	0.09	0.02	-
Interest on Working Capital Demand Loan	2.16	-	-	-	-	-
Interest Accrued but not due on Term loans	20.58	4.34	3.93	0.58	0.97	1.37
Employee related dues	48.60	46.22	28.20	13.55	11.50	10.64
Total (B)	**2,280.85**	**1,750.81**	**1,882.09**	**1,231.55**	**1,207.74**	**667.32**

Notes:

i) The figures disclosed above are based on the Restated Consolidated Summary Statements of Assets and Liabilities of the Company.

ii) The above statement should be read with the notes on adjustments to Restated Consolidated Summary Statement of Assets and Liabilities, Restated Consolidated Summary Statement of Profit and Loss and Restated Consolidated Summary Statement of Cash Flows as appearing in Annexure IV and Significant Accounting Policies as appearing in Annexure V.

iii) Following are the amounts due to Directors/ Promoters /Promoter Group/ Relatives of Promoters/ Relatives of Directors/ Entities having significant influence/ subsidiary/ Key managerial Personnel/ Group Companies:

(Amount In ₹ million)

Particulars	As at					
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
A.Trade payables						
Patel Structural Private Limited	48.65	72.14	91.41	128.89	62.55	-
Securities and Other deposits						
Patel Structural Private Limited	4.37	4.37	6.41	37.89	2.57	-

iv) List of persons/ entities classified as 'Promoters', 'Relatives of Promoters', 'Promoter Group' and 'Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.

Patel Infrastructure Limited
CIN : U45201GJ2004PLC043955
Annexure - XIV
Restated Consolidated Statement of Fixed Assets

As at September 30, 2017

(Amount In ₹ million)

Particulars	Gross Block				Depreciation					Net Block
	As at April 1, 2017	Additions	Deductions/ Adjustments	As at September 30, 2017	As at April 1, 2017	Deductions/ Adjustments	For the Year	Transitional Adjustment	As at September 30, 2017	As at September 30, 2017
A. Property, Plant and Equipment										
Free Hold Land	227.37	-	2.39	224.98	-	-	-	-	-	224.98
Buildings	58.67	-	-	58.67	18.54	-	0.57	-	19.11	39.56
Plant & Machinery	1,512.50	41.96	6.62	1,547.84	414.67	4.98	64.08	-	473.77	1,074.07
Earth Movers	267.78	-	-	267.78	89.93	-	13.83	-	103.76	164.02
Computers	44.80	2.96	-	47.76	20.16	-	2.97	-	23.12	24.64
Two Wheelers	2.29	-	-	2.29	1.45	-	0.09	-	1.54	0.75
Furniture & Fixtures	70.19	0.97	-	71.16	19.41	-	3.16	-	22.57	48.59
Motor Vehicles	142.65	5.32	0.80	147.17	43.03	0.25	8.92	-	51.70	95.47
Office Equipment	43.36	1.56	-	44.92	20.24	-	3.51	-	23.75	21.17
Motor Lories	668.56	10.33	-	678.90	229.18	-	37.60	-	266.78	412.12
Total (A)	**3,038.17**	**63.11**	**9.82**	**3,091.46**	**856.61**	**5.23**	**134.72**	**-**	**986.10**	**2,105.36**
B. Intangible Assets										
Softwares	22.94	7.42	-	30.36	0.38	-	1.21	-	1.60	28.76
Road Overlaying/Major Maintenance	2,199.55	47.89	-	2,247.44	1,431.91	-	190.74	-	1,622.65	624.78
Weigh In Motion	30.92	-	-	30.92	10.03	-	5.01	-	15.04	15.88
Construction works	1,518.65	-	-	1,518.65	295.12	-	50.48	-	345.60	1,173.05
Plantation	5.72	-	-	5.72	4.25	-	0.35	-	4.60	1.12
Toll Plaza	63.97	-	-	63.97	45.14	-	4.52	-	49.66	14.31
Computer Toll System	24.82	-	-	24.82	16.73	-	1.94	-	18.67	6.15
Total (B)	**3,866.55**	**55.31**	**-**	**3,921.86**	**1,803.56**	**-**	**254.26**	**-**	**2,057.82**	**1,864.04**
C. Intangible Assets under Development	**10.74**	**0.94**	**-**	**11.68**	**-**	**-**	**-**	**-**	**-**	**11.68**
Grand Total (A+B+C)	**6,915.46**	**119.36**	**9.82**	**7,025.00**	**2,660.17**	**5.23**	**388.97**	**-**	**3,043.91**	**3,981.09**

Notes:
i) The figures disclosed above are based on the Restated Consolidated Summary Statements of Assets and Liabilities of the Company.
ii) The above statement should be read with the notes on adjustments to Restated Consolidated Summary Statement of Assets and Liabilities, Restated Consolidated Summary Statement of Profit and Loss and Restated Consolidated Summary Statement of Cash Flows as appearing in Annexure IV and Significant Accounting Policies as appearing in Annexure V.

Patel Infrastructure Limited
CIN : U45201GJ2004PLC043955
Annexure - XIV
Restated Consolidated Statement of Fixed Assets

As at March 31, 2017

(Amount In ₹ million)

Particulars	Gross Block				Depreciation					Net Block
	As at April 1, 2016	Additions	Deductions/ Adjustments	As at March 31, 2017	As at April 1, 2016	Deductions/ Adjustments	For the Year	Transitional Adjustment	As at March 31, 2017	As at March 31, 2017
A. Property, Plant and Equipment										
Free Hold Land	33.54	193.83	-	227.37	-	-	-	-	-	227.37
Buildings	56.44	2.65	0.42	58.67	17.47	0.04	1.11	-	18.54	40.13
Plant & Machinery	1,257.22	256.00	0.72	1,512.50	295.91	0.00	118.76	-	414.67	1,097.83
Earth Movers	258.29	9.66	0.18	267.78	62.56	-	27.37	-	89.93	177.85
Computers	23.65	21.18	0.03	44.80	15.34	0.00	4.83	-	20.16	24.64
Two Wheelers	2.29	-	-	2.29	1.26	-	0.19	-	1.45	0.84
Furniture & Fixtures	49.97	20.22	0.01	70.19	13.68	-	5.73	-	19.41	50.78
Motor Vehicles	113.64	34.17	5.16	142.65	29.97	1.82	14.88	-	43.03	99.62
Office Equipment	28.62	14.74	-	43.36	15.72	-	4.52	-	20.24	23.12
Motor Lories	607.23	61.90	0.57	668.56	156.45	0.16	72.90	-	229.18	439.38
Total (A)	**2,430.89**	**614.36**	**7.09**	**3,038.17**	**608.35**	**2.03**	**250.29**	**-**	**856.61**	**2,181.56**
B. Intangible Assets										
Softwares	-	22.94	-	22.94	-	-	0.38	-	0.38	22.55
Road Overlaying/Major Maintenance	2,161.07	38.47	-	2,199.55	1,063.49	-	368.42	-	1,431.91	767.63
Weigh In Motion	-	30.92	-	30.92	-	-	10.03	-	10.03	20.89
Construction works	1,518.65	-	-	1,518.65	194.44	-	100.68	-	295.12	1,223.53
Plantation	5.72	-	-	5.72	3.54	-	0.70	-	4.25	1.47
Toll Plaza	63.97	-	-	63.97	36.11	-	9.03	-	45.14	18.82
Computer Toll System	24.82	-	-	24.82	12.84	-	3.88	-	16.73	8.09
Total (B)	**3,774.22**	**92.33**	**-**	**3,866.55**	**1,310.43**	**-**	**493.13**	**-**	**1,803.56**	**2,062.99**
C. Intangible Assets under Development	**30.72**	**13.31**	**33.30**	**10.73**	**-**	**-**	**-**	**-**	**-**	**10.73**
Grand Total (A+B+C)	**6,235.83**	**720.00**	**40.39**	**6,915.44**	**1,918.78**	**2.03**	**743.42**	**-**	**2,660.17**	**4,255.27**

Notes:
i) The figures disclosed above are based on the Restated Consolidated Summary Statements of Assets and Liabilities of the Company.
ii) The above statement should be read with the notes on adjustments to Restated Consolidated Summary Statement of Assets and Liabilities, Restated Consolidated Summary Statement of Profit and Loss and Restated Consolidated Summary Statement of Cash Flows as appearing in Annexure IV and Significant Accounting Policies as appearing in Annexure V.

Patel Infrastructure Limited
CIN : U45201GJ2004PLC043955
Annexure - XIV
Restated Consolidated Statement of Fixed Assets

As at March 31, 2016

(Amount In ₹ million)

Particulars	Gross Block				Depreciation					Net Block
	As at April 1, 2015	Additions	Deletion/ Adjustments	As at March 31, 2016	As at April 1, 2015	Deletion/ Adjustments	For the year	Transitional Adjustment	As at March 31, 2016	As at March 31, 2016
A. Property, Plant and Equipment										
Free Hold Land	33.54	-	-	33.54	-	-	-	-	-	33.54
Buildings	56.44	-	-	56.44	16.30	-	1.17	-	17.47	38.97
Plant & Machinery	812.02	445.19	-	1,257.22	198.19	-	97.72	-	295.91	961.31
Earth Movers	100.77	157.52	-	258.29	45.50	-	17.06	-	62.56	195.73
Computers	17.01	6.64	-	23.65	11.72	-	3.61	-	15.34	8.31
Two Wheelers	2.18	0.11	-	2.29	1.08	-	0.19	-	1.26	1.03
Furniture & Fixtures	33.15	16.82	-	49.97	8.85	-	4.83	-	13.68	36.29
Motor Vehicles	78.84	49.70	14.90	113.64	25.85	7.20	11.32	-	29.97	83.67
Office Equipment	22.75	5.92	0.05	28.62	11.83	0.02	3.90	-	15.72	12.91
Motor Lories	258.63	348.61	-	607.23	116.50	-	39.94	-	156.45	450.79
Total (A)	**1,415.33**	**1,030.52**	**14.95**	**2,430.89**	**435.82**	**7.22**	**179.75**	**-**	**608.35**	**1,822.55**
B. Intangible Assets										
Road Overlaying/Major Maintenance	2,009.79	151.29	-	2,161.07	707.55	-	355.94	-	1,063.49	1,097.58
Construction works	1,518.65	-	-	1,518.65	93.78	-	100.66	-	194.44	1,324.21
Plantation	5.72	-	-	5.72	2.84	-	0.70	-	3.54	2.17
Toll Plaza	63.97	-	-	63.97	27.08	-	9.03	-	36.11	27.85
Computer Toll System	16.68	8.14	-	24.82	8.96	-	3.88	-	12.84	11.97
Total (B)	**3,614.80**	**159.42**	**-**	**3,774.22**	**840.21**	**-**	**470.22**	**-**	**1,310.43**	**2,463.79**
C. Intangible Assets under Development	**0.79**	**29.93**	**-**	**30.72**	**-**	**-**	**-**	**-**	**-**	**30.72**
Grand Total (A+B+C)	**5,030.91**	**1,219.87**	**14.95**	**6,235.83**	**1,276.03**	**7.22**	**649.97**	**-**	**1,918.78**	**4,317.05**

Notes:
i) The figures disclosed above are based on the Restated Consolidated Summary Statements of Assets and Liabilities of the Company.
ii) The above statement should be read with the notes on adjustments to Restated Consolidated Summary Statement of Assets and Liabilities, Restated Consolidated Summary Statement of Profit and Loss and Restated Consolidated Summary Statement of Cash Flows as appearing in Annexure IV and Significant Accounting Policies as appearing in Annexure V.

Patel Infrastructure Limited
CIN : U45201GJ2004PLC043955
Annexure - XIV
Restated Consolidated Statement of Fixed Assets

As at March 31, 2015

(Amount In ₹ million)

Particulars	Gross Block				Depreciation					Net Block
	As at April 1, 2014	Additions	Deletion/ Adjustments	As at March 31, 2015	As at April 1, 2014	Deletion/ Adjustments	For the Year	Transitional Adjustment	As at March 31, 2015	As at March 31, 2015
A. Property, Plant and Equipment										
Free Hold Land	32.95	0.59	-	33.54	-	-	-	-	-	33.54
Buildings	52.12	4.32	-	56.44	9.64	-	6.66	0.00	16.30	40.13
Plant & Machinery	759.65	62.80	10.43	812.02	121.80	5.12	80.44	1.07	198.19	613.84
Earth Movers	100.77	-	-	100.77	35.39	-	10.11	-	45.50	55.27
Computers	15.48	1.59	0.06	17.01	7.06	0.02	3.75	0.94	11.72	5.28
Two Wheelers	2.29	0.09	0.19	2.18	1.06	0.17	0.19	-	1.08	1.10
Furniture & Fixtures	29.09	4.06	-	33.15	5.24	-	3.61	-	8.85	24.31
Motor Vehicles	72.58	13.24	6.98	78.84	20.72	4.33	9.46	0.00	25.85	52.99
Office Equipment	20.98	1.77	-	22.75	3.64	-	4.31	3.88	11.83	10.92
Motor Lories	253.78	5.42	0.57	258.63	86.29	0.12	30.33	-	116.50	142.12
Total (A)	**1,339.68**	**93.88**	**18.23**	**1,415.33**	**290.85**	**9.76**	**148.84**	**5.89**	**435.82**	**979.51**
B. Intangible Assets										
Road Overlaying/Major Maintenance	1,750.22	259.57	-	2,009.79	388.65	-	318.89	-	707.55	1,302.24
Construction works	-	1,518.65	-	1,518.65	-	-	93.78	-	93.78	1,424.86
Plantation	5.72	-	-	5.72	2.13	-	0.70	-	2.84	2.88
Toll Plaza	63.97	-	-	63.97	18.05	-	9.03	-	27.08	36.88
Computer Toll System	16.68	-	-	16.68	7.07	-	1.89	-	8.96	7.72
Total (B)	**1,836.58**	**1,778.21**	**-**	**3,614.80**	**415.91**	**-**	**424.30**	**-**	**840.21**	**2,774.59**
C. Intangible Assets under Development	**1,034.33**	**485.10**	**1,518.65**	**0.79**	**-**	**-**	**-**	**-**	**-**	**0.79**
Grand Total(A+B+C)	**4,210.59**	**2,357.20**	**1,536.88**	**5,030.91**	**706.76**	**9.76**	**573.15**	**5.89**	**1,276.03**	**3,754.88**

Notes:

i) Pursuant to the enactment of Companies Act 2013, the Group has applied the estimated useful lives as specified in Schedule II. Accordingly the unamortized carrying value is being depreciated over the revised remaining useful life. The written down value of fixed assets whose lives have expired as at April 01, 2014 have been adjusted net of tax, in the opening balance of profit and loss account amounting to Rs.5.89 millions.

ii) The figures disclosed above are based on the Restated Standalone Summary Statements of Assets and Liabilities of the Company.

iii) The above statement should be read with the notes on adjustments to Restated Standalone Summary Statement of Assets and Liabilities, Restated Standalone Summary Statement of Profit and Loss and Restated Standalone Summary Statement of Cash Flows as appearing in Annexure IV and Significant Accounting Policies as appearing in Annexure V.

Patel Infrastructure Limited
CIN : U45201GJ2004PLC043955
Annexure - XIV
Restated Consolidated Statement of Fixed Assets

As at March 31, 2014

(Amount In ₹ million)

Particulars	Gross Block				Depreciation					Net Block
	As at April 1, 2013	Additions	Deletion/ Adjustments	As at March 31, 2014	As at April 1, 2013	Deletion/ Adjustments	For the Year	Transitional Adjustment	As at March 31, 2014	As at March 31, 2014
A. Property, Plant and Equipment										
Free Hold Land	25.26	7.68	-	32.95	-	-	-	-	-	32.95
Buildings	51.30	0.84	0.03	52.12	5.47	0.03	4.20	-	9.64	42.48
Plant & Machinery	722.33	37.33	-	759.65	86.28	-	35.52	-	121.80	637.85
Earth Movers	90.40	10.38	-	100.77	24.29	-	11.11	-	35.39	65.38
Computers	12.62	2.86	-	15.48	5.29	-	1.76	-	7.06	8.42
Two Wheelers	2.29	-	-	2.29	0.85	-	0.22	-	1.06	1.22
Furniture & Fixtures	22.95	6.14	-	29.09	3.52	-	1.72	-	5.24	23.85
Motor Vehicles	59.69	16.42	3.53	72.58	16.49	2.09	6.31	-	20.72	51.86
Office Equipment	18.12	2.89	0.04	20.98	2.71	0.00	0.94	-	3.64	17.33
Motor Lories	238.46	17.11	1.79	253.78	58.71	0.29	27.87	-	86.29	167.49
Total (A)	**1,243.40**	**101.67**	**5.39**	**1,339.68**	**203.61**	**2.41**	**89.65**	**-**	**290.85**	**1,048.83**
B. Intangible Assets										
Road Overlaying/Major Maintenance	856.72	893.50	-	1,750.22	120.82	-	267.83	-	388.65	1,361.57
Plantation	5.72	-	-	5.72	1.43	-	0.70	-	2.13	3.58
Toll Plaza	63.97	-	-	63.97	9.02	-	9.03	-	18.05	45.91
Computer Toll System	14.19	2.49	-	16.68	5.18	-	1.89	-	7.07	9.61
Lease Rights	1.03	-	-	1.03	0.99	-	0.04	-	1.03	-
Total (B)	**941.62**	**896.00**	**-**	**1,837.62**	**137.44**	**-**	**279.50**	**-**	**416.94**	**1,420.68**
C. Capital Work in Progress	**12.57**	**-**	**12.57**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
D. Intangible under Development	**510.00**	**524.33**	**-**	**1,034.33**	**-**	**-**	**-**	**-**	**-**	**1,034.33**
Grand Total(A+B+C+D)	**2,707.59**	**1,521.99**	**17.95**	**4,211.62**	**341.05**	**2.41**	**369.15**	**-**	**707.79**	**3,503.84**

Notes:

i) Pursuant to the enactment of Companies Act 2013, the Group has applied the estimated useful lives as specified in Schedule II. Accordingly the unamortized carrying value is being depreciated over the revised remaining useful life. The written down value of fixed assets whose lives have expired as at April 01, 2014 have been adjusted net of tax, in the opening balance of profit and loss account amounting to Rs.5.89 millions.

ii) The figures disclosed above are based on the Restated Standalone Summary Statements of Assets and Liabilities of the Company.

Patel Infrastructure Limited
CIN : U45201GJ2004PLC043955
Annexure - XIV
Restated Consolidated Statement of Fixed Assets

As at March 31, 2013

(Amount In ₹ million)

Particulars	**Gross Block**				**Depreciation**					**Net Block**
	As at April 1, 2012	**Additions**	**Deletion/ Adjustments**	**As at March 31, 2013**	**As at April 1, 2012**	**Deletion/ Adjustments**	**For the Year**	**Transitional Adjustment**	**As at March 31, 2013**	**As at March 31, 2013**
A. Property, Plant and Equipment										
Free Hold Land	25.26	-	-	25.26	-	-	-	-	-	25.26
Buildings	34.97	16.82	0.48	51.30	2.29	0.04	3.22	-	5.47	45.84
Plant & Machinery	500.87	221.46	-	722.33	58.98	-	27.30	-	86.28	636.04
Earth Movers	73.01	17.38	-	90.40	14.14	-	10.15	-	24.29	66.11
Computers	22.06	4.75	-	26.80	7.47	-	3.00	-	10.47	16.33
Two Wheelers	1.88	0.41	-	2.29	0.65	-	0.20	-	0.85	1.44
Furniture & Fixtures	11.79	11.71	0.56	22.95	2.83	0.31	1.00	-	3.52	19.43
Motor Vehicles	56.35	6.80	3.46	59.69	12.02	0.93	5.40	-	16.49	43.20
Office Equipment	11.72	6.42	0.03	18.12	2.03	0.00	0.68	-	2.71	15.41
Motor Lories	123.15	115.45	0.14	238.46	38.02	0.14	20.83	-	58.71	179.75
Total (A)	**861.06**	**401.20**	**4.68**	**1,257.59**	**138.43**	**1.42**	**71.78**	**-**	**208.78**	**1,048.81**
B. Intangible Assets										
Road Overlaying/Major Maintenance	-	856.72	-	856.72	-	-	120.82	-	120.82	735.90
Plantation	5.72	-	-	5.72	0.71	-	0.71	-	1.43	4.29
Sign Board	0.23	-	-	0.23	0.03	-	0.20	-	0.23	-
Toll Plaza	-	63.97	-	63.97	-	-	9.02	-	9.02	54.94
Lease Rights	1.03	-	-	1.03	0.64	-	0.34	-	0.99	0.04
Total (B)	**6.97**	**920.69**	**-**	**927.66**	**1.39**	**-**	**131.10**	**-**	**132.49**	**795.17**
C. Capital Work in Progress	**45.34**	**67.56**	**100.33**	**12.57**	**-**	**-**	**-**	**-**	**-**	**12.57**
D. Intangible under Development	**189.96**	**384.01**	**63.97**	**510.00**	**-**	**-**	**-**	**-**	**-**	**510.00**
Grand Total(A+B+C+D)	**1,103.33**	**1,773.46**	**168.97**	**2,707.82**	**139.81**	**1.42**	**202.88**	**-**	**341.27**	**2,366.55**

Notes:

i) Pursuant to the enactment of Companies Act 2013, the Group has applied the estimated useful lives as specified in Schedule II. Accordingly the unamortized carrying value is being depreciated over the revised remaining useful life. The written down value of fixed assets whose lives have expired as at April 01, 2014 have been adjusted net of tax, in the opening balance of profit and loss account amounting to Rs.5.89 millions.

ii) The figures disclosed above are based on the Restated Standalone Summary Statements of Assets and Liabilities of the Company.

Patel Infrastructure Limited
CIN : U45201GJ2004PLC043955
Annexure XV
Restated Consolidated Statement of Non-current Investments and Current Investmnets

A) Non-current Investments

Particulars	As at											
	30-Sep-17		31-Mar-17		31-Mar-16		31-Mar-15		31-Mar-14		31-Mar-13	
	Nos. / Units	Amount In ₹ million	Nos. / Units	Amount In ₹ million	Nos. / Units	Amount In ₹ million	Nos. / Units	Amount In ₹ million	Nos. / Units	Amount In ₹ million	Nos. / Units	Amount In ₹ million
Non - Trade Investments												
Quoted												
Investment in Equity Instruments												
Equity Shares in IRB Infra Developers Limited, of Rs. 10 fully paid up	4,500	0.83	4500	0.83	4500	0.83	4500	0.83	4500	0.83	4500	0.83
Equity Shares in Reliance Power Limited, of Rs. 10 fully paid up	24	0.01	24	0.01	24	0.01	24	0.01	24	0.01	24	0.01
Investment in Mutual Funds												
Principal Pnb Fixed Maturity Plan – Series B17 - Regular Plan Growth	-	-	1,00,000.00	1.00	1,00,000.00	1.00	1,00,000.00	1.00	-	-	-	-
HDFC Prudence Mutual Fund			-	-	-	-	-	-	3,915.55	0.50	3,915.55	0.50
Magnum Balanced			-	-	-	-	-	-	12,970.17	0.50	12,970.17	0.50
Unquoted												
Investment in Equity Instruments												
Equity Shares in Jay Hind Leasing & Finance Limited, of Rs. 10 fully paid up	10,000	0.10	10,000	0.10	10,000	0.10	10,000	0.10	10,000	0.10	10,000	0.10
Equity Shares Ahmedabad Ring Road Infrastructure Limited, of Rs. 10 fully paid up			-	-	-	-	20,92,000	82.50	20,92,000	82.55	20,92,000	81.90
Equity Shares in Ameedhara Realtors Private Limited, of Rs. 10 fully paid up	-	-	2,400	1.44	4,900	2.43	4,900	3.94	4,900	-	4,900	-
Equity Shares in Grand Mahi Club & Banquets Private Limited, of Rs. 10 fully paid up	2,50,000	2.50	2,50,000	2.50	2,50,000	2.50	2,50,000	2.50	2,50,000	2.50	-	-
Other Non-current investments												
Equity in The Sarvoday Co-Op. Credit Soc. Limited, of Rs. 10 fully paid up *	12	0.00	12	0.00	12	0.00	12	0.00	12	0.00	12	0.00
Total		**3.44**		**5.88**		**6.87**		**90.88**		**87.00**		**83.84**

* Amounts (RS. 2500 for each of the years ended on March 31, 2013 to March 31, 2017) are below rounding off norm adopted by company.

The aggregate book value and market value of quoted non - current investments and book value of un-quoted non-current investments are as follows:

(Amount In ₹ million)

Particulars	As at					
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Quoted non-current investments in Equity Instruments						
Aggregate book value	0.84	0.84	0.84	0.84	0.84	0.84
Aggregate market value	0.96	1.06	1.05	1.10	0.47	0.51
Quoted non-current investments in Mutual Funds						
Aggregate book value	-	1.00	1.00	1.00	1.00	1.00
Aggregate market value	-	1.08	1.17	1.27	1.90	1.58
Aggregate book value of un-quoted non-current investments	2.60	4.04	5.03	89.04	85.16	82.00

Note:

i) The figures disclosed above are based on the Restated Consolidated Summary Statements of Assets and Liabilities of the Company.

ii) The above statement should be read with the notes on adjustments to Restated Consolidated Summary Statement of Assets and Liabilities, Restated Consolidated Summary Statement of Profit and Loss and Restated Consolidated Summary Statement of Cash Flows as appearing in Annexure IV and Significant Accounting Policies as appearing in Annexure V.

B) Current Investments

Particulars	As at											
	30-Sep-17		31-Mar-17		31-Mar-16		31-Mar-15		31-Mar-14		31-Mar-13	
	Nos.	Amount in Miilion	Nos.	Amount in Miilion	Nos.	Amount in Miilion	Nos.	Amount in Miilion	Nos.	Amount in Miilion	Nos.	Amount in Miilion
Non - Trade Investments												
Quoted												
Investment in Mutual Funds												
Principal Cash Management Fund - Regular Plan Growth	-	-	60,496.27	95.47	-	-	-	-	-	-	-	-
Total	-	-	-	**95.47**	-	-	-	-	-	-	-	-

Note:

i) The figures disclosed above are based on the Restated Consolidated Summary Statements of Assets and Liabilities of the Company.

ii) The above statement should be read with the notes on adjustments to Restated Consolidated Summary Statement of Assets and Liabilities, Restated Consolidated Summary Statement of Profit and Loss and Restated Consolidated Summary Statement of Cash Flows as appearing in Annexure IV and Significant Accounting Policies as appearing in Annexure V.

Patel Infrastructure Limited
CIN : U45201GJ2004PLC043955
Annexure XVI
Restated Consolidated Statement of Long Term Loans and Advance and Other non current assets

(Amount In ₹ million)

Particulars	As at					
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
A. Loans and Advance						
Security Deposits (Unsecured, considered good)	189.34	181.41	138.59	122.62	176.94	124.13
Advances for Capital Goods	12.11	24.37	102.69	76.24	68.68	46.98
Advances for acquisition of shares	-	-	-	-	-	2.50
Mobilization Advances	-	-	-	-	-	7.23
Total	**201.45**	**205.79**	**241.28**	**198.86**	**245.62**	**180.84**
B. Other non current assets						
Deferred Maintenance Expenditure	1.56	2.81	-	-	-	-
Fixed Deposits - Maturing after 12 Months from the reporting date*	59.22	118.67	114.61	46.55	200.46	100.07
Others	-	-	-	-	0.09	2.21
Total	**60.78**	**121.48**	**114.61**	**46.55**	**200.54**	**102.28**

* Above fixed deposits made with bank is given to Customers as Security and Earnest Money Deposit and lien marked with bank for bank guarantee facilities.

Notes:
i) The figures disclosed above are based on the Restated Consolidated Summary Statements of Assets and Liabilities of the Company.
ii) The above statement should be read with the notes on adjustments to Restated Consolidated Summary Statement of Assets and Liabilities, Restated Consolidated Summary Statement of Profit and Loss and Restated Consolidated Summary Statement of Cash Flows as appearing in Annexure IV and Significant Accounting Policies as appearing in Annexure V.

Patel Infrastructure Limited

CIN : U45201GJ2004PLC043955

Annexure XVII

Restated Consolidated Statement of Inventories

(Amount In ₹ million)

Particulars	As at					
	30-Sep-17	**31-Mar-17**	**31-Mar-16**	**31-Mar-15**	**31-Mar-14**	**31-Mar-13**
Raw material	968.13	778.04	513.55	515.52	593.10	326.39
Total	**968.13**	**778.04**	**513.55**	**515.52**	**593.10**	**326.39**

Notes:

i) The figures disclosed above are based on the Restated Consolidated Summary Statements of Assets and Liabilities of the Company.

ii) The above statement should be read with the notes on adjustments to Restated Consolidated Summary Statement of Assets and Liabilities, Restated Consolidated Summary Statement of Profit and Loss and Restated Consolidated Summary Statement of Cash Flows as appearing in Annexure IV and Significant Accounting Policies as appearing in Annexure V.

Annexure XVIII

Restated Consolidated Statement of Trade Receivables

(Amount In ₹ million)

Particulars	As at					
	30-Sep-17	**31-Mar-17**	**31-Mar-16**	**31-Mar-15**	**31-Mar-14**	**31-Mar-13**
Unsecured considered good unless stated otherwise						
Outstanding for more than six months	61.46	60.98	66.72	26.29	27.97	15.64
Outstanding for Less than six months	430.91	665.43	1,295.70	100.13	229.37	329.74
Total	**492.37**	**726.41**	**1,362.41**	**126.43**	**257.33**	**345.38**

Notes:

i) The figures disclosed above are based on the Restated Consolidated Summary Statements of Assets and Liabilities of the Company.

ii) The above statement should be read with the notes on adjustments to Restated Consolidated Summary Statement of Assets and Liabilities, Restated Consolidated Summary Statement of Profit and Loss and Restated Consolidated Summary Statement of Cash Flows as appearing in Annexure IV and Significant Accounting Policies as appearing in Annexure V.

iii) Following are the amounts due from Directors/ Promoters /Promoter Group/ Relatives of Promoters/ Relatives of Directors/ Entities having significant influence/ subsidiary/ Key managerial Personnel/ Group Companies:

(Amount In ₹ million)

Particulars	As at					
	30-Sep-17	**31-Mar-17**	**31-Mar-16**	**31-Mar-15**	**31-Mar-14**	**31-Mar-13**
Trade Receivables :-						
Patel Structural Private Limited	-	-	0.59	-	28.33	-

iv) List of persons/ entities classified as 'Promoters', 'Relatives of Promoters', 'Promoter Group' and 'Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.

Patel Infrastructure Limited
CIN : U45201GJ2004PLC043955
Annexure XIX
Restated Consolidated Statement of Cash and Bank Balance

(Amount In ₹ million)

Particulars	As at					
	30-Sep-17	**31-Mar-17**	**31-Mar-16**	**31-Mar-15**	**31-Mar-14**	**31-Mar-13**
(A) Cash and Cash Equivalents						
(a) Cash Balance	24.19	17.52	26.61	13.14	11.59	16.98
(b) Balance with Banks in Current Account	488.96	527.16	415.44	283.63	344.93	409.31
Total (A)	**513.15**	**544.68**	**442.05**	**296.77**	**356.52**	**426.29**
(B) Other Bank Balance						
(a) In Fixed Deposit - Maturing within 3 Months or Less from reporting date	279.21	347.50	175.65	166.26	71.23	83.71
(b) In Fixed Deposit - Maturity after 3 Months but before 12 Months from reporting date	442.94	334.91	298.73	174.49	72.03	116.35
Total (B)	**722.15**	**682.41**	**474.38**	**340.74**	**143.27**	**200.06**
Total (A+B)	**1,235.30**	**1,227.09**	**916.43**	**637.51**	**499.79**	**626.35**

Fixed deposits made with bank is given to Customers as Security & Earnest Money Deposit and lien marked bank for bank guarantee facilities.

(Amount In ₹ million)

Particulars	As at					
	30-Sep-17	**31-Mar-17**	**31-Mar-16**	**31-Mar-15**	**31-Mar-14**	**31-Mar-13**
(a) In Fixed Deposit - Maturing within 3 Months or Less from reporting date	279.21	347.50	175.65	166.26	71.23	83.71
(b) In Fixed Deposit - Maturity after 3 Months but before 12 Months from reporting date	329.79	221.77	298.73	174.49	72.03	116.35

Note:
i) The figures disclosed above are based on the Restated Consolidated Summary Statements of Assets and Liabilities of the Company.
ii) The above statement should be read with the notes on adjustments to Restated Consolidated Summary Statement of Assets and Liabilities, Restated Consolidated Summary Statement of Profit and Loss and Restated Consolidated Summary Statement of Cash Flows as appearing in Annexure IV and Significant Accounting Policies as appearing in Annexure V.

Patel Infrastructure Limited

CIN : U45201GJ2004PLC043955

Annexure XX

Restated Consolidated Statement of Short Term Loans and Advances and Other current assets

(Amount In ₹ million)

Particulars	As at					
	30-Sep-17	**31-Mar-17**	**31-Mar-16**	**31-Mar-15**	**31-Mar-14**	**31-Mar-13**
A. Loans & advances						
(A) Advance Recoverable in cash or kind						
(Unsecured, considered good unless stated otherwise)						
Advances to Vendors	112.14	215.60	84.21	30.34	45.38	35.00
Loan to Subsidiaries	0.01	-	-	-	-	-
Loan to Associate	-	-	-	-	-	-
Mobilization Advances	0.40	0.41	2.99	40.80	19.89	33.73
Total(A)	**112.54**	**216.01**	**87.20**	**71.14**	**65.27**	**68.73**
(B) Deposits - Others						
(Unsecured, considered good unless stated otherwise)						
Security Deposits and Other Deposits	928.30	825.01	683.40	352.77	381.62	221.36
Total(B)	**928.30**	**825.01**	**683.40**	**352.77**	**381.62**	**221.36**
(C) Other Loans and Advances						
Balance with Revenue Authorities	1,075.07	658.40	326.64	147.59	97.98	21.27
Loans and Advances to employees	2.91	1.14	1.82	1.52	1.60	0.76
MAT Credit Entitlement	134.44	113.40	66.16	-	-	-
Other Loans and Advances	82.83	62.18	67.90	46.61	40.26	23.71
Total(C)	**1,295.25**	**835.12**	**462.52**	**195.72**	**139.84**	**45.74**
Total(A+B+C)	**2,336.08**	**1,876.14**	**1,233.12**	**619.63**	**586.74**	**335.82**
B. Other current assets						
Annuity Income accrued but not due	147.63	147.52	147.52	147.52	-	-
Deferred Maintenance Expenditure	2.49	2.49	-	-	-	-
Work-in-progress	1,704.22	1,574.46	446.21	137.07	24.12	72.37
Other Interest Receivable	5.85	0.03	4.29	3.87	3.45	3.04
Other Current Assets	-	4.67	0.17	0.17	2.83	1.67
Total	**1,860.19**	**1,729.17**	**598.19**	**288.63**	**30.41**	**77.08**

Notes:

i) The figures disclosed above are based on the Restated Consolidated Summary Statements of Assets and Liabilities of the Company.

ii) The above statement should be read with the notes on adjustments to Restated Consolidated Summary Statement of Assets and Liabilities, Restated Consolidated Summary Statement of Profit and Loss and Restated Consolidated Summary Statement of Cash Flows as appearing in Annexure IV and Significant Accounting Policies as appearing in Annexure V.

iii) Following are the amounts due from Directors/ Promoters /Promoter Group/ Relatives of Promoters/ Relatives of Directors/ Entities having significant influence/ subsidiary/ Key managerial Personnel/ Group Companies:-

(Amount In ₹ million)

Particulars	As at					
	30-Sep-17	**31-Mar-17**	**31-Mar-16**	**31-Mar-15**	**31-Mar-14**	**31-Mar-13**
Advances for Vendors						
Patel Structural Private Limited	-	2.97	-	-	-	5.32

iv) List of persons/ entities classified as 'Promoters', 'Relatives of Promoters', 'Promoter Group' and 'Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.

Patel Infrastructure Limited
CIN : U45201GJ2004PLC043955
Annexure-XXI
Restated Consolidated Statement of Revenue from operations

(Amount In ₹ million)

Particulars	For the six month period ended	For the year ended				
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Revenue from operations						
Work Income From EPC Contracts						
Amount billed to customers (A)	6,429.09	12,689.10	6,393.07	3,459.21	4,892.11	3,205.53
Work-in-Progress at the beginning of the year/period	(1,446.99)	(446.21)	(137.07)	(24.12)	(72.37)	(110.63)
Work-in-Progress at the end of the year/period	1,704.22	1,446.99	446.21	137.07	24.12	72.37
Net effect of changes in Work-in-progress (B)	257.23	1,000.78	309.15	112.95	(48.24)	(38.27)
Total Work Income (A+B)	**6,686.32**	**13,689.87**	**6,702.22**	**3,572.16**	**4,843.86**	**3,167.27**
Toll Fees Collection	1,128.60	1,851.41	1,827.17	1,629.68	1,426.49	1,316.44
Annuity Income	167.91	335.60	335.60	315.32	-	-
Other Operating Revenues						
Material Sales	11.18	55.79	46.36	126.48	337.85	55.50
Total Revenue from operations	**7,994.00**	**15,932.67**	**8,911.35**	**5,643.64**	**6,608.21**	**4,539.21**

Notes:

i) The figures disclosed above are based on the Restated Consolidated Summary Statements of Profit and Losses of the Company.

ii) The above statement should be read with the notes on adjustments to Restated Consolidated Summary Statement of Assets and Liabilities, Restated Consolidated Summary Statement of Profit and Loss and Restated Consolidated Summary Statement of Cash Flows as appearing in Annexure IV and Significant Accounting Policies as appearing in Annexure V.

Patel Infrastructure Limited
CIN : U45201GJ2004PLC043955
Annexure-XXII
Restated Consolidated Statement of Other Income

(Amount In ₹ million)

Particulars	For the six month period ended	For the year ended					Recurring / Non-recurring	Related / Not related to Business
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13		
Interest Income								
Fixed deposits with Bank	20.47	51.15	41.26	37.41	35.74	19.33	Recurring	Not Related
Others	0.55	1.79	0.42	0.56	0.42	0.42	Non-recurring	Related
Miscellaneous income	22.62	14.26	7.28	2.64	4.25	1.05	Recurring	Not Related
Dividend Income	0.02	0.01	0.01	0.01	0.02	0.01	Recurring	Not Related
Share in Profit from Investment in Associates	-	0.47	4.64	3.94	0.65	-	Recurring	Not Related
Profit on Sale of Items of Property Plant and Equipment	0.76	1.42	0.15	0.30	-	0.09	Non-recurring	Not Related
Profit on sale of Mutual Funds	9.33	11.39	16.96	1.60	-	-	Non-recurring	Not Related
Net gain on account of foreign exchange fluctuation	-	7.39	-	-	-	-	Non-recurring	Related
Total	**53.75**	**87.87**	**70.73**	**46.46**	**41.08**	**20.90**		

Notes:

i) The figures disclosed above are based on the Restated Consolidated Summary Statements of Profit and Losses of the Company.

ii) The above statement should be read with the notes on adjustments to Restated Consolidated Summary Statement of Assets and Liabilities, Restated Consolidated Summary Statement of Profit and Loss and Restated Consolidated Summary Statement of Cash Flows as appearing in Annexure IV and Significant Accounting Policies as appearing in Annexure V.

Patel Infrastructure Limited

CIN : U45201GJ2004PLC043955

Annexure-XXIII

Restated Consolidated Statement of Construction expenses

(Amount In ₹ million)

Particulars	For the six month period ended	For the year ended				
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Consumption of Construction Materials						
Inventory at the beginning of the year/period	778.04	513.55	515.52	593.10	326.39	126.54
Add: Purchases during the year/period	2,314.24	5,983.44	2,610.42	913.36	2,138.92	1,248.71
Less: Inventory at the end of the year/period	968.13	778.04	513.55	515.52	593.10	326.39
Material consumed during the year/period (A)	**2,124.15**	**5,718.94**	**2,612.39**	**990.94**	**1,872.22**	**1,048.86**
Other Construction Expenses						
Works & Labour Contract	2,880.69	4,419.88	2,248.41	1,553.58	1,481.97	911.09
Power and Fuel	273.42	729.10	355.71	260.80	485.50	365.34
Technical Consultancy Charges	15.49	43.31	42.49	23.18	41.29	33.12
Consumption of Spares, Tools and Consumables	67.47	61.88	25.93	9.74	19.61	9.27
Testing Charges	3.81	10.88	12.99	15.44	17.79	15.08
Machinery Hiring Charges	38.07	68.52	30.54	12.40	30.28	21.07
Repairs and Maintenance of Plant and Machinery	60.46	299.53	117.05	47.22	91.92	85.00
Concession Fees	623.74	1,070.21	1,038.90	944.46	858.60	780.54
Other Construction Charges	2.74	35.75	15.04	1.24	24.65	5.20
Total Other Construction Expenses (B)	**3,965.88**	**6,739.06**	**3,887.06**	**2,868.07**	**3,051.61**	**2,225.73**
Total (A+B)	**6,090.04**	**12,458.01**	**6,499.45**	**3,859.01**	**4,923.82**	**3,274.58**

Notes:

i) The figures disclosed above are based on the Restated Consolidated Summary Statements of Profit and Losses of the Company.

ii) The above statement should be read with the notes on adjustments to Restated Consolidated Summary Statement of Assets and Liabilities, Restated Consolidated Summary Statement of Profit and Loss and Restated Consolidated Summary Statement of Cash Flows as appearing in Annexure IV and Significant Accounting Policies as appearing in Annexure V.

Patel Infrastructure Limited
CIN : U45201GJ2004PLC043955
Annexure-XXIV
Restated Consolidated Statement of Employees benefit expenses

(Amount In ₹ million)

Particulars	For the six month period ended	For the year ended				
	30-Sep-17	**31-Mar-17**	**31-Mar-16**	**31-Mar-15**	**31-Mar-14**	**31-Mar-13**
Salaries, wages and bonus	297.39	562.91	349.99	231.33	239.26	193.30
Director's Remuneration	37.80	56.36	56.17	28.61	21.24	12.86
Staff Welfare expenses	29.34	67.83	43.26	26.58	32.81	24.55
Contribution to Provident Fund and Other Funds	7.23	10.34	0.92	0.86	0.82	0.84
Gratuity Fund Expense	6.60	10.28	6.35	5.17	2.16	1.76
Leave Encashment	4.19	7.79	9.14	5.22	5.12	1.01
Total	**382.55**	**715.50**	**465.84**	**297.77**	**301.41**	**234.31**

Notes:

i) The figures disclosed above are based on the Restated Standalone Summary Statements of Profits and Losses of the Company.

ii) The above statement should be read with the notes on adjustments to Restated Consolidated Summary Statement of Assets and Liabilities, Restated Consolidated Summary Statement of Profit and Loss and Restated Consolidated Summary Statement of Cash Flows as appearing in Annexure IV and Significant Accounting Policies as appearing in Annexure V.

Patel Infrastructure Limited
CIN : U45201GJ2004PLC043955
Annexure-XXV
Restated Consolidated Statement of Depreciation and Amortisation expenses

(Amount In ₹ million)

Particulars	For the six month period ended	For the year ended				
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Depreciation on Property, Plant and Equipment	134.72	250.29	179.75	148.84	89.65	71.78
Amortisation on Intangible Assets	254.26	493.13	470.22	424.30	279.50	131.10
Total	**388.97**	**743.42**	**649.97**	**573.15**	**369.15**	**202.88**

Notes:

i) The figures disclosed above are based on the Restated Standalone Summary Statements of Profits and Losses of the Company.

ii) The above statement should be read with the notes on adjustments to Restated Consolidated Summary Statement of Assets and Liabilities, Restated Consolidated Summary Statement of Profit and Loss and Restated Consolidated Summary Statement of Cash Flows as appearing in Annexure IV and Significant Accounting Policies as appearing in Annexure V.

Patel Infrastructure Limited
CIN : U45201GJ2004PLC043955
Annexure-XXVI
Restated Consolidated Statement of Finance Cost

(Amount In ₹ million)

Particulars	For the six month period ended	For the year ended				
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Interest on Working Capital Facilities	97.34	138.90	82.14	81.93	59.70	42.54
Interest on Term Loans from Banks and Financial Institutions	153.91	342.86	336.83	331.41	167.94	53.90
Interest on loans from related parties	0.32	4.66	0.71	21.91	19.86	12.76
Other Borrowing Cost	30.75	112.88	72.97	57.99	58.41	43.22
Exchange Loss (Net)	-	0.39	5.24	4.69	17.13	9.88
Total	**282.32**	**599.68**	**497.89**	**497.92**	**323.05**	**162.31**

Notes:

i) The figures disclosed above are based on the Restated Standalone Summary Statements of Profits and Losses of the Company.

ii) The above statement should be read with the notes on adjustments to Restated Consolidated Summary Statement of Assets and Liabilities, Restated Consolidated Summary Statement of Profit and Loss and Restated Consolidated Summary Statement of Cash Flows as appearing in Annexure IV and Significant Accounting Policies as appearing in Annexure V.

Patel Infrastructure Limited

CIN : U45201GJ2004PLC043955

Annexure-XXVII

Restated Consolidated Statement of Other Expenses

(Amount In ₹ million)

Particulars	For the six month period ended	For the year ended				
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Advertisement	2.23	2.11	0.91	0.55	0.46	1.01
Printing & stationery	2.36	5.98	5.24	2.19	2.82	2.53
Security charges	20.66	37.41	22.65	17.93	17.70	17.66
Electricity	5.34	7.76	4.47	10.80	9.96	8.87
Foreign Exchange Loss	8.48	-	-	-	-	3.12
Rent	14.23	24.55	12.55	7.91	9.18	4.11
Repairs and Maintenance:-						
-Buildings	2.11	6.47	11.36	3.17	2.51	5.36
-Others	25.05	13.75	9.46	11.45	15.99	15.70
Rates and Taxes	138.85	418.60	211.12	109.08	200.64	144.41
Insurance	25.62	40.95	33.13	21.60	23.26	19.81
Travelling and Conveyance	20.14	42.70	30.61	17.65	21.37	16.43
Legal and Professional Charges	16.46	11.82	20.44	11.21	6.24	4.33
Software Maintenance Expense	2.05	1.08	-	-	-	-
Telephone and Internet Expenses	4.63	8.07	5.19	4.48	4.78	3.18
Tender Fees	1.21	1.17	4.79	4.05	2.61	1.13
Loss on sale of Assets	0.50	0.26	0.97	0.27	0.35	1.41
Share in Loss of Associate	-	-	1.51	0.05	-	0.21
Loss on Disposal of Investments in Associates	1.41	1.43	-	-	-	-
Auditors' Remuneration:-						
-Audit Fees	0.95	0.33	0.29	0.32	0.23	0.13
-Tax Audit Fees	0.20	0.04	0.04	0.04	0.04	0.06
-Other Services	-	0.03	0.08	0.10	0.06	0.07
Pre-operative Expense Written off	-	0.17	-	1.67	1.67	1.67
VAT Expense	-	-	-	-	0.06	-
Income Tax Expense	-	-	-	0.05	0.05	3.82
Miscellaneous	18.70	25.60	14.64	13.67	14.73	14.46
Total	**311.17**	**650.29**	**389.45**	**238.25**	**334.73**	**269.46**

Notes:

i) The figures disclosed above are based on the Restated Standalone Summary Statements of Profits and Losses of the Company.

ii) The above statement should be read with the notes to Restated Standalone Summary Statements as appearing in Annexure IV and Statement of Restatement Adjustments to Audited Standalone Financial Statements appearing in Annexure V.

Patel Infrastructure Limited
CIN : U45201GJ2004PLC043955
Annexure-XXVIII
Restated Consolidated Statement of Contingent Liabilities and Capital Commitments

Contingent Liabilities Not Provided For (as per AS 29 - Provisions, Contingent Liabilities and Contingent Assets)

(Amount In ₹ million)

Particulars	For the six month period ended	For the year ended				
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
a) Claims against the company not acknowledged as debt	2.72	2.72	0.88	0.88	0.88	-
b) Guarantees						
i) Outstanding Bank Guarantees	4,114.17	4,615.73	3,884.34	2,019.60	2,183.59	1,612.49
ii) Corporate Guarantees	630.50	751.20	1,137.84	1,332.59	1,325.88	857.88
c) Other money for which the company is contingently liable (Direct and Indirect Taxes)	44.27	44.27	44.27	30.63	30.63	42.10

Capital Commitments

(Amount In ₹ million)

Particulars	For the six month period ended	For the year ended				
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Capital Commitments - Acquisition of Capital Assets (Net of Capital Advances)	78.96	0.62	89.90	0.69	-	1.63

Patel Infrastructure Limited
CIN : U45201GJ2004PLC043955
Annexure-XXIX
Restated Consolidated Statement of Related Party Transactions

Particulars	For the six month period ended	For the year ended				
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Key Management Personnel (KMP)	Pravinbhai Patel (Chairman & Director)	Pravinbhai Patel (Chairman & Director)	Pravinbhai Patel (Chairman & Director)	Pravinbhai Patel (Chairman & Director)	Pravinbhai Patel (Chairman & Director)	Pravinbhai Patel (Chairman & Director)
	Arvindbhai Patel (Managing Director)	Arvindbhai Patel (Managing Director)	Arvindbhai Patel (Managing Director)	Arvindbhai Patel (Managing Director)	Arvindbhai Patel (Managing Director)	Arvindbhai Patel (Managing Director)
	Dineshbhai Vaviya (Director)	Dineshbhai Vaviya (Director)	Dineshbhai Vaviya (Director)	Dineshbhai Vaviya (Director)	Dineshbhai Vaviya (Director)	Dineshbhai Vaviya (Director)
	Madhubhai Vaviya (Director)	Madhubhai Vaviya (Director)	Madhubhai Vaviya (Director)	Madhubhai Vaviya (Director)	Madhubhai Vaviya (Director)	Madhubhai Vaviya (Director)
	Sureshbhai Vaviya (Director)	Sureshbhai Vaviya (Director)	Sureshbhai Vaviya (Director)	Sureshbhai Vaviya (Director)	Sureshbhai Vaviya (Director)	Sureshbhai Vaviya (Director)
	Sandeep Sahni (Chief Financial Officer)	Sandeep Sahni (Chief Financial Officer)	-	-	-	-
	Aswini Kumar (Company Secretary)	-	-	-	-	-
Relatives of KMP	Kaminiben Arvindbhai Patel - Wife of Arvindbhai Patel	Kaminiben Arvindbhai Patel - Wife of Arvindbhai Patel	Kaminiben Arvindbhai Patel - Wife of Arvindbhai Patel	Kaminiben Arvindbhai Patel - Wife of Arvindbhai Patel	Kaminiben Arvindbhai Patel - Wife of Arvindbhai Patel	Kaminiben Arvindbhai Patel - Wife of Arvindbhai Patel
	Smitaben Pravinbhai Patel - Wife of Pravinbhai Patel	Smitaben Pravinbhai Patel - Wife of Pravinbhai Patel	Smitaben Pravinbhai Patel - Wife of Pravinbhai Patel	Smitaben Pravinbhai Patel - Wife of Pravinbhai Patel	Smitaben Pravinbhai Patel - Wife of Pravinbhai Patel	Smitaben Pravinbhai Patel - Wife of Pravinbhai Patel
	Pravinbhai V Patel (HUF)	Pravinbhai V Patel (HUF)	Pravinbhai V Patel (HUF)	Pravinbhai V Patel (HUF)	Pravinbhai V Patel (HUF)	Pravinbhai V Patel (HUF)
	Arvindbhai V Patel (HUF)	Arvindbhai V Patel (HUF)	Arvindbhai V Patel (HUF)	Arvindbhai V Patel (HUF)	Arvindbhai V Patel (HUF)	Arvindbhai V Patel (HUF)
	Rekhaben Sureshbhai Vaviya - Wife of Sureshbhai Vaviya	Rekhaben Sureshbhai Vaviya - Wife of Sureshbhai Vaviya	Rekhaben Sureshbhai Vaviya - Wife of Sureshbhai Vaviya	Rekhaben Sureshbhai Vaviya - Wife of Sureshbhai Vaviya	Rekhaben Sureshbhai Vaviya - Wife of Sureshbhai Vaviya	Rekhaben Sureshbhai Vaviya - Wife of Sureshbhai Vaviya
	Sureshbhai P Vaviya (HUF)	Sureshbhai P Vaviya (HUF)	Sureshbhai P Vaviya (HUF)	Sureshbhai P Vaviya (HUF)	Sureshbhai P Vaviya (HUF)	Sureshbhai P Vaviya (HUF)
	Jay Pravinbhai Patel - Son of Pravinbhai Patel	Jay Pravinbhai Patel - Son of Pravinbhai Patel	Jay Pravinbhai Patel - Son of Pravinbhai Patel	Jay Pravinbhai Patel - Son of Pravinbhai Patel	Jay Pravinbhai Patel - Son of Pravinbhai Patel	Jay Pravinbhai Patel - Son of Pravinbhai Patel
	Radhika Nimitkumar Sanghani - Daughter of Pravinbhai Patel	Radhika Nimitkumar Sanghani - Daughter of Pravinbhai Patel	Radhika Nimitkumar Sanghani - Daughter of Pravinbhai Patel	Radhika Nimitkumar Sanghani - Daughter of Pravinbhai Patel	Radhika Nimitkumar Sanghani - Daughter of Pravinbhai Patel	Radhika Nimitkumar Sanghani - Daughter of Pravinbhai Patel
	Manjulaben G Badhani - Sister of Pravinbhai Patel and Arvindbhai Patel	Manjulaben G Badhani - Sister of Pravinbhai Patel and Arvindbhai Patel	Manjulaben G Badhani - Sister of Pravinbhai Patel and Arvindbhai Patel	Manjulaben G Badhani - Sister of Pravinbhai Patel and Arvindbhai Patel	Manjulaben G Badhani - Sister of Pravinbhai Patel and Arvindbhai Patel	Manjulaben G Badhani - Sister of Pravinbhai Patel and Arvindbhai Patel
	Bhavnaben D Patel - Sister of Pravinbhai Patel and Arvindbhai Patel	Bhavnaben D Patel - Sister of Pravinbhai Patel and Arvindbhai Patel	Bhavnaben D Patel - Sister of Pravinbhai Patel and Arvindbhai Patel	Bhavnaben D Patel - Sister of Pravinbhai Patel and Arvindbhai Patel	Bhavnaben D Patel - Sister of Pravinbhai Patel and Arvindbhai Patel	Bhavnaben D Patel - Sister of Pravinbhai Patel and Arvindbhai Patel
	Krunal Arvindbhai Patel - Son of Arvindbhai Patel	Krunal Arvindbhai Patel - Son of Arvindbhai Patel	Krunal Arvindbhai Patel - Son of Arvindbhai Patel	Krunal Arvindbhai Patel - Son of Arvindbhai Patel	Krunal Arvindbhai Patel - Son of Arvindbhai Patel	Krunal Arvindbhai Patel - Son of Arvindbhai Patel
	Parth Arvindbhai Patel - Son of Arvindbhai Patel	Parth Arvindbhai Patel - Son of Arvindbhai Patel	Parth Arvindbhai Patel - Son of Arvindbhai Patel	Parth Arvindbhai Patel - Son of Arvindbhai Patel	Parth Arvindbhai Patel - Son of Arvindbhai Patel	Parth Arvindbhai Patel - Son of Arvindbhai Patel
	Krishna Dineshbhai Vaviya - Son of Dineshbhai Vaviya	Krishna Dineshbhai Vaviya - Son of Dineshbhai Vaviya	Krishna Dineshbhai Vaviya - Son of Dineshbhai Vaviya	Krishna Dineshbhai Vaviya - Son of Dineshbhai Vaviya	Krishna Dineshbhai Vaviya - Son of Dineshbhai Vaviya	Krishna Dineshbhai Vaviya - Son of Dineshbhai Vaviya
	Nikita Bhargav Bhavsar - Daughter of Dineshbhai Vaviya	Nikita Bhargav Bhavsar - Daughter of Dineshbhai Vaviya	Nikita Bhargav Bhavsar - Daughter of Dineshbhai Vaviya	Nikita Bhargav Bhavsar - Daughter of Dineshbhai Vaviya	Nikita Bhargav Bhavsar - Daughter of Dineshbhai Vaviya	Nikita Bhargav Bhavsar - Daughter of Dineshbhai Vaviya
	Janvi Dineshbhai Vaviya - Daughter of Dineshbhai Vaviya	Janvi Dineshbhai Vaviya - Daughter of Dineshbhai Vaviya	Janvi Dineshbhai Vaviya - Daughter of Dineshbhai Vaviya	Janvi Dineshbhai Vaviya - Daughter of Dineshbhai Vaviya	Janvi Dineshbhai Vaviya - Daughter of Dineshbhai Vaviya	Janvi Dineshbhai Vaviya - Daughter of Dineshbhai Vaviya
	Kasturben Zalavadiya - Sister of Dineshbhai Vaviya, Madhubhai Vaviya and Sureshbhai Vaviya	Kasturben Zalavadiya - Sister of Dineshbhai Vaviya, Madhubhai Vaviya and Sureshbhai Vaviya	Kasturben Zalavadiya - Sister of Dineshbhai Vaviya, Madhubhai Vaviya and Sureshbhai Vaviya	Kasturben Zalavadiya - Sister of Dineshbhai Vaviya, Madhubhai Vaviya and Sureshbhai Vaviya	Kasturben Zalavadiya - Sister of Dineshbhai Vaviya, Madhubhai Vaviya and Sureshbhai Vaviya	Kasturben Zalavadiya - Sister of Dineshbhai Vaviya, Madhubhai Vaviya and Sureshbhai Vaviya
	Vilasben Dhorajiya - Sister of Dineshbhai Vaviya, Madhubhai Vaviya and Sureshbhai Vaviya	Vilasben Dhorajiya - Sister of Dineshbhai Vaviya, Madhubhai Vaviya and Sureshbhai Vaviya	Vilasben Dhorajiya - Sister of Dineshbhai Vaviya, Madhubhai Vaviya and Sureshbhai Vaviya	Vilasben Dhorajiya - Sister of Dineshbhai Vaviya, Madhubhai Vaviya and Sureshbhai Vaviya	Vilasben Dhorajiya - Sister of Dineshbhai Vaviya, Madhubhai Vaviya and Sureshbhai Vaviya	Vilasben Dhorajiya - Sister of Dineshbhai Vaviya, Madhubhai Vaviya and Sureshbhai Vaviya
	Ramaben Dineshbhai Vaviya - Wife of Dineshbhai Vaviya	Ramaben Dineshbhai Vaviya - Wife of Dineshbhai Vaviya	Ramaben Dineshbhai Vaviya - Wife of Dineshbhai Vaviya	Ramaben Dineshbhai Vaviya - Wife of Dineshbhai Vaviya	Ramaben Dineshbhai Vaviya - Wife of Dineshbhai Vaviya	Ramaben Dineshbhai Vaviya - Wife of Dineshbhai Vaviya

	Rutv Madhubhai Vaviya - Son of Madhubhai Vaviya	Rutv Madhubhai Vaviya - Son of Madhubhai Vaviya	Rutv Madhubhai Vaviya - Son of Madhubhai Vaviya	Rutv Madhubhai Vaviya - Son of Madhubhai Vaviya	Rutv Madhubhai Vaviya - Son of Madhubhai Vaviya	Rutv Madhubhai Vaviya - Son of Madhubhai Vaviya
	Shweta Madhubhai Vaviya - Daughter of Madhubhai Vaviya	Shweta Madhubhai Vaviya - Daughter of Madhubhai Vaviya	Shweta Madhubhai Vaviya - Daughter of Madhubhai Vaviya	Shweta Madhubhai Vaviya - Daughter of Madhubhai Vaviya	Shweta Madhubhai Vaviya - Daughter of Madhubhai Vaviya	Shweta Madhubhai Vaviya - Daughter of Madhubhai Vaviya
	Aditi Madhubhai Vaviya - Daughter of Madhubhai Vaviya	Aditi Madhubhai Vaviya - Daughter of Madhubhai Vaviya	Aditi Madhubhai Vaviya - Daughter of Madhubhai Vaviya	Aditi Madhubhai Vaviya - Daughter of Madhubhai Vaviya	Aditi Madhubhai Vaviya - Daughter of Madhubhai Vaviya	Aditi Madhubhai Vaviya - Daughter of Madhubhai Vaviya
	Abhishek Sureshbhai Vaviya - Son of Sureshbhai Vaviya	Abhishek Sureshbhai Vaviya - Son of Sureshbhai Vaviya	Abhishek Sureshbhai Vaviya - Son of Sureshbhai Vaviya	Abhishek Sureshbhai Vaviya - Son of Sureshbhai Vaviya	Abhishek Sureshbhai Vaviya - Son of Sureshbhai Vaviya	Abhishek Sureshbhai Vaviya - Son of Sureshbhai Vaviya
	Sangitaben Madhubhai Vaviya - Wife of Madhubhai Vaviya	Sangitaben Madhubhai Vaviya - Wife of Madhubhai Vaviya	Sangitaben Madhubhai Vaviya - Wife of Madhubhai Vaviya	Sangitaben Madhubhai Vaviya - Wife of Madhubhai Vaviya	Sangitaben Madhubhai Vaviya - Wife of Madhubhai Vaviya	Sangitaben Madhubhai Vaviya - Wife of Madhubhai Vaviya
Enterprises over which KMP and/or Relatives of KMP are able to exercise significant Influence	V G Patel Foundation	V G Patel Foundation	V G Patel Foundation	V G Patel Foundation	V G Patel Foundation	V G Patel Foundation
	Patel Structural Private Limited	Patel Structural Private Limited	Patel Structural Private Limited	Patel Structural Private Limited	Patel Structural Private Limited	Patel Structural Private Limited

Related Party Transactions : Key Management Personnel

(Amount In ₹ million)

Particulars	For the six month period ended	For the year ended				
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Remmuneration						
Pravinbhai Patel	12.60	18.00	19.50	11.25	2.28	3.28
Arvindbhai Patel	12.60	18.00	19.50	7.01	10.98	2.28
Dineshbhai Vaviya	4.20	6.00	6.50	3.25	3.10	3.18
Madhubhai Vaviya	4.20	6.00	6.50	2.60	2.75	2.50
Sureshbhai Vaviya	4.20	6.00	6.50	2.10	1.43	1.30
Sandeep Sahni	2.06	3.70	3.20	-	-	-
Aswini Sahu	0.28	-	-	-	-	-
Interest Expense						
Pravinbhai Patel	0.02	0.84	0.04	0.04	0.03	0.10
Arvindbhai Patel	0.00	1.37	0.00	0.00	0.00	0.00
Dineshbhai Vaviya	0.06	0.12	0.11	0.08	0.07	0.07
Madhubhai Vaviya	0.00	1.88	0.01	0.00	0.00	0.00
Sureshbhai Vaviya	0.03	0.06	0.05	0.05	0.04	0.04
Insurance premium paid towards key man term policy taken by Company						
Pravinbhai Patel	1.46	1.98	1.63	1.08	0.17	-
Arvindbhai Patel	1.01	1.62	1.62	1.07	0.17	-
Dineshbhai Vaviya	0.29	0.58	0.47	0.31	0.05	-
Madhubhai Vaviya	0.38	0.58	0.47	0.31	0.05	-
Sureshbhai Vaviya	0.38	0.58	0.48	0.31	0.05	-
Loans from Key management personnel						
Pravinbhai Patel	-	25.00	-	-	-	-
Arvindbhai Patel	-	25.00	-	-	-	-
Dineshbhai Vaviya	-	-	0.26	-	-	-
Madhubhai Vaviya	10.52	30.00	-	-	-	-
Loans Repaid during the year						
Pravinbhai Patel	-	25.00	-	-	-	1.50
Arvindbhai Patel	-	25.00	-	-	-	-
Madhubhai Vaviya	10.52	30.00	-	-	-	-

Closing Balances of Loan Given						
Pravinbhai Patel	0.45	0.43	0.43	0.39	0.36	0.33
Arvindbhai Patel	0.03	0.03	0.03	0.03	0.03	0.02
Dineshbhai Vaviya	1.27	1.22	1.22	0.85	0.78	0.72
Madhubhai Vaviya	0.06	0.06	0.06	0.05	0.05	0.04
Sureshbhai Vaviya	0.58	0.56	0.56	0.51	0.47	0.43
Acquisitision of Investment						
Arvindbhai Patel	-	0.05	-	-	-	-

Related Party Transactions : Relatives of KMP **(Amount In ₹ million)**

Particulars	For the six month period ended	For the year ended				
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Remmuneration						
Kunal A Patel	1.80	4.65	1.80	-	-	-
Parth A Patel	0.60	2.03	1.20	-	-	-
Jay P Patel	0.60	2.55	-	-	-	-
Stipend						
Krishna D. Vaviya	0.21	0.09	0.20	-	-	-
Sweta M Vaviya	-	-	0.12	-	-	-
Jay P Patel	-	-	-	0.14	-	-
		-	-	-	-	-
Interest						
Pravinbhai V Patel (HUF)	0.00	0.01	0.01	0.00	0.00	0.00
Arvindbhai V Patel (HUF)	0.05	0.10	0.09	0.08	0.08	0.07
Sureshbhai P Vaviya (HUF)	0.00	0.01	0.01	0.01	0.01	0.01
Smt. Kaminiben A Patel	0.10	0.21	0.19	0.18	0.16	0.15
Smt. Rekhaben S Vaviya	0.04	0.08	0.07	0.06	0.06	0.05
Smt. Smitaben P. Patel	-	-	-	-	-	0.07
Insurance premium paid towards key man term policy taken by Company						
Kunal A Patel	0.20	0.55	-	-	-	-
Parth A. Patel	-	0.20	-	-	-	-
Loans Repaid During The Year						
Smt. Kaminiben A Patel	-	-	0.05	-	-	0.14
Smt. Smitaben P. Patel	-	-	-	-	-	0.92
Closing Balances of Loan Received						
Pravinbhai V Patel (HUF)	0.06	0.06	0.06	0.05	0.05	0.04
Arvindbhai V Patel (HUF)	1.05	1.00	1.00	0.92	0.84	0.77
Sureshbhai P Vaviya (HUF)	0.10	0.10	0.10	0.09	0.08	0.08
Smt. Kaminiben A Patel	2.17	2.07	2.07	1.95	1.79	1.64
Rekhaben S Vaviya	0.80	0.77	0.77	0.70	0.65	0.59
Professional Fees						
Shweta M. Vaviya	0.30	0.20	-	-	-	-
Acquisition of Investment						
Krunal A Patel	-	0.05	-	-	-	-

Related Party Transactions : Enterprises over which KMP and/or Relatives of KMP are able to exercise significant Influence **(Amount In ₹ million)**

Particulars	For the six month period ended	For the year ended				
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Material Sale Income						
Patel Structural Private Limited	-	-	12.08	97.75	-	-
Sub Contracting Expenses						
Patel Structural Private Limited	-	4.30	191.58	456.75	465.81	21.07
Trade Payable						
Patel Structural Private Limited	-	72.14	91.41	128.89	62.55	-
Donation						
V G Patel Foundation	0.55		-	-	-	-

Patel Infrastructure Limited
CIN : U45201GJ2004PLC043955
Annexure - XXX
Restated Consolidated Statement of Earnings Per Share

Particulars	For the six month period ended	For the year ended				
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Restated Consolidated Profit after Tax and Minority Interest (₹ In Millions) (excluding extraordinary items)	479.77	710.49	346.74	137.67	226.30	267.83
Net Profit available to Equity Shareholders (₹ In Millions)	479.77	710.49	346.74	137.67	226.30	267.83
Weighted Average No. of Equity Shares for Basic and Diluted EPS (Refer Note 2 below)	4,56,00,000	4,56,00,000	4,56,00,000	4,56,00,000	4,56,00,000	4,56,00,000
Face Value of Equity Shares	10	10	10	10	10	10
Basic & Diluted Earning Per Share *	10.52	15.58	7.60	3.02	4.96	5.87

* Basic and Diluted EPS for the period ended September 30, 2017 is not annualised.

Note:

1 Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.

2 Subsequent to the period ended September 30, 2017, the Holding Company has issued 4,18,00,000 bonus shares thereby increasing the number of equity shares to 4,56,00,000 shares. Accordingly, Basic and Diluted earning per share presented above has been adjusted in line with the Accounting Standard (AS) - 20 "Earnings per share".

A Employee Benefits

The Company has classified various employee benefits as under:
Defined contribution plans
a) Provident fund

The company has recognised the following amounts in the Statement of Profit and Loss for the year:

(Amount In ₹ million)

Particulars	For the six month period ended	For the year ended				
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
The company has recognised the following amounts in the Restated Standalone Summary Statement of Profit and Loss for the year:	7.23	10.34	0.92	0.86	0.82	0.84

Defined Benefit Plan
a) Gratuity
b) Leave Encashment

Leave encashment is payable to eligible employees who have earned leave during the employment as per the Group policy.

Valuations in respect of Gratuity and Leave Encashment have been carried out by an independent actuary, as at the Balance Sheet date, based on the following assumptions:

Particulars	For the year ended				
	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Discount rate	6.70%	7.70%	7.80%	9.00%	8.00%
Expected rate of return on the plan assets	-	-	-	-	-
Annual increase in salary cost	10.00%	10.00%	10.00%	10.00%	10.00%

a) Gratuity

(Amount In ₹ million)

Particulars	For the year ended				
	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
A. Change in the present value of the defined benefit obligation.					
Opening defined benefit obligation	**22.57**	**16.23**	**11.06**	**8.90**	**7.14**
Interest cost	1.74	1.27	1.00	0.71	0.57
Current service cost	7.39	4.36	3.11	2.57	1.89
Actuarial (gain) / losses on obligation	1.14	0.72	1.06	(1.12)	(0.71)
Closing defined obligation	**32.85**	**22.57**	**16.23**	**11.06**	**8.90**
B. Reconciliation of present value of defined benefit					
Closing balance of present value of obligation	32.85	22.57	16.23	11.06	8.90
Closing balance of fair value of plan assets	-	-	-	-	-
Amount not recognised as an asset	-	-	-	-	-
(Asset) / Liability recognised in the Balance Sheet	**32.85**	**22.57**	**16.23**	**11.06**	**8.90**
C. Amount recognized in the balance sheet:					
Unfunded liability recognized in the Balance Sheet	32.85	22.57	16.23	11.06	8.90
D. Expenses/ (Income) recognized in Profit / Loss Statement					
Current Service Cost	7.39	4.36	3.11	2.57	1.89
Net Interest Cost	1.74	1.27	1.00	0.71	0.57
Curtailment Cost					
Actuarial (Gains) / Loss	1.14	0.72	1.06	(1.12)	(0.71)
Expenses Recognised in Statement of Profit and Loss	**10.28**	**6.35**	**5.17**	**2.16**	**1.76**
E. Balance Sheet Reconciliation					
Opening net liability	22.57	16.23	11.06	8.90	7.14
Expenses recognised in Profit and Loss	10.28	6.35	5.17	2.16	1.76
Employer’s contribution	-	-	-	-	-
(Assets)/Liability recognized in the Balance Sheet	**32.85**	**22.57**	**16.23**	**11.06**	**8.90**

For the six month period ended September 30, 2017 management of the respective companies in the Group has estimated the Gratuity Entitlement to be Rs.6.6 million and accordingly recognises expenses in the Consolidated Statement of Profit and Loss which reflected is as Current and Non-Current liability in the same proportion as on March 31, 2017.

a) Leave Encashment

(Amount In ₹ million)

Particulars	**For the year ended**				
	31-Mar-17	**31-Mar-16**	**31-Mar-15**	**31-Mar-14**	**31-Mar-13**
A. Change in the present value of the defined benefit obligation.					
Opening defined benefit obligation	**18.76**	**11.41**	**8.54**	**5.52**	5.65
Interest cost	1.44	0.89	0.77	0.44	0.45
Current service cost	2.77	1.62	0.38	0.40	0.23
Curtailment Cost	(0.23)	-	-	-	
Benefits Paid	(14.49)	(1.79)	(2.36)	(2.10)	(1.14)
Actuarial (gain) / losses on obligation	3.80	6.63	4.07	4.28	0.33
Closing defined obligation	**12.06**	**18.76**	**11.41**	**8.54**	**5.52**
B. Reconciliation of present value of defined benefit obligations and the fair value of assets					
Closing balance of present value of obligation	12.06	18.76	11.41	8.54	5.52
Closing balance of fair value of plan assets	-	-	-	-	-
Amount not recognised as an asset	-	-	-	-	-
(Asset) / Liability recognised in the Balance Sheet	**12.06**	**18.76**	**11.41**	**8.54**	**5.52**
C. Amount recognized in the balance sheet:					
Unfunded liability recognized in the Balance Sheet	12.06	18.76	11.41	8.54	5.52
D. Expenses/ (Income) recognized in Profit / Loss Statement					
Current Service Cost	2.77	1.62	0.38	0.40	0.23
Net Interest Cost	1.44	0.89	0.77	0.44	0.45
Curtailment Cost	(0.23)	-	-	-	-
Actuarial (Gains) / Loss	3.80	6.63	4.07	4.28	0.33
Expenses Recognised in Statement of Profit and Loss	**7.79**	**9.14**	**5.22**	**5.12**	**1.01**
E. Balance Sheet Reconciliation					
Opening net liability	18.76	11.41	8.54	5.52	5.65
Expenses recognised in Profit and Loss	7.79	9.14	5.22	5.12	1.01
Employer's contribution	(14.49)	(1.79)	(2.36)	(2.10)	(1.14)
(Assets)/Liability recognized in the Balance Sheet	**12.06**	**18.76**	**11.41**	**8.54**	**5.52**

For the six month period ended September 30, 2017 management of the respective companies in the Group has estimated the leave encashment entitlement to be Rs.4.91 million and accordingly recognises expenses in the Consolidated Statement of Profit and Loss and liability (net of payments actually made) is reflected is as Current and Non-Current liability in the same proportion as on March 31, 2017.

B Corporate Social Responsibility

Expenditure towards Corporate Social Responsibility as per Companies Act, 2013 read with Rules and Regulations thereof is treated as an appropriation of profit.

(Amount In ₹ million)

Particulars	**For the six month period ended**	**For the year ended**				
	30-Sep-17	**31-Mar-17**	**31-Mar-16**	**31-Mar-15**	**31-Mar-14**	**31-Mar-13**
Gross Amount required to be spent by the Company	8.99*	7.23	7.11	7.09	-	-
Amount Spent during the year towards activities specified in CSR Policy	1.50	1.46	1.90	2.31	-	-
Related Party Transactions in relation to Corporate Social Responsibility		-	-	-	-	-

* Gross amount required to be spent for the financial year 2017-18.

C Accounting Standard 7 - Accounting of Construction Contracts

(Amount In ₹ million)

Particulars	**For the six month period ended**	**For the year ended**				
	30-Sep-17	**31-Mar-17**	**31-Mar-16**	**31-Mar-15**	**31-Mar-14**	**31-Mar-13**
For contracts in progress and completed projects during the year						
Contract Revenue recognised as revenue for the year	6,686.32	13,689.87	6,702.22	3,572.16	4,843.86	3,167.27
Gross amount due from customers for contract work	1,704.22	1,446.99	446.21	137.07	24.12	72.37
For contracts in progress at the year end						
Aggregate amount of contract costs incurred and recognised profits (less recognised losses) upto reporting date for all contracts in progress at the reporting date	23,873.10	22,471.02	14,252.48	10,246.91	10,519.20	6,044.96
Customer Advances pertaining to the contracts in progress	672.38	725.00	948.90	227.83	375.39	387.61
Retention amounts due from customers	1,117.63	1,006.42	821.99	475.39	558.57	345.49

D Statement under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED)

Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from 2 October 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with the Management, the following disclosures are made for the amounts due to the Micro, Small and Medium enterprises, who have registered with the competent authorities:

(Amount In ₹ million)

Particulars	For the six month period ended	For the year ended				
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
The amounts remaining unpaid to micro and small suppliers as at the end of the period/year	-	-	-	-	-	-
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
The amounts of interest paid by the buyer as per the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)	-	-	-	-	-	-
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting period/year	-	-	-	-	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period/year but without adding the interest specified under MSMED Act, 2006	-	-	-	-	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting period/ year	-	-	-	-	-	-
The amount of further interest remaining due and payable even in the succeeding period/year, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductive expenditure under the MSMED Act, 2006	-	-	-	-	-	-

E Foreign Currency Transactions

(Amount In ₹ million)

Particulars	For the six month period ended	For the year ended				
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Interest Payment on Foreign Currency Borrowings	0.30	3.24	10.04	19.06	23.22	25.11
Repairs & Maintenance of Plant and Machinery	-	0.87	-	-	-	-
Procurement of Plant and Machinery	-	82.51	-	10.86	-	77.29

F As per the Accounting Standard 11, "The effect of Change in Foreign Exchange Rates", the following disclosure is to be given:

The Holding company uses Cross Currency Swap to hedge the interest rate and currency risk on its USD floating rate liability Such transactions are governed by the strategy approved by the board of directors which provides principles on the use of these instruments, consistent with the Company's Risk Management Policy. The company does not use these contracts for speculative purposes.

Outstanding Instruments to hedge against foreign currency exchange rates and fluctuations in interest rate changes are as under:

Particulars	For the six month period ended	For the year ended				
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Cross Currency Swap						
- Equivalent INR (Amount in ₹ million)	-	6.53	39.17	78.37	117.57	150.26
- Equivalent USD (Amount in $ million)	-	0.13	0.75	1.50	2.25	2.88

The company has entered into an agreement whereby it has to pay fixed principal amount in INR for exchange.

Un-hedged Foreign Currency Exposure

Particulars	For the six month period ended	For the year ended				
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Principal & Interest Payable on Loan						
- Equivalent INR (Amount in ₹ million)	-	-	49.75	93.54	134.86	163.02
- Equivalent USD (Amount in $ million)	-	-	0.75	1.50	2.25	3.00
Trade Payables						
- Equivalent INR (Amount in ₹ million)	83.61	75.13	-	-	-	-
- Equivalent USD (Amount in $ million)	1.09	1.09	-	-	-	-

G Details of Specified Bank Notes (SBNs) held and transacted during the period 8th November, 2016 to 30th December, 2016

(Amount In ₹ million)

Particulars	SBNs*	Other denominations	Total
Closing cash in hand as on 08.11.2016	40.71	10.51	51.22
(+) Permitted receipts	62.63	65.10	127.73
(-) Permitted Payments	-	16.48	16.48
(-) Amount deposited in Banks	103.34	47.85	151.19
Closing cash in hand as on 30.12.2016	-	11.28	11.28

* For the purpose of this clause, the term "Specified Banks Notes" shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number SO 340E, dated 8th November, 2016.

H Survey Action u/s 133A of the Income Tax Act, 1961 was carried out on April 6, 2017 in Holding Company.

I All amounts in the Restated Consolidated Summary Financial Statements has been presented in Millions, except per share data, face value of equity shares and expressly otherwise stated.

J Segment Reporting

Segment Information

1 The Company has disclosed Business Segment as the primary segment. Segments have been identified taking into account the nature of the products, the differing risks and returns, the organisation structure and internal reporting system.
2 The Company's operations predominantly relate to EPC Contracts and Build, Operate & Transfer arrangements.
3 The Company's activities are predominantly within India and hence no separate geographical segment disclosure is considered necessary.
4 Segment Revenue, Segment Results, Segment Assets and Segment Liabilities include the respective amounts identifiable to each of the segment as also amounts allocable on a reasonable basis.
5 The expenses and income, which are not directly allocated between the segments are shown as unallocated corporate expense or income as the case may be.
6 As per requirement of Accounting Standard - 17 "Segment Reporting", Management has identified two segments as reportable segments i.e. EPC Contracts and BOT (Toll & Annuity).
7 Assets that cannot be allocated between the segments are shown as a part of unallocated corporate assets.

Statement showing details of Segment Reporting:

(Amount In ₹ million)

PARTICULARS	Construction and Engineering						BOT (Toll and Annuity)						Total					
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
REVENUE																		
External Revenue	7,864.35	15,713.57	8,689.70	5,412.31	6,461.45	4,407.56	129.65	219.11	221.64	231.33	146.76	131.64	7,994.00	15,932.67	8,911.35	5,643.64	6,608.21	4,539.21
Segment Expense	6,705.84	13,686.00	7,220.63	4,246.86	5,456.45	3,680.17	77.92	137.79	134.11	148.16	103.51	98.18	6,783.76	13,823.79	7,354.74	4,395.03	5,559.96	3,778.35
Segment Result																		
Operating Profit	1,158.51	2,027.57	1,469.07	1,165.44	1,005.00	727.39	51.74	81.32	87.54	83.17	43.25	33.46	1,210.25	2,108.88	1,556.60	1,248.61	1,048.25	760.85
Less: Interest and Other Finance Expense	-	-	-	-	-	-		-	-	-	-	-	282.32	599.68	497.89	497.92	323.05	162.31
Interest Income	-	-	-	-	-	-		-	-	-	-	-	21.02	52.94	41.68	37.97	36.15	19.75
Other Income	-	-	-	-	-	-		-	-	-	-	-	32.73	34.93	29.04	8.49	4.93	1.15
Profit Before Extraordinary Items, Depreciation and Tax	1,158.51	2,027.57	1,469.07	1,165.44	1,005.00	727.39	51.74	81.32	87.54	83.17	43.25	33.46	874.18	1,421.33	987.99	704.23	684.12	577.64
Extraordinary Items		-	-	-	-	-		-	-	-	-	-	-	-	532.86	-	-	-
Profit Before Depreciation and Tax	1,158.51	2,027.57	1,469.07	1,165.44	1,005.00	727.39	51.74	81.32	87.54	83.17	43.25	33.46	981.68	1,597.08	1,662.30	797.15	766.29	619.45
Depreciation and amortisation	361.23	689.47	598.53	526.67	338.48	188.04	27.75	53.95	51.44	46.48	30.67	14.84	388.97	743.42	649.97	573.15	369.15	202.88
Profit Before Tax	797.29	1,338.10	870.54	638.78	666.52	539.35	23.99	27.37	36.09	36.69	12.58	18.63	592.71	853.66	1,012.34	224.00	397.13	416.57
Current tax		-	-	-	-	-		-	-	-	-	-	128.21	174.20	186.37	84.97	154.55	134.17
MAT Credit		-	-	-	-	-		-	-	-	-	-	(21.04)	(47.24)	(66.16)	-	-	-
Deferred tax		-	-	-	-	-		-	-	-	-	-	1.46	12.72	8.71	- 10.88	16.09	14.57
Profit After Tax	797.29	1,338.10	870.54	638.78	666.52	539.35	23.99	27.37	36.09	36.69	12.58	18.63	484.09	713.98	883.42	149.90	226.49	267.83
OTHER INFORMATION																		
Segment assets	10,680.12	10,593.54	8,859.14	5,907.69	5,670.12	4,225.34	305.57	293.44	360.80	358.95	325.76	213.02	10,985.70	10,886.98	9,219.95	6,266.64	5,995.87	4,438.36
Segment liabilities	7,292.55	7,645.48	6,585.26	4,414.35	4,346.03	3,145.47	205.27	216.91	288.11	329.77	258.16	155.31	7,497.82	7,862.39	6,873.36	4,744.13	4,604.19	3,300.78
Capital expenditure	101.57	602.92	1,225.21	602.73	1,376.95	1,550.41	5.53	7.84	21.11	243.39	154.17	105.73	107.10	610.75	1,246.33	846.12	1,531.12	1,656.14
Depreciation and amortisation	361.23	689.47	598.53	526.67	338.48	188.04	27.75	53.95	51.44	46.48	30.67	14.84	388.97	743.42	649.97	573.15	369.15	202.88
Non-cash expenses other than Depreciation and Amortisation	10.39	1.84	2.48	1.78	1.86	6.25	-	0.03	-	0.21	0.17	0.17	10.39	1.87	2.48	1.99	2.03	6.42

Patel Infrastructure Limited
CIN : U45201GJ2004PLC043955
Annexure-XXXII
Restated Consolidated Statement of Accounting Ratios

	Particulars		For the six month period ended	For the year ended				
			30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
1	**Earning Per Share (EPS) - Basic and Diluted**							
	Restated Net Profit for calculation of basic and diluted EPS (excluding extra-ordinary items) (₹ in Million)	A	479.77	710.49	346.74	137.67	226.30	267.83
	Weighted average number of equity shares for calculating basic and diluted EPS	B	4,56,00,000	4,56,00,000	4,56,00,000	4,56,00,000	4,56,00,000	4,56,00,000
	EPS (in Rupees) - Basic and Diluted (excluding extra ordinary items)	**A/B**	**10.52**	**15.58**	**7.60**	**3.02**	**4.96**	**5.87**
2	**Return on Net Worth**							
	Restated Profit / (Loss) for the period (excluding extra ordinary items) (₹ in Million)	C	479.77	710.49	346.74	137.67	226.30	267.83
	Net worth at the end of the period (excluding extra ordinary items) (₹ in Million)	D	2,938.66	2,459.12	1,755.23	1,410.39	1,278.17	1,050.90
	Return on Net Worth (%)	**C/D*100**	**16.33**	**28.89**	**19.75**	**9.76**	**17.71**	**25.49**
3	**Net Asset Value Per Equity Share**							
	Net worth at the end of the period (including extra ordinary items) (₹ in Million)	E	3,471.52	2,991.99	2,288.09	1,410.39	1,278.17	1,050.90
	Weighted average number of equity shares	F	4,56,00,000	4,56,00,000	4,56,00,000	4,56,00,000	4,56,00,000	4,56,00,000
	Net Asset Value Per Equity Share (in Rupees)	**E/F**	**76.13**	**65.61**	**50.18**	**30.93**	**28.03**	**23.05**

Notes:

i) Formula:

Basic and Diluted Earnings per share (Rupees) = $\frac{\text{Restated Consolidated Net Profit after Tax and Minority Interest (excluding extra ordinary items)}}{\text{Weighted average number of equity shares}}$

Return on net worth (%) = $\frac{\text{Restated Net Profit after Tax (excluding extra ordinary items)}}{\text{Net worth at the end of the periods (excluding extra ordinary items)}} \times 100$

Net Asset Value per equity share (Rupees) = $\frac{\text{Net worth at the end of the periods}}{\text{Weighted average number of equity shares}}$

ii) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period / year adjusted by the number of equity shares issued during period / year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period/year.

iii) Net worth for ratios mentioned represents sum of Paid-up share capital, reserves and surplus (excluding extra ordinary items).

iv) The holding company issued bonus shares in the ratio of 11 shares for every 1 share held, to the existing shareholders by way of capitalisation of surplus as per Profit and Loss which has been approved at the Extraordinary General Meeting held by the company on December 16, 2017.

v) Earnings per share calculations are in accordance with Accounting Standard 20 - Earnings Per Share ('AS 20') , notified under Section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014. As per AS 20, in case of bonus share , the number of shares outstanding before the event is adjusted for the proportionate change in the number of equity shares outstanding as if the event has occurred at the beginning of the earliest period reported. Weighted average number of equity shares outstanding during all the previous years have been considered accordingly.

vi) The figures disclosed above are based on the Restated Consolidated Summary Statements of Profit and Losses of the Company.

vii) The above statement should be read with the notes on adjustments to Restated Consolidated Summary Statement of Assets and Liabilities, Restated Consolidated Summary Statement of Profit and Loss and Restated Consolidated Summary Statement of Cash Flows as appearing in Annexure IV and Significant Accounting Policies as appearing in Annexure V.

Patel Infrastructure Limited

CIN : U45201GJ2004PLC043955

Annexure - XXXIII

Restated Consolidated Summary Statement of Capitalisation

(Amount In ₹ million)

Particulars	Pre IPO as at September 30, 2017	As adjusted for IPO (Refer Note ii) below
Borrowings		
Long-term borrowings		
Non current portion	1,675.92	-
Current maturity of long term borrowings	1,027.99	-
Sub Total (A)	2,703.91	-
Short-term borrowings (B)	1,648.17	-
Total (C)=(A) + (B)	**4,352.08**	-
Shareholder's Fund		
Share Capital (D)	38.00	-
Reserves and Surplus (E)	3,437.57	-
Total (F)=(D) + (E)	**3,475.57**	-
Debt / Equity Ratio - (C) / (F)	**1.25 : 1**	-
Long term Debt / Equity ratio - (A) / (F)	**0.78 : 1**	-

Notes:

i) The above ratios has been computed on the basis of the Restated Consolidated Summary Statement of Assets and Liabilities as of September 30, 2017.

ii) The corresponding Post IPO capitalisation data for each of the amounts given in the above table is not determinable at this stage pending the completion of the Book Building Process and hence the same has not been provided in the above statement.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*You should read the following discussion of our financial condition and results of operations together with our Restated Financial Information for each of Fiscals 2013, 2014, 2015, 2016 and 2017, and the six months ended September 30, 2017, including the notes thereto and the report thereon, which appear elsewhere in this Draft Red Herring Prospectus. You should also read the section "**Risk Factors**" on page 18, which discusses a number of factors and contingencies that could impact our financial condition and results of operations. The following discussion relates to our Company, unless otherwise stated, is based on restated audited consolidated financial information.*

*Our Restated Financial Information has been prepared in accordance with Indian GAAP, the Companies Act and the SEBI ICDR Regulations, which is included in this Draft Red Herring Prospectus under "**Financial Statements**". The restated financial information has been prepared on a basis that differs in certain material respects from generally accepted accounting principles in other jurisdictions, including US GAAP and IFRS. We do not provide a reconciliation of our restated financial information to US GAAP or IFRS and we have not otherwise quantified or identified the impact of the differences between Indian GAAP and US GAAP or IFRS as applied to our restated financial information. Accordingly, the degree to which the financial information in this Draft Red Herring Prospectus will provide meaningful information to a prospective investor in countries other than India depends entirely on such potential investor's level of familiarity with Indian accounting practices. Our fiscal year ends on March 31 of each year; therefore, all references to a particular fiscal are to the twelve-month period ended March 31 of that year. See also "**Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation**" on page 13.*

*This discussion contains forward-looking statements and reflects our current plans and expectations. Actual results may differ materially from those anticipated in these forward-looking statements. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Given these uncertainties, prospective investors are cautioned not to place undue reliance on such forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to those discussed in "**Forward-Looking Statements**", "**Risk Factors**" and "**Business**" on pages 16, 18 and 154, respectively.*

OVERVIEW

We are an established construction, development and maintenance service company, with a track record of 13 years of experience and expertise in execution of various road focused EPC projects in various states of India.

We categorise our operations into primarily two businesses, namely, our construction contract business, under which we carry out EPC services for third parties, primarily in the roads and highways sector, including highways and bridges, building and other civil construction projects (the "**EPC Business**"); and our development of roads and highways projects, including highways and bridges, currently on hybrid annuity model ("**HAM**") basis (the "**Annuity Business**"), and through our Subsidiaries completed build, operate, transfer ("**BOT**") annuity projects under which we receive toll collection fees and annuity income.

Within our EPC Business, our key ongoing projects in the building and other civil construction sector include the construction of eight new court buildings in the City Civil Court, Ahmedabad; the construction of the roller-compacted concrete ("**RCC**") structure in coordination with steel structure for frame of a new multi-storeyed multispecialty hospital in Gujarat; and the construction of residential flats, shops and offices under the Pradhan Mantri Awas Yojana in Gujarat. For more information on our EPC Business, see "***- EPC Business***" on page 163.

Within our Annuity Business, our key ongoing projects include our three HAM projects, of a total contract value of ₹ 39,302.30 million, which we have recently been awarded in the roads and highways sector, namely, the Sethiyahopu-Cholopuram Project and the Cholopuram-Thanjavur Project in the State of Tamil Nadu, and the Darah-Jhalawar Project in the State of Rajasthan. In addition, our Annuity Business includes our previous BOT annuity projects completed through our Subsidiaries, under which we currently receive toll collection fees and annuity income. For more information on our Annuity Business, including certain details of our three HAM projects, see "***- Annuity Business***" on page 164.

As on October 31, 2017, we had an Order Book of ₹ 62,672.43 million, including one OPRC road project, eight EPC road projects, and three HAM projects accounting for 2.77%, 31.92% and 62.71%, respectively, of our Order Book, reflecting an aggregate of 97.39% of our Order Book being comprised of roads and highways projects; and seven building and other civil construction projects, accounting for the balance 2.61% of our Order Book.

We are executing projects across various States in India, with Tamil Nadu, Rajasthan, Punjab, Karnataka, Gujarat and Madhya Pradesh having contributed 44.78%, 35.73%, 12.11%, 4.10%, 2.60% and 0.68%, respectively, to our Order Book, as on October 31, 2017. For more information on our Order Book, including a World Bank funded road asset management contract awarded to us in 2012, under the OPRC model, that we are currently executing in the State of Punjab, see "- ***Order Book***" on page 160.

We are pre-qualified to bid independently on an annual basis for bids by NHAI and MoRTH of contract value up to ₹ 12,340.0 million for EPC contracts and ₹ 12,030.0 million for Annuity contracts based on our technical and financial capacity as on March 31, 2017. While we independently execute projects where we are pre-qualified to bid on an independent basis, we form project joint ventures and consortiums, from time to time, with other infrastructure and construction companies, where a project requires us to meet specific eligibility requirements. As on the date of this Draft Red Herring Prospectus, we are executing through two joint ventures, the Sadbhav-PIPL JV and the KECL-PIPL JV and have already completed one project through a joint venture, namely the PIPL-KCL JV. For more information on our joint ventures, see "- ***Joint Ventures***" and "***History and Certain Corporate Matters – Joint Ventures***" on pages 166 and 184, respectively.

During the last five Fiscals, we have completed nine roads and highways projects above the contract value of ₹ 300 million each, aggregating to a total contract value of ₹ 22,732.07 million, and six building and other civil construction projects above the contract value of ₹ 300 million each, aggregating to a total contract value of ₹ 4,406.27 million. We have also received a letter of appreciation for early completion of our work on the Ahmedabad-Vadodara expressway project from the concessioning authority, Modern Road Makers Private Limited. For more information on our completed projects, including an OMT project awarded to us in 2010, see "***- Our Completed Projects***" on page 165.

Over time, we have added a fleet of modern construction equipment and employed manpower to supplement the growth of our operations. As on September 30, 2017, our equipment base comprised 683 construction equipment assets of gross block worth of ₹ 2,470.32 million, which included equipment such as earth movers (dumpers and tippers), loaders and excavators, rollers and compactors, weigh bridges, transit mixers, motor graders, milling machines, paver finishers, cranes, concrete batch mix plants, crushers, hot mix plants (batch type), concrete pavers, and others. We primarily use our own fleet of equipment, which provides us with a competitive advantage, allowing us to utilize our machines and equipment at their optimal levels.

We were founded in 1972 by the late Vithalbhai Gorabhai Patel as a partnership firm in the name of Patel Construction Company, which was incorporated as private limited company in 2004. We are promoted and managed by Mr. Pravinbhai Vithalbhai Patel, our Chairman, Mr. Arvind Vithalbhai Patel, our Managing Director, Mr. Dineshbhai Pragjibhai Vaviya, Mr. Madhubhai Pragjibhai Vaviya and Mr. Sureshbhai Pragjibhai Vaviya, who are Executive Directors on our Board.

We have received an award from the Gujarat Contractors Association for "Excellence in Highway Sector" in 2016. We have also received accreditations, such as the ISO 9001:2015, ISO 14001:2015 and OHSAS 18001:2007 certifications for our quality management systems, environmental management systems, and occupational health and safety management systems, respectively.

In Fiscals 2015, 2016 and 2017 and the six months ended September 30, 2017, our revenue from operations, as per our Restated Consolidated Financial Information were ₹ 5,643.64 million, ₹ 8,911.35 million, ₹ 15,932.67 million and ₹ 7,994.00 million, respectively. Revenue from our EPC Business were ₹ 3,572.16 million, ₹ 6,702.22 million, ₹ 13,689.87 million and ₹ 6,686.32 million, respectively for Fiscals 2015, 2016 and 2017 and the six months ended September 30, 2017, while revenue from our Annuity Business were ₹ 315.32 million, ₹ 335.60 million, ₹ 335.60 million and ₹ 167.91 million, respectively, for the same period. In Fiscals 2015, 2016 and 2017 and the six months ended September 30, 2017, our profit after tax, as per our Restated Consolidated Financial Information was ₹ 137.67 million, ₹ 879.61 million, ₹ 710.49 million and ₹ 479.77 million, respectively. We have been able to increase our total revenue from Fiscal 2015 to Fiscal 2017 at a CAGR of 68% and our profit after tax at a CAGR of 227% over the same period.

Factors Affecting Our Results of Operations and Financial Condition

A number of factors affect our financial condition and results of operation, of which, the following are particularly significant:

Our bidding and execution capability

We compete against various infrastructure, engineering and construction companies. In our EPC business, our ability to bid for infrastructure projects is based on our pre-qualification credentials which is based on our technical capability and performance, reputation for quality, safety record, financial strength and experience in similar projects undertaken in the past. We face significant competition for the award of projects from a large number of infrastructure and road development companies who also operate in the same regional markets as us. Further, some of our competitors are larger than us, have stronger financial resources or have a more experienced management team, or have stronger engineering capabilities in executing technically complex projects. Competition from other infrastructure and road development companies may adversely affect our ability to successfully bid for projects at price levels which would generate desired returns for us.

As a part of the bidding process, especially for the public sector clients, the nature and value of contracts executed in the past play an important role in allowing companies to bid for the new projects. Pre-qualification is key to our winning major projects. Our net worth and track record qualify us to bid for a large number of the projects in India. To bid for some higher value contracts, we sometimes seek to form strategic alliances or joint ventures with other experienced and qualified companies. Depending on various factors, including our prior project experience, geographical presence and familiarity with local working conditions, we are often able to provide more cost effective services than our competitors or offer a more valuable proposition. We are pre-qualified to bid independently on projects tendered by NHAI and MoRTH of contract value up to ₹ 12,340.0 million for EPC contracts and ₹ 12,030.0 million for Annuity contracts based on our technical and financial capacity as on March 31, 2017.

After a project is awarded, completion on time is subject to various factors, including, funding arrangements being in place, acquisition of land by the client, obtaining the relevant licenses and approvals in a timely manner and quick mobilization of resources. We primarily use our own fleet of equipment, which provides us with a competitive advantage, allowing us to utilize our machines and equipment at their optimal levels. We target for efficient project management and execution through efficient deployment of equipment and resources, quick decision-making capabilities by on-site project managers, strong relationships with suppliers and good communication and co-ordination between project sites and the head office. Our ability to continue to execute contracts effectively, as our business grows, is important to our strategy and results of operations.

Growth of our Order Book

Our Order Book as of a particular date comprises the estimated revenues from the unexecuted portions of all our existing contracts. We accept orders for different types of projects based on a number of factors such as the profit margin we expect to achieve on the different types of projects we undertake, the financial position of the customers placing the orders and our projected capacity during the period in which the projects would be required to be completed. The value of the orders we receive thus impacts our future performance. Any cancellation of orders or termination of projects under construction by our customers may result in a reduction of our expected future revenue.

Our revenues and profitability is also affected by the type, number and value of the projects we undertake in a relevant financial year, as well as the stages of completion of the relevant projects. As our projects may have different profit margins and may be in different stages of completion or operation, different amounts of revenue and profit can be recognized and/or realized at relevant times. Our results of operation from our projects may vary from fiscal to fiscal depending on the project implementation schedule. Projects which are spread over longer periods of time may also be subject to various other risks which we may not be able to control or foresee.

We select our projects portfolio mix based on a number of important factors, such as the estimated cost of the project and profit margins, track record of our customers, availability of funding, competition for different project types and changes in regulations. Different mixes of our projects at different times thus will cause corresponding changes in our revenues and profitability in the relevant fiscal periods.

Availability of cost effective funding sources

Our business requires a large amount of working capital. In many cases, significant amounts of working capital are required to finance the purchase of materials, the hiring of equipment and the performance of engineering, construction and other work on projects before payments are received from clients. For instance, under the contracts for carrying out HAM projects, 60% of the project cost are to be borne by the concessionaire through a combination of equity and debt, and the remaining 40% of the project cost are to be paid to the concessionaire by the concessioning authority. Our projects are funded to a large extent by debt and a change in interest expense may have a material effect on our results of operations and financial condition. Our current debt facilities carry interest at variable rates as well as fixed rates with the provision for periodic reset of interest rates. As of September 30, 2017, our entire working capital limits are subject to variable interest rates. In view of the high debt to equity ratios for our projects, changes in interest expense at the project company level is likely to have a significant effect on our financial results.

Access to adequate capital from bank borrowings is on such terms and conditions which are mutually acceptable to our Company and the lender. If we experience insufficient cash flows to allow us to make required payments on our debt or fund working capital requirements, there may be an adverse effect on our business and results of operations.

Cost of raw materials, labour and other inputs

The cost of raw materials, fuel, labor and other inputs constitutes a significant part of our operating expenses. Cost of materials consumed constituted 18.13%, 30.72%, 37.71% and 28.49% of our total expenses for Fiscals 2015, 2016 and 2017, and six months ended September 30, 2017, respectively. Our construction operations require various construction raw materials, including steel and cement. Fuel costs for operating our construction and other equipment also constitute a significant part of our operating expenses, especially in the case of our infrastructure projects.

The prices and supply of raw materials depend upon factors that are beyond our control, including but not limited to, general economic conditions, transportation costs, global and domestic market prices, competition, production levels, import duties, and these prices are cyclical in nature. Our ability to pass on increases in the purchase price of raw materials, fuel and other inputs may be limited in the case of contracts with limited price escalation provisions. Our actual expense in executing a contract with limited price escalation costs may vary substantially from the assumptions underlying our bid for several reasons, including unanticipated increases in the cost of raw materials, fuel, labour and other inputs, unforeseen construction conditions, including inability of the client to obtain requisite environmental and other approvals, delays caused by local weather conditions and suppliers' or subcontractors' failures to perform. Unanticipated increases in the price of raw materials, fuel costs, labour or other inputs not taken into account in our bid can also have compounding effects by increasing costs of performing other parts of the contract. These variations and other risks generally inherent to the construction industry may result in our profits from a project being less than as originally estimated or may result in our experiencing losses. Depending on the size of a project, these variations from estimated contract performance may result in our experiencing reduced profitability or losses on projects.

Government policies, budgetary allocations for investments in road infrastructure and general macro-economic and business conditions

Demand for our services is often affected by the GoI's policies and our business relies on projects awarded or funded by the GoI or State Governments. A large portion of our revenue, currently and in the future, is expected to be derived from road focused infrastructure projects awarded by our public sector clients such as NHAI and MoRTH. Execution of projects from our public sector clients accounted for 61.20%, 58.03%, 63.51% and 65.00% of our total revenue for Fiscals 2015, 2016 and 2017, and the six months ended September 30, 2017, respectively. The CRISIL Report expects investment in road projects to double to ₹ 10.70 trillion over next five years. According to the CRISIL Report, investment in state roads is expected to grow steadily, and rise at a faster pace in case of rural roads, owing to higher budgetary allocation to Pradhan Mantri Gram Sadak Yojana since Fiscal 2016. The I's focus on, and sustained increase in, budgetary allocation for infrastructure projects and the development of a structured and comprehensive infrastructure policy that encourages greater private sector participation as well as increased funding by international and multilateral development financial institutions for infrastructure projects in India have resulted in, and are expected to result in, several additional infrastructure projects in the region.

More recently, in order to boost private participation, the GoI has introduced HAM, which is a relatively new mode of implementing highway projects and we have limited experience in executing projects awarded to us under this mode. Our ability to benefit from such investments proposed in the infrastructure sector is, therefore, key to our results of operations. Further, our ability to bid for, and hence, undertake major infrastructure projects, including on new models such as the HAM, will depend on our ability to pre-qualify for these projects, including by entering into joint ventures with other companies.

Macro-economic factors in India relating to the roads and highways sector will have a significant impact on our prospects and results of operations. Overall economic growth in manufacturing, services and logistics sectors will lead to demand of better transportation facilities, which would include demand for construction, upgradation and maintenance of highways. Other macro-economic factors like global growth, attractiveness of India in attracting capital, oil prices and financial stability may impact the economic environment of India and the policies of the government with regards to the infrastructure and the roads and highways sector. The overall economic growth will therefore affect our results of operations.

Seasonality and weather conditions

Our business is dependent on the favourable climatic conditions in order to execute our projects in a time and cost effective manner. Adverse weather conditions such as heavy rains, landslides, floods, including during the monsoon season, may restrict our ability to carry on construction activities and require us to evacuate personnel or curtail services, may result in damage to a portion of our fleet of equipment or facilities resulting in the suspension of operations, and may prevent us from delivering materials to our project sites in accordance with contract schedules or generally reduce our productivity. Revenues recorded in the second quarter of our financial years between July and September are traditionally less compared to revenues recorded during the rest of our financial year. Our operations are also adversely affected by difficult working conditions and extremely high temperatures during summer months and shorter working hours in peak winter season, each of which may restrict our ability to carry on construction activities and fully utilize our resources.

Significant Accounting Policies

A. Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results may differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in current and future periods.

B. Property, plant and equipment

Property, plant and equipment are stated at cost net of recoverable taxes, trade discounts and rebates and include amounts added on revaluation (if any), less accumulated depreciation and impairment loss, if any. Cost comprises its purchase price, borrowing cost and any cost attributable to bringing the asset to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Subsequent expenditures related to an item of property, plant and equipment are added to its book value if and only if, it is probable that future economic benefits associated with the item will flow to the enterprise and the cost of the item can be measured reliably.

Capital work in-progress represents expenditure incurred in respect of assets which are yet to be brought to it working condition for its intended use and are carried at cost. Cost includes related acquisition expenses, construction or development cost, borrowing costs capitalized and other direct expenditure.

C. Intangible assets

Intangible assets are stated at cost of acquisition net of recoverable taxes less accumulated amortization and impairment loss, if any. Intangible assets comprises computer software, lease rights, right to collect toll and rights to receive annuity income. The cost comprises purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use and net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

Intangible assets in the form of right to collect toll or receive annuity income is obtained in consideration for costs incurred in rendering construction, operation and/or maintenance services in relation to build, operate and transfer projects and maintenance projects. The cost of such rights comprises civil works, machinery under erection, construction and erection materials, pre-operative expenditure, borrowing cost incurred during the implementation phase, expenditure indirectly related to the project and other expenses incidental to such projects. Such costs, on completion of project are capitalized as intangible assets.

Intangibles under development represent expenditure, incurred in respect of intangibles under development and carried at cost.

D. Depreciation and amortisation

Depreciation on property, plant and equipment is provided to the extent of depreciable amount on the straight-line method (SLM). Depreciation is provided on the basis of remaining useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

In respect of additions or extensions forming an integral part of existing assets and insurance spares, depreciation is provided as aforesaid over the residual life of the respective assets.

Computer software is amortized over useful life of ten years. Intangible asset in the form of rights to collect toll and receive annuity is amortised on straight line basis over the period for which our Company owns rights.

E. Impairment

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized in the Statement of Profit and Loss whenever the carrying amount of an asset or a cash generating unit exceeds its recoverable amount. The recoverable amount of the assets (or where applicable, that of the cash generating unit to which the asset belongs) is estimated as the higher of its net selling price and its value in use. A previously recognized impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

F. Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long term investments are carried at cost and provision for diminution in value is made to recognize a decline, other than temporary, in the value of the investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares, securities or other assets, the acquisition cost is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

G. Inventories

Stock of construction materials, stores & spares and embedded goods and fuel is valued at cost or net realizable value, whichever is lower after providing for obsolescence, if any, except in case of by products which are valued at net realizable value. Cost of inventories comprises of cost of purchase, cost of conversion and directly attributable overheads incurred in bringing them to their present location and condition. Cost is determined on first-in-first-out basis.

H. Work in progress

Work in progress in respect of construction contracts is valued on the basis of technical estimates and percentage completion basis.

I. Foreign currency transactions

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.

Monetary items denominated in foreign currencies at the year-end are restated at closing rates. In case of items which are covered by forward exchange contracts, the difference between the year- end rate and rate on the date of the contract is recognized as exchange difference and the premium paid on forward contracts is recognized over the life of the contract.

J. Revenue recognition

Revenue is recognized to the extent it is probable that the economic benefits will flow to our Company and the revenue can be reliably measured.

a. Contract revenue from EPC Contracts

Contract revenue and costs associated with the contract/ project related activities are accrued and recognized by reference to the stage of completion of the contract/project at the reporting date.

Contract revenue comprises the initial amount of revenue agreed in the contract, the variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue and they are capable of being reliably measured.

Contract cost comprises of cost that relate directly to the specific contract, cost that are attributable to contract activity in general and can be allocated to the contract and such other cost as are specifically chargeable to the customer under the terms of the contract.

Stage of completion is determined based on the survey of work performed at the end of each year. The effect of a change in the estimate of contract revenue or contract costs, or the effect of a change in the estimate of the outcome of a contract, is accounted for as a change in accounting estimate and the effect of which are recognized in the Statement of Profit and Loss in the period in which the change is made and in subsequent periods.

Any excess/short revenue recognized in accordance with the stage of completion of the project, in comparison to the amounts billed in accordance with the milestones completed as per the respective project, is accrued as unearned/unbilled revenue.

An expected loss on construction contract is recognized as an expense immediately when it is certain that the total contract costs will exceed the total contract revenue.

b. Material Sale

Sale of material is accounted on accrual basis.

c. Toll Income

Fee collection from users of the facility are accounted for as and when the amount is due and received.

d. Annuity Income

Operation and maintenance of Rail over Bridge (ROBs) entitles to receive annuity income which recognized on accrual basis.

e. Other income

- Interest income

Interest Income is recognized on a time proportionate basis taking into account the amount outstanding and the rate applicable.

- Dividend Income

Dividend income is recognized when the right to receive dividend is established.

- Profit from joint ventures

Revenue from construction/project related activity and contracts executed in joint ventures under work-sharing agreement is recognized in the statement of Profit and Loss to the extent of the share of profit receivable from the jointly controlled entity for the reporting period, if the right to receive payment is established at the balance sheet date.

K. Employee benefits

Defined Contribution Plans

Contribution to "Defined Contribution Plans" such as provident fund is charged to the profit and loss as incurred. Provident Fund Contribution is made to the Government Administered Provident Fund.

Defined benefit plans

Gratuity

Our Company's gratuity benefit scheme is defined benefit plan. Our Company's net obligation in respect of defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognized past service costs and the fair value of any plan assets are deducted. Calculation of our Company's obligation plan is performed annually by a qualified actuary using the projected unit credit method.

Our company recognizes all actuarial gains and losses arising from defined benefit plans immediately in the statement of Profit and Loss. All expenses related to defined benefits plans are recognized in employee benefits expense in the statement of Profit and Loss. When the benefits of a plan are improved, the portion of the increased benefit related to past services by employees is recognized in Profit and Loss on a straight line basis over the average period until the benefits become vested. Our Company recognizes gains and losses on the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs.

Leave encashment

The employees can carry forward a portion of the unutilized accrued leaves and utilize it in future service periods or receive cash compensation on termination of employment. Since the leave encashment do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as long term employee benefit. Our Company records an obligation for such leave encashment in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

L. Borrowing costs

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Profit and Loss Statement in the period in which they are incurred and included for computation of work in progress.

M. Income taxes

Current Tax

Current tax is recognized at the amount expected to be paid to the tax authorities, using the applicable tax rates after taking credit for allowances and exemptions in accordance with the Income Tax Act, 1961.

Deferred Tax

Deferred tax assets and liabilities are recognized for future tax consequences attributable to timing differences between financial statements' carrying amount of existing assets and liabilities and their respective tax basis. Deferred tax assets are recognized only to the extent that there is a reasonable certainty that sufficient future income will be available except that deferred tax assets, in case there are unabsorbed depreciation or losses, are recognized if there is virtual certainty that sufficient future taxable income will be available to realize the same.

Deferred tax assets and liabilities are measured using the enacted tax rates or tax rates that have been enacted or substantively enacted by the Balance Sheet date. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the period that includes the enactment date.

MAT Credit

Minimum Alternate Tax (MAT) paid in a year is charged to statement of profit and loss as current tax. Our Company recognizes MAT credit available as an asset only when and to the extent that there is convincing evidence that our Company will pay normal income tax during the specified period, i.e. the period for which MAT credit is allowed to be carried forward. In the year in which our Company recognizes MAT credit as an asset in accordance with the Guidance Note on "Accounting for Credit Available in respect of Minimum Alternative Tax under Income Tax Act, 1961", the said assets is created by way of credit to the statement of Profit and loss and shown as "MAT credit entitlement". Our Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the assets to the extent our company does not have convincing evidence that it will pay normal tax during the specified period.

N. Provisions, contingent liabilities and contingent assets

Provision is recognized in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within control of our company. A contingent liability also arises, in rare cases, where a liability cannot be recognized because it cannot be measured reliably unless the possibility of outflow of resources is remote.

Contingent assets are neither recognized nor disclosed in the financial statements.

O. Cash and cash equivalents

Cash and cash equivalents comprise of cash at bank and cash on hand. Our Company considers all highly liquid investments without encumbrance having maturity of three month or less from the reporting date to be cash equivalents.

P. Accounting for joint venture contracts

Contracts executed in Joint Venture under work sharing arrangement (consortium) are accounted in accordance with the accounting policy followed by our Company as that of an independent contract to the extent work is executed by our Company.

In respect of contracts executed through Joint Ventures under profit sharing arrangement (assessed as AOP under the Income tax laws), the services rendered to the Joint Ventures are accounted as income on accrual basis. Our Company's share in the profit / loss is accounted for, as and when it is determined by the Joint Venture and the net investment in the Joint Venture is reflected as investments, loans & advances or current liabilities, as the case may be.

Q. Earnings per share

Basic earnings per share is 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. 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 weighted average number of equity shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

R. Segment reporting

Identification of segments:

Our Company, our Subsidiaries, associates and joint ventures' operating businesses are organized and managed separately according to the nature of services provided, with each segment representing a strategic business unit that offers different services, the risk return profile of individual business unit.

Allocation of common costs:

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated Items:

Unallocated items include general corporate incomes and expenses which are not allocated to any business segment. Assets and liabilities that cannot be allocated between the segments are shown as a part of unallocated corporate assets and liabilities respectively.

Segment Policies:

Our Company, our Subsidiaries, associates and joint ventures prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the group as a whole.

Summary Results of Operations

The following is a summary of our profit and loss account as per our Restated Consolidated Financial Information for the periods indicated:

Particulars	Fiscal 2015		Fiscal 2016		Fiscal 2017		Six months ended September 30, 2017	
	Amount	Percentage of Total Revenue	Amount	Percentage of Total Revenue	Amount	Percentage of Total Revenue	Amount	Percentage of Total Revenue
	(₹ in million)	%	(₹ in million)	%	(₹ in million)	%	(₹ in million)	%
INCOME								
Revenue from operations	5,643.64	99.18%	8,911.35	99.21%	15,932.67	99.45%	7,994.00	99.33%
Other Income	46.46	0.82%	70.73	0.79%	87.87	0.55%	53.75	0.67%
Total Revenue	**5,690.10**	**100.00%**	**8,982.07**	**100.00%**	**16,020.55**	**100.00%**	**8,047.76**	**100.00%**
EXPENDITURE								
Construction expenses	3,859.01	67.82%	6,499.45	72.36%	12,458.01	77.76%	6,090.04	75.67%

Particulars	Fiscal 2015		Fiscal 2016		Fiscal 2017		Six months ended September 30, 2017	
	Amount	Percentage of Total Revenue	Amount	Percentage of Total Revenue	Amount	Percentage of Total Revenue	Amount	Percentage of Total Revenue
	(₹ in million)	%	(₹ in million)	%	(₹ in million)	%	(₹ in million)	%
Employee benefit expenses	297.77	5.23%	465.84	5.19%	715.50	4.47%	382.55	4.75%
Depreciation and amortisation	573.15	10.07%	649.97	7.24%	743.42	4.64%	388.97	4.83%
Finance costs	479.92	8.43%	497.89	5.54%	599.68	3.74%	282.32	3.51%
Other expenses	238.25	4.19%	389.45	4.34%	650.29	4.06%	311.17	3.87%
Total Expenditure	**5,466.10**	**95.74%**	**8,502.60**	**94.67%**	**15,166.89**	**94.67%**	**7455.04**	**92.63%**
Restated profit/(loss) before extraordinary items, tax and minority interest	**224.00**	**3.94%**	**479.47**	**5.34%**	**853.66**	**5.33%**	**592.71**	**7.36%**
Extraordinary Items								
Profit on sale of shares of Associates	-	-	532.86	5.93%	-	-	-	-
Profit after extraordinary items but before minority interest and tax	**224.00**	**3.94%**	**1,012.34**	**11.27%**	**853.66**	**5.33%**	**592.71**	**7.36%**
Tax expense								
Current tax	84.97	1.49%	186.37	2.07%	174.20	1.09%	128.21	1.59%
MAT credit	-	-	(66.16)	(0.74)%	(47.24)	(0.29)%	(21.04)	(0.26)%
Deferred tax	(10.88)	(0.19)%	8.71	0.10%	12.72	0.08%	1.46	0.02%
Total Tax expenses	**74.09**	**1.30%**	**128.92**	**1.43%**	**139.68**	**0.88%**	**108.63**	**1.35%**
Restated profit / (loss) after tax but before minority interest for the year/period	**149.90**	**2.63%**	**883.42**	**9.84%**	**713.98**	**4.46%**	**484.09**	**6.02%**
(Profit) / loss attributable to minority interest	(12.23)	(0.21)%	(3.81)	(0.04)%	(3.49)	(0.02)%	(4.32)	(0.05)%
Restated profit/ (loss) for the year/period	**137.67**	**2.42%**	**879.61**	**9.79%**	**710.49**	**4.43%**	**479.77**	**5.96%**

Components of Income and Expenditure

Total Revenue

Our total revenue consists of our revenue from operations and other income.

Revenue from operations

Contract revenue

Our contract revenue accounted for 96.96%, 98.70%, 99.10% and 99.19% of our total revenue for Fiscals 2015, 2016 and 2017, and the six month period ended September 30, 2017, respectively. Our contract revenue primarily consists of revenue generated from execution of EPC contracts, toll collection fees and annuity income.

Other operating income

Our revenue from other operating income accounted for 2.22%, 0.52%, 0.35% and 0.14% of our total revenue for Fiscals 2015, 2016 and 2017, and the six month period ended September 30, 2017, respectively. Our other operating income primarily consists of the revenue generated from proceeds from sale of construction material.

Other Income

Our other income primarily includes interest income from banks, dividend income and miscellaneous income and accounted for 0.82%, 0.78%, 0.55% and 0.67% of our total revenue for Fiscals 2015, 2016 and 2017, and the six month period ended September 30, 2017, respectively.

Expenses

Cost of materials consumed

Cost of materials consumed primarily consists of expenditure incurred towards procurement of raw materials for our projects. Cost of materials consumed accounted for 17.42%, 29.08%, 35.70% and 26.39% of our total revenue for Fiscals 2015, 2016 and 2017, and the six month period ended September 30, 2017, respectively and indicates the difference between the opening and closing inventory, as adjusted for raw materials purchased during the period.

Other contract expenses

This expense comprises work and labour expenses; power and fuel expenses; hire charges for machinery; consumption of spares, tools and consumables; repairs and maintenance of plant and machinery; and concession fees. Other contract expenses accounted for 50.40%, 43.28%, 42.07% and 49.28% of our total revenue for Fiscals 2015, 2016 and 2017, and the six month period ended September 30, 2017, respectively.

Employee benefits expense

Our employee benefits expense comprises salaries, remuneration to our directors, wages and bonus, staff welfare expenses, contribution to the employees' provident fund and other funds, gratuity fund expenses and leave encashment. Employee benefits expense accounted for 5.23%, 5.19%, 4.47% and 4.75% of our total revenue for Fiscals 2015, 2016 and 2017, and the six month period ended September 30, 2017, respectively.

Finance costs

Our finance costs primarily comprise interest on term loans and working capital loans, interest on loans from related parties, other borrowing costs and exchange loss. Our finance costs accounted for 8.75%, 5.54%, 3.74% and 3.51% of our total revenue for Fiscals 2015, 2016 and 2017, and the six month period ended September 30, 2017, respectively.

Depreciation and amortization expense

Our depreciation and amortisation expenses include (i) amortisation of intangible assets; and (ii) depreciation of tangible assets such as property, plant and machinery and equipment. Our depreciation and amortisation expenses accounted for 10.07%, 7.24%, 4.64% and 4.83% of our total revenue for Fiscals 2015, 2016 and 2017, and the six month period ended September 30, 2017, respectively.

Other expenses

Other expenses accounted for 4.19%, 4.34%, 4.06% and 3.87% of our total revenue for Fiscals 2015, 2016 and 2017, and the six month period ended September 30, 2017, respectively. Our other expenses primarily comprise of repairs and maintenance, rates and taxes, travelling expense, lease rent, payment of audit fee to the auditors, income tax expenses, advertisement expenses, professional fee, printing and stationary, communication expenses, loss on sale of assets and miscellaneous expenses.

Fiscal 2015 compared to Fiscal 2016

Revenue

Our total revenue increased by ₹ 3,291.97 million, or 57.85 %, from ₹ 5,690.10 million in Fiscal 2015 to ₹ 8,982.07 million in Fiscal 2016, primarily due to increased revenue from operations.

Revenue from operations

Our revenue from operations increased by ₹ 3,267.71 million, or 57.90 %, from ₹ 5,643.64 million in Fiscal 2015 to ₹ 8,911.35 million in Fiscal 2016. This increase was primarily attributable to an increase in revenue from executing our EPC contracts and revenue from our toll collection and our annuity income. Our revenue from execution of our EPC contracts was ₹ 3,572.16 million, while toll collection fees and annuity income were ₹ 1,629.68 million and ₹ 315.32 million, in Fiscal 2015. Our revenue from execution of our EPC contracts was ₹ 6,702.22 million, while toll collection fees and annuity income were ₹ 1,827.17 million and ₹ 335.60 million, in Fiscal 2016.

Other operating income

Our other operating income decreased by ₹ 80.12 million, or 63.33%, from ₹ 126.48 million in Fiscal 2015 to ₹ 46.36 million in Fiscal 2016. This decrease was primarily driven by reduction in material sales (sale of aggregate used for construction), because of the increased captive consumption in our construction activities in Fiscal 2016.

Other income

Our other income increased by ₹ 24.27 million, or 52.24 %, from ₹ 46.46 million in Fiscal 2015 to ₹ 70.73 million in Fiscal 2016. This increase was primarily due to increase in interest income, profit on sale of mutual funds and miscellaneous income.

Particulars	**Fiscal**			
	2015		**2016**	
	Amount	**Percentage of other income**	**Amount**	**Percentage of other income**
	(₹ in million)	**(%)**	**(₹ in million)**	**(%)**
Interest income				
Fixed deposits with Bank	37.41	80.52	41.26	58.33
Others	0.56	1.21	0.42	0.59
Miscellaneous income	2.64	5.68	7.28	10.29
Dividend income	0.01	0.02	0.01	0.01
Share in profit from investment in associates	3.94	8.48	4.64	6.56
Profit on sale of items of property, plant and equipment	0.30	0.65	0.15	0.21
Profit on sale of mutual funds	1.60	3.44	16.96	23.98
Net gain on account of foreign exchange fluctuations	-	-	-	-
Total	**46.46**	**100.00**	**70.73**	**100.00**

Expenses

Our total expenses increased by ₹ 3,036.50 million, or 55.55 %, from ₹ 5,466.10 million in Fiscal 2015 to ₹ 8,502.60 million in Fiscal 2016, primarily due to increase in cost of materials consumed, other construction expenses, finance costs, depreciation and amortization costs and employee benefit expenses.

Construction expenses

Our construction expenses increased by ₹ 2,640.44 million, or 68.42 %, from ₹ 3,859.01 million in Fiscal 2015 to ₹ 6,499.45 million in Fiscal 2016. This increase was primarily due to higher consumption of raw materials by ₹ 1,621.45 million, or 163.63% from ₹ 990.94 million in Fiscal 2015 to ₹ 2,612.39 million in Fiscal 2016. This increase in consumption of raw materials was on account of increase in our construction activity with respect to our ongoing projects and the corresponding increase in other construction expenses in Fiscal 2016.

Our other construction expenses increased by ₹ 1,018.99 million, or 35.53% from ₹ 2,868.07 million in Fiscal 2015 to ₹ 3,887.06 million in Fiscal 2016. This increase was primarily on account of increase in (i) work and labour expenses of ₹ 694.83 million; (ii) power and fuel expenses of ₹ 94.91 million; (iii) hire charges for machinery of ₹ 18.14 million; (iv) consumption of spares, tools and consumables of ₹ 16.19 million; (v) repairs and maintenance of plant and machinery of ₹ 69.83 million; and (vi) concession fees of ₹ 94.44 million. These increase was partially offset by ₹ 2.45 million decrease in testing charges.

Employee benefits expense

Our employee benefits expenses increased by ₹ 168.07 million, or 56.44%, from ₹ 297.77 million in Fiscal 2015 to ₹ 465.84 million in Fiscal 2016. This increase was primarily attributable to an increase in salaries, wages and bonus of ₹ 118.66 million and an increase in the remuneration paid to our directors of ₹ 27.56 million.

Finance costs

Our finance cost was ₹ 497.92 million in Fiscal 2015 as compared to ₹ 497.89 million in Fiscal 2016, and there was no significant change in our overall finance cost. However, other borrowing costs increased by ₹ 14.98 million from ₹ 57.99 million in Fiscal 2015 to ₹ 72.97 million in Fiscal 2016. This was partially offset by decrease in interest on loans from related parties of ₹ 21.20 million, from ₹ 21.91 million in Fiscal 2015 to ₹ 0.71 million in Fiscal 2016.

Depreciation and amortization

Our depreciation and amortization expenses increased by ₹ 76.82 million, or 13.40%, from ₹ 573.15 million in Fiscal 2015 to ₹ 649.97 million in Fiscal 2016. This increase was primarily attributable to increases in depreciation on tangible assets of ₹ 30.91 million and amortization of intangible assets of ₹ 45.92 million.

Other expenses

Our other expenses increased by ₹ 151.20 million, or 63.46%, from ₹ 238.25 million in Fiscal 2015 to ₹ 389.45 million in Fiscal 2016. This was primarily due to higher other expenses in Fiscal 2016 primarily on account of ₹ 102.04 million paid towards rates and taxes in that year.

Profit before tax and extraordinary items

Primarily on account of the reasons described above, our profit before tax and extraordinary items increased by ₹ 255.47 million, or 114.05%, from ₹ 224.00 million in Fiscal 2015 to ₹ 479.47 million in Fiscal 2016.

Tax expense

Due to an increase in our profit before tax and extraordinary items, our current tax increased by ₹ 101.40 million, from ₹ 84.97 million in Fiscal 2015 to ₹ 186.37 million in Fiscal 2016 and our deferred tax expense was ₹ (10.88) million in Fiscal 2015, as compared to ₹ 8.71 million in Fiscal 2016.

Net profit

Our PAT (but before minority interest) increased by ₹ 733.52 million, or 489.34%, from ₹ 149.90 million in Fiscal 2015 to ₹ 883.42 million in Fiscal 2016, as a result of the factors described above.

Fiscal 2016 compared to Fiscal 2017

Revenue

Our revenue increased by ₹ 7,038.48 million, or 78.36 %, from ₹ 8,982.07 million in Fiscal 2016 to ₹ 16,020.55 million in Fiscal 2017, primarily due to increased revenue from operations.

Revenue from operations

Our revenue from operations increased by ₹ 7,021.32 million, or 78.79 %, from ₹ 8,911.35 million in Fiscal 2016 to ₹ 15,932.67 million in Fiscal 2017. This increase was primarily attributable to an increase in revenue from executing our EPC contracts and revenue from our toll collection and our annuity income. Our revenue from execution of our EPC contracts was ₹ 6,702.22 million, while toll collection fees and annuity income were ₹ 1,827.17 million and ₹ 335.60 million, in Fiscal 2016. Our revenue from execution of our EPC contracts was ₹ 13,689.87 million, while toll collection fees and annuity income were ₹ 1,851.41 million and ₹ 335.60 million, in Fiscal 2017.

Other operating income

Our other operating income increased by ₹ 9.43 million, or 20.34%, from ₹ 46.36 million in Fiscal 2016 to ₹ 55.79 million in Fiscal 2017. This increase was primarily driven by increase in material sales (sale of aggregate used for construction) in Fiscal 2017.

Other income

Our other income increased by ₹ 17.14 million, or 24.23 %, from ₹ 70.73 million in Fiscal 2016 to ₹ 87.87 million in Fiscal 2017. This increase was primarily due to increase in interest income, profit on sale of mutual funds and miscellaneous income.

Particulars	**Fiscal**			
	2016		**2017**	
	Amount	**Percentage of other income**	**Amount**	**Percentage of other income**
	(₹ in million)	**(%)**	**(₹ in million)**	**(%)**
Interest income				
Fixed deposits with Bank	41.26	58.33	51.15	58.21
Others	0.42	0.59	1.79	2.04
Miscellaneous income	7.28	10.29	14.26	16.23
Dividend income	0.01	0.01	0.01	0.01
Share in profit from investment in associates	4.64	6.56	0.47	0.53
Profit on sale of items of property, plant and equipment	0.15	0.21	1.42	1.62
Profit on sale of mutual funds	16.96	23.98	11.39	12.96
Net gain on account of foreign exchange fluctuations	-	-	7.39	8.41
Total	**70.73**	**100.00**	**87.87**	**100.00**

Expenses

Our total expenses increased by ₹ 6,664.29 million, or 78.38 %, from ₹ 8,502.60 million in Fiscal 2016 to ₹ 15,166.89 million in Fiscal 2017, primarily due to increase in cost of materials consumed, other construction expenses, finance costs, depreciation and amortization costs and employee benefit expenses.

Construction expenses

Our construction expenses increased by ₹ 5,958.56 million, or 91.68 %, from ₹ 6,499.45 million in Fiscal 2016 to ₹ 12,458.01 million in Fiscal 2017. This increase was primarily due to higher consumption of raw materials by ₹ 3,106.55 million, or 118.92% from ₹ 2,612.39 million in Fiscal 2016 to ₹ 5,718.94 million in Fiscal 2017. This increase in consumption of raw materials was on account of increase in our construction activity with respect to our ongoing projects and the corresponding increase in other construction expenses in Fiscal 2017.

Our other construction expenses increased by ₹ 2,852.00 million, or 73.37% from ₹ 3,887.06 million in Fiscal 2016 to ₹ 6,739.06 million in Fiscal 2017. This increase was primarily on account of increase in (i) work and labour expenses of ₹ 2,171.47 million; (ii) power and fuel expenses of ₹ 373.39 million; (iii) repairs and maintenance of plant and machinery of ₹ 182.48 million; (iv) hire charges for machinery of ₹ 37.98 million; (v) consumption of spares, tools and consumables of ₹ 35.95 million;; and (vi) concession fees of ₹ 31.31 million. These increase was partially offset by ₹ 2.11 million decrease in testing charges.

Employee benefits expense

Our employee benefits expenses increased by ₹ 249.66 million, or 53.59%, from ₹ 465.84 million in Fiscal 2016 to ₹ 715.50 million in Fiscal 2017. This increase was primarily attributable to an increase in salaries, wages and bonus of ₹ 212.92 million.

Finance costs

Our finance cost increased by ₹ 101.79 million, or 20.44% from ₹ 497.89 million in Fiscal 2016 to ₹ 599.68 million in Fiscal 2017. This was primarily attributable to an increase in the interest on working capital facilities which increased from ₹ 82.14 million in Fiscal 2016 to ₹ 138.90 million in Fiscal 2017 and an increase in the other borrowing costs from ₹ 72.97 million in Fiscal 2016 to ₹ 112.88 million in Fiscal 2017. This was partially offset by decrease in exchange loss of ₹ 4.85 million, from ₹ 5.24 million in Fiscal 2016 to ₹ 0.39 million in Fiscal 2017.

Depreciation and amortization

Our depreciation and amortization expenses increased by ₹ 93.45 million, or 14.37%, from ₹ 649.97 million in Fiscal 2016 to ₹ 743.42 million in Fiscal 2017. This increase was primarily attributable to increases in depreciation on tangible assets of ₹ 70.54 million and amortization of intangible assets of ₹ 22.91 million.

Other expenses

Our other expenses increased by ₹ 260.84 million, or 66.98%, from ₹ 389.45 million in Fiscal 2016 to ₹ 650.29 million in Fiscal 2017. This was primarily due to higher other expenses in Fiscal 2017 primarily on account of ₹ 207.48 million paid towards rates and taxes in that year.

Profit before tax and extraordinary items

Primarily on account of the reasons described above, our profit before tax and extraordinary items increased by ₹ 374.19 million, or 78.04%, from ₹ 479.47 million in Fiscal 2016 to ₹ 853.66 million in Fiscal 2017.

Tax expense

Our current tax decreased by ₹ 12.177 million, from ₹ 186.37 million in Fiscal 2016 to ₹ 174.20 million in Fiscal 2017 and our deferred tax expense was ₹ 8.71 million in Fiscal 2016, as compared to ₹ 12.72 million in Fiscal 2017.

Net profit

Our PAT (but before minority interest) decreased by ₹ 169.44 million, or 19.18%, from ₹ 883.42 million in Fiscal 2016 to ₹ 713.98 million in Fiscal 2017, as our PAT in Fiscal 2016 included profit on sale of shares of our Associates of ₹ 532.86 million.

Six month period ended September 30, 2017

Revenue

Our revenue was ₹ 8,047.76 million for the six month period ended September 30, 2017, primarily due to increased revenue from operations.

Revenue from operations

Our revenue from operations was ₹ 7,994.00 million for the six month period ended September 30, 2017. This was primarily attributable to our revenue from executing our EPC contracts and revenue from our toll collection and our annuity income, which were ₹ 6,686.32 million, ₹ 1,128.60 million and ₹ 167.91 million, respectively.

Other operating income

Our other operating income was ₹ 11.18 million for the six month period ended September 30, 2017. This was primarily driven by increase in material sales (sale of aggregate used for construction) in Fiscal 2018.

Other income

Our other income was ₹ 53.75 million for the six month period ended September 30, 2017. This increase was primarily due our income from interest income, profit on sale of mutual funds and miscellaneous income.

Particulars	Six month period ended September 30, 2017	
	Amount	Percentage of other income
	(₹ in million)	(%)
Interest income		
Fixed deposits with Bank	20.47	38.08
Others	0.55	1.02
Miscellaneous income	22.62	42.09
Dividend income	0.02	0.04
Share in profit from investment in associates	-	-
Profit on sale of items of property, plant and equipment	0.76	1.41
Profit on sale of mutual funds	9.33	17.36
Net gain on account of foreign exchange fluctuations	-	-
Total	**53.75**	**100.00**

Expenses

Our total expenses was ₹ 7,455.04 million for the six month period ended September 30, 2017, primarily due to cost of materials consumed, other construction expenses, finance costs, depreciation and amortization costs and employee benefit expenses.

Construction expenses

Our construction expenses was ₹ 6,090.04 million for the six month period ended September 30, 2017. This was primarily attributed to our cost of materials consumed of ₹ 2,124.15 million for the six month period ended September 30, 2017. Our other construction expenses was ₹ 3,965.88 million for the six month period ended September 30, 2017. This was primarily on account of (i) work and labour expenses of ₹ 2,880.69 million; (ii) power and fuel expenses of ₹ 273.42 million; (iii) hire charges for machinery of ₹ 38.07 million; (iv) consumption of spares, tools and consumables of ₹ 67.47 million; (v) repairs and maintenance of plant and machinery of ₹ 60.46 million; and (vi) concession fees of ₹ 623.74 million.

Employee benefits expense

Our employee benefits expenses was ₹ 382.55 million for the six month period ended September 30, 2017. This was primarily attributable to the payment salaries, wages and bonus of ₹ 297.39 million.

Finance costs

Our finance cost was ₹ 282.32 million for the six month period ended September 30, 2017. This was primarily attributable to interest on working capital facilities ₹ 97.34 million and interest on term loans from banks and financial institutions of ₹ 153.91 million.

Depreciation and amortization

Our depreciation and amortization expenses was ₹ 388.97 million for the six month period ended September 30, 2017. This increase was primarily attributable to depreciation on tangible assets of ₹ 134.72 million and amortization of intangible assets of ₹ 254.26 million.

Other expenses

Our other expenses was ₹ 311.17 million for the six month period ended September 30, 2017. This was primarily attributable to repairs and maintenance, rates and taxes, travelling expense, lease rent and payment of audit fee to the auditors.

Profit before tax and extraordinary items

Primarily on account of the reasons described above, our profit before tax and extraordinary items was ₹ 592.71 million for the six month period ended September 30, 2017.

Tax expense

Our current tax expense was ₹ 128.21 million for the six month period ended September 30, 2017 and our deferred tax expense was ₹ 1.46 million for the same period.

Net profit

Our PAT (but before minority interest) was ₹ 484.09 million for the six month period ended September 30, 2017.

Liquidity and Capital Resources

Historically, our primary liquidity requirements have been to finance our working capital and term loan requirements, which we have primarily met from internal accruals and bank borrowings. For further information, see "***Financial Indebtedness***" on page 375 and "***Financial Statements – Restated Standalone Financial Statements Annexure VIII***" and ***Financial Statements - Restated Consolidated Financial Statements Annexure VIII*** on page 235 and 307, respectively.

Cash Flows

The following table sets forth selected items from our restated cash flow statement for the periods indicated:

Particulars	Fiscal			Six month period ended September 30, 2017
	2015	2016	2017	
	(₹ in million)			
Net cash from operating activities	612.20	1,107.03	982.35	353.58
Net cash used in investing activities	(442.17)	(1,162.86)	(849.52)	43.99
Net cash used in financing activities	(229.78)	201.11	(30.21)	(429.10)
Net changes in cash and cash equivalents	(59.75)	145.28	102.63	(31.53)
Cash and cash equivalents as at the beginning of the year	356.52	296.77	442.05	544.68
Cash and cash equivalents as at the end of the year	296.77	442.05	544.68	513.15

Operating Activities

Net cash from operating activities in Fiscal 2015 was ₹ 612.20 million and our operating profit before working capital changes for that period was ₹ 1,193.56 million, as adjusted primarily for changes in trade receivables of ₹ 130.91 million. This was partially offset by adjustment in trade and other payables of ₹ 442.85 million.

Net cash from operating activities in Fiscal 2016 was ₹ 1,107.03 million and our operating profit before working capital changes for that period was ₹ 1,491.91 million, as adjusted primarily for changes in trade and other payables of ₹ 1,908.36 million. This was partially offset by adjustment for changes in trade receivables of ₹ 1,235.99 million.

Net cash from operating activities in Fiscal 2017 was ₹ 982.35 million and our operating profit before working capital changes for that period was ₹ 2,022.23 million, as adjusted primarily for changes in trade receivables of ₹ 636.00 million. This was partially offset by adjustment in loans and advances of ₹ 1,667.12 million.

Net cash from operating activities for the six month period ended September 30, 2017 was ₹ 353.58 million and our operating profit before working capital changes for that period was ₹ 1,203.08 million, as adjusted primarily for changes in trade receivables of ₹ 234.04 million. This was partially offset by adjustment in trade and other payables of ₹ 221.75 million.

Investing Activities

Net cash used in investing activities in Fiscal 2015 was ₹ 442.17 million, primarily consisting of purchase of fixed assets of ₹ 846.12 million. These payments were partially offset by ₹ 400.00 million received as advances for sale of investment.

Net cash used in investing activities in Fiscal 2016 was ₹ 1,162.86 million, primarily consisting of purchase of fixed assets of ₹ 1,246.33 million, partially offset by ₹ 620.00 million received from sale of investment in associates.

Net cash used in investing activities in Fiscal 2017 was ₹ 849.52 million, primarily consisting of purchase of fixed assets of ₹ 610.75 million. These payments were partially offset by ₹ 51.15 million received as interest on fixed deposit receipts.

Net cash used in investing activities for the six month period ended September 30, 2017 was ₹ 43.99 million, primarily consisting of purchase of fixed assets of ₹ 107.10 million, partially offset by ₹ 105.80 million received from sale of mutual funds.

Financing Activities

Net cash used in financing activities in Fiscal 2015 was ₹ 229.78 million, primarily reflecting payment of interest expenses of ₹ 435.25 million. This was partially offset by proceeds from secured loans of ₹ 187.74 million.

Net cash generated from financing activities in Fiscal 2016 was ₹ 201.11 million, primarily consisting of proceeds from secured loans of ₹ 628.59 million. This was partially offset by interest expenses of ₹ 419.68 million.

Net cash used in financing activities in Fiscal 2017 was ₹ 30.21 million, primarily consisting of payment of interest expenses of ₹ 486.42 million. This was partially offset by proceeds from secured loans of ₹ 211.96 million.

Net cash used in financing activities for the six month period ended September 30, 2017 was ₹ 429.10 million, primarily consisting of payment of interest expenses of ₹ 251.57 million.

Contingent Liabilities

The following table sets forth the principal components of our contingent liabilities:

(*₹ in million*)

S. No.	Particulars	Fiscal 2015	Fiscal 2016	Fiscal 2017	Six months ended September 30, 2017
1.	Claims against our Company not acknowledged as debt	0.88	0.88	2.72	2.72
2.	Guarantees				
	• outstanding bank guarantees	2,019.60	3,884.34	4,615.73	4,114.17
	• corporate guarantees	1,332.59	1,137.84	751.20	630.50
3.	Other money for which our Company is contingently liable (direct and indirect taxes)	30.63	44.27	44.27	44.27
	Total	**3383.70**	**5,067.33**	**5,413.92**	**4,791.66**

(*₹ in million)*

Capital Commitments	Fiscal 2015	Fiscal 2016	Fiscal 2017	Six months ended September 30, 2017
Capital commitment – acquisition of capital assets (net of capital advances)	0.69	89.90	0.62	78.96

Related Party Transactions

We have entered into and expect to enter into transactions with a number of related parties, including our Promoters. For further information regarding our related party transactions, see "***Restated Consolidated Statement of Related Party Transactions***" under Annexure XXIX, under "***Financial Statements***" on page [●].

Quantitative and Qualitative Disclosure about market risks

Interest Rate Risk

Interest rates for borrowings have been volatile in India in recent periods. Our operations are funded to an extent by debt, and increases in interest expense may have an adverse effect on our results of operations and financial condition. Our current debt facilities carry interest at variable rates as well as fixed rates. Although we engage in hedging transactions from time to time or exercise any right available to us under our financing arrangements to terminate the existing debt financing arrangement on the respective reset dates and enter into new financing arrangements, there can be no assurance that we will be able to do so on commercially reasonable terms, that our counterparties will perform their obligations, or that these agreements, if entered into, will protect us adequately against interest rate risks.

General

Market risk is the risk of loss of future earnings, to fair values or to future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the foreign currency exchange rates, interest rates, commodity prices, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments, foreign currency payables and debt.

Foreign Exchange Rate Risk

Changes in currency exchange rates influence our results of operations. A major portion of our revenues, particularly relating to our exports, is denominated in currencies other than Indian Rupees. The depreciation of the Indian Rupee against these foreign currencies may adversely affect our results of operations by increasing the cost of financing any debt denominated in foreign currency that we may enter into or proposed capital expenditure, if any, in foreign currencies. We are also impacted by the fluctuations in the exchange rate between Indian Rupee and certain foreign currencies. Our financial statements are presented in Indian Rupee, however, our revenues are influenced by currencies of those countries where we export our products. Although we enter into hedging transactions to minimize our currency exchange risks, there can be no assurance that such measures will enable us to completely offset the effect of any adverse fluctuations in the value of the Indian Rupee against the relevant foreign currencies

Unusual or infrequent events or transactions

Except as discussed in this Draft Red Herring Prospectus, there have been no other events or transactions that, to our knowledge, may be described as "unusual" or "infrequent".

Significant economic changes

Except as discussed in this Draft Red Herring Prospectus, to our knowledge, there have been no significant economic changes that are likely to have a material adverse impact on our operations or financial condition.

Known trends or uncertainties

Our business has been, and we expect will continue to be impacted by the trends identified in this section and the uncertainties described in "***Risk Factors***" on page 18. To our knowledge, except as we have described in this Draft Red Herring Prospectus, there are no known factors, which we expect to have a material adverse impact on our revenues or income from continuing operations.

Future changes in relationship between costs and revenues

Except as described in this section and in "***Risk Factors***" and "***Business***" on pages 18 and 154, respectively, to our knowledge, there is no future relationship between expenditure and income that will have a material adverse impact on our operations and finances.

Extent to which material increases in net sales or revenue are due to increased sale volume, introduction of new products or services or increased sales prices

The extent to which material increases in net sales or revenue are due to increased sale volume, introduction of new products or services or increased sales prices is discussed in this section above.

Significant regulatory changes that materially affected or are likely to affect income from continuing operations

Except as described in "***Key Regulations and Policies in India***" on page 175, there have been no significant regulatory changes that have materially affected or are likely to affect our income from continuing operations.

The extent to which our business is seasonal

See "- ***Key Factors Affecting our Results of Operations - Seasonality and Weather Conditions"*** on page 352.

Also see, "***Risk Factors – Our business is subject to seasonal and other fluctuations that may affect our financial performance and business operations.***" on page 32.

Competitive conditions

We operate in a competitive atmosphere. We compete against various domestic engineering, construction and infrastructure companies such as Ashoka Buildcon Limited, Dilip Buildcon Limited, KNR Constructions Limited, PNC Infratech Limited and Sadbhav Engineering Limited for infrastructure projects. Our competition depends on various factors, such as the type of project, total contract value, potential margins, the complexity, location of the project and risks relating to revenue generation. For further details, see "***Business - Competition***" on page 173.

Significant Developments after September 30, 2017

(i) Pursuant to a resolution passed by the shareholders of our Company on October 27, 2017, the authorized share capital of our Company was increased from ₹ 40,000,000 divided into 4,000,000 equity shares of ₹ 10 each to ₹ 600,000,000 divided into 60,000,000 equity shares of ₹ 10 each. For further details, see "***History and Certain Corporate Matters - Amendments to our Memorandum of Association***" on page 179.

(ii) Pursuant to a letter of intent dated October 4, 2017, our Company was awarded a contract under HAM for the 4-laning of Darah-Jhalwar-Teendhar from km. 299.000 to km. 346.540 km section of NH12 in the State of Rajasthan. For further details, see "***Business – Typical terms of our contracts***" on page 167.

(iii) Pursuant to a resolution passed by the shareholders of our Company on December 1, 2017, our Company was converted from a private limited company into a public limited company and consequently the name of our Company was changed from 'Patel Infrastructure Private Limited' to 'Patel Infrastructure Limited'.

(iv) On December 16, 2017, our Company allotted 41,800,000 Equity Shares pursuant to a bonus issue in the ratio of 11 Equity Shares for every one Equity Share held by the shareholders of our Company. For further details, see "***Capital Structure***" on page 87.

Except as stated above, there are no developments after September 30, 2017 that we believe are expected to have a material impact on our reserves, profits, earnings per Equity Share, book value or ability to pay our liabilities within the next 12 months.

SUMMARY OF SIGNIFICANT DIFFERENCES BETWEEN INDIAN GAAP AND IND (AS)

The Restated Financial Information included in this Draft Red Herring Prospectus are presented in accordance with the Companies Act 2013 and the SEBI ICDR Regulations, which differs from IND (AS) in certain respects. The matters described below cannot necessarily be expected to reveal all material differences between Indian GAAP and IND (AS) which are relevant to us. This is not an exhaustive list of differences between Indian GAAP and IND (AS); rather, it indicates only those differences that we believe will be more relevant to our financial position and results of operations, and to the presentation of our financial statements. We have not considered all material matters of Indian GAAP presentation, classification and disclosures, which also differ from IND (AS). Consequently, there can be no assurance that these are the only material differences in the accounting principles that could have a significant impact on the financial information included in this Draft Red Herring Prospectus. Furthermore, we have made no attempt to identify or quantify the impact of these differences or any future differences between Indian GAAP and IND (AS) which may result from prospective changes in accounting standards. In making an investment decision, investors must rely upon their own examination of our business and financial information and terms of the Issue. Potential investors should consult with their own professional advisors for a more thorough understanding of the differences between Indian GAAP and IND (AS) and how those differences might affect our financial information.

The Ministry of Corporate Affairs ("**MCA**") via its notification dated February 16, 2015 states that an "Entity" (which means a 'company' as defined in sub-section (20) of section 2 of the Companies Act, 2013 or as defined in section 3 of the Companies Act, 1956, as the case may be) falling under the second phase category, now or later or as applicable thereafter, shall comply with IND (AS) for accounting periods beginning on or after April 1, 2017 or as applicable thereafter, with comparatives for the periods ending on March 31, 2016. Therefore, we will be subject to this notification. For the purposes of this Draft Red Herring Prospectus, we have prepared our Restated Financial Information in accordance with the Companies Act and SEBI ICDR Regulations.

Ind AS No.	**Particulars**	**Treatment as per Indian GAAP**	**Treatment as per Ind AS**
Ind AS 1	Presentation of Financial Statements	**Other Comprehensive Income:**	**Other Comprehensive Income:**
		Statement of Other Comprehensive Income is not applicable under Indian GAAP. Some items, such as revaluation surplus, that are treated as 'other comprehensive income' under Ind AS are recognized directly under Reserves and Surplus under Indian GAAP. There is no concept of other comprehensive income under Indian GAAP.	Ind AS-1 requires the presentation of a statement of other comprehensive income as part of the financial statements. This statement presents all the items of income and expenses (including reclassification adjustments) that are not recognized in profit or loss as required or permitted by other Ind ASs. Unrealized holding gains or losses on investments that are classified as available for sale, Foreign currency translation gains or losses, Actuarial gains and losses on defined benefit plans, Pension prior service costs or credits, Gains and losses from investments in equity instruments measured at fair value through OCI etc. should be classified in OCI. These components are grouped into those that, in accordance with other Ind ASs (a) will not be reclassified subsequently to profit or loss, and (b) will be reclassified subsequently to profit or loss when specific conditions are met.
		Statement of Change in Equity:	**Statement of Change in Equity:**
		A statement of changes in equity is currently not presented. Movements in share capital, retained earnings and other reserves are to be presented in the notes to accounts.	Ind AS-1 requires the presentation of a statement of changes in equity showing: a) Transactions with owners in their capacity as owners, showing separately contributions by and distributions to equity shareholders. b) The total comprehensive income for the period. Amounts attributable to owners of the parent and non- controlling interests are to be shown separately. c) Effects of retrospective application or restatement on each component of equity.

Ind AS No.	Particulars	Treatment as per Indian GAAP	Treatment as per Ind AS
			d) For each component of equity, reconciliation between the opening and closing balances separately disclosing each change.
		Extraordinary items:	**Extraordinary items:**
		Extraordinary items are disclosed separately in the statement of profit and loss and are included in the determination of net profit or loss for the period. Items of income or expense to be disclosed as extraordinary should be distinct from the ordinary activities and are determined by the nature of the event or transaction in relation to the business ordinarily carried out by an entity.	Presentation of any items of income or expense as extraordinary is prohibited.
		Dividends:	**Dividends:**
		Schedule III requires disclosure of proposed dividends in the notes to accounts. However, as per the requirements of AS 4, which override the provisions of Schedule III, dividends stated to be in respect of the period covered by the financial statements, which are proposed or declared after the balance sheet date but before approval of the financial statements will have to be recorded as a provision. Further, as per recent amendment in Accounting Standard 4, dividends declared subsequent to the balance sheet are to be considered as a non- adjusting event, which is similar to the Ind AS requirement.	Liability for dividends declared to holders of equity instruments are recognised in the period when declared. It is a non-adjusting event, which is an event after the reporting period that is indicative of a condition that arose after the end of the reporting period.
		Presentation of profit or loss attributable to non-controlling interests (minority interests):	**Presentation of profit or loss attributable to non-controlling interests (minority interests):**
		Profit or loss attributable to minority interests is disclosed as deduction from the profit or loss for the period as an item of income or expense.	Profit or loss attributable to non-controlling interests and equity holders of the parent is disclosed in the statement of profit or loss and Other comprehensive income as allocation of profit or loss and total comprehensive income for the period.
		Presentation of non-controlling interests (minority interests):	**Presentation of non-controlling interests (minority interests):**
		Under Indian GAAP, minority interest is presented separately from liabilities and equity.	Under Ind AS-1, minority interest (referred to as non-controlling interest) is presented within equity separately from the parent shareholders' equity.
	Reclassification	Under Indian GAAP, a disclosure is made in financial statements that comparative amounts have been reclassified to conform to the presentation in the current period without additional disclosures for the nature, amount and reason for reclassification.	Ind AS requires, when comparative amounts are reclassified, the nature, amount and reason for reclassification to be disclosed.
Ind AS 7	Statement of cash Flow	Interest and dividends received are required to be classified as investing activity. Interest and dividends paid are required to be classified as financing activity. Under Indian GAAP, AS is silent about inclusion of bank overdraft in cash and cash equivalents. Effect of changes in Bank overdraft is included under financing activities.	May be classified as operating, investing or financing activity in a manner consistent from period to period. As per Ind AS 7, bank overdrafts which are repayable on demand form an integral part of an entity's cash management, bank overdrafts are included as a component of cash and cash equivalents.
Ind AS 8	Accounting Policies, Changes in Accounting	**Changes in Accounting Policies:**	**Changes in Accounting Policies:**
		Under Indian GAAP, Changes in accounting policies should be made only if it is required by statute, for compliance with an	Ind-AS-8 requires retrospective application of changes in accounting policies by adjusting the opening balance of each

Ind AS No.	Particulars	Treatment as per Indian GAAP	Treatment as per Ind AS
	Estimates and Error	Accounting Standard or for a more appropriate presentation of the financial statements on a prospective basis together with a disclosure of the impact of the same, if material. If a change in the accounting policy is expected to have a material effect in the later periods, the same should be appropriately disclosed. However, change in depreciation method, though considered a change in accounting policy, is given retrospective effect.	affected component of equity for the earliest prior period presented and the other comparative amounts for each period presented as if the new accounting policy had always been applied, unless transitional provisions of an accounting standard require otherwise.
		Errors:	**Errors:**
		Prior period items are included in determination of net profit or loss of the period in which the error pertaining to a prior period is discovered and are separately disclosed in the statement of profit and loss in a manner that the impact on current profit or loss can be perceived.	Material prior period errors are corrected retrospectively by restating the comparative amounts for prior periods presented in which the error occurred or if the error occurred before the earliest period presented, by restating the opening balance sheet.
Ind AS 12	Deferred Tax: Approach – P&L vs. Balance Sheet Items	Deferred taxes are computed for timing differences in respect of recognition of items of profit or loss	Deferred taxes are computed for all temporary differences between the accounting base and the tax base of assets and liabilities. Also, any deferred tax impact on the adjustments made to transition to Ind AS is to be assessed and should be given impact in financial statements.
Ind AS 16	Property Plant and Equipment - Reviewing depreciation and residual value	Property, plant and equipment are not required to be componentised as per AS-10. However, Companies Act requires our C ompany to adopt component accounting. The Companies Act, 2013 sets out the estimated useful lives of assets based on the nature of the asset and the useful life used for depreciation ordinarily should not differ from the useful life specifies in the Companies Act, 2013. However, a different useful life may be used based on technical analysis and requires disclosure in financial statements. Further, as per recent amendment in Accounting Standards 10, the standard is made in line with the requirements Ind AS.	Ind AS 16 mandates reviewing the method of depreciation, estimated useful life and estimated residual value of an asset at least once in a year. The effect of any change in the estimated useful and residual value shall be taken prospectively. Ind AS 101 allows current carrying value under Indian GAAP for items of property, plant and equipment to be carried forward as the cost under Ind AS.
		Indian GAAP did not require inclusion of asset retirement obligation costs in the cost of the asset.	Asset retirement obligation is required to be estimated and included in Cost of Property, Plant & Equipment.
Ind AS 17	Leases: Operating Leases	Under Indian GAAP, lease payments under an operating lease are recognized as an expense in the statement of profit and loss on a straight line basis over the lease term, unless another systematic basis is more representative of the time pattern of the users benefit.	Under Ind AS 17, lease payments under an operating lease are recognized as an expense in the statement of profit and loss on a straight line basis over the lease term unless: a) another systematic basis is more representative of the time pattern of the user's benefit; or b) The payments to the lessor are structured to increase in line with expected general inflation for cost increases.
Ind AS 19	Employee Benefits	All actuarial gains and losses are recognised immediately in the statement of profit and loss.	Actuarial gains and losses representing changes in the present value of the defined benefit obligation resulting from experience adjustment and effects of changes in actuarial assumptions are recognised in other comprehensive income and not reclassified to profit or loss in a subsequent period.

Ind AS No.	Particulars	Treatment as per Indian GAAP	Treatment as per Ind AS
Ind AS 24	Related Party	Indian GAAP covers the spouse, son, daughter, brother, sister, father and mother who may be expected to influence, or be influenced by, that individual in his/her dealings with the reporting enterprise. It covers key management personnel (KMP) of the entity only. Co-venturers or co-associates are not related to each other.	Definition of related party as per Ind AS is very wide. It includes the persons specified within the meaning of 'relative' under the Companies Act 2013 and that person's domestic partner, children of that person's domestic partner and dependents of that person's domestic partner. It also covers KMP of the parent company as well. Two entities are related to each other in both their financial statements, if they are either co- venturers or one is a venturer and the other is an associate.
Ind AS 37	Provisions, Contingent Liabilities and Contingent Assets	Discounting of liabilities is not permitted and provisions are carried at their full values.	When the effect of time value of money is material, the amount of provision is the present value of the expenditure expected to be required to settle the obligation. The discount rate is a pre-tax rate that reflects the current market assessment of the time value of money and risks specific to the liability.
Ind AS 108	Operating Segments: Determination of Segments	Under Indian GAAP, companies are to identify two sets of segments (business and geographical), using a risks and rewards approach, with the company's system of internal financial reporting to key management personnel serving only as the starting point for the identification of such segments.	Under Ind-AS, operating segments are identified based on the financial information that is regularly reviewed by the chief operating decision-maker (CODM) in deciding how to allocate resources and in assessing performance.
Ind AS 109	Financial Assets	Financial assets are not defined in Indian GAAP and no specific guidance is provided.	All financial assets are classified as measured at amortised cost using effective interest method or measured at fair value through profit and loss or fair value through other comprehensive income. All equity investments are measured at fair value with value changes recognized in statement of Profit and Loss except for those equity investments for which the entity has irrevocably elected to present value changes in OCI. Derivatives (including separated embedded derivatives) are measured at fair value. All fair value gains and losses are recognised in statement of profit and loss except where the derivatives qualify as hedging instruments in cash flow hedges or net investment hedges.
	Financial Liabilities	Financial liabilities are not defined in Indian GAAP and no specific guidance is provided.	Financial liabilities held for trading are subsequently measured at fair value through profit and loss and all other financial liabilities are measured at amortised cost using the effective interest method.
	Accounting of current investment	Under Indian GAAP, long term investments including trade investments are carried at cost, after providing for any diminution in value, if such diminution is not temporary in nature. Current investments, except for current maturities of long-term investments, comprising investments in mutual funds are stated at the lower of cost and fair value.	A financial asset is measured at amortized cost if it meets the following criteria: - The asset is held to collect its contractual cash flows. - The asset's contractual cash flows represent 'solely payments of principal and interest' ('SPPI'). Financial assets included within the amortized cost category are initially recognized at fair value and subsequently measured at amortized cost.

Ind AS No.	Particulars	Treatment as per Indian GAAP	Treatment as per Ind AS
			A financial asset is measured at fair value through the Other Comprehensive Income if it fulfils the following requirements: - The objective of the business model is achieved both by collecting contractual cash flows and by selling financial assets. - The asset's contractual cash flows represent SPPI. Financial assets included within the Fair value through other comprehensive income (FVTOCI) category are initially recognized and subsequently measured at fair value. Movements in the carrying amount will be taken through Other Comprehensive Income, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses, which are recognized in profit and loss. Where the financial asset is derecognized, the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss. Fair value through profit & loss (FVTPL) is the residual category. Financial assets will be classified as FVTPL if they do not meet the criteria of FVTOCI or amortized cost. Financial assets included within the FVTPL category will be measured at fair value with all changes taken through profit or loss. Regardless of the business model assessment, an entity can elect to classify a financial asset at FVTPL, if doing so, reduces or eliminates a measurement or recognition inconsistency ('accounting mismatch').
	Interest accrued	Interest accrued on all Investments is shown under "Other Income" in Statement of Profit & Loss.	Under Ind AS, Interest accrued only on Investments classified as "Fair Value to Profit & Loss" is disclosed in Statement of Profit and Loss. In case of Investment classified as "Fair Value to OCI", is disclosed in the statement of OCI.
Ind AS 110/111	Subsidiary v. Joint Arrangements	Under Indian GAAP, a company is treated as a subsidiary company if the parent is holding more than 50% of the equity/voting rights during the year. Accordingly, the financial statements of the parent and its subsidiaries are consolidated on a line by line basis by adding together like items of assets, liabilities, income and expenses.	An investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Joint arrangement is an arrangement in which two or more parties have joint control. Joint control is contractually agreed sharing of control of an arrangement which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. Based on legal form of separate vehicle, terms of contractual agreement and other facts, joint arrangement shall be classified either into joint venture or joint operation. In case of joint venture, equity method in accordance with Ind AS 28 is applied at the time of consolidation

FINANCIAL INDEBTEDNESS

Pursuant to our Articles of Association, subject to applicable laws and pursuant to the resolution passed by the shareholders of our Company on December 16, 2017, our Board has been authorised to borrow sums of money with or without security, which, together with the monies borrowed by our Company (apart from the temporary loans obtained or to be obtained from our Company's bankers in the ordinary course of business) shall not exceed the amount of ₹ 25,000 million over and above the aggregate of the paid-up share capital and free reserves of our Company.

Facilities availed by us

Set forth below is a brief summary of our aggregate outstanding borrowings (both fund based and non-fund based) as on October 31, 2017 on a standalone and consolidated basis.

(*₹ in million*)

Category of borrowing	Standalone		Consolidated	
	Sanctioned Amount	Outstanding amount as on October 31, 2017	Sanctioned Amount	Outstanding amount as on October 31, 2017
Term loans				
Secured	100.00	0.00	3,478.90	1,993.30
Unsecured	6.58	6.58	6.58	6.58
Vehicle Loans	1,291.43	612.93	1,291.43	612.93
Working Capital Facilities				
Cash Credit and working capital demand loans	2,530.04	1,140.80	2,543.54	1,153.37
Bank Guarantee	7,305.00	4,721.61^	7,305.00	4,721.61
Total	**11,233.05**	**6,481.92**	**14,625.45**	**8,487.79**

^ *Bank Guarantee limits include outstanding of ₹ 218.45 Million of Bill discounting facility, ₹ 445.98 Million of FIBN Limits, Inland Letter of Credit ("ILC") of ₹ 64.98 millions and ₹ 1.67 millions of Foreign Letter of Credit ("FLC").*

A. Principal terms of the borrowings availed by our Company:

Interest

In terms of the loans availed by us, the interest rate is typically linked to the MCLR of a specified lender and margin of the specified lender. The spread varies between different loans.

Tenor

The tenor of the working capital facility loans availed by us typically ranges from 60 days to 12 months subject to renewal after periodic review.

Security

In terms of our borrowings where security needs to be created, we are typically required to:

i. create exclusive charge on the entire existing and future movable and immovable assets of our Company;
ii. create security by way of hypothecation of our Company's entire stocks of raw materials, semi furnished and finished goods, consumable spare parts including book debts, retention money, receivables, both present within the limitations state in various sanction letters and future without limitation in a form satisfactory to the lender;
iii. create equitable mortgage of certain properties and equipment of our Company or our Promoters; and
iv. provide personal guarantees of our Promoters.

This is an indicative list and there may be additional requirements for creation of security under the various borrowing arrangements entered into by us.

Repayment

The cash credit capital facilities are typically repayable on demand.

Pre-payment

The loans availed by our Company typically have prepayment provisions which allows for pre-payment and re-scheduling of the outstanding loan amount on receiving prior approval from such concerned lender, subject to such prepayment penalties as may be decided by the lender at the time of such prepayment, or as laid down in the facility document, as the case may be.

Events of Default

Borrowing arrangements entered into by our Company contain standard events of default, including:

i. failure to promptly pay any amount including any outstanding amounts owed to the lenders under the facility;
ii. failure to duly observe or perform any obligation or commission of a breach if any terms, under the facility agreements or under any other agreement with the lender or any other person;
iii. any representation, warranty or declaration made by our Company to the lender, found by the lender to be false, misleading or otherwise incorrect;
iv. proceedings relating to winding up/ liquidation/ bankruptcy/ insolvency being initiated against our Company;
v. appointment of a receiver over any of our Company's properties;
vi. default by our Company on amounts due to/ facilities extended by any other lender;
vii. the threat or apprehension of or the occurrence of any damage to or loss, theft, misappropriation or destruction of any of the secured assets, secured third party assets or of any other security created in favour of the lender or of any assets of our Company;
viii. our Company ceasing or threatening to cease to carry on its business; or
ix. failure by our Company to continue repayment.

Restrictive Covenants

Many of our financing arrangements entail various restrictive conditions and covenants restricting certain corporate actions, and we are required to take the prior approval of the lender before carrying out such activities, including for:

i. any change in shareholding of our Promoters;
ii. effecting any change in the capital structure of our Company;
iii. taking any additional borrowings;
iv. creating or allowing to exist any encumbrance or security over charged assets;
v. changing the ownership or control of our Company, resulting in any change in the beneficial ownership;
vi. making any material change in the management of our Company;
vii. entering into any scheme of merger, amalgamation, compromise or reconstruction;
viii. any change in the constitutional documents of our Company;
ix. pre-paying any indebtedness incurred by our Company;
x. declare any dividend on share capital of our Company, if our Company has failed to meet its obligations to pay the interest and/or commission and/or instalment or instalments and/or other moneys payable to the lender, so long as it is in such default;
xi. making any corporate investments by way of share capital or debentures or lend or advance funds to or place deposits with, any other concern except give normal trade credits or place on security deposits in the normal course of business or make advances to employees;
xii. sell, assign, mortgage or otherwise dispose off any of the fixed assets charged to the lender;
xiii. making any payments or loans to its group companies;
xiv. revalue the assets of our Company;
xv. implement any scheme of expansion/diversification/modernization other than incurring routine capital expenditure;
xvi. undertake guarantee obligations on behalf of any third party or any other company;
xvii. enter into any contractual obligation of a long-term nature or affecting our Company financially to a significant extent; and
xviii. any change to the general nature of the business of our Company.

This is an indicative list and there may be additional terms that may amount to an event of default under the various borrowing arrangements entered into by us. Additionally, our Company is required to ensure the aforementioned events of default and other events of default as specified under the corporate guarantees provided by our Company are not triggered.

For additional details in relation to our financial indebtedness, see "***Financial Statements***" on page 211.

B. Principal terms of the borrowings availed of by our Subsidiaries

Interest

The interest rate payable under the loan documentation is the applicable MCLR of the specified lender with an additional margin as specified by the lender under the loan documentation.

Tenor

The tenor of the term loans typically range from three years to 13 years.

Security

The loans taken by our Subsidiaries are secured by a hypothecation over the inventory cum book debts, plant and machineries, current assets on an exclusive charge basis, guarantee of our Promoters and our Company and charge on all the immovable property of our Company.

Repayment

The repayment schedule under the term loan provides for repayment of the loan in semi-annual installments whereas the working capital facility is repayable on demand (subject to annual renewal).

Prepayment

The prepayment penalty for loans availed by our Subsidiaries is up to1.00 % of the prepaid amount of the facility. However, no pre-payment penalty shall be payable if the prepayment is effected at the instance of lenders and if the prepayment is made out of its internal cash accruals with 30 days prior notice.

Our Subsidiaries would have the option to prepay the loan without any prepayment penalty within 60 days of such reset of spread provided in irrevocable notice to prepay the loan has been given by the borrower to the Bank within 30 days of such reset of spread.

Spread shall not be changed unless there is rating downgrade or regulatory requirement or any default by our Subsidiaries towards facility.

Covenants

The borrowing arrangements entered into by our Subsidiaries typically contain certain covenants to be fulfilled by our Subsidiaries, including:

i. submission of, among other things, annual audited accounts, periodical statement(s), stock / book-debts statements within a specified period;
ii. our Subsidiaries cannot, without the prior approval of the lender in writing, among other things, (i) effect any change in its capital structure; (ii) formulate a scheme of amalgamation / reconstitution; (iii) enter into a borrowing arrangement either secured or unsecured with any other bank / financial institutions (iv) undertake guarantee obligation on behalf of any other company, firm or persons; (v) create any further charge, lien or encumbrance over its assets and properties, which are charged to the lender, in favour of any other bank, financial institutions, company, firm or persons and (vi) sell, assign, mortgage or otherwise dispose off any of the fixed assets of charged to the bank; and
iii. our Subsidiaries shall not, without a compulsory undertaking, invest any amount for acquisition of fixed assets without any long term arrangement.

Events of Default

The borrowing arrangements entered into by our Subsidiaries contain certain covenants which can lead to events of default, including but not limited to:

i. Non-compliance with the terms and conditions of the transaction documents; and
ii. Deterioration in the creditworthiness of the Subsidiaries in any manner whatsoever.

This above list is merely an indicative list of events of default and there are additional terms that may amount to an event of default under the various borrowing arrangements entered into by us.

SECTION VI – LEGAL AND OTHER INFORMATION
OUTSTANDING LITIGATION AND OTHER MATERIAL DEVELOPMENTS

Except as stated in this section, there are no (i) outstanding criminal proceedings involving our Company, Promoters, Subsidiaries, Directors or Group Company; (ii) outstanding actions taken by statutory or regulatory authorities involving our Company, Subsidiaries, Promoters, Directors or Group Company; (iii) outstanding claims involving our Company, Subsidiaries, Promoters, Directors or Group Company for any direct and indirect tax liabilities; (iv) outstanding material civil litigation involving our Company, Subsidiaries, Promoters, Directors, Subsidiaries and Group Company; (v) inquiries, inspections or investigations initiated or conducted under the Companies Act against our Company or our Subsidiaries and if there were prosecutions filed (whether pending or not), during the last five years immediately preceding the year of filing of this Draft Red Herring Prospectus; (vi) fines imposed on or compounding of offences by our Company or our Subsidiaries under the Companies Act in the last five years immediately preceding the year of this Draft Red Herring Prospectus; (vii) pending defaults or non-payment of statutory dues by our Company;(viii) litigation or legal action pending or taken against our Promoters by any ministry or Government department or statutory authority during the last five years immediately preceding the year of this Draft Red Herring Prospectus; (ix) material frauds committed against our Company, in the five years preceding the date of this Draft Red Herring Prospectus; (x) outstanding dues to creditors of our Company as determined to be material by our Board of Directors as per the Materiality Policy in accordance with the SEBI ICDR Regulations; (xi) outstanding dues to micro, small and medium enterprises, small scale undertakings and other creditors; and (xii) any other litigation involving our Company, Promoters, Directors, Subsidiaries and Group Company or any other person whose outcome could have a material adverse effect on the position of our Company. Further, there are no pending proceedings initiated for economic offences or defaults our Company in respect of dues payable.

Details of other legal proceedings, determined to be material by our Board pursuant to their resolution dated December 16, 2017 and currently pending involving our Company, Subsidiaries, Directors, Promoters and Group Company are set forth below. Pursuant to the SEBI ICDR Regulations and the Materiality Policy for the purposes of disclosure, all other pending litigation involving our Company, Subsidiaries, Promoters, Directors and Group Company, other than criminal proceedings, statutory or regulatory actions and taxation matters, would be considered 'material' if the potential financial liability/ monetary amount of claim by or against our Company, Promoters, Directors, Subsidiaries and Group Company in any such pending matter is in excess of 1 % of our Company's net profit (after tax) as restated as per the restated consolidated financial information of our Company as at and for the last completed financial year immediately preceding the date of the filing of this Draft Red Herring Prospectus amounting to ₹ 7.10 million or any such litigation which is material from the perspective of our Company's business, operations, prospects or reputation.

Unless stated to the contrary, the information provided below is as of the date of this Draft Red Herring Prospectus.

I. LITIGATION INVOLVING OUR COMPANY

A. Outstanding criminal proceedings involving our Company

Criminal proceedings against our Company

As on the date of this Draft Red Herring Prospectus, there are twelve outstanding criminal proceeding initiated against our Company, details of which are provided hereunder.

1. Our Company has been impleaded in twelve proceedings before various forums at Bathinda, Chandigarh, Mansa, Rajkot and Sangrur for various road and highway accidents involving vehicles of our Company. These cases are currently pending at various stages before these various forums. Any adverse outcome in these cases could have a material adverse impact on the position of our Company.

Criminal proceedings by our Company

As on the date of this Draft Red Herring Prospectus, there is one outstanding criminal proceeding initiated by our Company, details of which are provided hereunder.

1. Our Company filed an petition dated June 6, 2017 before the Chief Judicial Magistrate, Mansa against Suraj Bhan & Co, under sections 138 and 141 of the Negotiable Instruments Act, 1881 in relation to

dishonour of cheque no. 937559 amounting to approximately ₹ 4.50 million issued to our Company. Our Company has sought compensation of approximately ₹ 9.00 million as damages from Suraj Bhan and Co. This matter is currently pending.

B. Actions by statutory or regulatory authorities against our Company

As on the date of this Draft Red Herring Prospectus, there are two pending actions by any statutory or regulatory authority against our Company.

1. Our Company received a notice from the Office of the Collector of Stamp Duty, Anand (the "**Respondent**") dated June 20, 2017 in relation to the deficit of ₹ 1,120,000 in stamp duty to be paid by our Company in relation to a mortgage deed entered into by our Company and Oriental Bank of Commerce ("**OBC**") and registered with the Office of the Sub-Registrar, Anand on March 3, 2014. The Respondent was of the opinion that the instrument executed by our Company and OBC allowed OBC to act as a trustee for more than one bank with regard to the secured immovable property. In the opinion of the Respondent, such an instrument which dealt with more than a single transaction could be charged a higher stamp duty as per Section 5 of the Gujarat Stamp Act. In response, our Company has filed a reply dated August 2, 2017 against the notice and has also filed a writ petition before the High Court of Gujarat at Ahmedabad (Special Civil Application 17112 of 2017) on the grounds that the concerned security document covers only a single transaction and therefore cannot attract the provisions of Section 5 of the Gujarat Stamp Act. This matter is currently pending before the High Court of Gujarat.

2. Our Company received a notice from the Office of the Collector of Stamp Duty, Anand (the "**Collector**") dated June 20, 2017 in relation to the deficit of ₹ 4,480,000 in stamp duty to be paid by our Company in relation to a mortgage deed entered into by our Company and Oriental Bank of Commerce ("**OBC**") and registered with the Office of the Sub-Registrar, Anand on September 14, 2014. The Collector was of the opinion that the instrument executed by our Company and OBC allowed OBC to act as a trustee for more than one bank with regard to the secured immovable property. In the opinion of the Collector, such an instrument which dealt with more than a single transaction could be charged a higher stamp duty as per Section 5 of the Gujarat Stamp Act. Our Company has filed a reply dated August 2, 2017 against the notice. The matter is currently pending action from the Collector.

C. Tax proceedings against our Company

Direct tax proceedings

As on the date of this Draft Red Herring Prospectus, there are no direct tax proceedings against our Company.

Indirect Tax Proceedings

There is one indirect tax proceeding pending against our Company in respect of the assessment year 2013-2014 and the aggregate amount involved under such proceeding (to the extent ascertainable) pursuant to the claims therein is ₹ 10.41 million. The nature of this proceeding pertains to alleged incorrect computations of central excise payable by our Company for the assessment year 2013-2014. The matter is currently pending before the Supreme Court of India.

D. Outstanding civil litigation involving our Company

As on the date of this Draft Red Herring Prospectus, there is no pending civil litigation initiated by or against our Company wherein the value of the financial claim exceeds ₹ 7.10 million, which is, the financial threshold for materiality of civil litigation.

E. Other material outstanding litigation involving our Company

As on the date of this Draft Red Herring Prospectus, there are no material outstanding litigation against or initiated by our Company.

F. Pending proceedings initiated against our Company for economic offences

As on the date of this Draft Red Herring Prospectus, there are no proceedings initiated against our Company for any economic offences.

G. Default and non – payment of statutory dues

Except as disclosed in "***Financial Statements – Restated Financial Statements – Annexure IV***" on page 294, our Company does not owe any statutory dues and has not made any defaults or committed any acts involving non-payment of its statutory dues.

H. Material frauds against our Company

There have been no material frauds committed against our Company in the five years immediately preceding the date of this Draft Red Herring Prospectus.

I. Details of any inquiry, inspection or investigation initiated or conducted under the Companies Act against our Company

As on the date of this Draft Red Herring Prospectus, there is no inquiry, inspection or investigation initiated or conducted under the Companies Act against our Company.

J. Details of prosecutions filed (whether pending or not); fines imposed or compounding of offences done in the last five years by our Company in the last five years immediately preceding the year of this Draft Red Herring Prospectus and if there were prosecutions filed (whether pending or not)

As on the date of this Draft Red Herring Prospectus, there is no prosecutions filed, fines imposed or compounding of offences done in the last five years by our Company in the last five years immediately preceding the year of this Draft Red Herring Prospectus.

K. Outstanding litigation against any other persons or companies whose outcome could have an adverse effect on us

There are no outstanding litigation, suits, criminal or civil proceedings, statutory or legal proceedings including those for economic offences, tax liabilities, prosecution under any enactment in respect of Schedule V of the Companies Act 2013, show cause notices or legal notices against any other person or company whose outcome could have a material adverse effect on the operations, finances or our position.

L. Outstanding dues to small scale undertakings or any other creditors

As of September 30, 2017, we owed an aggregate amount of ₹ 1,452.59 million to creditors. For further details, see http://www.patelinfra.com.

As per the Materiality Policy, creditors to whom an amount exceeding 2 % of our total consolidated trade payables for the period ending September 30, 2017, was outstanding, were considered 'material' creditors. Based on the above, there are eight material creditors of our Company as on September 30, 2017, to whom an aggregate amount of ₹ 427.38 million or more was outstanding on such date.

Based on information available with our Company, there are no dues outstanding to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006, as of September 30, 2017.

Information provided on the website of our Company is not a part of this Draft Red Herring Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company's website, http://www.patelinfra.com, would be doing so at their own risk.

II. LITIGATION INVOLVING OUR SUBSIDIARIES

A. Outstanding criminal litigation involving our Subsidiaries

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceeding initiated against or by our Subsidiaries.

B. Pending action by statutory or regulatory authorities against our Subsidiaries

As on the date of this Draft Red Herring Prospectus, there is one pending action by a statutory or regulatory authorities initiated against our Subsidiary, Patel Highway Management Private Limited:

1. Our Subsidiary, Patel Highway Management Private Limited ("**PHMPL**") received a notice dated July 23, 2013 from the Office of the Deputy Collector, Bhuj – Kutchh (the "**Respondent**") in relation to a concession agreement dated October 23, 2009 entered into by PHMPL and the NHAI for development, maintenance and management of the Palanpur-Radhanpur section of NH-14 from Km. 340.00 to Km. 458.00 and the Radhanpur-Samakhiyali section of NH-15 from Km. 138.80 to Km. 281.30 in the state of Gujarat. The notice required PHMPL to appear before the Respondent and produce the contract entered into with the NHAI and furnish details of payment of stamp duty or reasons for exemption from payment of stamp duty on such an instrument. PHMPL replied to the notice stating that the Respondent had no knowledge of the nature of the document demanded and no material on the basis of which a reasonable belief can be formed that the contract in question is one which is likely to attract stamp duty. PHMPL submitted a further reply on August 5, 2013 informing the Respondent of the filing of a writ petition by L&T Samakhiali Gandhidham Tollway Limited, a company to which a similar notice was served and the subsequent order of the High Court of Gujarat. However, the Respondent issued a further notice dated August 12, 2013 requiring PHMPL to appear before it on August 22, 2013 and explain why the concession agreement should not be treated as an instrument on which stamp duty can be charged. In response, PHMPL filed a writ petition before the High Court of Gujarat at Ahmedabad (Special Civil Application 11749 of 2014 read with Special Civil Application 11873 of 2014) on the grounds that the Respondent had no prima facie grounds to suggest that contract in the question is one which is likely to attract stamp duty under Section 68 of the Gujarat Stamp Act and hence the notices sent by the Respondent on July 23, 2013 and August 12, 2013, respectively, should be quashed. This matter is currently pending before the High Court of Gujarat.

C. Tax proceedings against our Subsidiaries

As on the date of this Draft Red Herring Prospectus, there are no direct or indirect tax proceedings against our Subsidiaries.

D. Outstanding civil litigation involving our Subsidiaries

As on the date of this Draft Red Herring Prospectus, there is no pending civil litigation initiated by or against our Subsidiaries wherein the value of the financial claim exceeds ₹ 7.10 million, which is, the financial threshold for materiality of civil litigation.

E. Other material outstanding litigation involving our Subsidiaries whose outcome could have an adverse effect on our Subsidiaries in the last five years immediately preceding the year of this Draft Red Herring Prospectus and if there were prosecution filed (whether pending or not)

There are no outstanding litigation, suits, criminal or civil proceedings, statutory or legal proceedings including those for economic offences, tax liabilities, prosecution under any enactment in respect of Schedule V of the Companies Act 2013, show cause notices or legal notices against any other person or company whose outcome could have a material adverse effect on the operations, finances or our position.

F. Details of fines imposed or compounding of offences under the Companies Act in the last five years immediately preceding the year of this Draft Red herring Prospectus

As on the date of this Draft Red Herring Prospectus, there is no prosecutions filed, fines imposed or compounding of offences done in the last five years by our Subsidiaries in the last five years immediately preceding the year of this Draft Red Herring Prospectus.

G. Details of any inquiry, inspection or investigation initiated or conducted under the Companies Act against our Subsidiaries

As on the date of this Draft Red Herring Prospectus, there is no inquiry, inspection or investigation initiated or conducted under the Companies Act against our Subsidiaries.

III. LITIGATION INVOLVING OUR DIRECTORS

A. Outstanding criminal litigation involving our Directors

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceeding initiated against or by our Directors.

B. Pending action by statutory or regulatory authorities against any of our Directors

As on the date of this Draft Red Herring Prospectus, there are no pending action by statutory or regulatory authorities initiated against our Directors.

C. Tax proceedings involving our Directors

As on the date of this Draft Red Herring Prospectus, there are no direct or indirect tax proceedings against our Directors.

D. Outstanding civil litigation involving our Directors

As on the date of this Draft Red Herring Prospectus, there is no pending civil litigation initiated by or against our Directors wherein the value of the financial claim exceeds ₹ 7.10 million, which is, the financial threshold for materiality of civil litigation.

E. Other material outstanding litigation involving our Directors whose outcome could have an adverse effect on our Company

There are no outstanding litigation, suits, criminal or civil proceedings, statutory or legal proceedings including those for economic offences, tax liabilities, prosecution under any enactment in respect of Schedule V of the Companies Act 2013, show cause notices or legal notices against any other person or company whose outcome could have a material adverse effect on the operations, finances or our position.

IV. LITIGATION INVOLVING OUR PROMOTERS

A. Outstanding criminal litigation involving our Promoters

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceeding initiated against or by our Promoters.

B. Pending action by statutory or regulatory authorities against any of our Promoters

As on the date of this Draft Red Herring Prospectus, there are no pending action by statutory or regulatory authorities initiated against our Promoters.

C. Tax proceedings involving our Promoters

As on the date of this Draft Red Herring Prospectus, there are no direct or indirect tax proceedings against our Promoters.

D. Outstanding civil litigation involving our Promoters

As on the date of this Draft Red Herring Prospectus, there is no pending civil litigation initiated by or against our Promoters wherein the value of the financial claim exceeds ₹ 7.10 million, which is, the financial threshold for materiality of civil litigation.

E. Other material outstanding litigation involving our Promoters whose outcome could have an adverse effect on our Company

There are no outstanding litigation, suits, criminal or civil proceedings, statutory or legal proceedings including those for economic offences, tax liabilities, prosecution under any enactment in respect of Schedule V of the Companies Act 2013, show cause notices or legal notices against any other person or company whose outcome could have a material adverse effect on the operations, finances or our position.

V. LITIGATION INVOLVING OUR GROUP COMPANY

A. Outstanding criminal litigation involving our Group Company

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceeding initiated against or by our Group Company.

B. Pending action by statutory or regulatory authorities against any of our Group Company

As on the date of this Draft Red Herring Prospectus, there are no pending action by statutory or regulatory authorities initiated against our Group Company.

C. Tax proceedings involving our Group Company

As on the date of this Draft Red Herring Prospectus, there are no direct or indirect tax proceedings against our Group Company.

D. Outstanding civil litigation involving our Group Company

As on the date of this Draft Red Herring Prospectus, there is no pending civil litigation initiated by or against our Group Company wherein the value of the financial claim exceeds ₹ 7.10 million, which is, the financial threshold for materiality of civil litigation.

E. Other material outstanding litigation involving our Group Company whose outcome could have an adverse effect on our Company

There are no outstanding litigation, suits, criminal or civil proceedings, statutory or legal proceedings including those for economic offences, tax liabilities, prosecution under any enactment in respect of Schedule V of the Companies Act 2013, show cause notices or legal notices against any other person or company whose outcome could have a material adverse effect on the operations, finances or our position.

VI. PAST INQUIRIES, INVESTIGATIONS OR INSPECTIONS

There have been no inquiries, inspections or investigations initiated or conducted under the Companies Act or any previous company law in the last five years immediately preceding the year of issue of the Draft Red Herring Prospectus in relation to our Company.

Material developments since the last balance sheet date

Except as stated in "***Management's Discussion and Analysis of Financial Condition and Results of Operation – Significant Developments after September 30, 2017***" on page 369, no circumstances have arisen since September 30, 2017, the date of the last restated financial information disclosed in this Draft Red Herring Prospectus, which materially and adversely affect or are likely to affect, our operations or earnings taken as a whole, the value of our consolidated assets or our ability to pay our material liabilities within the next 12 months.

GOVERNMENT AND OTHER APPROVALS

We are required to obtain consents, licenses, registrations, permissions and approvals for carrying out our present business activities which include, approvals for operating as a contractor for road construction or civil works, approvals for carrying out mining related activities, registration under the Shops and Establishments Act, 1948, approval for the design of the projects undertaken by us, registration of contract labour employed at our project sites, registration of employees, factories, establishments under the Employees State Insurance Act, 1948, registration under the Building and Other Construction Workers (Regulation of employment and Condition of Service) Act, 1996, environmental approvals including consent to operate under the Air (Prevention and Control of Pollution) Act, 1981, consent to operate under the Water (Prevention and Control of Pollution) Act, 1974 and environmental clearances, tax related approvals. There are certain non-material consents, licenses, registrations, permissions and approvals that we obtain for our business, which include, approval for setting up a concrete mixing plant, approvals for our diesel generator sets, which we obtain from time to time. The requirement for such approvals for a particular project undertaken by us may vary based on factors such as the legal requirement in the state in which the project is being undertaken, the size of the projects undertaken and the type of project. Further, as the obligation to obtain such approvals arises at various stages in our projects and related assets, applications are filed and the necessary approvals are obtained at the appropriate stage.

We have obtained necessary consents, licenses, registrations, permissions and approvals from the governmental and other statutory and regulatory authorities that are required for carrying on our present business activities. In the event, that any of the approvals and licenses that are required for our business operations expire in the ordinary course of business, we apply for their renewal from time to time. Additionally, some of these consents, licenses, registrations, certificates, permissions and approvals from the governmental and other statutory and regulatory authorities that are required for carrying on our present business are obtained from them, the terms and conditions of which, we are required to comply with.

I. Incorporation details of our Company

1. Certificate of incorporation dated April 13, 2004 issued to our Company by the RoC in the name of 'Patel Infrastructure Private Limited'.

2. Certificate of incorporation dated December 11, 2017 issued to our Company by the RoC in the name of 'Patel Infrastructure Limited'.

For details of corporate and other approvals in relation to the Issue, see "***Other Regulatory and Statutory Disclosures – Authority for the Issue - Corporate Approvals***" on page 388.

II. Business related Approvals

1. Construction Contract Business related Approvals

Operations related Approvals:

Environment related approvals

(a) Permission obtained from the local state municipality and local village panchayat under the Environmental Protection Act, 1986 for drawing water and borrowing earth;

(b) Permission obtained from the local panchayat and relevant state forest department under the Environmental Protection Act, 1986 and relevant state rules for cutting of trees;

(c) Permission obtained from the Joint Chief Controller in Explosives, Petroleum and Explosives Safety Organisation under the Petroleum Act, 1934 and the Petroleum Rules, 2002 for storage and use of petroleum; and

(d) Approvals obtained from the relevant state pollution control board under the Air (Prevention and Control of Pollution) Act, 1981 and Water (Prevention and Control of Pollution) Act, 1974 for activities such as consent to operate, consent to establish and consent for emission, for equipments such as crushers, hot mix plant, wet mix plant and batching plant.

Labour related approvals

(a) Registration under the Contract Labour (Regulation & Abolition) Act, 1970;

(b) Registration as employer under the relevant state professions, trade, calling and employment legislation for payment of professional tax;

(c) Registration under the Employees State Insurance Act, 1948;

(d) Registration under the Employee Provident Fund and Miscellaneous Provisions Act, 1952;

(e) Registration under the Building and Other Construction Workers (Regulation of employment and Condition of Service) Act, 1996 for compliance with requirements for safety of building and construction workers; and

(f) Registration under the Interstate Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 for compliance with requirements in relation to employment of migrant workers.

Additionally, our EPC agreements typically set out the following approvals that we require to obtain for carrying out the relevant activities depending upon the nature of the project and the stage of operations including (i) approvals under the Explosives Act, 1884 and explosives Rules, 2008, (ii) approvals under the relevant state department of Mines and Geological survey under Mines and Minerals (Regulation and Development) Act, 1957, and (iii) approval under the Hazardous Waste Management Rules, 1989 for storage and discharge of hazardous substances.

2. Annuity Business related Approvals

(a) Registration under the Employee Provident Fund and Miscellaneous Provisions Act, 1952;

(b) Registration under Employee State Insurance Act, 1948; and

(c) Registration under the Contract Labour (Regulation and Abolition) Act, 1970.

3. Other Approvals

Taxation related Approvals

(a) Approvals from central authorities for obtaining PAN, TAN and TIN;

(b) Approvals from state authorities for obtaining professional tax registrations, service tax registration legislation; and

(c) Approval from central authorities for tax benefits or concession in custom duties for import of machinery, as applicable.

Establishment related Approvals

Registration obtained from relevant state labour department under the shops and establishments act of the relevant states where our Company or any of our Subsidiaries operates an establishment.

III. Intellectual property related approvals

Trademark registration obtained by our Company

S. No	Issuing Authority	Trade Mark No.	Class	Nature of Registration/License	Trademark	Valid up to
1.	Registrar of Trademarks	1877981	37	Name "PATEL"		October 29, 2019

S. No	Issuing Authority	Trade Mark No.	Class	Nature of Registration/License	Trademark	Valid up to
2.	Registrar of Trademarks	1877980	37	Name 'EVERY MILESTONE IS OUR VALUE'	Every Milestone is our Value	October 29, 2019
3.	Registrar of Trademarks	1503750	37	Geometrical Device		November 14, 2026

IV. Approvals applied for, but not received

Certain material consents, licenses, registrations, permissions and approvals that are required to be obtained by our Company for undertaking its business have elapsed in their normal course and our Company has either made an application to the relevant Central or State government authorities for renewal of such licenses, consents, registrations, permissions and approvals or is in the process of making such applications. The consents, licenses, registrations, permissions and approvals for which applications have been made by our Company and our Subsidiaries including:

1. Application for renewal of certificate obtained under the Punjab Minor Mineral Concession Rules dated , November 28, 2017 with regard to the Tapa-Bathinda project; and
2. Application for renewal of labour license issued under the Contract Labour (Regulation and Abolition) Act, 1970 dated December 14, 2017 with regard to the Lambra-Shahkot project;

V. Approvals not applied for by our Company

Nil

VI. Approvals obtained by our Subsidiaries

Incorporation details of our Subsidiaries

1. **Patel Highway Management Private Limited**: Certificate of incorporation dated September 24, 2009 issued to our Company by the Registrar of Companies, Gujarat in Dadra and Nagar Haveli in the name of 'Patel Highway Management Private Limited'.

2. **Patel Bridge Nirman Private Limited**: Certificate of incorporation dated August 17, 2011 issued to our Company by the RoC in the name of 'Patel Bridge Nirman Private Limited'.

3. **Patel Hospitality Private Limited**: Certificate of incorporation dated April 9, 2015 issued to our Company by the RoC in the name of 'Patel Hospitality Private Limited'.

4. **Patel Cholopuram-Thanjavur Highway Private Limited**: Certificate of incorporation dated September 20, 2017 issued to our Company by the RoC in the name of 'Patel Cholopuram-Thanjavur Highway Private Limited'.

5. **Patel Sethiyahopu-Cholopuram Highway Private Limited**: Certificate of incorporation dated October 16, 2017 issued to our Company by the RoC in the name of 'Patel Sethiyahopu-Cholopuram Highway Private Limited'.

6. **Patel Darah-Jhalawar Highway Private Limited**: Certificate of incorporation dated October 16, 2017 issued to our Company by the RoC in the name of 'Patel Darah-Jhalaar Highway Private Limited'

As of the date of filing of this Draft Red Herring Prospectus certain of our Subsidiaries, namely Patel Cholopuram-Thanjavur Highway Private Limited, Patel Sethiyahopu-Cholopuram Highway Private Limited and Patel Darah-Jhalawar Highway Private Limited are yet to is yet to apply for business related approvals including but not limited to service tax registration number, professional tax registration number, environmental licenses and consents, registrations with regard to employment of contract labour as they are yet to commence operations. These Subsidiaries will apply for the relevant licenses, consents and registration as per Applicable Lawd as and when required.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

Corporate Approvals

- Our Board has authorized the Issue pursuant to a resolution dated December 16, 2017, subject to the approval of the shareholders of our Company under Section 62(1)(c) of the Companies Act 2013.
- Our shareholders have, pursuant to a special resolution passed on December 16, 2017 under Section 62(1)(c) of the Companies Act 2013, authorized the Issue.
- Our Board has approved this Draft Red Herring Prospectus pursuant to its resolution dated January 6, 2018.

In-principle Listing Approvals

Our Company has received in-principle approvals from the BSE and the NSE for the listing of our Equity Shares pursuant to letters dated [●] and [●], respectively.

Prohibition by the SEBI, the RBI or Governmental Authorities

None of our Company, our Promoters, our Promoter Group, our Directors, our Group Company or persons in control of our Company are or have ever been prohibited from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other governmental authorities. Neither our Promoters, nor any of our Directors or persons in control of our Company were or are a promoter, director or person in control of any other company which is debarred from accessing the capital market under any order or directions made by SEBI or any other governmental authorities. Further, there have been no violations of securities laws committed by any of them in the past or are currently pending against them or our Subsidiaries and if there were prosecutions filed (whether pending or not)

The listing of any securities of our Company has never been refused at any time by any of the stock exchanges in India or abroad.

None of our Directors are in any manner associated with the securities market, including securities market related business.

As on the date of this Draft Red Herring Prospectus, no action has been taken by the SEBI against our Directors or any entity in which our Directors are involved as promoters or directors.

Neither our Company, nor our Promoters, nor any member of our Promoter Group nor our Group Company, nor our Directors, nor the relatives (as per the Companies Act) of our Promoters are or have been declared as wilful defaulters, as defined by the SEBI ICDR Regulations.

Eligibility for the Issue

Our Company is eligible for the Issue in accordance with Regulation 26(1) of the SEBI ICDR Regulations as described below:

"*An issuer may make an initial public offer, if:*

(a) *it has net tangible assets of at least three crore rupees in each of the preceding three full years (of twelve months each), of which not more than fifty per cent. are held in monetary assets:*

Provided that if more than fifty percent of the net tangible assets are held in monetary assets, the issuer has made firm commitments to utilise such excess monetary assets in its business or project;

Provided further that the limit of fifty percent on monetary assets shall not be applicable in case the public offer is made entirely through an offer for sale.

(b) *it has a minimum average pre-tax operating profit of rupees fifteen crore, calculated on a restated and consolidated basis, during the three most profitable years out of the immediately preceding five years.*

(c) *it has a net worth of at least one crore rupees in each of the preceding three full years (of twelve months each);*

(d) *the aggregate of the proposed issue and all previous issues made in the same financial year in terms of the issue size does not exceed five times its pre-issue net worth as per the audited balance sheet of the preceding financial year;*

(e) *if it has changed its name within the last one year, at least fifty percent of the revenue for the preceding one full year has been earned by it from the activity indicated by the new name."*

Set forth below are the net tangible assets, monetary assets, monetary assets as a percentage of our net tangible assets and net worth, derived from our Restated Standalone Financial Information as of and for the years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 included in this Draft Red Herring Prospectus.

(*₹ in million except as indicated*)

Particulars	Fiscal 2017	Fiscal 2016	Fiscal 2015	Fiscal 2014	Fiscal 2013
Net worth (1)	2,640.90	2,004.32	1,237.11	1,125.18	807.50
Net tangible assets (2)	8,057.51	6,184.35	3,452.81	3,608.10	3,077.99
Monetary assets (3)	792.69	383.48	409.07	163.75	274.31
Monetary assets as a % of net tangible assets (3/2)	9.84	6.20	11.85	4.54	8.91

Notes:

(1) 'Net worth' means the aggregate of the paid up share capital, share premium account, and reserves and surplus (excluding revaluation reserve) and reduced by the aggregate of miscellaneous expenditure (to the extent not adjusted or written off) and the debit balance of the profit and loss account for March 2013, 2014, 2015, 2016 and 2017.

(2) Net tangible assets' means the sum of all tangible assets of our Company as per Restated Financial Information excluding intangible assets as defined in Accounting Standard 26 notified pursuant to Companies (Accounting Standards) Rules, 2006.

(3) Monetary assets comprises of cash in hand, balances with banks on current accounts and term deposits with maturity of up to 12 months including fixed deposits under lien with financial institutions.

Set forth below are the net tangible assets, monetary assets, monetary assets as a percentage of our net tangible assets and net worth, derived from our Restated Consolidated Financial Information, as of and for the years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 included in this Draft Red Herring Prospectus.

(*₹ in million except as indicated*)

Particulars	Fiscal 2017	Fiscal 2016	Fiscal 2015	Fiscal 2014	Fiscal 2013
Net worth (1)	2,991.99	2,288.09	1,410.39	1,278.17	1,050.90
Net tangible assets (2)	8,941.71	6,808.84	3,503.35	3,546.44	3,135.47
Monetary assets (3)	1,227.09	916.43	637.51	499.79	626.35
Monetary assets as a % of net tangible assets (3/2)	13.72	13.46	18.20	14.09	19.98

Notes:

(1) 'Net worth' means the aggregate of the paid up share capital, share premium account, and reserves and surplus (excluding revaluation reserve) and reduced by the aggregate of miscellaneous expenditure (to the extent not adjusted or written off) and the debit balance of the profit and loss account for March 2013, 2014, 2015, 2016 and 2017.

(2) Net tangible assets' means the sum of all tangible assets of our Company as per Restated Financial Information excluding intangible assets as defined in Accounting Standard 26 notified pursuant to Companies (Accounting Standards) Rules, 2006.

(3) Monetary assets comprises of cash in hand, balances with banks on current accounts and term deposits with maturity of up to 12 months including fixed deposits under lien with financial institutions.

Our average pre-tax operating profit calculated on a restated standalone basis, during the three most profitable fiscals, being Fiscal 2017, Fiscal 2016 and Fiscal 2014 out of the immediately preceding five years is ₹ 739.91 million.

Our average pre-tax operating profit calculated on a restated consolidated basis, during the three most profitable fiscals, being Fiscal 2017, Fiscal 2016 and Fiscal 2014 out of the immediately preceding five years is ₹ 983.73 million.

Hence, we are eligible for the Issue as per Regulation 26(1) of the SEBI ICDR Regulations.

Further, in accordance with Regulation 26(4) of the SEBI ICDR Regulations, our Company shall ensure that the number of Allottees under the Issue shall be not less than 1,000, otherwise, the entire application money will be refunded forthwith. If our Company does not Allot Equity Shares pursuant to the Issue within six Working Days from the Bid/Issue Closing Date or within such timeline as prescribed by the SEBI, it shall repay without interest all monies received from bidders, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period.

Other than the listing fees (which shall be borne by our Company), all costs, charges, fees and expenses associated with and incurred in connection with this Issue will, in accordance with applicable law, be borne by our Company in proportion to the Equity Shares being offered by each of our Company in this Issue.

Our Company is in compliance with conditions specified in Regulation 4(2) of the SEBI ICDR Regulations to the extent applicable.

DISCLAIMER CLAUSE OF THE SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO THE SECURITIES EXCHANGE BOARD OF INDIA ("SEBI") SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGERS, BEING SBI CAPITAL MARKETS LIMITED AND IIFL HOLDINGS LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGERS, BEING SBI CAPITAL MARKETS LIMITED AND IIFL HOLDINGS LIMITED, HAVE FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED JANUARY 6, 2018 WHICH READS AS FOLLOWS:

WE, THE BOOK RUNNING LEAD MANAGERS TO THE ABOVE MENTIONED FORTHCOMING ISSUE, STATE AND CONFIRM AS FOLLOWS:

1. **WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER DOCUMENTS IN CONNECTION WITH THE FINALISATION OF THE DRAFT RED HERRING PROSPECTUS PERTAINING TO THE SAID ISSUE;**

2. **ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE COMPANY, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE COMPANY, WE CONFIRM THAT:**

   A. **THE DRAFT RED HERRING PROSPECTUS FILED WITH THE SEBI IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;**

   B. **ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS, GUIDELINES, INSTRUCTIONS ETC., FRAMED/ISSUED BY THE SEBI,**

THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND

C. THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL-INFORMED DECISION AS TO INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT 1956, TO THE EXTENT APPLICABLE, THE COMPANIES ACT 2013, TO THE EXTENT IN FORCE, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED AND OTHER APPLICABLE LEGAL REQUIREMENTS – COMPLIED WITH AND NOTED FOR COMPLIANCE;

3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT RED HERRING PROSPECTUS ARE REGISTERED WITH THE SEBI AND UNTIL DATE SUCH REGISTRATIONS ARE VALID;

4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS – NOTED FOR COMPLIANCE;

5. WE CERTIFY THAT WRITTEN CONSENT FROM THE PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF EQUITY SHARES AS PART OF THE PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE EQUITY SHARES PROPOSED TO FORM PART OF THE PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED/ SOLD/ TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT RED HERRING PROSPECTUS WITH SEBI UNTIL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT RED HERRING PROSPECTUS - COMPLIED WITH AND NOTED FOR COMPLIANCE;

6. WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO EQUITY SHARES INELIGIBLE FOR COMPUTATION OF PROMOTERS' CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS – COMPLIED WITH AND NOTED FOR COMPLIANCE;

7. WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE SEBI. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE PROMOTERS' CONTRIBUTION WILL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE COMPANY ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE – NOT APPLICABLE;

8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE COMPANY FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE COMPANY AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION; COMPLIED WITH;

9. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID

BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE, THE COMPANY SPECIFICALLY CONTAINS THIS CONDITION – NOTED FOR COMPLIANCE. ALL MONIES RECEIVED FROM THE ISSUE SHALL BE CREDITED/TRANSFERRED TO A SEPARATE BANK ACCOUNT AS PER SECTION 40(3) OF THE COMPANIES ACT 2013, AS NOTIFIED;

10. **WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE – NOT APPLICABLE. UNDER SECTION 29 OF THE COMPANIES ACT 2013, EQUITY SHARES IN THE ISSUE WILL BE ISSUED IN DEMATERIALISED FORM ONLY;**

11. **WE CERTIFY THAT ALL APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION – COMPLIED WITH;**

12. **WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS – COMPLIED WITH:**

    a. **AN UNDERTAKING FROM THE COMPANY THAT AT ANY GIVEN TIME THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE COMPANY; AND**

    b. **AN UNDERTAKING FROM THE COMPANY THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE SEBI FROM TIME TO TIME.**

13. **WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENTS IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE - NOTED FOR COMPLIANCE;**

14. **WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE COMPANY, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS' EXPERIENCE, ETC. - COMPLIED WITH TO THE EXTENT APPLICABLE;**

15. **WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT RED HERRING PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY;**

16. **WE ENCLOSE STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY THE BOOK RUNNING LEAD MANAGERS (WHO ARE RESPONSIBLE FOR PRICING THIS ISSUE)', AS PER FORMAT SPECIFIED BY THE SEBI THROUGH CIRCULAR;**

17. **WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS – COMPLIED WITH TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS REPORTED IN ACCORDANCE WITH ACCOUNTING STANDARD 18 IN THE FINANCIAL STATEMENTS OF THE COMPANY INCLUDED IN THE DRAFT RED HERRING PROSPECTUS AND AS CERTIFIED BY M/S SURANA MALOO & CO, CHARTERED ACCOUNTANTS, BY WAY OF CERTIFICATE DATED DECEMBER 16, 2017;**

18. **WE CERTIFY THAT THE ENTITY IS ELIGIBLE UNDER 106Y (1) (A) OR (B) (AS THE CASE MAY BE) TO LIST ON THE INSTITUTIONAL TRADING PLATFORM, UNDER CHAPTER XC OF THE SEBI ICDR REGULATIONS. (IF APPLICABLE). – <u>NOT APPLICABLE</u>.**

The filing of this Draft Red Herring Prospectus does not, however, absolve our Company from any liabilities under Section 34 or Section 36 of the Companies Act 2013 or from the requirement of obtaining such statutory and/or other clearances as may be required for the purpose of the proposed Issue. SEBI further reserves the right to take up at any point of time, with the BRLMs, any irregularities or lapses in this Draft Red Herring Prospectus and Prospectus.

All legal requirements pertaining to the Issue will be complied with at the time of filing of the Red Herring Prospectus with the RoC in terms of Section 32 of the Companies Act 2013. All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the RoC in terms of Sections 26, 30 and 32 of the Companies Act 2013.

Price Information of past issues handled by the BRLMs

SBI Capital Markets Limited

1. *Price information of past issues (during the current financial year and two financial years preceding the current financial year) handled by SBI Capital Markets Limited*

Sr. No.	Issue Name	Issue Size (₹ in million)	Issue Price (₹)	Listing Date	Opening Price on Listing Date	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1	Reliance Nippon Life Asset Management Limited	15,422.40	252.00	November 06, 2017	295.90	3.61% [-3.19%]	NA	NA
2	SBI Life Insurance Company Limited[4]	83,887.29	700.00	October 3, 2017	735.00	-7.56% [+5.89%]	-0.44% [7.35%]	NA
3	Cochin Shipyard Limited	14,429.30	432.00	August 11, 2017	435.00	+30.24% [+2.14%]	+30.51% [+6.42%]	NA
4	Security and Intelligence Services (India) Limited	7,795.80	815.00	August 10, 2017	879.80	-3.29% [+1.17%]	+3.14% [+5.40%]	NA
5	Central Depository Services (India) Limited	5,239.91	149.00	June 30, 2017	250.00	+127.92% [+5.84%]	+128.86% [+2.26%]	+146.71% [+10.61%]
6	Housing and Urban Development Corporation Limited	12,095.70	60.00	May 19, 2017	73.45	+13.08% [+2.78%]	+34.58% [+4.29%]	+35.75 [8.13%]
7	Avenue Supermarts Limited	18,700.00	299.00	March 21, 2017	604.40	+145.03% [-0.50%]	+165.17% [+6.19%]	+264.26% [+9.97%]
8	BSE Limited	12,434.32	806.00	February 03, 2017	1085.00	+17.52% [+2.55%]	+24.41% [+6.53%]	+34.43% [+15.72%]
9	Laurus Labs Limited	13,305.10	428.00	December 19, 2016	490.00	+11.50% [+3.26%]	+23.36% [+11.92%]	+40.98% [+17.75%]
10	HPL Electric & Power Limited	3,610.00	202.00	October 04, 2016	190.00	-14.75% [-2.91%]	-51.19% [-6.72%]	-37.77% [+5.34%]

Source: www.nseindia.com, www.bseindia.com

Notes:

1. *The 30th, 90th and 180th calendar day computation includes the listing day. If either of the 30th, 90th or 180th calendar days is a trading holiday, the next trading day is considered for the computation. We have taken the issue price to calculate the % change in closing price as on 30th, 90th and 180th day. We have taken the closing price of the applicable benchmark index as on the listing day to calculate the % change in closing price of the benchmark as on 30th, 90th and 180th day.*
2. *The designated exchange for the issue has been considered for the price, benchmark index and other details.*
3. *The number of Issues in Table-1 is restricted to 10.*
4. *The Issue Price was ₹ 632.00 per equity share to Eligible Employee.*

2. *Summary statement of price information of past issues (during the current financial year and two financial years preceding the current financial year) handled by SBI Capital Markets Limited*

Financial year	Total no. of IPOs	Total funds raised (₹ in Million)	Nos. of IPOs trading at discount – 30th calendar day from listing			Nos. of IPOs trading at premium – 30th calendar day from listing			Nos. of IPOs trading at discount – 180th calendar day from listing			Nos. of IPOs trading at premium – 180th calendar day from listing		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2017-18	6	138,870.40	-	-	2	1	1	2	-	-	-	1	1	-
2016-17	7	129,691.00	-	-	3	1	1	2	-	1	1	2	2	1
2015-16*	4	18,163.78	-	-	1	-	-	3	-	-	2	1	-	1

** Based on issue closure date*

IIFL Holdings Limited

1. *Price information of past issues (during the current financial year and two financial years preceding the*

current financial year) handled by IIFL Holdings Limited

Sr. No.	Issue name	Issue size (₹ million)	Issue price (₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th Calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th Calendar days from listing	+/- % change in closing price, [+/ % change in closing benchmark]- 180th Calendar days from listing
1.	ICICI Prudential Life Insurance Company Limited	60,567.91	334.00	September 29, 2016	330.00	-7.6%, [-1.2%]	-11.6%, [-8.1%]	+11.3%, [+4.1%]
2.	Security and Intelligence Services (India) Limited	7,795.80	815.00	August 10, 2017	879.80	-3.3%, [+0.3%]	+3.1%, [+4.0%]	NA
3.	Dixon Technologies (India) Limited	5,992.79	1,766.00	September 18, 2017	2725.00	+50.8%, [+1.2%]	+80.9%, [+2.5%]	NA
4.	Capacit'e Infraprojects Limited	4,000.00	250.00	September 25, 2017	399.00	+34.9%, [+3.3%]	+60.3%, [+5.3%]	NA
5.	ICICI Lombard General Insurance Company Limited	57,009.39	661.00	September 27, 2017	651.00	+3.3%, [+4.6%]	+19.0%, [+6.7%]	NA
6.	Indian Energy Exchange Limited	10,007.26	1,650.00	October 23, 2017	1,500.00	-5.6%, [+1.9%]	NA	NA
7.	Reliance Nippon Life Asset Management Limited	15,422.40	252.00	November 06, 2017	295.90	+1.2%, [-3.9%]	NA	NA
8.	HDFC Standard Life Insurance Company Limited	86,950.07	290.00	November 17, 2017	310.00	+31.5[+2.1%]	NA	NA
9.	Shalby Limited	5,048.00	248.00	December 15, 2017	239.70	NA	NA	NA
10.	Future Supply Chain Solutions Limited	6,496.95	664.00	December 18, 2017	664.00	NA	NA	NA

Source: www.nseindia.com
Notes: Benchmark Index taken as CNX NIFTY. Price on NSE is considered for all of the above calculations. The 30th, 90th and 180th calendar day from listed day have been taken as listing day plus 30, 90 and 180 calendar days, except wherever 30th /90th / 180th calendar day from listing day is a holiday, the closing data of the previous trading day has been considered. % change taken against the Issue Price in case of the Issuer. % change taken against closing CNX NIFTY Index a day prior to the listing date. NA means Not Applicable.

2. *Summary statement of price information of past issues (during the current financial year and two financial years preceding the current financial year) handled by IIFL Holdings Limited*

Financial year	Total no. of IPOs	Total funds raised (₹ in Million)	Nos. of IPOs trading at discount – 30th calendar day from listing			Nos. of IPOs trading at premium – 30th calendar day from listing			Nos. of IPOs trading at discount – 180th calendar day from listing			Nos. of IPOs trading at premium – 180th calendar day from listing		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2017-2018	9#	1,98,722.66	-	-	2	1	2	2	-	-	-	-	-	-
2016-2017	5	92,062.31	-	-	1	2	1	1	-	-	-	3	1	1
2015-2016	4	17,330.46	-	-	3	-	-	1	-	-	3	1	-	-

Source: www.nseindia.com
#9 issues were completed in the financial year 2017-2018. However, 2 issues have not completed 30 days and 9 issues have not completed 180 days.
Note: Data for number of IPOs trading at premium/discount taken at closing price on NSE on the respective date. In case any of the days falls on a non-trading day, the closing price on the previous trading day has been considered.

Track record of past issues handled by the BRLMs

For details regarding the track record of the BRLMs, as specified under Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, see the websites of the BRLMs mentioned below.

BRLMs	Website
SBI Capital Markets Limited	http://www.sbicaps.com
IIFL Holdings Limited	http://www.iiflcap.com

Caution – Disclaimer from our Company, our Directors, the BRLMs

Our Company, our Directors and the BRLMs accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our instance and anyone placing reliance on any other source of information, including our website, www.patelinfra.com, or any

website of any of the members of our Promoter Group, Group Company or any affiliate of our Company, would be doing so at his or her own risk.
The BRLMs accept no responsibility, save to the limited extent as provided in the Issue Agreement entered into among the BRLMs and our Company dated January 3, 2018, and the Underwriting Agreement to be entered into among the Underwriters and our Company.

All information shall be made available by our Company, the BRLMs to the Bidders and public at large and no selective or additional information would be made available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at Bidding Centres or elsewhere.

Neither our Company nor any member of the Syndicate shall be liable to the Bidders for any failure in uploading the Bids, due to faults in any software or hardware system, or otherwise.

The BRLMs and their respective associates may engage in transactions with, and perform services for our Company, our Group Company and our respective affiliates or associates in the ordinary course of business, and have engaged, or may in the future engage in underwriting, commercial banking and investment banking transactions with our Company or their respective affiliates or associates for which they have received, and may in future receive compensation.

Bidders that bid in the Issue will be required to confirm, and will be deemed to have represented to our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares, and will not issue, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares.

Disclaimer in respect of Jurisdiction

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are eligible to contract under the Indian Contract Act, 1872, as amended, Hindu Undivided Families ("**HUFs**"), companies, other corporate bodies and societies registered under the applicable laws in India and authorized to invest in equity shares, Mutual Funds registered with the SEBI, Indian financial institutions multilateral and bilateral development institutions, commercial banks, regional rural banks, co-operative banks (subject to permission from the RBI), state industrial corporations or trusts under the applicable trust laws, and who are authorized under their respective constitutions to hold and invest in equity shares, public financial institutions as specified under Section 2(72) of the Companies Act 2013, venture capital funds, permitted insurance companies registered with the Insurance Regulatory and Development Authority, provident funds (subject to applicable laws), insurance funds, set up and managed by the army, navy or air force, insurance funds set up and managed by the Department of Posts, Government of India and pension funds and, to permitted non-residents including Eligible NRIs, Alternative Investment Funds ("**AIFs**"), Foreign Portfolio Investors registered with SEBI ("**FPIs**") and QIBs.

This Draft Red Herring Prospectus does not, however, constitute an offer to sell or an invitation to subscribe to Equity Shares offered hereby, in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) at Vadodara, Gujarat, India only.

No action has been, or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Red Herring Prospectus has been filed with SEBI for its observations. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus, nor any offer or sale hereunder, shall, under any circumstances, create any implication that there has been no change in our affairs from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

Important Information for Investors – Eligibility and Transfer Restrictions

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act ("Securities Act") or any state securities laws in the United States, and unless so registered may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, such Equity Shares are being offered and sold outside of the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Bidders are advised to ensure that any Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law.

Disclaimer Clause of the BSE

As required, a copy of this Draft Red Herring Prospectus shall be submitted to the BSE. The disclaimer clause as intimated by the BSE to us post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus prior to filing with the RoC.

Disclaimer Clause of the NSE

As required, a copy of this Draft Red Herring Prospectus shall be submitted to the NSE. The disclaimer clause as intimated by the NSE to us post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus prior to filing with the RoC.

Filing

A copy of this Draft Red Herring Prospectus has been filed with the SEBI at Ahmedabad, Gujarat, India.

A copy of the Red Herring Prospectus, along with the documents required to be filed, will be delivered for registration to the RoC in accordance with Section 32 of the Companies Act 2013, and a copy of the Prospectus required to be filed under Section 26 of the Companies Act 2013 will be delivered for registration to the RoC situated at the address mentioned below.

Registrar of Companies
ROC Bhavan, Opposite Rupal Park Society
Behind Ankur Bus Stop
Naranpura, Ahmedabad 380013, Gujarat
India

Listing

The Equity Shares issued through the Red Herring Prospectus are proposed to be listed on the BSE and the NSE. The initial listing application will be made to the Stock Exchanges for obtaining permission for listing and trading of the Equity Shares being offered and sold in the Issue and [●] is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue.

If the permission to deal in and for an official quotation of the Equity Shares is not granted by the Stock Exchanges, our Company shall forthwith repay, without interest, all monies received from the applicants in pursuance of the Red Herring Prospectus in accordance with applicable law. If such monies are not repaid within the prescribed time, then our Company and every officer in default shall be liable to co-pay the money with interest as prescribed under the applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of Equity Shares at the Stock Exchanges are taken within six Working Days of the Bid/Issue Closing Date. If our Company does not allot Equity Shares pursuant to the Issue within six Working Days from the Bid/Issue Closing Date or within such timeline as prescribed by SEBI, it shall repay without interest all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delayed period.

Impersonation

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act 2013, which is reproduced below:

"Any person who –

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities, or

(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

shall be liable for action under section 447."

The liability prescribed under Section 447 of the Companies Act 2013 includes imprisonment for a term of not less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

Consents

Consents in writing of (a) our Directors, the Chief Financial Officer, the Company Secretary and Compliance Officer, the Auditors, the legal counsel, the Bankers/lenders to our Company, Advisors to our Company, CRISIL Research for including their report titled "Road sector in India" dated December, 2017, the BRLMs and Registrar to the Issue have been obtained; and (b) the Syndicate Members, Bankers to the Issue/ Escrow Collection Bank, Refund Bank and the Public Issue Account Bank to act in their respective capacities, will be obtained and filed along with a copy of the Red Herring Prospectus with the RoC, as required under Section 26 and 32 of the Companies Act 2013. Further, such consents shall not be withdrawn up to the time of delivery of this Draft Red Herring Prospectus and the Prospectus with the SEBI.

Our Company has received written consent from the Statutory Auditors, M/s Surana Maloo & Co., to include its name as an expert as defined under Section 2(38) of the Companies Act, 2013 in this Draft Red Herring Prospectus in relation to the reports of the Statutory Auditors dated December 16, 2017, on the Restated Standalone Financial Information and Restated Consolidated Financial Information of our Company, and the Statement of Tax Benefits dated December 16, 2017 included in this Draft Red Herring Prospectus and such consent has not been withdrawn up to the time of delivery of this Draft Red Herring Prospectus.

Expert Opinion

Our Company has received written consent from the Statutory Auditors, M/s Surana Maloo & Co., to include its name as an expert under Section 26 of the Companies Act, 2013 in this Draft Red Herring Prospectus in relation to the reports of the Statutory Auditors dated December 16, 2017, on the Restated Standalone Financial Information and Restated Consolidated Financial Information of our Company, and the Statement of Tax Benefits dated December 16, 2017, included in this Draft Red Herring Prospectus and such consent has not been withdrawn up to the time of delivery of this Draft Red Herring Prospectus.

Except as stated hereinabove, our Company has not obtained any expert opinion.

Issue Expenses

The total expenses of the Issue are estimated to be approximately ₹ [●] million. The expenses of this Issue include, among others, listing fees, underwriting fees, selling commission, fees payable to the BRLMs, fees payable to legal counsel, fees payable to the Registrar to the Issue, Bankers to the Issue, processing fee to the SCSBs for processing ASBA Forms, brokerage and selling commission payable to Registered Brokers, Collecting RTAs and CDPs, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges. The estimated break-down of the Issue expenses are as follows:

S. No	Activity	Estimated amount* (₹ in million)	As a % of total estimated Issue Expenses*	As a % of Issue Size*
1.	Fees payable to the BRLMs (including underwriting commission, brokerage and selling commission)	[●]	[●]	[●]
2.	Selling commission and processing fees for SCSBs (1)(2)	[●]	[●]	[●]
3.	Brokerage, selling commission and bidding charges for the members of the Syndicate, Registered Brokers, Collecting RTAs and CDPs (3) (4)	[●]	[●]	[●]
4.	Fees payable to the Registrar to the Issue	[●]	[●]	[●]
5.	Other expenses (iv) Listing fees, SEBI filing fees, book building software fees and other regulatory expenses, printing and stationery expenses, advertising and marketing expenses for the Issue and fees payable to the legal counsel (v) Other Advisors to the Issue (vi) Miscellaneous	[●]	[●]	[●]
	Total Estimated Issue Expenses	[●]	[●]	[●]

* *To be incorporated in the Prospectus after finalization of the Issue Price.*

(1) Selling commission payable to the SCSBs on the portion for Retail Individual Investors and portion for Non-Institutional Investors, which are directly procured by them would be as follows:

*Portion for Retail Individual Investors **	*₹ [●] per valid Bid cum Application Form (plus applicable taxes)*
*Portion for Non-Institutional Investors**	*₹ [●] per valid Bid cum Application Form (plus applicable taxes)*

**Based on valid Bid cum Application Forms*

No additional processing/uploading charges shall be payable by our Company to the SCSBs on the applications directly procured by them.

(2) Processing fees payable to the SCSBs on the portion for Retail Individual Investors, portion for Non-Institutional Investors, which are procured by the members of the Syndicate /Sub-Syndicate /Registered Brokers /RTAs /CDPs and submitted to SCSBs for blocking would be as follows:

Portion for Retail Individual Investors	*₹ [●] per valid Bid cum Application Forms* (plus applicable taxes)*
Portion for Non-Institutional Investors	*₹ [●] per valid Bid cum Application Forms* (plus applicable taxes)*

**Based on valid Bid cum Application Forms*

(3) Selling commission on the portion for Retail Individual Investors, the portion for Non-Institutional Investors which are procured by Syndicate Members (including their Sub-Syndicate Members) would be as follows:

Portion for Retail Individual Investors	*₹ [●] per valid Bid cum Application Form* (plus applicable taxes)*
Portion for Non-Institutional Investors	*₹ [●] per valid Bid cum Application Form* (plus applicable taxes)*

**Based on valid Bid cum Application Forms*

In addition to the selling commission referred above, any additional amount(s) to be paid by our Company and Selling Shareholders shall be as mutually agreed amongst the Book Running Lead Managers, their respective Syndicate Members, our Company before the opening of the Issue.

Bidding Charges: ₹ [●] per valid application bid by the syndicate

(4) Selling commission payable to the Registered Brokers, RTAs and CDPs on the portion for Retail Individual Investors, and portion for Non-Institutional Investors which are directly procured by the Registered Broker or RTAs or CDPs or submitted to SCSB for processing, would be as follows:

Portion for Retail Individual Investors	*₹ [●] per valid Bid cum Application Form* (plus applicable taxes)*
Portion for Non-Institutional Investors	*₹ [●] per valid Bid cum Application Form* (plus applicable taxes)*

** Based on valid Bid cum Application Forms*

Note: The total E-IPO commission to Registered Brokers, RTAs and CDPs shall not be more than that of the Capped E-IPO Commission (defined below)

Capped E-IPO Commission is a sum of ₹ [●] plus applicable taxes which shall be the maximum commission payable by our Company to Registered Brokers, RTAs and CDPs.

Other than listing fees, which will be borne by our Company, all costs, fees and expenses associated with and incurred in connection with to the Issue shall be shared among our Company on a pro-rata basis, in proportion to the number of Equity Shares issued and Allotted by our Company through the Issue.

Fees, Brokerage and Selling Commission

The total fees payable to the BRLMs and Syndicate Members (including underwriting and selling commissions), and reimbursement of their out of pocket expenses, will be as stated in the engagement letter, and the Syndicate Agreement to be executed among our Company and the members of the Syndicate, copies of which shall be available for inspection at our Registered and Corporate and our Corporate Office, from 10.00 am to 4.00 p.m. on Working Days from the date of filing the Red Herring Prospectus until the Bid/Issue Closing Date.

IPO Grading

No credit agency registered with SEBI has been appointed in respect of obtaining grading of the Issue.

Fees Payable to the Registrar to the Issue

The fees payable to the Registrar to the Issue, including fees for processing of Bid cum Application Forms, data entry, printing of Allotment Advice, refund order, preparation of refund data on magnetic tape and printing of bulk mailing register, will be as per the agreement dated January 3, 2018 signed by and among our Company and the Registrar to the Issue, a copy of which shall be made available for inspection at our Registered and Corporate.

Particulars regarding Public or Rights Issues during the Last Five Years

Other than as disclosed in "***Capital Structure***" on page 87, there have been no public, including any rights issues to the public undertaken by our Company during the five years immediately preceding the date of this Draft Red Herring Prospectus.

Commission or Brokerage on Previous Issues

Since this is the initial public offering of the Equity Shares of our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure public subscription for any of our Equity Shares, since the incorporation of our Company.

Previous Issues Otherwise than for Cash

Except as disclosed in "***Capital Structure***" on page 87, our Company has not issued any Equity Shares for consideration otherwise than for cash.

Capital Issues in the Preceding Three Years

Except as disclosed in "***Capital Structure***" on page 87, our Company has not made any capital issues during the three years immediately preceding the date of this Draft Red Herring Prospectus. Our Group Company has not made any capital issues during the three years preceding the date of this Draft Red Herring Prospectus.

Performance vis-à-vis Objects

Except as disclosed in "***Capital Structure***" on page 87, our Company has not undertaken any public, including any rights issues to the public in the 10 years immediately preceding the date of this Draft Red Herring Prospectus.

Performance vis- à-vis Objects: Last Issue of Group Company

Our Group Company has not made any public, including rights issues to the public in the 10 years immediately preceding the date of this Draft Red Herring Prospectus.

Outstanding Debentures, Bonds or Redeemable Preference Shares

Our Company does not have any outstanding debentures, bonds or redeemable preference shares, as on the date of this Draft Red Herring Prospectus.

Partly Paid-Up Shares

As on the date of this Draft Red Herring Prospectus, there are no partly paid-up Equity Shares of our Company.

Stock Market Data of the Equity Shares

This being the initial public offering of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange as on the date of this Draft Red Herring Prospectus, and accordingly, no stock market data is available for the Equity Shares.

Mechanism for Redressal of Investor Grievances

The agreement dated January 3, 2018 between the Registrar to the Issue and our Company, provides for retention of records with the Registrar to the Issue for a minimum period of three years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, in order to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

Investors may contact the BRLMs for any complaint pertaining to the Issue. All grievances, other than by Anchor Investors, may be addressed to the Registrar to the Issue, with a copy to the relevant Designated Intermediary, where the Bid cum Application Form was submitted, quoting the full name of the sole or first Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, address of the Bidder, number of Equity Shares applied for, date of Bid cum Application Form, name and address of the relevant Designated Intermediary, where the Bid was submitted and ASBA Account number in which the amount equivalent to the Bid Amount was blocked. Further, the Bidder shall enclose the Acknowledgement Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

All grievances of the Anchor Investors may be addressed to the Registrar to the Issue, giving full details such as the name of the sole or first Bidder, Bid cum Application Form number, Bidders DP' ID, Client ID, PAN, date of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, Bid amount paid on submission of the Bid cum Application Form and the name and address of the BRLMs where the Bid cum Application Form was submitted by the Anchor Investor.

Our Company, BRLMs and the Registrar accept no responsibility for errors, omissions, commission of any acts of the Designated Intermediaries, including any defaults in complying with its obligations under the SEBI ICDR Regulations.

Disposal of Investor Grievances by our Company

We estimate that the average time required by our Company and/or the Registrar to the Issue for the redressal of routine investor grievances shall be seven Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Mr. Aswini Kumar Sahu, Company Secretary, as the Compliance Officer and she may be contacted in case of any pre-Issue or post-Issue related problems, at the address set forth hereunder.

Mr. Aswini Kumar Sahu
"Patel House", Beside Prakruti Resort
Chhani Road, Chhani
Vadodara 391740, Gujarat
India
Tel: (+91) 265 277 6678
Fax: (+91) 265 277 7878
E-mail: aswinikumar@patelinfra.com

Further, our Board has constituted a Stakeholders Relationship Committee comprising our Directors, Mr. Sandip Anilbhai Sheth, Ms. Deepti Sharma and Mr. Madhubhai Pragjibhai Vaviya, which is responsible for redressal of grievances of the security holders of our Company. For more information, see "***Management***" on page 187.

Disposal of investor grievances by listed Group Company

As on the date of this Draft Red Herring Prospectus, our Group Company is not listed on any stock exchange, and therefore there are no investor complaints pending against it.

Changes in Auditors

Except as described below, there has been no change in our statutory auditors during the three years immediately preceding the Draft Red Herring Prospectus.

Name of Auditor	Date of Change	Reason
M/s K. P. Bhansali & Co.	September 30, 2017	Completion of tenure
M/s Surana Maloo & Co.	September 30, 2017	Appointment

Capitalization of Reserves or Profits

Except as disclosed in "***Capital Structure***" in page 87, our Company has not capitalized its reserves or profits at any time during the five years immediately preceding the date of this Draft Red Herring Prospectus.

Revaluation of Assets

Our Company has not revalued its assets at any time during the last five years preceding the date of filing this Draft Red Herring Prospectus.

SECTION VII – ISSUE RELATED INFORMATION

ISSUE STRUCTURE

The Issue is of up to [●] Equity Shares of face value of ₹ 10 each, at an Issue Price of ₹ [●] per Equity Share for cash, including a premium of ₹ [●] per Equity Share, aggregating up to ₹ 4,000 million and is being made through the Book Building Process. In terms of Rule 19(2)(b) of the SCRR, the Issue will constitute at least [●]% of the post-Issue paid up Equity Share capital of our Company.

The Issue is being made through Book Building Process.

	QIBs(1)	**Non-Institutional Investors**	**Retail Individual Investors**
Number of Equity Shares available for allocation(2)	[●] Equity Shares	Not less than [●] Equity Shares or the Issue less allocation to QIB Bidders and Retail Individual Investors shall be available for allocation	Not less than [●] Equity Shares or the Issue less allocation to QIB Bidders and Non Institutional Investors shall be available for allocation
Percentage of Issue size available for allocation	Not more than 50% of the Issue size. However 5% of the QIB Portion, net of the Anchor Investor Portion shall be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the 5% reservation in the portion will also be eligible for allocation in the QIB category. Unsubscribed portion in the Mutual Fund Portion will be added to the QIB Portion (other than the Anchor Investor Portion).	Not less than 15% of the Issue or Issue less allocation to QIB Bidders and Retail Individual Investors	Not less than 35% of the Issue or Issue less allocation to QIB Bidders and Non Institutional Investors
Basis of Allotment if respective category is oversubscribed	Proportionate as follows (excluding the Anchor Investor Portion): (a) At least [●] Equity Shares shall be allocated on a proportionate basis to Mutual Funds only; and (b) [●] Equity Shares shall be Allotted on a proportionate basis to all QIBs including Mutual Funds receiving allocation as per (a) above. Up to [●] Equity shares have been allocated on a discretionary basis to Anchor Investors	Proportionate	In the event, the Bids received from Retail Individual Investors exceeds [●] Equity Shares, then the maximum number of Retail Individual Investors who can be Allotted the minimum Bid lot will be computed by dividing the total number of Equity Shares available for Allotment to Retail Individual Investors by the minimum Bid lot ("**Maximum RIB Allottees**"). The Allotment to Retail Individual Investors will then be made in the following manner: • In the event the number of Retail Individual Investors who have submitted valid Bids in the Issue is equal to or less than Maximum RIB Allottees, (i) Retail Individual Investors shall be Allotted the minimum Bid lot; and (ii) the balance Equity Shares, if any, remaining in the Retail Category shall be Allotted on a proportionate basis to

	QIBs[1]	Non-Institutional Investors	Retail Individual Investors
			the Retail Individual Investors who have received Allotment as per (i) above for less than the Equity Shares Bid by them (*i.e.,* who have Bid for more than the minimum Bid lot). • In the event the number of Retail Individual Investors who have submitted valid Bids in the Issue is more than Maximum RIB Allottees, the Retail Individual Investors (in that category) who will then be Allotted minimum Bid lot shall be determined on draw of lots basis
Mode of Bidding	Through ASBA process only (except Anchor Investors)		
Minimum Bid	Such number of Equity Shares that the Bid Amount exceeds ₹200,000 and in multiples of [●] Equity Shares thereafter	Such number of Equity Shares that the Bid Amount exceeds ₹ 200,000 and in multiples of [●] Equity Shares thereafter	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Maximum Bid	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size Issue subject to applicable limits to the Bidder	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Issue subject to applicable limits to the Bidder	Such number of Equity Shares in multiples of [●] Equity Shares such that the Bid Amount does not exceed ₹ 200,000 net of retail discount.
Mode of Allotment	Compulsorily in dematerialized form		
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter		
Allotment Lot	[●] Equity Shares and in multiples of one Equity Share thereafter		[●] Equity Shares and in multiples of one Equity Share thereafter subject to availability in the Retail Category
Trading Lot	One Equity Share		
Who can Apply [4]	Public financial institutions as specified in Section 2(72) of the Companies Act 2013, scheduled commercial banks, multilateral and bilateral development financial institutions, mutual fund registered with SEBI, FPIs other than Category III Foreign Portfolio Investors, VCFs, AIFs, FVCIs, state industrial development corporation, insurance companies registered with IRDAI, provident fund (subject to applicable law) with minimum corpus of ₹ 250 million, pension fund with minimum corpus of ₹ 250 million, in accordance with applicable law and National Investment Fund set up by the Government of India,	Resident Indian individuals, Eligible NRIs, HUFs (in the name of Karta), companies, corporate bodies, scientific institutions societies and trusts, Category III Foreign Portfolio Investors sub-accounts of FIIs which are foreign corporate or foreign individuals.	Resident Indian Individuals, Eligible NRIs, HUF (in the name of *Karta*).

	QIBs[1]	Non-Institutional Investors	Retail Individual Investors
	insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and systemically important non-banking financial company having a net-worth of more than five hundred crore rupees as per the last audited financial statements.		
Terms of Payment	***In case of Anchor Investors:*** Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their bids. ***In case of all other Bidders:*** Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder that is specified in the ASBA Form at the time of submission of the ASBA Form.[5]		

(1) *Our Company may, in consultation with the BRLMs, allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. For details, see "**Issue Procedure**" on page 410.*

(2) *Subject to valid Bids being received at or above the Issue Price. The Issue is being made in accordance with Rule 19(2)(b) of the SCRR and under Regulation 26(1) of the SEBI ICDR Regulations. The Issue is being made through the Book Building Process wherein 50% of the Issue shall be available for allocation on a proportionate basis to QIBs, provided that our Company, in consultation with the BRLMs, may allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. 5% of the QIB Category (excluding the Anchor Investor Portion), shall be available for allocation on a proportionate basis to Mutual Funds only and the remainder of the QIB Category shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors) including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Issue shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.*

Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in the Non-Institutional Category or the Retail Category would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company, in consultation with the BRLMs and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Category will not be allowed to be met with spill-over from other categories or a combination of categories. The Issue shall constitute at least 25% of the fully diluted post-Issue paid up equity share capital of our Company. In the event of under-subscription in the Issue, subject to receiving minimum subscription for 90% of the Issue and compliance with Rule 19(2)(b) of the SCRR, Allotment will be first made towards the Issue from the valid Bids.

(4) *In case of joint Bids, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders.*

(5) *In case the Anchor Investor Allocation Price is lower than the Issue Price, the balance amount shall be payable as per the pay-in-date mentioned in the revised CAN. In case the Issue Price is lower than the Anchor Investor Allocation Price, the amount in excess of the Issue Price paid by the Anchor Investors shall not be refunded to them. For details of terms of payment applicable to Anchor Investors, see "**Issue Procedure – Allotment Procedure and Basis of Allotment**" on page 445.*

Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

Withdrawal of the Issue

Our Company, in consultation with the BRLMs, reserve the right to not proceed with the Issue at any time after the Bid/Issue Opening Date but before Allotment. If our Company withdraws the Issue, our Company will issue a public notice within two days from the Bid/Issue Closing Date or such time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The BRLMs, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchanges will also be informed promptly.

If our Company, in consultation with the BRLMs, withdraws the Issue after the Bid/Issue Closing Date and thereafter determine that they will proceed with a public offering of Equity Shares, a fresh draft red herring prospectus will be filed and/or submitted with SEBI and the Stock Exchanges.

Notwithstanding the foregoing, the Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company will apply for only after Allotment and within six Working Days of the Bid/Issue Closing Date; and (ii) the final RoC approval of the Prospectus after it is filed and/or submitted with the RoC and the Stock Exchanges.

Except in relation to Anchor Investors, Bids and any revision in Bids will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Bid/Issue Period at the Bidding Centers, except that on the Bid/Issue Closing Date (which for QIBs may be a day prior to the Bid/Issue Closing Date for non-QIBs), Bids will be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time) and uploaded until (i) 4.00 p.m. (Indian Standard Time) for Bids by QIBs and Non-Institutional Investors; and (ii) 5.00 p.m. or such extended time as permitted by the Stock Exchanges (Indian Standard Time) in case of Bids by Retail Individual Investors. On the Bid/Issue Closing Date, extension of time may be granted by the Stock Exchanges only for uploading Bids received from Retail Individual Investors after taking into account the total number of Bids received up to closure of timings for acceptance of Bid cum Application Forms as stated herein and reported by the BRLMs to the Stock Exchanges. Due to limitation of time available for uploading Bids on the Bid/Issue Closing Date, Bidders are advised to submit Bids one day prior to the Bid/Issue Closing Date and, in any case, no later than 1.00 p.m. (Indian Standard Time) on the Bid/Issue Closing Date. If a large number of Bids are received on the Bid/Issue Closing Date, as is typically experienced in public issues, which may lead to some Bids not being uploaded due to lack of sufficient time to upload, such Bids that cannot be uploaded on the electronic bidding system will not be considered for allocation in the Issue. It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by the SCSBs would be rejected. Our Company and the members of Syndicate will not be responsible for any failure in uploading Bids due to faults in any hardware/software system or otherwise. Bids will be accepted only on Working Days. Investors may please note that as per letters dated July 3, 2006 and July 6, 2006, issued by the BSE and NSE respectively, Bids and any revisions in Bids shall not be accepted on Saturdays and public holidays as declared by the Stock Exchanges.

Our Company, in consultation with the BRLMs, reserve the right to revise the Price Band during the Bid/Issue Period, in accordance with the SEBI ICDR Regulations, provided that the Cap Price will be less than or equal to 120% of the Floor Price and the Floor Price will not be less than the face value of the Equity Shares. Subject to compliance with the foregoing, the Floor Price may move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly.

In case of revision in the Price Band, the Bid/Issue Period will be extended for at least three additional Working Days after revision of Price Band subject to the Bid/Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchanges by issuing a press release and by indicating the change on the websites of the BRLMs and terminals of the Syndicate Members. However, in case of revision in the Price Band, the Bid Lot shall remain the same.

In case of any discrepancy in the data entered in the electronic book *vis-à-vis* data contained in the Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment.

TERMS OF THE ISSUE

The Equity Shares issued and Allotted in the Issue will be subject to the provisions of the Companies Act, the SEBI ICDR Regulations, the SCRA, the SCRR, the Memorandum of Association, the Articles of Association, the SEBI Listing Regulations, the terms of the Red Herring Prospectus and the Prospectus, the Bid cum Application Form, the Revision Form, the abridged prospectus and other terms and conditions as may be incorporated in the Allotment Advice and other documents and certificates that may be executed in respect of the Issue. The Equity Shares will also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to issue and offer for sale and listing and trading of securities, issued from time to time, by the SEBI, GoI, Stock Exchanges, the RoC, the RBI and/or other authorities to the extent applicable or such other conditions as maybe prescribed by such governmental and/or regulatory authority while granting approval for the Issue.

Ranking of Equity Shares

The Equity Shares being issued and allotted in the Issue will be subject to the provisions of the Companies Act, the Memorandum of Association and the Articles of Association and will rank *pari passu* with the existing Equity Shares of our Company, including in respect of dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. For more information, see "***Dividend Policy***" and "***Main Provisions of the Articles of Association***" on pages 209 and 457, respectively.

Mode of Payment of Dividend

Our Company will pay dividend, if declared, to our equity shareholders, as per the provisions of the Companies Act, the SEBI Listing Regulations, our Memorandum of Association and the Articles of Association, and any guidelines or directives that may be issued by the GoI in this respect. Any dividends declared, after the date of Allotment in this Issue, will be received by the Allottees, in accordance with applicable law. For more information, see "***Dividend Policy***" and "***Main Provisions of our Articles of Association***" on pages 209 and 456, respectively.

Face Value and Price Band

The face value of each Equity Share is ₹ 10. The Issue Price is ₹ [●] per Equity Share and the Anchor Investor Issue Price is ₹ [●] per Equity Share. At any given point of time there will be only one denomination for the Equity Shares.

The Price Band and the Minimum Bid Lot will be decided by our Company, in consultation with the BRLMs and published at least five Working Days prior to the Bid/Issue Opening Date, in [●] edition of [●] (a widely circulated English national daily newspaper) and [●] edition of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●] (a widely circulated Gujarati regional daily newspaper, Gujarati being the regional language in the place where our Registered and Corporate Office is located), and shall be made available to the Stock Exchanges for the purpose of uploading on their websites. The Price Band, along with the relevant financial ratios calculated at the floor Price and at the Cap Price shall be pre-filled in the Bid cum Application Forms available at the website of the Stock Exchanges.

Rights of the Equity Shareholders

Subject to applicable law and our Articles of Association, the Equity Shareholders will have the following rights:

- right to receive dividend, if declared;
- right to attend general meetings and exercise voting powers, unless prohibited by law;
- right to vote on a poll either in person or by proxy and e-voting;
- right to receive offers for rights shares and be allotted bonus shares, if announced;
- right to receive any surplus on liquidation subject to any statutory and preferential claims being satisfied;
- right of free transferability of their Equity Shares, subject to applicable foreign exchange regulations and other applicable law; and

- such other rights as may be available to a shareholder of a listed public company under the Companies Act, the terms of the SEBI Listing Regulations and our Memorandum of Association and Articles of Association.

For a detailed description of the main provisions of our Articles of Association relating to voting rights, dividend, forfeiture, lien, transfer, transmission, consolidation and splitting, see "***Main Provisions of the Articles of Association***" on page 456.

Market Lot and Trading Lot

In terms of Section 29 of the Companies Act 2013, the Equity Shares will be allotted only in dematerialized form. As per the SEBI ICDR Regulations, the trading of our Equity Shares will only be in dematerialized form.

Since trading of our Equity Shares is in dematerialized form, the tradable lot is one Equity Share. Allotment in the Issue will be only in dematerialized form in multiples of one Equity Share. For the method of Basis of Allotment, see "***Issue Procedure***" on page 410.

Joint Holders

Where two or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-tenants with benefits of survivorship.

Nomination Facility

In accordance with Section 72 of the Companies Act 2013, read with Companies (Share Capital and Debentures) Rules, 2014, the sole or first Bidder, with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, will vest. A nominee entitled to the Equity Shares by reason of the death of the original holder(s), will, in accordance with Section 72 of the Companies Act 2013, as amended, be entitled to the same benefits to which he or she will be entitled if he or she were the registered holder of the Equity Shares. Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of the holder's death during minority. A nomination may be cancelled, or varied by nominating any other person in place of the present nominee, by the holder of the Equity Shares who has made the nomination, by giving a notice of such cancellation or variation to our Company in the prescribed form.

Further, any person who becomes a nominee by virtue of Section 72 of the Companies Act 2013, as amended, will, on the production of such evidence as may be required by our Board, elect either:

- to register himself or herself as holder of Equity Shares; or

- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, our Board may thereafter withhold payment of all dividend, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized form, there is no need to make a separate nomination with our Company. Nominations registered with the respective Depository Participant of the Bidder will prevail. If Bidders want to change their nomination, they are advised to inform their respective Depository Participant.

Bid/Issue Period

BID/ISSUE OPENS ON*	[●]
BID/ISSUE CLOSES ON**	
FINALIZATION OF BASIS OF ALLOTMENT	[●]
INITIATION OF REFUNDS FOR ANCHOR INVESTORS/UNBLOCKING OF FUNDS	[●]
CREDIT OF EQUITY SHARES TO DEPOSITORY ACCOUNTS	[●]

COMMENCEMENT OF TRADING	[●]

** Our Company, in consultation with the BRLMs may consider participation by Anchor Investors. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Issue Opening Date.*
*** Our Company, may in consultation with the BRLMs, decide to close the Bid/ Issue Period for QIBs one Working Day prior to the Bid/ Issue Closing Date.*

This timetable, is indicative in nature and does not constitute any obligation or liability on our Company, or the members of the Syndicate. While our Company will use best efforts to ensure that listing and trading of our Equity Shares on the Stock Exchanges commences within six Working Days of the Bid/Issue Closing Date, the timetable may be subject to change for various reasons, including extension of Bid/Issue period by our Company due to revision of the Price Band, any delays in receipt of final listing and trading approvals from the Stock Exchanges, delay in receipt of final certificates from SCSBs, etc. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges in accordance with applicable law.

Minimum Subscription

If our Company does not receive the minimum subscription of 90% of the Issue, including through the devolvement to the Underwriters, as applicable, our Company shall forthwith refund the entire subscription amount received within the timelines prescribed under applicable laws, failing which, the Directors of our Company who are officers in default shall jointly and severally be liable to repay that money with interest at the rate of 15% per annum. This is further subject to the compliance with Rule 19(2)(b) of the SCRR. Further in terms of Regulation 26(4) of the SEBI ICDR Regulations, our Company will ensure that the number of Bidders to whom the Equity Shares are Allotted in the Issue will be not less than 1,000. In the event of under-subscription in the Issue, subject to receiving minimum subscription for 90% of the Issue and compliance with Rule 19(2)(b) of the SCRR, Allotment will be first made towards the Issue from the valid Bids.

Arrangement for Disposal of Odd Lots

Since our Equity Shares will be traded in dematerialised form only and the market lot for our Equity Shares will be one Equity Share, no arrangements for disposal of odd lots are required.

Restriction on Transfer of Shares

Except for lock-in of pre-Issue equity shareholding, Minimum Promoters' Contribution and Anchor Investor lock-in in the Issue, as detailed in *"**Capital Structure**"* on page 87 and as provided in our Articles as detailed in "***Main Provisions of the Articles of Association***" on page 456, there are no restrictions on transfers and transmission of shares and on their consolidation/splitting.

Option to receive Equity Shares in Dematerialized Form

Allotment of Equity Shares to successful Bidders will only be in the dematerialized form. Bidders will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only in the dematerialized segment of the Stock Exchanges.

ISSUE PROCEDURE

*All Bidders should review the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 as amended and modified by the circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, notified by SEBI ("**General Information Document**") included below under section titled " – **Part B - General Information Document**", which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document has been updated to reflect amendments to the SEBI ICDR Regulations and provisions of the Companies Act 2013, to the extent applicable to a public issue and any other enactments and regulations. The General Information Document is also available on the websites of the Stock Exchanges and the BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue. All Designated Intermediaries in relation to the Issue should ensure compliance with the SEBI circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, as amended and modified by the SEBI circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, in relation to clarifications on streamlining the process of public issue of equity shares and convertibles.*

Our Company and the Syndicate do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of the Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and the Prospectus.

PART A

Book Building Procedure

The Issue is being made through the Book Building Process in accordance with Regulation 26(1) of the SEBI ICDR Regulations wherein 50% of the Issue will be available for allocation to QIBs on a proportionate basis, provided that our Company, in consultation with the BRLMs, may allocate up to 60% of the QIB Category to Anchor Investors, on a discretionary basis, of which at least one-third will be available for allocation to domestic Mutual Funds, in accordance with the SEBI ICDR Regulations. In case of under subscription or non-allocation in the Anchor Investor Portion, the remaining Equity Shares will be added back to the QIB Category (other than Anchor Investor Portion). Further, 5% of the QIB Category (excluding the Anchor Investor Portion) will be available for allocation on a proportionate basis to Mutual Funds only, subject to valid Bids being received from the domestic Mutual Funds at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the QIB Category (other than Anchor Investor Portion), the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining QIB Category (other than Anchor Investor Portion) for proportionate allocation to QIBs. The remainder will be available for allocation on a proportionate basis to all QIBs including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Issue will be available for allocation on a proportionate basis to Non-Institutional Investors subject to valid Bids being received at or above the Issue Price. Further, not less than 35% of the Issue will be available for allocation to Retail Individual Investors in accordance with SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

Under-subscription, if any, in any category, except in the QIB Category, would be allowed to be met with spill-over from any other category or categories, as applicable, at the discretion of our Company, in consultation with the BRLMs and the Designated Stock Exchange, on a proportionate basis, subject to applicable laws.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID and PAN, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available with the Designated Intermediaries at relevant Bidding Centers, at our Registered and Corporate Office. The Bid cum Application Forms will also be available for download on the websites of the NSE (www.nseindia.com) and the BSE (www.bseindia.com) at least one day prior to the Bid/Issue Opening Date.

For Anchor Investors, the Bid cum Application Forms will be available at the offices of the BRLMs.

Bidders (other than Anchor Investors) must compulsorily use the ASBA process to participate in the Issue. Anchor Investors are not permitted to participate in this Issue through the ASBA process.

Bidders (other than Anchor Investors) must provide bank account details and authorisation by the ASBA bank holder to block funds in their respective ASBA Accounts in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain such detail are liable to be rejected.

Further, such Bidders (other than Anchor Investors) shall ensure that the Bids are submitted at the Bidding Centres only on Bid cum Application Forms bearing the stamp of a Designated Intermediary (except in case of electronic Bid cum Application Forms) and Bid cum Application Forms not bearing such specified stamp maybe liable for rejection. Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB at the time of submitting the Bid.

The prescribed colour of the Bid cum Application Forms for various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians including resident QIBs, Non-Institutional Investors, Retail Individual Investors and Eligible NRIs applying on a non-repatriation basis^	White
Non-Residents including FPIs (including FIIs), and Eligible NRIs, FVCIs and registered bilateral and multilateral institutions applying on a repatriation basis^	Blue
Anchor Investors**	-

** Excluding electronic Bid cum Application Forms*
***Bid cum Application Forms for Anchor Investors will be made available at the office of the BRLMs.*
^ Electronic Bid cum Application forms will also be available for download on the website of the NSE (www.nseindia.com) and the BSE (www.bseindia.com).

Designated Intermediaries (other than SCSBs) shall submit/deliver the Bid cum Application Form to the respective SCSB, where the Bidder has a bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank.

Who can Bid?

In addition to the category of Bidders set forth under the section "***General Information Document for Investing in Public Issues – Category of Investors Eligible to Participate in an Issue***" on page 423, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines:

- scientific and/or industrial research organisations authorised in India to invest in the Equity Shares;
- any other persons eligible to Bid in the Issue under the laws, rules, regulations, guidelines and policies applicable to them;
- FPIs, other than Category III FPIs; and
- Category III FPIs who are foreign corporates or foreign individuals only under the Non-Institutional Portion.

Participation by associates and affiliates of the BRLMs and the Syndicate Members, Promoters, Promoter Group and persons related to Promoter/Promoter Group

The BRLMs and the Syndicate Members shall not be allowed to purchase the Equity Shares in any manner, except towards fulfilling their underwriting obligations. However, the respective associates and affiliates of the BRLMs and the Syndicate Members may purchase Equity Shares in the Issue, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including respective associates or affiliates of the BRLMs and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

The Promoters, Promoter Group, BRLMs and any persons related to the BRLMs (except Mutual Funds sponsored by entities related to the BRLMs) cannot apply in the Issue under the Anchor Investor Portion.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid without assigning any reason therefore. Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid may be made in respect of each scheme of a Mutual Fund registered with the SEBI and such Bids in respect of more than one scheme of a Mutual Fund will not be treated as multiple Bids, provided that such Bids clearly indicate the scheme for which the Bid is submitted.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific scheme. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by Eligible NRIs

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Eligible NRIs applying on a repatriation basis should authorise their SCSBs to block their Non-Resident External ("**NRE**") accounts, or Foreign Currency Non-Resident ("**FCNR**") accounts, and Eligible NRIs bidding on a non-repatriation basis should authorise their SCSBs to block their Non-Resident Ordinary ("**NRO**") accounts for the full Bid amount, at the time of submission of the Bid cum Application Form.

Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour).

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for Residents (white in colour).

Bids by FPI

In terms of the SEBI FPI Regulations, investment in the Equity Shares by a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) shall be below 10% of our post-Issue Equity Share capital. Further, the total aggregate investment of all FPIs cannot exceed 24%. However, this limit can be increased by way of a resolution passed by the Board and the Shareholders of our Company.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason.

FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for Non-Residents (blue in colour).

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio investors and unregulated broad based funds, which are classified as Category II foreign portfolio investors by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India or unlisted debt securities or securitised debt instruments, as its underlying assets) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with 'know your client' norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it subject to the following conditions: (i) such offshore derivative instruments are transferred to persons subject to fulfilment of SEBI FPI Regulations; and (ii) prior consent of the foreign portfolio investor is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the foreign portfolio investor.

Bids by SEBI registered Venture Capital Funds, Alternative Investment Funds and Foreign Venture Capital Investors

The FVCI Regulations and the SEBI AIF Regulations among other things, prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIFs.

Accordingly, the holding by any individual VCF or FVCI registered with SEBI in any company should not exceed 25% of the corpus of the VCF or FVCI. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one investee company. A category III AIF cannot invest more than 10% of the corpus in one investee company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than $1/3^{rd}$ of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations.

Further, according to the SEBI ICDR Regulations, the shareholding of VCFs, category I or category II AIFs and FVCIs held in a company prior to making an initial public offering would be exempt from lock-in requirements only if the shares have been held by them for at least one year prior to the time of filing of a draft offer document with SEBI.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid without assigning any reason thereof.

Bids by banking companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason therefor.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949 (the "**Banking Regulation Act**"), and Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company or 10% of the banks' own paid-up share capital and reserves, whichever is less. Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the investee company's paid-up share capital and reserves. A banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act.

Bids by SCSBs

SCSBs participating in the Issue are required to comply with the terms of the circulars dated September 13, 2012 and January 2, 2013 issued by the SEBI. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such Bids.

Bids by insurance companies

In case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Bid cum Application Form. Failing this, our Company reserve the right to reject any Bid without assigning any reason thereof. The exposure norms for insurers are prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000 (the "**IRDA Investment Regulations**"), based on investments in the equity shares of a company, the entire group of the investee company and the industry sector in which the investee company operates. Bidders are advised to refer to the IRDA Investment Regulations for specific investment limits applicable to them.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, eligible FPIs (including FIIs), AIFs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India, systematically important non-banking finance companies or the National Investment Fund and provident funds with a minimum corpus of ₹ 250 million (subject to applicable laws) and pension funds with a minimum corpus of ₹ 250 million, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company, in consultation with the BRLMs, in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that our Company, in consultation with the BRLMs, may deem fit.

Bids by Anchor Investors

For details in relation to Bids by Anchor Investors, see the section entitled "***Issue Procedure – Part B – General Information Document for Investing in Public Issues***" on page 420.

Bids by provident funds/pension funds

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 250 million, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid, without assigning any reason therefor.

The above information is given for the benefit of the Bidders. Our Company and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable laws or regulation or as specified in this Draft Red Herring Prospectus.

In accordance with RBI regulations, OCBs cannot participate in the Issue.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act 2013, our Company shall, after registering the Red Herring Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI ICDR Regulations, in [●] edition of [●] (a widely circulated English national daily newspaper), [●] edition of [●] (a widely circulated Hindi national daily newspaper) and [●] edition of [●] (a widely circulated Gujarati national daily newspaper), Gujarati being the regional language in the place where our Registered and Corporate is located). Our Company shall, in the pre- Issue advertisement state the Bid/Issue Opening Date, the Bid/Issue Closing Date and the QIB Bid/Issue Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act 2013, shall be in the format prescribed in Part A of Schedule XIII of the SEBI ICDR Regulations.

Signing of Underwriting Agreement and filing of Prospectus with the RoC

Our Company intends to enter into an Underwriting Agreement with the Underwriters on or immediately after the finalisation of the Issue Price. After signing the Underwriting Agreement, our Company will file the Prospectus with the RoC. The Prospectus would have details of the Issue Price, Anchor Investor Issue Price, Issue size and underwriting arrangements and would be complete in all material respects.

General Instructions

Please note that QIBs and Non-Institutional Investors are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Investors can revise their Bid(s) during the Bid/ Issue Period and withdraw their Bid(s) until Bid/ Issue Closing Date. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bidding Date.

***Do's*:**

1. check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
2. ensure that you have Bid within the Price Band;
3. read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
4. ensure that the details about the PAN, DP ID and Client ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;
5. ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre within the prescribed time;
6. if the first applicant is not the bank account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have an account with an SCSB and have mentioned the correct bank account number of that SCSB in the Bid cum Application Form;
7. all Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
8. ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
9. ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
10. ensure that you request for and receive a stamped acknowledgement in the form of a counterfoil or by specifying the application number for all your Bid options as proof of registration of the Bid cum Application Form from the concerned Designated Intermediary;
11. ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process to any of the Designated Intermediaries;
12. submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;

13. except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, and (iii) any other category of Bidders, including without limitation, multilateral/ bilateral institutions, which may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;

14. ensure that the Demographic Details are updated, true and correct in all respects;

15. ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;

16. ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;

17. ensure that in case of Bids under power of attorney or by limited companies, corporates, trust etc., relevant documents, including a copy of the power of attorney, are submitted;

18. ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;

19. Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. Where the Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form;

20. ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (other than for Anchor Investors) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at http://www.sebi.gov.in).

21. ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;

22. the Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with;

23. Bids by Eligible NRIs and Category III FPIs for a Bid Amount of less than ₹ 200,000 would be considered under the Retail Category for the purposes of allocation and Bids for a Bid Amount exceeding ₹ 200,000 would be considered under the Non-Institutional Category for allocation in the Issue.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Don'ts:

1. do not Bid for lower than the minimum Bid size;
2. do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;
3. do not Bid on another Bid cum Application Form after you have submitted a Bid to a Designated Intermediary;
4. do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
5. do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
6. Anchor Investors should not Bid through the ASBA process;
7. do not submit the Bid cum Application Forms to any non-SCSB bank or our Company;
8. do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
9. do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Investors);
10. do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Issue size and/ or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;
11. do not submit your Bid after 3.00 pm on the Issue Closing Date;
12. if you are a QIB, do not submit your Bid after 3.00 p.m. on the QIB Bid/Issue Closing Date;
13. instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
14. do not Bid for a Bid Amount exceeding ₹ 200,000 (for Bids by Retail Individual Investors);
15. do not submit the General Index Register (GIR) number instead of the PAN;
16. do not submit incorrect details of the DP ID, Client ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
17. do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA Account;
18. do not submit more than five Bid cum Application Forms per ASBA Account;
19. do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Investor;
20. do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;
21. do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise; and
22. do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository).

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Payment into Escrow Account

Our Company, in consultation with the BRLMs, in their absolute discretion, will decide the list of Anchor Investors to whom the Allotment Advice will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. Anchor Investors are not permitted to Bid in the Issue through the ASBA process. Instead, Anchor Investors should transfer the Bid Amount (through direct credit, RTGS or NEFT). The payment instruments for payment into the Escrow Accounts should be drawn in favor of:

(i) In case of resident Anchor Investors: "[●]"

(ii) In case of non-resident Anchor Investors: "[●]"

Depository Arrangements

The Allotment of the Equity Shares in the Issue shall be only in a dematerialised form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). In this context, tripartite agreements had been signed among our Company, the respective Depositories and the Registrar to the Issue:

- Agreement dated November 10, 2016 entered into by and among NSDL, our Company and the Registrar to the Issue.

- Agreement dated November 29, 2017 entered into by and among CDSL, our Company and Registrar to the Issue.

Impersonation

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013, which is reproduced below:

"***Any person who:***
(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name"

shall be liable for action under Section 447. The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

Undertakings by our Company

Our Company undertakes the following:

(i) that the complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily;

(ii) if Allotment is not made, application monies will be refunded/unblocked in the ASBA Accounts within 15 days from the Bid/Issue Closing Date or such lesser time as specified by SEBI, failing which interest will be due to be paid to the Bidders at the rate of 15% per annum for the delayed period;

(iii) that all steps will be taken for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed within six Working

Days of the Bid/Issue Closing Date;

(iv) that funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by our Company;

(v) where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 15 days from the Bid/ Issue Closing Date, or such time period as specified by SEBI, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

(vi) that no further issue of Equity Shares shall be made until the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are refunded/ unblocked in the ASBA Accounts on account of non-listing, under-subscription etc.;

(vii) that if our Company does not proceed with the Issue after the Bid/Issue Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Bid/Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. The stock exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;

(viii) that if our Company withdraw the Issue after the Bid/Issue Closing Date, our Company shall be required to file a fresh offer document with the SEBI, in the event our Company subsequently decides to proceed with the Issue;

(ix) that the allotment of securities/refund confirmation to Eligible NRIs shall be dispatched within specified time;

(x) that adequate arrangements shall be made to collect all Bid cum Application Forms;

(xi) that our Company shall not have recourse to the Net Proceeds until the final approval for listing and trading of the Equity Shares from all the Stock Exchanges where listing is sought has been received; and

(xii) that the Promoters' Contribution in full, wherever required, shall be brought in advance before the Issue Opening Date and the balance, if any, shall be brought in pro rata basis before the calls are made on public.

Utilization of Net Proceeds

Our Board certifies that:

(i) details of all monies utilised out of the Issue referred to in sub item (i) shall be disclosed and continue to be disclosed until the time any part of the Net Proceeds remains unutilised, under an appropriate separate head in the balance-sheet of the Issuer indicating the purpose for which such monies had been utilised; and

(ii) details of all unutilised monies out of the Issue referred to in sub-item (i) shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilised monies have been invested.

Our Company specifically confirms and declares that all monies received from the Issue shall be transferred to separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act 2013.

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PART B

General Information Document for Investing in Public Issues

This General Information Document highlights the key rules, processes and procedures applicable to public issues in accordance with the provisions of the Companies Act, the SCRA, the SCRR and SEBI ICDR Regulations. Bidders/Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Issue. For taking an investment decision, the Bidders/Applicants should rely on their own examination of the Issuer and the Issue, and should carefully read the Red Herring Prospectus/Prospectus before investing in the Issue.

SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)

This document is applicable to the public issues undertaken through the Book-Building Process as well as to the Fixed Price Issues. The purpose of the "General Information Document for Investing in Public Issues" is to provide general guidance to potential Bidders/Applicants in IPOs and FPOs, and on the processes and procedures governing IPOs and FPOs, undertaken in accordance with the provisions of the SEBI ICDR Regulations.

Bidders/Applicants should note that investment in equity and equity related securities involves risk and Bidder/Applicant should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/or for subscribing to securities in an Issue and the relevant information about the Issuer undertaking the Issue are set out in the Red Herring Prospectus ("**RHP**")/ Prospectus filed by the Issuer with the Registrar of Companies ("**RoC**"). Bidders/Applicants should carefully read the entire RHP/Prospectus and the Bid cum Application Form/Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the RHP/Prospectus, the disclosures in the RHP/Prospectus shall prevail. The RHP/Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the **BRLM(s)** to the Issue and on the website of Securities and Exchange Board of India ("**SEBI**") at www.sebi.gov.in.

For the definitions of capitalized terms and abbreviations used herein Bidders/Applicants may refer to the section "Glossary and Abbreviations".

SECTION 2: BRIEF INTRODUCTION TO IPOs/FPOs

2.1 Initial public offer (IPO)

An IPO means an offer of specified securities by an unlisted Issuer to the public for subscription and may include an offer for sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For undertaking an IPO, an Issuer is, among other things, required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI ICDR Regulations. For details of compliance with the eligibility requirements by the Issuer Bidders/Applicants may refer to the RHP/Prospectus.

2.2 Further public offer (FPO)

An FPO means an offer of specified securities by a listed Issuer to the public for subscription and may include offer for sale of specified securities to the public by any existing holder of such securities in a listed Issuer.

For undertaking an FPO, the Issuer is, among other things, required to comply with the eligibility requirements in terms of Regulation 26/27 of SEBI ICDR Regulations. For details of compliance with the eligibility requirements by the Issuer Bidders/Applicants may refer to the RHP/Prospectus.

2.3 Other Eligibility Requirements:

In addition to the eligibility requirements specified in paragraphs 2.1 and 2.2, an Issuer proposing to undertake an IPO or an FPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, the Companies Act 2013 (to the extent notified and in effect), the Companies Act 1956 (to the extent applicable), the SCRR, industry-specific regulations, if any, and other applicable laws for the time being in force.

For details in relation to the above Bidders/Applicants may refer to the RHP/Prospectus.

2.4 Types of Public Issues – Fixed Price Issues and Book Built Issues

In accordance with the provisions of the SEBI ICDR Regulations, an Issuer can either determine the Issue Price through the Book Building Process ("**Book Built Issue**") or undertake a Fixed Price Issue ("**Fixed Price Issue**"). An Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in the Draft Prospectus (in case of a fixed price Issue) and determine the price at a later date before registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-offer advertisement was given at least five Working Days before the Bid/Issue Opening Date, in case of an IPO and at least one Working Day before the Bid/Issue Opening Date, in case of an FPO.

The Floor Price or the Issue price cannot be lesser than the face value of the securities.

Bidders/Applicants should refer to the RHP/Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

2.5 OFFER PERIOD

The Issue may be kept open for a minimum of three Working Days (for all category of Bidders/Applicants) and not more than ten Working Days. Bidders/Applicants are advised to refer to the Bid cum Application Form and Abridged Prospectus or RHP/Prospectus for details of the Bid/Issue Period. Details of Bid/Issue Period are also available on the website of the Stock Exchange(s).

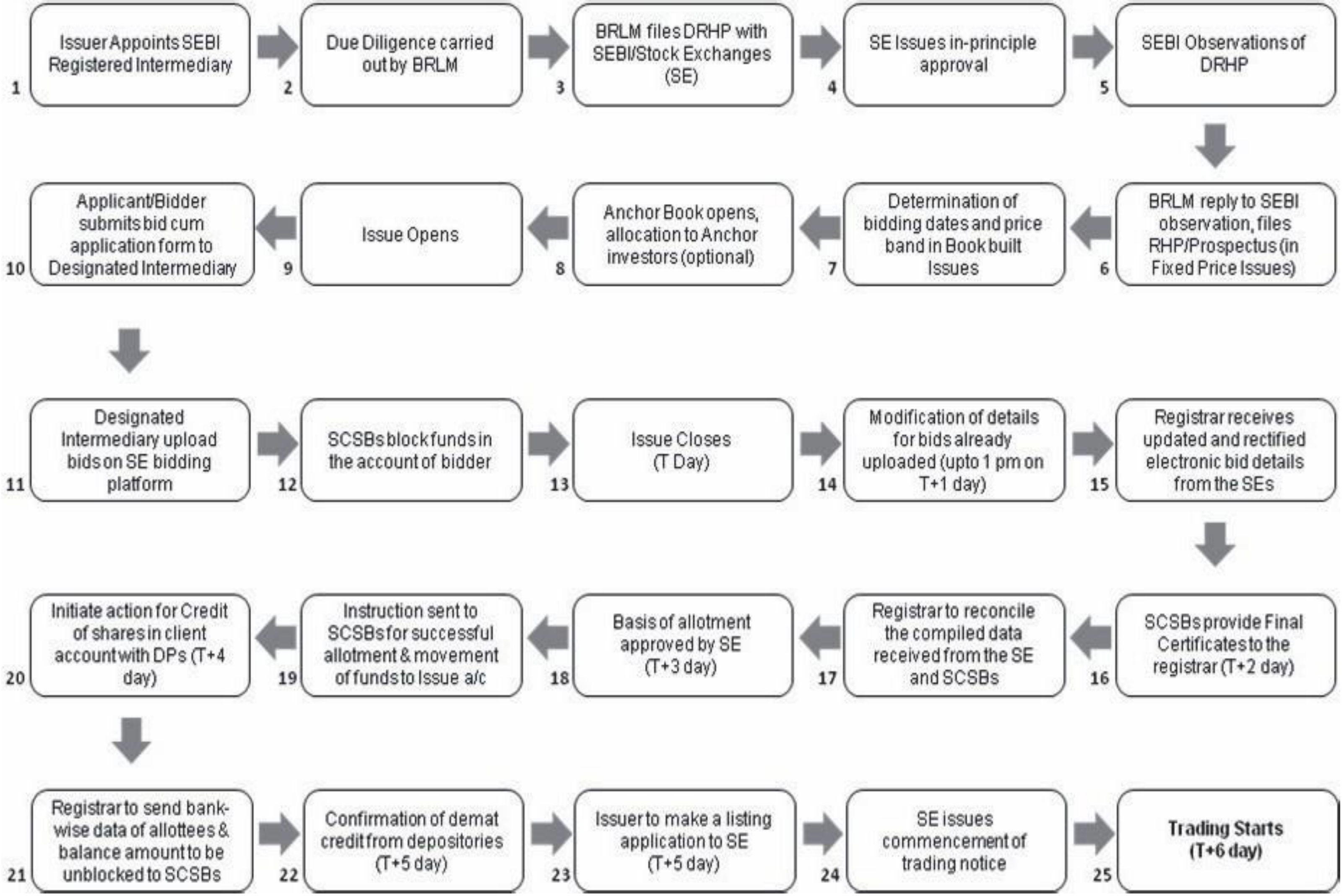
In case of a Book Built Issue, the Issuer may close the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date if disclosures to that effect are made in the RHP. In case of revision of the Floor Price or Price Band in Book Built Issues the Bid/Issue Period may be extended by at least three Working Days, subject to the total Bid/Issue Period not exceeding 10 Working Days. For details of any revision of the Floor Price or Price Band, Bidders/Applicants may check the announcements made by the Issuer on the websites of the Stock Exchanges and the BRLM(s), and the advertisement in the newspaper(s) issued in this regard.

2.6 FLOWCHART OF TIMELINES

A flow chart of process flow in Fixed Price and Book Built Issues is as follows. Bidders/Applicants may note that this is not applicable for Fast Track FPOs.:

- In case of Issue other than Book Build Issue (Fixed Price Issue) the process at the following of the below mentioned steps shall be read as:

  i. Step 7 : Determination of Issue Date and Price
  ii. Step 10: Applicant submits Bid cum Application Form with Designated Intermediaries.


1 Issuer Appoints SEBI Registered Intermediary
2 Due Diligence carried out by BRLM
3 BRLM files DRHP with SEBI/Stock Exchanges (SE)
4 SE Issues in-principle approval
5 SEBI Observations of DRHP
6 BRLM reply to SEBI observation, files RHP/Prospectus (in Fixed Price Issues)
7 Determination of bidding dates and price band in Book built Issues
8 Anchor Book opens, allocation to Anchor investors (optional)
9 Issue Opens
10 Applicant/Bidder submits bid cum application form to Designated Intermediary
11 Designated Intermediary upload bids on SE bidding platform
12 SCSBs block funds in the account of bidder
13 Issue Closes (T Day)
14 Modification of details for bids already uploaded (upto 1 pm on T+1 day)
15 Registrar receives updated and rectified electronic bid details from the SEs
16 SCSBs provide Final Certificates to the registrar (T+2 day)
17 Registrar to reconcile the compiled data received from the SE and SCSBs
18 Basis of allotment approved by SE (T+3 day)
19 Instruction sent to SCSBs for successful allotment & movement of funds to Issue a/c
20 Initiate action for Credit of shares in client account with DPs (T+4 day)
21 Registrar to send bank-wise data of allottees & balance amount to be unblocked to SCSBs
22 Confirmation of demat credit from depositories (T+5 day)
23 Issuer to make a listing application to SE (T+5 day)
24 SE issues commencement of trading notice
25 Trading Starts (T+6 day)

SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN ISSUE

Each Bidder/Applicant should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Bidders/Applicants, such as NRIs, FII's, FPIs and FVCIs may not be allowed to Bid/Apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders/Applicants are requested to refer to the RHP/Prospectus for more details.

Subject to the above, an illustrative list of Bidders/Applicants is as follows:

- Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, in single or joint names (not more than three);
- Bids/Applications belonging to an account for the benefit of a minor (under guardianship);
- Hindu Undivided Families or HUFs, in the individual name of the *Karta*. The Bidder/Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*". Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals;
- Companies, corporate bodies and societies registered under applicable law in India and authorised to hold and invest in equity shares;
- QIBs;
- NRIs on a repatriation basis or on a non-repatriation basis subject to applicable law;
- Indian Financial Institutions, regional rural banks, co-operative banks (subject to RBI regulations and the SEBI ICDR Regulations and other laws, as applicable);
- FPIs registered with SEBI;
- Sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals Bidding only under the Non Institutional Investors (NIIs) category;
- FPIs other than Category III foreign portfolio investors Bidding under the QIBs category;
- FPIs which are Category III foreign portfolio investors, Bidding under the NIIs category;
- Trusts/societies registered under the Societies Registration Act, 1860, or under any other law relating to trusts/societies and who are authorised under their respective constitutions to hold and invest in equity shares;
- Scientific and/or industrial research organisations in India, authorised to invest in equity shares;
- National Investment Fund set up by resolution no. F. No. 2/3/2005-DD-II dated November 23, 2005 of the GoI published in the Gazette of India;
- Limited liability partnerships registered under the Limited Liability Partnership Act, 2008;
- Any other person eligible to Bid/Apply in the Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws; and
- As per the existing regulations, OCBs are not allowed to participate in an Issue.

SECTION 4: APPLYING IN THE ISSUE

Book Built Issue: Bidders should only use the specified Bid cum Application Form bearing stamp of a Designated Intermediary as available or downloaded from the websites of the Stock Exchanges.

Bid cum Application Forms are available with the Designated Intermediaries at the Bidding Centres and at the registered office of the Issuer. Electronic Bid cum Application Forms will be available on the websites of the Stock Exchanges at least one day prior to the Bid/Issue Opening Date. For further details regarding availability of Bid cum Application Forms, Bidders may refer to the RHP/Prospectus. For Anchor Investors, Bid cum Application Forms shall be available at the offices of the BRLM.

Fixed Price Issue: Applicants should only use the specified Bid cum Application Form bearing the stamp of the Designated Intermediary as available or downloaded from the websites of the Stock Exchanges. Application Forms are available with the Designated Branches of the SCSBs and at the registered office of the Issuer. For further details regarding availability of Application Forms, Applicants may refer to the Prospectus.

Bidders/Applicants should ensure that they apply in the appropriate category. The prescribed colour of the Bid cum Application Form for various categories of Bidders/Applicants is as follows:

Category	Colour of the Bid cum Application Form
Resident Indian, Eligible NRIs applying on a non repatriation basis	White
NRIs, FVCIs, FIIs, their sub-accounts (other than sub-accounts which are foreign corporate(s) or foreign individuals bidding under the QIB), FPIs on a repatriation basis	Blue
Anchor Investors (where applicable) & Bidders/Applicants Bidding/applying in the reserved category	As specified by the Issuer

Securities issued in an IPO can only be in dematerialized form in accordance with Section 29 of the Companies Act 2013. Bidders/Applicants will not have the option of getting the Allotment of specified securities in physical form. However, they may get the specified securities rematerialised subsequent to Allotment.

4.1 INSTRUCTIONS FOR FILLING THE BID CUM APPLICATION FORM/ APPLICATION FORM

Bidders/Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the RHP and the Bid cum Application Form/Application Form are liable to be rejected.

Instructions to fill each field of the Bid cum Application Form can be found on the reverse side of the Bid cum Application Form. Specific instructions for filling various fields of the Resident Bid cum Application Form and Non-Resident Bid cum Application Form and samples are provided below.

The samples of the Bid cum Application Form for resident Bidders and the Bid cum Application Form for non-resident Bidders are reproduced below:

Every Milestone is our Value

Application Form – For Residents

TEAR HERE

COMMON BID CUM APPLICATION FORM	XYZ LIMITED - INITIAL PUBLIC ISSUE - R Address : .... Contact Details: .... CIN No	FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS

LOGO

TO,
THE BOARD OF DIRECTORS
XYZ LIMITED

BOOK BUILT ISSUE
ISIN : ....

Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/DP/RTA STAMP & CODE
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	ESCROW BANK/SCSB BRANCH STAMP & CODE
BANK BRANCH SERIAL NO.	SCSB SERIAL NO.

1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER

Mr. / Ms.

Address

Email

Tel. No (with STD code) / Mobile

2. PAN OF SOLE / FIRST BIDDER

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")

Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)			
		Bid Price	Retail Discount	Net Price	"Cut-off" (Please ✓ tick)
	8 | 7 | 6 | 5 | 4 | 3 | 2 | 1	3 | 2 | 1	3 | 2 | 1	3 | 2 | 1	
Option 1					☐
(OR) Option 2					☐
(OR) Option 3					☐

5. CATEGORY

☐ Retail Individual Bidder
☐ Non-Institutional Bidder
☐ QIB

6. INVESTOR STATUS

☐ Individual(s) - IND
☐ Hindu Undivided Family* - HUF
☐ Bodies Corporate - CO
☐ Banks & Financial Institutions - FI
☐ Mutual Funds - MF
☐ Non-Resident Indians - NRI (Non-Repatriation basis)
☐ National Investment Fund - NIF
☐ Insurance Funds - IF
☐ Insurance Companies - IC
☐ Venture Capital Funds - VCF
☐ Alternative Investment Funds - AIF
☐ Others (Please specify) - OTH

* HUF should apply only through Karta (Application by HUF would be treated on par with individual)

7. PAYMENT DETAILS PAYMENT OPTION : FULL PAYMENT ☐ PART PAYMENT ☐

Amount paid (₹ in figures) (₹ in words)

ASBA Bank A/c No.

Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE 'BIDDERS UNDERTAKING' AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.

8A. SIGNATURE OF SOLE/ FIRST BIDDER	8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)	BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)
	I/We authorize the SCSB to do all acts as are necessary to make the Application in the Issue	
	1)	
	2)	
Date :	3)	

PLEASE FILL IN BLOCK LETTERS

TEAR HERE

LOGO

XYZ LIMITED INITIAL PUBLIC ISSUE - R	Acknowledgement Slip for Broker/SCSB/ DP/RTA	Bid cum Application Form No.

DPID / CLID

PAN of Sole / First Bidder

Amount paid (₹ in figures)	Bank & Branch	Stamp & Signature of SCSB Branch
ASBA Bank A/c No.		
Received from Mr./Ms.		
Telephone / Mobile	Email	

TEAR HERE

XYZ LIMITED - INITIAL PUBLIC ISSUE - R

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price			
Amount Paid (₹)			

Stamp & Signature of Broker / SCSB / DP / RTA

Name of Sole / First Bidder

ASBA Bank A/c No.

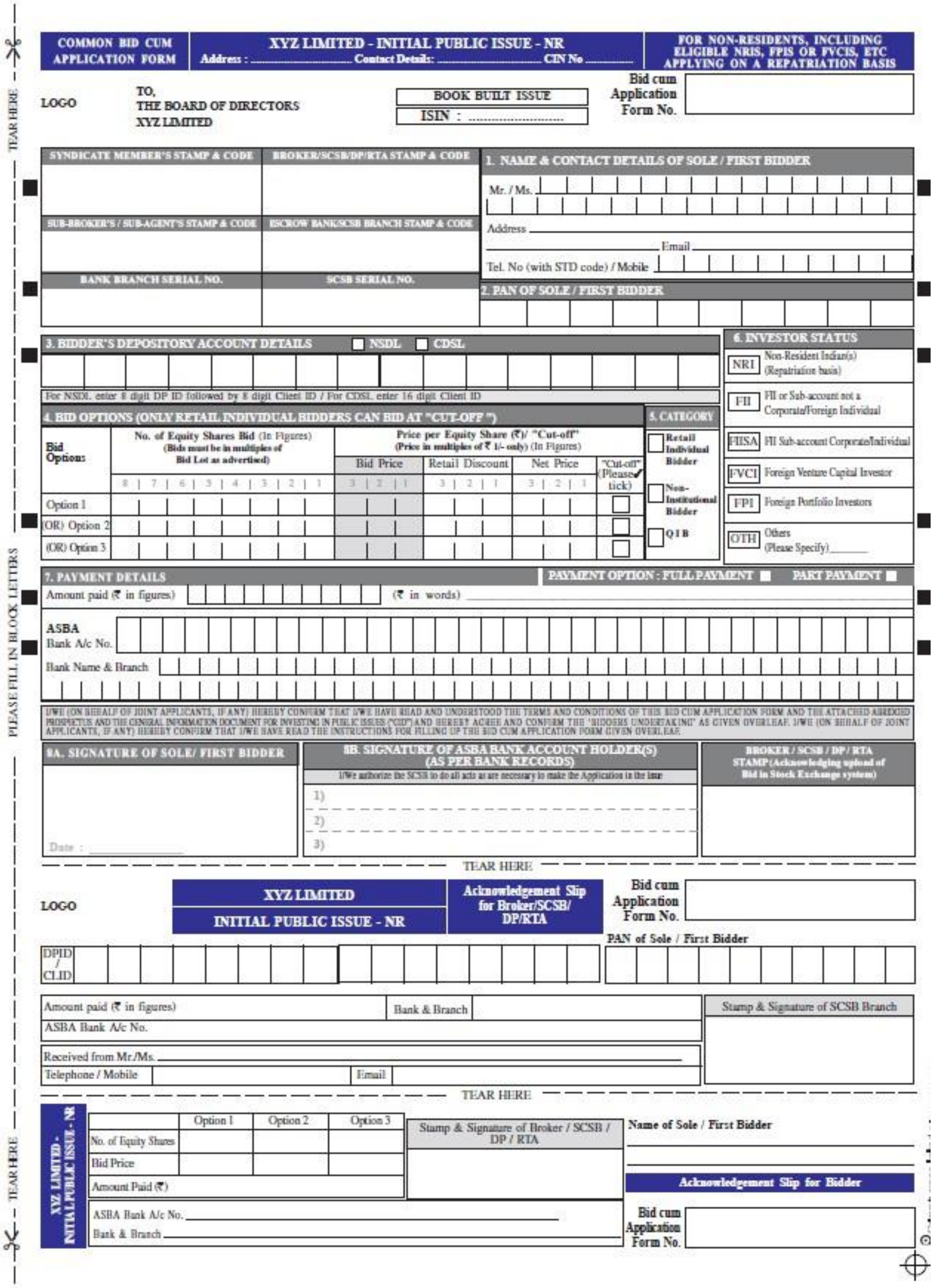
Bank & Branch

Acknowledgement Slip for Bidder

Bid cum Application Form No.

TEAR HERE

Application Form – For Non – Residents


COMMON BID CUM APPLICATION FORM

XYZ LIMITED - INITIAL PUBLIC ISSUE - NR

Address : .... Contact Details: .... CIN No ....

FOR NON-RESIDENTS, INCLUDING ELIGIBLE NRIS, FPIS OR FVCIS, ETC APPLYING ON A REPATRIATION BASIS

LOGO

TO, THE BOARD OF DIRECTORS XYZ LIMITED

BOOK BUILT ISSUE

ISIN : ....

Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE | BROKER/SCSB/DP/RTA STAMP & CODE

SUB-BROKER'S / SUB-AGENT'S STAMP & CODE | ESCROW BANK/SCSB BRANCH STAMP & CODE

BANK BRANCH SERIAL NO. | SCSB SERIAL NO.

1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER

Mr. / Ms.

Address

Email

Tel. No (with STD code) / Mobile

2. PAN OF SOLE / FIRST BIDDER

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")

Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures) Bid Price	Retail Discount	Net Price	"Cut-off" (Please ✔ tick)
	8 | 7 | 6 | 5 | 4 | 3 | 2 | 1	3 | 2 | 1	3 | 2 | 1	3 | 2 | 1	
Option 1					☐
(OR) Option 2					☐
(OR) Option 3					☐

5. CATEGORY

☐ Retail Individual Bidder

☐ Non-Institutional Bidder

☐ QIB

6. INVESTOR STATUS

NRI Non-Resident Indian(s) (Repatriation basis)

FII FII or Sub-account not a Corporate/Foreign Individual

FIISA FII Sub-account Corporate/Individual

FVCI Foreign Venture Capital Investor

FPI Foreign Portfolio Investors

OTH Others (Please Specify)

7. PAYMENT DETAILS

PAYMENT OPTION : FULL PAYMENT ☐ PART PAYMENT ☐

Amount paid (₹ in figures) (₹ in words)

ASBA Bank A/c No.

Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE "BIDDERS UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.

8A. SIGNATURE OF SOLE/ FIRST BIDDER

Date :

8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)

I/We authorize the SCSB to do all acts as are necessary to make the Application in the Issue

1)

2)

3)

BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)

TEAR HERE

LOGO

XYZ LIMITED

INITIAL PUBLIC ISSUE - NR

Acknowledgement Slip for Broker/SCSB/ DP/RTA

Bid cum Application Form No.

DPID / CLID

PAN of Sole / First Bidder

Amount paid (₹ in figures) | Bank & Branch

ASBA Bank A/c No.

Stamp & Signature of SCSB Branch

Received from Mr./Ms.

Telephone / Mobile | Email

TEAR HERE

XYZ LIMITED - INITIAL PUBLIC ISSUE - NR

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price			
Amount Paid (₹)			

ASBA Bank A/c No.

Bank & Branch

Stamp & Signature of Broker / SCSB / DP / RTA

Name of Sole / First Bidder

Acknowledgement Slip for Bidder

Bid cum Application Form No.

PLEASE FILL IN BLOCK LETTERS

TEAR HERE

4.1.1 FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/FIRST BIDDER/APPLICANT

(a) Bidders/Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.

(b) **Mandatory Fields**: Bidders/Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/mobile number fields are optional. Bidders/Applicants should note that the contact details mentioned in the Bid-cum Application Form/Application Form may be used to dispatch communications(including letters notifying the unblocking of the bank accounts of Bidders (other than Anchor Investors) in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Bid cum Application Form may be used by the Issuer, Designated Intermediaries and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.

(c) **Joint Bids/Applications**: In the case of Joint Bids/Applications, the Bids /Applications should be made in the name of the Bidder/Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidder/Applicant would be required in the Bid cum Application Form/Application Form and such first Bidder/Applicant would be deemed to have signed on behalf of the joint holders. All communications may be addressed to such Bidder/Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

(d) **Impersonation**: Attention of the Bidders/Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act 2013 which is reproduced below:

"*Any person who:*

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

***shall be liable for action under Section 447.*"**

The liability prescribed under Section 447 of the Companies Act 2013 includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

(e) Nomination Facility to Bidder/Applicant: Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act 2013. In case of Allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders/Applicants should inform their respective DP.

4.1.2 FIELD NUMBER 2: PAN OF SOLE/FIRST BIDDER/APPLICANT

(a) PAN (of the sole/ first Bidder/Applicant) provided in the Bid cum Application Form/Application Form should be exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held as per the Depositories' records.

(b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Bids/Applications on behalf of the Central or State Government, Bids/Applications by officials appointed by the courts and Bids/Applications by Bidders/Applicants residing in Sikkim ("PAN Exempted Bidders/Applicants"). Consequently, all Bidders/Applicants, other than the PAN Exempted Bidders/Applicants, are required to disclose their PAN in the Bid cum Application

Form/Application Form, irrespective of the Bid/Application Amount. A Bid cum Application Form/Application Form without PAN, except in case of Exempted Bidders/Applicants, is liable to be rejected. Bids/Applications by the Bidders/Applicants whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.

(c) The exemption for the PAN Exempted Bidders/Applicants is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.

(d) Bid cum Application Forms/Application Forms which provide the General Index Register Number instead of PAN may be rejected.

(e) Bids/Applications by Bidders whose demat accounts have been ‘suspended for credit’ are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as “Inactive demat accounts” and Demographic Details are not provided by depositories.

4.1.3 **FIELD NUMBER 3: BIDDERS/APPLICANTS DEPOSITORY ACCOUNT DETAILS**

(a) Bidders/Applicants should ensure that DP ID and the Client ID are correctly filled in the Bid cum Application Form/Application Form. The DP ID and Client ID provided in the Bid cum Application Form/Application Form should match with the DP ID and Client ID available in the Depository database, **otherwise, the Bid cum Application Form/Application Form is liable to be rejected.**

(b) Bidders/Applicants should ensure that the beneficiary account provided in the Bid cum Application Form/Application Form is active.

(c) Bidders/Applicants should note that on the basis of the PAN, DP ID and Client ID as provided in the Bid cum Application Form/Application Form, the Bidder/Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Bidder/Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for any correspondence(s) related to an Issue.

(d) Bidders/Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Bidders/Applicants’ sole risk.

4.1.4 **FIELD NUMBER 4: BID OPTIONS**

(a) Price or Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) may be disclosed in the Prospectus/RHP by the Issuer. The Issuer is required to announce the Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) by way of an advertisement in at least one English, one Hindi and one regional newspaper, with wide circulation, at least five Working Days before Bid/Issue Opening Date in case of an IPO, and at least one Working Day before Bid/Issue Opening Date in case of an FPO.

(b) The Bidders may Bid at or above Floor Price or within the Price Band for IPOs /FPOs undertaken through the Book Building Process. In the case of Alternate Book Building Process for an FPO, the Bidders may Bid at Floor Price or any price above the Floor Price (For further details bidders may refer to (Section 5.6 (e))

(c) **Cut-Off Price:** Retail Individual Investors or Employees or Retail Individual Shareholders can Bid at the Cut-off Price indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIIs and such Bids from QIBs and NIIs may be rejected.

(d) **Minimum Application Value and Bid Lot**: The Issuer in consultation with the BRLMs may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹ 10,000 to ₹ 15,000. The minimum Bid Lot is accordingly determined by an Issuer on basis of such minimum application value.

(e) **Allotment:** The Allotment of specified securities to each RII shall not be less than the minimum Bid Lot, subject to availability of shares in the RII category, and the remaining available shares, if any, shall be Allotted on a proportionate basis. For details of the Bid Lot, Bidders may to the RHP/Prospectus or the advertisement regarding the Price Band published by the Issuer.

4.1.4.1 **Maximum and Minimum Bid Size**

(a) The Bidder may Bid for the desired number of Equity Shares at a specific price. Bids by Retail Individual Investors, Employees and Retail Individual Shareholders must be for such number of shares so as to ensure that the Bid Amount less Discount (as applicable), payable by the Bidder does not exceed ₹ 200,000.

In case the Bid Amount exceeds ₹ 200,000 due to revision of the Bid or any other reason, the Bid may be considered for allocation under the Non-Institutional Category, with it not being eligible for Discount then such Bid may be rejected if it is at the Cut-off Price.

(b) For NRIs, a Bid Amount of up to ₹ 200,000 may be considered under the Retail Category for the purposes of allocation and a Bid Amount exceeding ₹ 200,000 may be considered under the Non-Institutional Category for the purposes of allocation.

(c) Bids by QIBs and NIIs must be for such minimum number of shares such that the Bid Amount exceeds ₹ 200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the Bid cum Application Form and the RHP/Prospectus, or as advertised by the Issuer, as the case may be. Non-Institutional Investors and QIBs are not allowed to Bid at 'Cut-off Price'.

(d) RII may revise or withdraw their bids until Bid/Issue Closing Date. QIBs and NII's cannot withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after bidding and are required to pay the Bid Amount upon submission of the Bid.

(e) In case the Bid Amount reduces to ₹ 200,000 or less due to a revision of the Price Band, Bids by the Non-Institutional Investors who are eligible for allocation in the Retail Category would be considered for allocation under the Retail Category.

(f) For Anchor Investors, if applicable, the Bid Amount shall be least ₹ 10 crores. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors. Bids by various schemes of a Mutual Fund shall be aggregated to determine the Bid Amount. A Bid cannot be submitted for more than 60% of the QIB Category under the Anchor Investor Portion. Anchor Investors cannot withdraw their Bids or lower the size of their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after the Anchor Investor Bid/Issue Period and are required to pay the Bid Amount at the time of submission of the Bid. In case the Anchor Investor Issue Price is lower than the Issue Price, the balance amount shall be payable as per the pay-in-date mentioned in the revised CAN. In case the Issue Price is lower than the Anchor Investor Issue Price, the amount in excess of the Issue Price paid by the Anchor Investors shall not be refunded to them.

(g) A Bid cannot be submitted for more than the Issue size.

(h) The maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under the applicable laws.

(i) The price and quantity options submitted by the Bidder in the Bid cum Application Form may be treated as optional bids from the Bidder and may not be cumulated. After determination of the Issue Price, the number of Equity Shares Bid for by a Bidder at or above the Issue Price may be considered for Allotment and the rest of the Bid(s), irrespective of the Bid Amount may automatically become invalid. This is not applicable in case of FPOs undertaken through Alternate Book Building Process (For details of Bidders may refer to (Section 5.6 (e)).

4.1.4.2 **Multiple Bids**

(a) Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of Bids at three different price levels in the Bid cum Application Form and such options are not considered as multiple Bids.

Submission of a second Bid cum Application Form to either the same or to another Designated Intermediary and duplicate copies of Bid cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

(b) Bidders are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple Bids:

i. All Bids may be checked for common PAN as per the records of the Depository. For Bidders other than Mutual Funds, Bids bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected.

ii. For Bids from Mutual Funds, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Bidders, the Bid cum Application Forms may be checked for common DP ID and Client ID. Such Bids which have the same DP ID and Client ID may be treated as multiple Bids and are liable to be rejected.

(c) The following Bids may not be treated as multiple Bids:

i. Bids by Reserved Categories Bidding in their respective Reservation Portion as well as bids made by them in the Issue portion in public category.

ii. Separate Bids by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Bids clearly indicate the scheme for which the Bid has been made.

iii. Bids by Mutual Funds, and sub-accounts of FIIs (or FIIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

iv. Bids by Anchor Investors under the Anchor Investor Portion and the QIB Category.

4.1.5 **FIELD NUMBER 5 : CATEGORY OF BIDDERS**

(a) The categories of Bidders identified as per the SEBI ICDR Regulations for the purpose of Bidding, allocation and allotment in the Issue are RIIs, NIIs and QIBs.

(b) Up to 60% of the QIB Category can be allocated by the Issuer, on a discretionary basis subject to the criteria of minimum and maximum number of Anchor Investors based on allocation size, to the Anchor Investors, in accordance with SEBI ICDR Regulations, with one-third of the Anchor Investor Portion reserved for domestic Mutual Funds subject to valid Bids being received at or above the Issue Price. For details regarding allocation to Anchor Investors, Bidders may refer to the RHP/Prospectus.

(c) An Issuer can make reservation for certain categories of Bidders/Applicants as permitted under the SEBI ICDR Regulations. For details of any reservations made in the Issue, Bidders/Applicants may refer to the RHP/Prospectus.

(d) The SEBI ICDR Regulations, specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation Bidder/Applicant may refer to the RHP/Prospectus.

4.1.6 **FIELD NUMBER 6: INVESTOR STATUS**

(a) Each Bidder/Applicant should check whether it is eligible to apply under applicable law and ensure that any prospective Allotment to it in the Issue is in compliance with the investment restrictions under applicable law.

(b) Certain categories of Bidders/Applicants, such as NRIs, FIIs, FPIs and FVCIs may not be allowed to Bid/Apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Bidders/Applicants are requested to refer to the RHP/Prospectus for more details.

(c) Bidders/Applicants should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Bid cum Application Form and Non-Resident Bid cum Application Form.

(d) Bidders/Applicants should ensure that their investor status is updated in the Depository records.

4.1.7 **FIELD NUMBER 7: PAYMENT DETAILS**

(a) The full Bid Amount (net of any Discount, as applicable) shall be blocked based on the authorization provided in the Bid cum Application Form. If the Discount is applicable in the Issue, the RIIs should indicate the full Bid Amount in the Bid cum Application Form and the payment shall be blocked for the Bid Amount net of Discount. Only in cases where the RHP/Prospectus indicates that part payment may be made, such an option can be exercised by the Bidder. In case of Bidders specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less Discount offered, if any.

(b) RIIs who Bid at Cut-off price shall be blocked on the Cap Price.

(c) All Bidders (except Anchor Investors) can participate in the Issue only through the ASBA mechanism.

(d) Bid Amount cannot be paid in cash, cheque, demand draft, through money order or through postal order.

4.1.7.1. **Instructions for Anchor Investors:**

(a) Anchor Investors may submit their Bids with a Book Running Lead Manager.

(b) Payments should be made either by RTGS or NEFT.

(c) The Escrow Collection Bank(s) shall maintain the monies in the Escrow Account for and on behalf of the Anchor Investors until the Designated Date.

4.1.7.2. **Payment instructions for Bidders (other than Anchor Investors)**

(a) Bidders may submit the Bid cum Application Form either

i. in electronic mode through the internet banking facility offered by an SCSB authorizing blocking of funds that are available in the ASBA account specified in the Bid cum Application Form, or

ii. in physical mode to any Designated Intermediary.

(b) Bidders must specify the Bank Account number in the Bid cum Application Form. The Bid cum Application Form submitted by a Bidder and which is accompanied by cash, demand draft, cheque, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, may not be accepted.

(c) Bidders should ensure that the Bid cum Application Form is also signed by the ASBA Account holder(s) if the Bidder is not the ASBA Account holder;

(d) Bidders shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.

(e) From one ASBA Account, a maximum of five Bids cum Application Forms can be submitted.

(f) Bidders should submit the Bid cum Application Form only at the Bidding Centers, i.e. to the respective member of the Syndicate at the Specified Locations, the SCSBs, the Registered Broker at the Broker Centres, the RTA at the Designated RTA Locations or CDP at the Designated CDP Locations.

(g) **Bidders bidding through Designated Intermediaries** other than a SCSB, should note that ASBA Forms submitted to such Designated Intermediary may not be accepted, if the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least one branch at that location for such Designated Intermediary, to deposit ASBA Forms.

(h) **Bidders bidding directly through the SCSBs** should ensure that the Bid cum Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.

(i) Upon receipt of the Bid cum Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form.

(j) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and for application directly submitted to SCSB by investor, may enter each Bid option into the electronic bidding system as a separate Bid.

(k) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Bids on the Stock Exchange platform and such bids are liable to be rejected.

(l) Upon submission of a completed Bid cum Application Form each Bidder may be deemed to have agreed to block the entire Bid Amount and authorized the Designated Branch of the SCSB to block the Bid Amount specified in the Bid cum Application Form in the ASBA Account maintained with the SCSBs.

(m) The Bid Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Bid, as the case may be.

(n) SCSBs bidding in the Issue must apply through an Account maintained with any other SCSB; else their Bids are liable to be rejected.

4.1.7.1.1 **Unblocking of ASBA Account**

(a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Bid, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Bid, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, (iv) the amount to be unblocked, if any in case of partial allotments and (v) details of rejected ASBA Bids, if any, along with reasons for rejection and details of withdrawn or unsuccessful Bids, if any, to enable the SCSBs to unblock the respective bank accounts.

(b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful Bidder to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.

(c) In the event of withdrawal or rejection of the Bid cum Application Form and for unsuccessful Bids, the Registrar to the Issue may give instructions to the SCSB to unblock the Bid Amount in the relevant ASBA Account within six Working Days of the Bid/Issue Closing Date.

4.1.7.2 **Discount** (if applicable)

(a) The Discount is stated in absolute rupee terms.

(b) Bidders applying under RII category, Retail Individual Shareholder and employees are only eligible for discount. For Discounts offered in the Issue, Bidders may refer to the RHP/Prospectus.

(c) The Bidders entitled to the applicable Discount in the Issue may block for an amount i.e. the Bid Amount less Discount (if applicable).

Bidder may note that in case the net amount blocked (post Discount) is more than two lakh Rupees, the Bidding system automatically considers such applications for allocation under Non-Institutional Category. These applications are neither eligible for Discount nor fall under RII category.

4.1.8 **FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS**

(a) Only the First Bidder/Applicant is required to sign the Bid cum Application Form/Application Form. Bidders/Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.

(b) If the ASBA Account is held by a person or persons other than the Bidder/Applicant, then the Signature of the ASBA Account holder(s) is also required.

(c) The signature has to be correctly affixed in the authorization/undertaking box in the Bid cum Application Form/Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form/Application Form.

(d) Bidders/Applicants must note that Bid cum Application Form/Application Form without signature of Bidder/Applicant and /or ASBA Account holder is liable to be rejected.

4.1.9 **ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

(a) Bidders should ensure that they receive the Acknowledgment slip or the acknowledgement number duly signed and stamped by a Designated Intermediary, as applicable, for submission of the Bid cum Application Form.

(b) All communications in connection with Bids/Applications made in the Issue should be addressed as under:

i. In case of queries related to Allotment, non-receipt of Allotment Advice, credit of Allotted Equity Shares, unblocking of funds, the Bidders/Applicants should contact the Registrar to the Issue.

ii. In case of Bids submitted to the Designated Branches of the SCSBs, the Bidders/Applicants should contact the relevant Designated Branch of the SCSB.

iii. In case of queries relating to uploading of Syndicate ASBA Bids, the Bidders/Applicants should contact the relevant Syndicate Member.

iv. In case of queries relating to uploading of Bids by a Designated Intermediary, the Bidders/Applicants should contact the relevant Designated Intermediary.

v. Bidder/Applicant may contact the Company Secretary and Compliance Officer or BRLM(s) in case of any other complaints in relation to the Issue.

(c) The following details (as applicable) should be quoted while making any queries –

i. full name of the sole or First Bidder/Applicant, Bid cum Application Form number, Applicants'/Bidders' DP ID, Client ID, PAN, number of Equity Shares applied for, amount paid on application.

ii. name and address of the Designated Intermediary, where the Bid was submitted or

iii. Bids, ASBA Account number in which the amount equivalent to the Bid Amount was blocked.

For further details, Bidder/Applicant may refer to the RHP/Prospectus and the Bid cum Application Form.

4.2 INSTRUCTIONS FOR FILING THE REVISION FORM

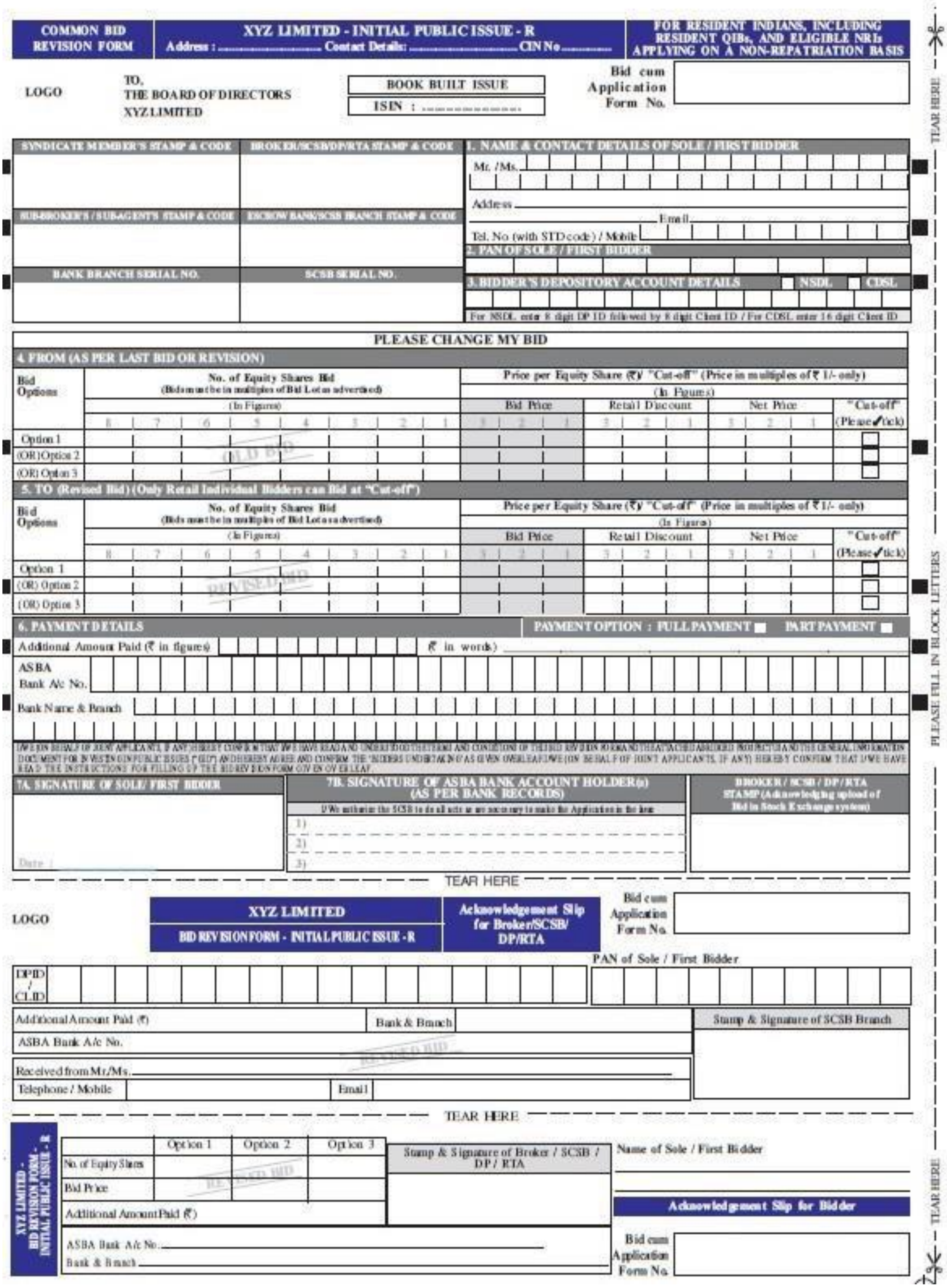
(a) During the Bid/Issue Period, any Bidder/Applicant (other than QIBs and NIIs, who can only revise their bid upwards) who has registered his or her interest in the Equity Shares at a particular price level is free to revise his or her Bid within the Price Band using the Revision Form, which is a part of the Bid cum Application Form.

(b) RII may revise their Bids or withdraw their bids until Bid/Issue Closing date.

(c) Revisions can be made in both the desired number of Equity Shares and the Bid Amount by using the Revision Form.

(d) The Bidder/Applicant can make this revision any number of times during the Bid/ Issue Period. However, for any revision(s) in the Bid, the Bidders/Applicants will have to use the services of the same Designated Intermediary through which such Bidder/Applicant had placed the original Bid. Bidders/Applicants are advised to retain copies of the blank Revision Form and the Bid(s) must be made only in such Revision Form or copies thereof.

A sample revision form is reproduced below:


COMMON BID REVISION FORM

XYZ LIMITED - INITIAL PUBLIC ISSUE - R

Address : .... Contact Details: .... CIN No ....

FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs, AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS

LOGO

TO,
THE BOARD OF DIRECTORS
XYZ LIMITED

BOOK BUILT ISSUE

ISIN : ....

Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/DP/RTA STAMP & CODE
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	ESCROW BANK/SCSB BRANCH STAMP & CODE
BANK BRANCH SERIAL NO.	SCSB SERIAL NO.

1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER

Mr. / Ms.

Address

Email

Tel. No (with STD code) / Mobile

2. PAN OF SOLE / FIRST BIDDER

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS NSDL CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

PLEASE CHANGE MY BID

4. FROM (AS PER LAST BID OR REVISION)

Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised) (In Figures)	Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures) Bid Price	Retail Discount	Net Price	"Cut-off" (Please ✓ tick)
	8 7 6 5 4 3 2 1	3 2 1	3 2 1	3 2 1	
Option 1	OLD BID				
(OR) Option 2					
(OR) Option 3					

5. TO (Revised Bid) (Only Retail Individual Bidders can Bid at "Cut-off")

Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised) (In Figures)	Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures) Bid Price	Retail Discount	Net Price	"Cut-off" (Please ✓ tick)
	8 7 6 5 4 3 2 1	3 2 1	3 2 1	3 2 1	
Option 1	REVISED BID				
(OR) Option 2					
(OR) Option 3					

6. PAYMENT DETAILS

PAYMENT OPTION : FULL PAYMENT PART PAYMENT

Additional Amount Paid (₹ in figures) (₹ in words)

ASBA Bank A/c No.

Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID REVISION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE "BIDDERS UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID REVISION FORM GIVEN OVERLEAF.

7A. SIGNATURE OF SOLE/ FIRST BIDDER

Date :

7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS)

I/We authorize the SCSB to do all acts as are necessary to make the Application in the Issue

1)
2)
3)

BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)

TEAR HERE

LOGO

XYZ LIMITED

BID REVISION FORM - INITIAL PUBLIC ISSUE - R

Acknowledgement Slip for Broker/SCSB/DP/RTA

Bid cum Application Form No.

DPID / CLID

PAN of Sole / First Bidder

Additional Amount Paid (₹)

Bank & Branch

Stamp & Signature of SCSB Branch

ASBA Bank A/c No.

Received from Mr./Ms.

Telephone / Mobile

Email

TEAR HERE

XYZ LIMITED - BID REVISION FORM - INITIAL PUBLIC ISSUE - R

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price			
Additional Amount Paid (₹)			

Stamp & Signature of Broker / SCSB / DP / RTA

Name of Sole / First Bidder

Acknowledgement Slip for Bidder

ASBA Bank A/c No.

Bank & Branch

Bid cum Application Form No.

TEAR HERE

PLEASE FILL IN BLOCK LETTERS

Instructions to fill each field of the Revision Form can be found on the reverse side of the Revision Form. Other than instructions already highlighted at paragraph 4.1 above, point wise instructions regarding filling up various fields of the Revision Form are provided below:

4.2.1 **FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER/APPLICANT, PAN OF SOLE/FIRST BIDDER/APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/APPLICANT**

Bidders/Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.2.2 **FIELD 4 & 5: BID OPTIONS REVISION 'FROM' AND 'TO'**

(a) Apart from mentioning the revised options in the Revision Form, the Bidder/Applicant must also mention the details of all the bid options given in his or her Bid cum Application Form or earlier Revision Form. For example, if a Bidder/Applicant has Bid for three options in the Bid cum Application Form and such Bidder/Applicant is changing only one of the options in the Revision Form, the Bidder/Applicant must still fill the details of the other two options that are not being revised, in the Revision Form. The Designated Indtermediaries may not accept incomplete or inaccurate Revision Forms.

(b) In case of revision, Bid options should be provided by Bidders/Applicants in the same order as provided in the Bid cum Application Form.

(c) In case of revision of Bids by RIIs, Employees and Retail Individual Shareholders, such Bidders/Applicants should ensure that the Bid Amount, subsequent to revision, does not exceed ₹ 200,000. In case the Bid Amount exceeds ₹ 200,000 due to revision of the Bid or for any other reason, the Bid may be considered, subject to eligibility, for allocation under the Non-Institutional Category, not being eligible for Discount (if applicable) and such Bid may be rejected if it is at the Cut-off Price. The Cut-off Price option is given only to the RIIs, Employees and Retail Individual Shareholders indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process.

(d) In case the total amount (i.e., original Bid Amount plus additional payment) exceeds ₹ 200,000, the Bid will be considered for allocation under the Non-Institutional Portion in terms of the RHP/Prospectus. If, however, the RII does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RII and the RII is deemed to have approved such revised Bid at Cut-off Price.

(e) In case of a downward revision in the Price Band, RIIs and Bids by Employees under the Reservation Portion, who have bid at the Cut-off Price could either revise their Bid or the excess amount paid at the time of Bidding will be unblocked.

4.2.3 **FIELD 6: PAYMENT DETAILS**

(a) All Bidders/Applicants are required to authorize blocking of the full Bid Amount (less Discount (if applicable) at the time of submitting the Bid Revision Form. In case of Bidders/Applicants specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less discount offered, if any.

(b) Bidder/Applicant, Bidder/Applicant may Issue instructions to block the revised amount based on cap of the revised Price Band (adjusted for the Discount (if applicable) in the ASBA Account, to the same Designated Intermediary through whom such Bidder/Applicant had placed the original Bid to enable the relevant SCSB to block the additional Bid Amount, if any.

(c) In case the total amount (i.e., original Bid Amount less discount (if applicable) plus additional payment) exceeds ₹ 200,000, the Bid may be considered for allocation under the Non-Institutional Category in terms of the RHP/Prospectus. If, however, the Bidder/Applicant does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for may be adjusted downwards for the purpose of Allotment, such that no additional amount is required for blocking Bidder/Applicant and the Bidder/Applicant is deemed to have approved such revised Bid at the Cut-off Price.

(d) In case of a downward revision in the Price Band, RIIs, Employees and Retail Individual Shareholders, who have bid at the Cut-off Price, could either revise their Bid or the excess amount paid at the time of Bidding may be unblocked.

4.2.4 **FIELD 7 : SIGNATURES AND ACKNOWLEDGEMENTS**

Bidders/Applicants may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

4.3 INSTRUCTIONS FOR FILING APPLICATION FORM IN ISSUES MADE OTHER THAN THROUGH THE BOOK BUILDING PROCESS (FIXED PRICE ISSUE)

4.3.1 **FIELDS 1, 2, 3 NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER/APPLICANT, PAN OF SOLE/FIRST BIDDER/APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/APPLICANT**

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.3.2 **FIELD 4: PRICE, APPLICATION QUANTITY & AMOUNT**

(a) The Issuer may mention Price or Price Band in the draft Prospectus. However a prospectus registered with RoC contains one price or coupon rate (as applicable).

(b) **Minimum Application Value and Bid Lot**: The Issuer in consultation with the Lead Manager to the Issue (LM) may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹ 10,000 to ₹ 15,000. The minimum Lot size is accordingly determined by an Issuer on basis of such minimum application value.

(c) Applications by RIIs**,** Employees and Retail Individual Shareholders, must be for such number of shares so as to ensure that the application amount payable does not exceed ₹ 200,000.

(d) Applications by other investors must be for such minimum number of shares such that the application amount exceeds ₹ 200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the application form and the Prospectus, or as advertised by the Issuer, as the case may be.

(e) An application cannot be submitted for more than the Issue size.

(f) The maximum application by any Applicant should not exceed the investment limits prescribed for them under the applicable laws.

(g) **Multiple Applications:** An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or other SCSB and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.

(h) Applicants are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple applications:

i. All applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds, Bids bearing the same PAN may be treated as multiple applications by a Bidder/Applicant and may be rejected.

ii. For applications from Mutual Funds, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. In any such applications which have the same DP ID and Client ID, these may be treated as multiple applications and may be rejected.

(i) The following applications may not be treated as multiple Bids:

i. Applications by Reserved Categories in their respective reservation portion as well as that made by them in the Issue portion in public category.

ii. Separate applications by Mutual Funds in respect of more than one scheme of the

Mutual Fund provided that the Applications clearly indicate the scheme for which the Bid has been made.

iii. Applications by Mutual Funds, and sub-accounts of FIIs (or FIIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

4.3.3 **FIELD NUMBER 5 : CATEGORY OF APPLICANTS**

(a) The categories of applicants identified as per the SEBI ICDR Regulations for the purpose of Bidding, allocation and Allotment in the Issue are RIIs, individual applicants other than RII's and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).

(b) An Issuer can make reservation for certain categories of Applicants permitted under the SEBI ICDR Regulations. For details of any reservations made in the Issue, applicants may refer to the Prospectus.

(c) The SEBI ICDR Regulations specify the allocation or Allotment that may be made to various categories of applicants in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation applicant may refer to the Prospectus.

4.3.4 **FIELD NUMBER 6: INVESTOR STATUS**

Applicants should refer to instructions contained in paragraphs 4.1.6.

4.3.5 **FIELD 7: PAYMENT DETAILS**

(a) All Applicants (other than Anchor Investors) are required to make use ASBA for applying in the Issue

(b) Application Amount cannot be paid in cash, cheques or demand drafts through money order or through postal order or through stock invest.

4.3.5.1 **Payment instructions for Applicants**

(a) Applicants may submit the Application Form in physical mode to the Designated Intermediaries.

(b) Applicants must specify only such Bank Account number maintained with the SCSB in the Application Form. The Application Form submitted by an ASBA Applicant and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, will not be accepted.

(c) Applicants should ensure that the Application Form is also signed by the ASBA Account holder(s) if the Applicant is not the ASBA Account holder;

(d) Applicants shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.

(e) From one ASBA Account, a maximum of five Bids cum Application Forms can be submitted.

(f) Applicants bidding directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.

(g) Upon receipt of the Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form.

(h) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Application Amount mentioned in the Application Form and may upload the details on the Stock Exchange Platform.

(i) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Applications on the Stock Exchange platform and such Applications are liable to be rejected.

(j) Upon submission of a completed Application Form each Applicant may be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount specified in the Application Form in the ASBA Account maintained with the SCSBs.

(k) The Application Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Application, as the case may be.

(l) SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB; else their Applications are liable to be rejected.

4.3.5.2 **Unblocking of ASBA Account**

(a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Application, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Application, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected Applications, if any, along with reasons for rejection and details of withdrawn or unsuccessful Applications, if any, to enable the SCSBs to unblock the respective bank accounts.

(b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful Application to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.

(c) In the event of withdrawal or rejection of the Application Form and for unsuccessful Applications, the Registrar to the Issue may give instructions to the SCSB to unblock the Application Amount in the relevant ASBA Account within six Working Days of the Issue Closing Date.

4.3.5.3 **Discount** (if applicable)

(a) The Discount is stated in absolute rupee terms.

(b) RIIs, Employees and Retail Individual Shareholders are only eligible for discount. For Discounts offered in the Issue, applicants may refer to the Prospectus.

(c) The Applicants entitled to the applicable Discount in the Issue may make payment for an amount i.e. the Application Amount less Discount (if applicable).

4.3.6 **FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS & ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

Applicants should refer to instructions contained in paragraphs 4.1.8 & 4.1.9.

4.4 SUBMISSION OF BID CUM APPLICATION FORM/ REVISION FORM/APPLICATION FORM

4.4.1 **Bidders/Applicants may submit completed Bid-cum-application form / Revision Form in the following manner:-**

Mode of Application	Submission of Bid cum Application Form
Anchor Investors Application Form	To the Book Running Lead Managers at the Specified Locations mentioned in the Bid cum Application Form
All Applications (other than Anchor Investors)	(a) To members of the Syndicate in the Specified Locations or Registered Brokers at the Broker Centres or the Collecting RTAs at the Designated RTA Locations or the CDPs at the Designated CDP Locations (b) To the Designated Branches of the SCSBs where the ASBA Account is maintained

(a) Bidders/Applicants should submit the Revision Form to the same Designated Intermediary through which such Bidder/Applicant had placed the original Bid.

(b) Upon submission of the Bid-cum-Application Form, the Bidder/Applicant will be deemed to have authorized the Issuer to make the necessary changes in the RHP and the Bid cum Application Form as would be required for filing Prospectus with the Registrar of Companies (RoC) and as would be required by the RoC after such filing, without prior or subsequent notice of such changes to the relevant Bidder/Applicant.

(c) Upon determination of the Issue Price and filing of the Prospectus with the RoC, the Bid-cum-Application Form will be considered as the application form.

SECTION 5: OFFER PROCEDURE IN BOOK BUILT ISSUE

Book Building, in the context of the Issue, refers to the process of collection of Bids within the Price Band or above the Floor Price and determining the Issue Price based on the Bids received as detailed in Schedule XI of SEBI ICDR Regulations. The Issue Price is finalised after the Bid/Issue Closing Date. Valid Bids received at or above the Issue Price are considered for allocation in the Issue, subject to applicable regulations and other terms and conditions.

5.1 SUBMISSION OF BIDS

(a) During the Bid/Issue Period, ASBA Bidders/Applicants may approach any of the Designated Intermediary to register their Bids. Anchor Investors who are interested in subscribing for the Equity Shares should approach the Book Running Lead Manager to register their Bid.

(b) In case of Bidders/Applicants (excluding NIIs and QIBs) bidding at Cut-off Price, the Bidders/Applicants may instruct the SCSBs to block Bid Amount based on the Cap Price less discount (if applicable).

(c) For Details of the timing on acceptance and upload of Bids in the Stock Exchanges Platform Bidders/Applicants are requested to refer to the RHP.

5.2 ELECTRONIC REGISTRATION OF BIDS

(a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the issue.

(b) On the Bid/Issue Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges.

(c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/ Allotment. The Designated Intermediaries are given till 1:00 pm on the day following the Bid/Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Issue Period after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing.

5.3 BUILD UP OF THE BOOK

(a) Bids received from various Bidders/Applicants through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchanges' on a regular basis. The book gets built up at various price levels. This information may be available with the BRLMs at the end of the Bid/Issue Period.

(b) Based on the aggregate demand and price for Bids registered on the Stock Exchanges Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchanges may be made available at the Bidding centres during the Bid/Issue Period.

5.4 WITHDRAWAL OF BIDS

(a) RIIs can withdraw their Bids until Bid/Issue Closing Date. In case a RII wishes to withdraw the Bid, the same can be done by submitting a request for the same to the concerned Designated Intermediary, who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.

(b) The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account upon or after the finalization of basis of Allotment. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

5.5 REJECTION & RESPONSIBILITY FOR UPLOAD OF BIDS

(a) The Designated Intermediaries are individually responsible for the acts, mistakes or errors or omission in relation to

i. the Bids accepted by the Designated Intermediary;

ii. the Bids uploaded by the Designated Intermediary; and

iii. the Bid cum application forms accepted but not uploaded by the Designated Intermediaries.

(b) The BRLMs and their affiliate Syndicate Members, as the case may be, may reject Bids if all the information required is not provided and the Bid cum Application Form is incomplete in any respect.

(c) The SCSBs shall have no right to reject Bids, except in case of unavailability of adequate funds in the ASBA account or on technical grounds.

(d) In case of QIB Bidders, only the (i) SCSBs (for Bids other than the Bids by Anchor Investors); and (ii) BRLMs and their affiliate Syndicate Members (only in the specified locations) have the right to reject bids. However, such rejection shall be made at the time of receiving the Bid and only after assigning a reason for such rejection in writing.

(e) All bids by QIBs, NIIs & RIIs Bids can be rejected on technical grounds listed herein.

5.5.1 **GROUNDS FOR TECHNICAL REJECTIONS**

Bid cum Application Forms/Application Form can be rejected on the below mentioned technical grounds either at the time of their submission to any of the Designated Intermediaries, or at the time of finalisation of the Basis of Allotment. Bidders/Applicants are advised to note that the Bids/Applications are liable to be rejected, among other things, on the following grounds, which have been detailed at various placed in this GID:-

(a) Bid/Application by persons not competent to contract under the Indian Contract Act, 1872, as amended, (other than minors having valid Depository Account as per Demographic Details provided by Depositories);

(b) Bids/Applications of Bidders (other than Anchor Investors) accompanied by cash, draft, cheques, money order or any other mode of payment other than amounts blocked in the Bidders' ASBA Account maintained with an SCSB;

(c) Bids/Applications by OCBs;

(d) In case of partnership firms, Bid/Application for Equity Shares made in the name of the firm. However, a limited liability partnership can apply in its own name;

(e) In case of Bids/Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are not being submitted along with the Bid cum application form/Application Form;

(f) Bids/Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;

(g) Bids/Applications by any person outside India if not in compliance with applicable foreign and Indian laws;

(h) Bids/Applications by persons in the United States;

(i) DP ID and Client ID not mentioned in the Bid cum Application Form/Application Form;

(j) PAN not mentioned in the Bid cum Application Form/Application Form except for Bids/Applications by or on behalf of the Central or State Government and officials appointed by the court and by the investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participant;

(k) In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;

(l) Bids/Applications for lower number of Equity Shares than the minimum specified for that category of investors;

(m) Bids/Applications at a price less than the Floor Price & Bids/Applications at a price more than the Cap Price;

(n) Bids/Applications at Cut-off Price by NIIs and QIBs;

(o) The amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;

(p) Bids/Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;

(q) Submission of more than five Bid cum Application Forms/Application Form as per ASBA Account;

(r) Bids/Applications for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the RHP;

(s) Multiple Bids/Applications as defined in this GID and the RHP/Prospectus;

(t) Bid cum Application Forms/Application Forms are not delivered by the Bidders/Applicants within the time prescribed as per the Bid cum Application Forms/Application Form, Bid/Issue Opening Date advertisement and as per the instructions in the RHP and the Bid cum Application Forms;

(u) Bank account mentioned in the Bid cum Application Form may not be an account maintained by SCSB. Inadequate funds in the bank account to block the Bid/Application Amount specified in the Bid cum Application Form/ Application Form at the time of blocking such Bid/Application Amount in the bank account;

(v) In case of Anchor Investors, Bids/Applications where sufficient funds are not available in Escrow Accounts as per final certificate from the Escrow Collection Bank;

(w) Where no confirmation is received from SCSB for blocking of funds;

(x) Bids/Applications by Bidders (other than Anchor Investors) not submitted through ASBA process;

(y) Bid cum Application Form submitted to Designated Intermediaries at locations other than the Bidding Centers or to the Escrow Collection Bank (assuming that such bank is not a SCSB where the ASBA Account is maintained), to the issuer or the Registrar to the Issue;

(z) Bids/Applications not uploaded on the terminals of the Stock Exchanges;

(aa) Bids/Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form.

5.6 BASIS OF ALLOCATION

(a) The SEBI ICDR Regulations specify the allocation or Allotment that may be made to various categories of Bidders/Applicants in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP / Prospectus. For details in relation to allocation, the Bidder/Applicant may refer to the RHP / Prospectus.

(b) Under-subscription in any category (except QIB category) is allowed to be met with spill-over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLMs and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations. Unsubscribed portion in QIB Category is not available for subscription to other categories.

(c) In case of under subscription in the Net Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Net Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders/Applicants may refer to the RHP.

(d) **Illustration of the Book Building and Price Discovery Process**

Bidders should *note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes Bidding by Anchor Investors.*

Bidders can bid at any price within the price band. For instance, assume a price band of ₹ 20 to ₹ 24 per share, issue size of 3,000 equity shares and receipt of five bids from bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the equity shares of the issuer at various prices and is collated from bids received from various investors.

Bid Quantity	Bid Amount (₹)	Cumulative Quantity	Subscription
500	24	500	16.67%

Bid Quantity	Bid Amount (₹)	Cumulative Quantity	Subscription
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of equity shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The issuer, in consultation with the book running lead managers, may finalise the Issue Price at or below such cut-off price, i.e., at or below ₹ 22.00. All bids at or above this Issue Price and cut-off bids are valid bids and are considered for allocation in the respective categories.

(e) **Alternate Method of Book Building**

In case of FPOs, Issuers may opt for an alternate method of Book Building in which only the Floor Price is specified for the purposes of Bidding (**"Alternate Book Building Process"**).

The Issuer may specify the Floor Price in the RHP or advertise the Floor Price at least one Working Day prior to the Bid/Issue Opening Date. QIBs may Bid at a price higher than the Floor Price and the Allotment to the QIBs is made on a price priority basis. The Bidder with the highest Bid Amount is allotted the number of Equity Shares Bid for and then the second highest Bidder is Allotted Equity Shares and this process continues until all the Equity Shares have been allotted. RIIs, NIIs and Employees are Allotted Equity Shares at the Floor Price and allotment to these categories of Bidders is made proportionately. If the number of Equity Shares Bid for at a price is more than available quantity then the Allotment may be done on a proportionate basis. Further, the Issuer may place a cap either in terms of number of specified securities or percentage of issued capital of the Issuer that may be Allotted to a single Bidder, decide whether a Bidder be allowed to revise the bid upwards or downwards in terms of price and/or quantity and also decide whether a Bidder be allowed single or multiple bids.

SECTION 6: OFFER PROCEDURE IN FIXED PRICE ISSUE

Applicants may note that there is no Bid cum Application Form in a Fixed Price Issue. As the Issue Price is mentioned in the Fixed Price Issue therefore on filing of the Prospectus with the RoC, the Application so submitted is considered as the application form.

Applicants may only use the specified Application Form for the purpose of making an Application in terms of the Prospectus which may be submitted through the Designated Intermediary.

ASBA Applicants may submit an Application Form either in physical form to the Designated Intermediaries or in the electronic form to the SCSB or the Designated Branches of the SCSBs authorising blocking of funds that are available in the bank account specified in the Application Form only (**"ASBA Account"**). The Application Form is also made available on the websites of the Stock Exchanges at least one day prior to the Bid/Issue Opening Date.

In a fixed price Issue, allocation in the offer to the public category is made as follows: minimum fifty per cent to Retail Individual Investors; and remaining to (i) individual investors other than Retail Individual Investors; and (ii) other Applicants including corporate bodies or institutions, irrespective of the number of specified securities applied for. The unsubscribed portion in either of the categories specified above may be allocated to the Applicants in the other category.

For details of instructions in relation to the Application Form, Bidders/Applicants may refer to the relevant section of the GID.

SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The Allotment of Equity Shares to Bidders/Applicants other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to RHP/Prospectus. No Retail Individual Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue.

7.1 ALLOTMENT TO RIIs

Bids received from the RIIs at or above the Issue Price may be grouped together to determine the total demand under this category. If the aggregate demand in this category is less than or equal to the Retail Category at or above the Issue Price, full Allotment may be made to the RIIs to the extent of the valid Bids. If the aggregate demand in this category is greater than the allocation to in the Retail Category at or above the Issue Price, then the maximum number of RIIs who can be Allotted the minimum Bid Lot will be computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot **("Maximum RII Allottees")**. The Allotment to the RIIs will then be made in the following manner:

(a) In the event the number of RIIs who have submitted valid Bids in the Issue is equal to or less than Maximum RII Allottees, (i) all such RIIs shall be Allotted the minimum Bid Lot; and (ii) the balance available Equity Shares, if any, remaining in the Retail Category shall be Allotted on a proportionate basis to the RIIs who have received Allotment as per (i) above for the balance demand of the Equity Shares Bid by them (i.e. who have Bid for more than the minimum Bid Lot).

(b) In the event the number of RIIs who have submitted valid Bids in the Issue is more than Maximum RII Allottees, the RIIs (in that category) who will then be Allotted minimum Bid Lot shall be determined on the basis of draw of lots.

7.2 ALLOTMENT TO NIIs

Bids received from NIIs at or above the Issue Price may be grouped together to determine the total demand under this category. The Allotment to all successful NIIs may be made at or above the Issue Price. If the aggregate demand in this category is less than or equal to the Non-Institutional Category at or above the Issue Price, full Allotment may be made to NIIs to the extent of their demand. In case the aggregate demand in this category is greater than the Non-Institutional Category at or above the Issue Price, Allotment may be made on a proportionate basis up to a minimum of the Non-Institutional Category.

7.3 ALLOTMENT TO QIBs

For the Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to the SEBI ICDR Regulations or RHP / Prospectus. Bids received from QIBs Bidding in the QIB Category (net of Anchor Portion) at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment may be undertaken in the following manner:

(a) In the first instance allocation to Mutual Funds for up to 5% of the QIB Category may be determined as follows: (i) In the event that Bids by Mutual Fund exceeds 5% of the QIB Category, allocation to Mutual Funds may be done on a proportionate basis for up to 5% of the QIB Category; (ii) In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Category then all Mutual Funds may get full allotment to the extent of valid Bids received above the Issue Price; and (iii) Equity Shares remaining unsubscribed, if any and not allocated to Mutual Funds may be available for allotment to all QIBs as set out at paragraph 7.4(b) below;

(b) In the second instance, allotment to all QIBs may be determined as follows: (i) In the event of oversubscription in the QIB Category, all QIBs who have submitted Bids above the Issue Price may be Allotted Equity Shares on a proportionate basis for up to 95% of the QIB Category; (ii) Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis along with other QIBs; and (iii) Under-subscription below 5% of the QIB Category, if any, from Mutual Funds, may be included for allocation to the remaining QIBs on a proportionate basis.

7.4 ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)

(a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Issue Price will be at the discretion of the issuer subject to compliance with the following requirements:

i. not more than 60% of the QIB Category will be allocated to Anchor Investors;

ii. one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and

iii. allocation to Anchor Investors shall be on a discretionary basis and subject to:

- a maximum number of two Anchor Investors for allocation up to ₹ 10 crores;
- a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 10 crores and up to ₹ 250 crores subject to minimum allotment of ₹ 5 crores per such Anchor Investor; and
- a minimum number of five Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 250 crores and an additional 10 Anchor Investors for every additional ₹ 250 crores or part thereof, subject to minimum allotment of ₹ 5 crores per such Anchor Investor.

(b) A physical book is prepared by the Registrar on the basis of the Bid cum Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the issuer in consultation with the BRLM, selected Anchor Investors will be sent a CAN and if required, a revised CAN.

(c) **In the event that the Issue Price is higher than the Anchor Investor Issue Price:** Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Issue Price and the Anchor Investor Issue Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors.

(d) **In the event the Issue Price is lower than the Anchor Investor Issue Price:** Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

7.5 BASIS OF ALLOTMENT FOR QIBs (OTHER THAN ANCHOR INVESTORS), NIIs AND RESERVED CATEGORY IN CASE OF OVER-SUBSCRIBED ISSUE

In the event of the Issue being over-subscribed, the Issuer may finalise the Basis of Allotment in consultation with the Designated Stock Exchange in accordance with the SEBI ICDR Regulations.

The allocation may be made in marketable lots, on a proportionate basis as explained below:

(a) Bidders may be categorized according to the number of Equity Shares applied for;

(b) The total number of Equity Shares to be Allotted to each category as a whole may be arrived at on a proportionate basis, which is the total number of Equity Shares applied for in that category (number of Bidders in the category multiplied by the number of Equity Shares applied for) multiplied by the inverse of the over-subscription ratio;

(c) The number of Equity Shares to be Allotted to the successful Bidders may be arrived at on a proportionate basis, which is total number of Equity Shares applied for by each Bidder in that category multiplied by the inverse of the over-subscription ratio;

(d) In all Bids where the proportionate Allotment is less than the minimum Bid Lot decided per Bidder, the Allotment may be made as follows: the successful Bidders out of the total Bidders for a category may be determined by a draw of lots in a manner such that the total number of Equity Shares Allotted in that category is equal to the number of Equity Shares calculated in accordance with (b) above; and each successful Bidder may be Allotted a minimum of such Equity Shares equal to the minimum Bid Lot finalised by the Issuer;

(e) If the proportionate Allotment to a Bidder is a number that is more than the minimum Bid Lot but is not a multiple of one (which is the marketable lot), the decimal may be rounded off to the higher whole number if that decimal is 0.5 or higher. If that number is lower than 0.5 it may be rounded off to the lower whole number. Allotment to all bidders in such categories may be arrived at after such rounding off; and

(f) If the Equity Shares allocated on a proportionate basis to any category are more than the Equity Shares Allotted to the Bidders in that category, the remaining Equity Shares available for allotment may be first adjusted against any other category, where the Allotted Equity Shares are not sufficient for proportionate Allotment to the successful Bidders in that category. The balance Equity Shares, if any, remaining after such adjustment may be added to the category comprising Bidders applying for minimum number of Equity Shares.

7.6 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

(a) **Designated Date:** On the Designated Date, the Escrow Collection Bank shall transfer the funds represented by allocation of Equity Shares to Anchor Investors from the Escrow Accounts, as per the terms of the Escrow Agreement, into the Public Issue Account with the Bankers to the Issue. The balance amount after transfer to the Public Issue Account shall be transferred to the Refund Account. Payments of refund to the Bidders applying in the Anchor Investor Portion shall be made from the Refund Account as per the terms of the Escrow Agreement and the RHP. On the Designated Date, the Registrar to the Issue shall instruct the SCSBs to transfer funds represented by allocation of Equity Shares from ASBA Accounts into the Public Issue Account.

(b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. Bidders/Applicants **are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.**

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Bidders/Applicants who have been Allotted Equity Shares in the Issue.

(c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.

(d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) credit of shares to the successful Bidders/Applicants Depository Account will be completed within six Working Days of the Bid/ Issue Closing Date. The Issuer also ensures the credit of shares to the successful Applicant’s depository account is completed within five Working Days from the Bid/Issue Closing Date.

SECTION 8: INTEREST AND REFUNDS

8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within six Working Days of the Bid/Issue Closing Date. The Registrar to the Issue may give instructions for credit to Equity Shares the beneficiary account with DPs, and dispatch the Allotment Advice within six Working Days of the Bid/Issue Closing Date.

8.2 GROUNDS FOR REFUND

8.2.1 NON RECEIPT OF LISTING PERMISSION

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in RHP/Prospectus. The Designated Stock Exchange may be as disclosed in the RHP/Prospectus with which the Basis of Allotment may be finalised.

If the Issuer fails to make application to the Stock Exchange(s) and obtain permission for listing of the Equity Shares, in accordance with the provisions of Section 40 of the Companies Act 2013, the Issuer may be punishable with a fine which shall not be less than ₹ 5 lakhs but which may extend to ₹ 50 lakhs and every officer of the Issuer who is in default shall be punishable with imprisonment for a term which may extend to one year or with fine which shall not be less than ₹ 50,000 but which may extend to ₹ 3 lakhs, or with both.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith may take steps to refund, without interest, all moneys received from the Bidders/Applicants in pursuance of the RHP/Prospectus.

If such money is not refunded to Bidders within the prescribed time after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of such period, be liable to repay the money, with interest at such rate, as disclosed in the RHP/Prospectus.

8.2.2 NON RECEIPT OF MINIMUM SUBSCIPTION

If the Issuer does not receive a minimum subscription of 90% of the Issue (excluding any offer for sale of specified securities), including devolvement to the Underwriters, as applicable, the Issuer may forthwith, take steps to unblock the entire subscription amount received within six Working Days of the Bid/ Issue Closing Date and repay, without interest, all moneys received from Anchor Investors. This is further subject to the compliance with Rule 19(2)(b) of the SCRR.

If there is a delay beyond the prescribed time after the Issuer becomes liable to pay or unblock the amount received from Bidders, then the Issuer and every director of the Issuer who is an officer in default may on and from expiry of prescribed time period under applicable laws, be jointly and severally liable to repay the money, with interest at the rate of 15% per annum in accordance with the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended.

8.2.3 MINIMUM NUMBER OF ALLOTTEES

The Issuer may ensure that the number of prospective Allottees to whom Equity Shares may be allotted may not be less than 1,000 failing which the entire application monies may be refunded forthwith.

8.2.4 IN CASE OF ISSUES MADE UNDER COMPULSORY BOOK BUILDING

In case an Issuer not eligible under Regulation 26(1) of the SEBI ICDR Regulations comes for an Issue under Regulation 26(2) of SEBI (ICDR) Regulations but fails to Allot at least 75% of the Issue to QIBs, in such case full subscription money is to be refunded.

8.3 MODE OF REFUND

1. **In case of ASBA Bids:** Within six Working Days of the Bid/Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Accounts for unsuccessful Bids or for any excess amount blocked on Bidding.

2. **In case of Anchor Investors:** Within six Working Days of the Bid/Issue Closing Date, the Registrar to the Issue may dispatch the refund orders for all amounts payable to unsuccessful Anchor Investors.

3. In case of Anchor Investors, the Registrar to the Issue may obtain from the depositories the Bidders' bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Anchor Investors in their Bid cum Application Forms for refunds. Accordingly, Anchor Investors are advised to immediately update their details as appearing on the records of their depositories. Failure to do so may result in delays in dispatch of refund orders or refunds through electronic transfer of funds, as applicable, and any such delay may be at the Anchor Investors' sole risk and neither the Issuer, the Registrar to the Issue, the Escrow Collection Banks, or the Syndicate, may be liable to compensate the Anchor Investors for any losses caused to them due to any such delay, or liable to pay any interest for such delay. Please note that refunds shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank

8.3.1 Electronic mode of making refunds for Anchor Investors

The payment of refund, if any, may be done through various electronic modes as mentioned below:

i. **NECS**—Payment of refund may be done through NECS for Bidders/Applicants having an account at any of the centers specified by the RBI. This mode of payment of refunds may be subject to availability of complete bank account details including the nine-digit MICR code of the Bidder/Applicant as obtained from the Depository;

ii. **NEFT**—Payment of refund may be undertaken through NEFT wherever the branch of the Anchor Investors' bank is NEFT enabled and has been assigned the Indian Financial System Code ("**IFSC**"), which can be linked to the MICR of that particular branch. The IFSC may be obtained from the website of RBI as at a date prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Anchor Investors have registered their nine- digit MICR number and their bank account number while opening and operating the demat account, the same may be duly mapped with the IFSC of that particular bank branch and the payment of refund may be made to the Anchor Investors through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;

iii. **Direct Credit**—Anchor Investors having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account; and

iv. **RTGS**—Anchor Investors having a bank account with a bank branch which is RTGS enabled as per the information available on the website of RBI and whose refund amount exceeds ₹ 0.2 million, shall be eligible to receive refund through RTGS, provided the Demographic Details downloaded from the Depositories contain the nine digit MICR code of the Anchor Investor's bank which can be mapped with the RBI data to obtain the corresponding IFSC. Charges, if any, levied by the Escrow Collection Bank for the same would be borne by our Company. Charges, if any, levied by the Anchor Investor's bank receiving the credit would be borne by the Anchor Investor.

Please note that refunds through the abovementioned modes shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank.

For details of levy of charges, if any, for any of the above methods, Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centers etc. Bidders/Applicants may refer to RHP/Prospectus.

8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer may pay interest at the rate of 15% per annum if refund orders are not dispatched or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner and/or demat credits are not made to Bidders/Applicants or instructions for unblocking of funds in the ASBA Account are not dispatched within the six Working Days of the Bid/Issue Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 15 days from the Bid/ Issue Closing Date, if Allotment is not made.

SECTION 9: GLOSSARY AND ABBREVIATIONS

Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time. In case of inconsistency in the description of a term mentioned herein below and the description ascribed to such term in the Draft Red Herring Prospectus, the description as ascribed to such term in the Draft Red Herring Prospectus shall prevail.

Term	Description
Allotment/Allot/Allotted	The allotment of Equity Shares pursuant to the Issue to successful Bidders/Applicants
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders/Applicants who have been Allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchanges
Allottee	An Bidder/Applicant to whom the Equity Shares are Allotted
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in SEBI ICDR Regulations and the Red Herring Prospectus
Anchor Investor Portion	Up to 60% of the QIB Category which may be allocated by the Issuer in consultation with the BRLMs, to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion is reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to Anchor Investors
Application Form	The form in terms of which the Applicant should make an application for Allotment in case of issues other than Book Built Issues, includes Fixed Price Issue
Application Supported by Blocked Amount /ASBA	An application, whether physical or electronic, used by Bidders/Applicants, other than Anchor Investors, to make a Bid and authorising an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB to the extent of the Bid Amount of the Bidder/Applicant
Banker(s) to the Issue/ Escrow Collection Bank(s)/Collecting Banker	The banks which are clearing members and registered with SEBI as Banker to the Issue with whom the Escrow Account(s) for Anchor Investors may be opened, and as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer
Basis of Allotment	The basis on which the Equity Shares may be Allotted to successful Bidders/Applicants under the Issue
Bid	An indication to make an offer during the Bid/Issue Period by a prospective Bidder pursuant to submission of Bid cum Application Form or during the Anchor Investor Bid/ Issue Date by the Anchor Investors, to subscribe for or purchase the Equity Shares of the Issuer at a price within the Price Band, including all revisions and modifications thereto. In case of issues undertaken through the fixed price process, all references to a Bid should be construed to mean an Application
Bid Amount	The highest value of the optional Bids indicated in the Bid cum Application Form and payable by the Bidder/Applicant upon submission of the Bid (except for Anchor Investors), less discounts (if applicable). In case of issues undertaken through the fixed price process, all references to the Bid Amount should be construed to mean the Application Amount
Bid/Issue Closing Date	Except in the case of Anchor Investors (if applicable), the date after which the Designated Intermediaries may not accept any Bids for the Issue, which may be notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants/Bidders may refer to the RHP/Prospectus for the Bid/Issue Closing Date
Bid/Issue Opening Date	The date on which the Designated Intermediaries may start accepting Bids for the Issue, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants/Bidders may refer to the RHP/Prospectus for the Bid/Issue Opening Date

Term	Description
Bid/Issue Period	Except in the case of Anchor Investors (if applicable), the period between the Bid/ Issue Opening Date and the Bid/Issue Closing Date inclusive of both days and during which prospective Bidders/Applicants (other than Anchor Investors) can submit their Bids, inclusive of any revisions thereof. The Issuer may consider closing the Bid/ Issue Period for QIBs one working day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations. Applicants/Bidders may refer to the RHP/Prospectus for the Bid/Issue Period
Bid cum Application Form	An application form, whether physical or electronic, used by Bidders, other than Anchor Investors, to make a Bid and which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Bidder/Applicant	Any prospective investor who makes a Bid/Application pursuant to the terms of the RHP/Prospectus and the Bid cum Application Form. In case of issues undertaken through the fixed price process, all references to a Bidder/Applicant should be construed to mean an Bidder/Applicant
Book Built Process/Book Building Process/Book Building Method	The book building process as provided under SEBI ICDR Regulations, in terms of which the Issue is being made
Broker Centres	Broker centres notified by the Stock Exchanges, where Bidders/Applicants can submit the Bid cum Application Forms to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchanges
BRLM(s)/Book Running Lead Manager(s)/Lead Manager/LM	The Book Running Lead Manager to the Issue as disclosed in the RHP/Prospectus and the Bid cum Application Form of the Issuer. In case of issues undertaken through the fixed price process, all references to the Book Running Lead Manager should be construed to mean the Lead Manager or LM
Business Day	Monday to Saturday (except 2nd and 4th Saturday of a month and public holidays)
CAN/Confirmation of Allotment Note	The note or advice or intimation sent to each successful Bidder/Applicant indicating the Equity Shares which may be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange
Cap Price	The higher end of the Price Band, above which the Issue Price and the Anchor Investor Issue Price may not be finalised and above which no Bids may be accepted
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account
Collecting Depository Participant or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Collecting Registrar and Share Transfer Agents or Collecting RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Cut-off Price	Issue Price, finalised by the Issuer in consultation with the Book Running Lead Manager(s), which can be any price within the Price Band. Only RIIs, Retail Individual Shareholders and employees are entitled to Bid at the Cut-off Price. No other category of Bidders/Applicants are entitled to Bid at the Cut-off Price
DP	Depository Participant
DP ID	Depository Participant’s Identification Number
Depositories	National Securities Depository Limited and Central Depository Services (India) Limited
Demographic Details	Details of the Bidders/Applicants including the Bidder/Applicant’s address, name of the Applicant’s father/husband, investor status, occupation and bank account details
Designated Branches	Such branches of the SCSBs which may collect the Bid cum Application Forms used by Bidders/Applicants (excluding Anchor Investors) and a list of which is available on http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the Bid cum Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid cum Application Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)

Term	Description
Designated Date	The date on which funds are transferred by the Escrow Collection Bank from the Escrow Account and the amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, after the Prospectus is filed with the RoC, following which the board of directors may Allot Equity Shares to successful Bidders/Applicants in the Issue
Designated Intermediaries /Collecting Agent	Syndicate Members, sub-syndicate/Agents, SCSBs, Registered Brokers, Brokers, the CDPs and Collecting RTAs, who are authorized to collect Bid cum Application Forms from the Bidders, in relation to the Issue
Designated RTA Locations	Such locations of the Collecting RTAs where Bidders can submit the Bid cum Application Forms to Collecting RTAs. The details of such Designated RTA Locations, along with names and contact details of the Collecting RTAs eligible to accept Bid cum Application Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Stock Exchange	The designated stock exchange as disclosed in the RHP/Prospectus of the Issuer
Discount	Discount to the Issue Price that may be provided to Bidders/Applicants in accordance with the SEBI ICDR Regulations.
Draft Prospectus	The draft prospectus filed with SEBI in case of Fixed Price Issues and which may mention a price or a Price Band
Employees	Employees of an Issuer as defined under SEBI ICDR Regulations and including, in case of a new company, persons in the permanent and full time employment of the promoting companies excluding the promoters and immediate relatives of the promoters. For further details, Bidder/Applicant may refer to the RHP/Prospectus
Equity Shares	Equity Shares of the Issuer
Escrow Account	Account opened with the Anchor Collection Bankand in whose favour the Anchor Investors may transfer money through NEFT/RTGS/direct credit in respect of the Bid Amount when submitting a Bid
Escrow Agreement	Agreement to be entered into among the Issuer, the Registrar to the Issue, the Book Running Lead Manager(s), the Escrow Collection Bank and the Refund Bank(s) for collection of the Bid Amounts from Anchor Investors and where applicable, remitting refunds of the amounts collected to the Anchor Investors on the terms and conditions thereof
Escrow Collection Bank	Refer to definition of Banker(s) to the Issue
FCNR Account	Foreign Currency Non-Resident Account
First Bidder/Applicant	The Bidder/Applicant whose name appears first in the Bid cum Application Form or Revision Form
FII(s)	Foreign Institutional Investors as defined under the SEBI (Foreign Institutional Investors) Regulations, 1995 and registered with SEBI under applicable laws in India
Fixed Price Issue/Fixed Price Process/Fixed Price Method	The Fixed Price process as provided under SEBI ICDR Regulations, in terms of which the Issue is being made
Floor Price	The lower end of the Price Band, at or above which the Issue Price and the Anchor Investor Issue Price may be finalised and below which no Bids may be accepted, subject to any revision thereto
FPIs	Foreign Portfolio Investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
FPO	Further public offering
Foreign Venture Capital Investors or FVCIs	Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI (Foreign Venture Capital Investors) Regulations, 2000
IPO	Initial public offering
Issuer/Company	The Issuer proposing the initial public offering/further public offering as applicable
Maximum RII Allottees	The maximum number of RIIs who can be Allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot.
MICR	Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque leaf
Mutual Fund	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996

Term	Description
Mutual Funds Portion	5% of the QIB Category (excluding the Anchor Investor Portion) available for allocation to Mutual Funds only, being such number of equity shares as disclosed in the RHP/Prospectus and Bid cum Application Form
NECS	National Electronic Clearing Service
NEFT	National Electronic Fund Transfer
NRE Account	Non-Resident External Account
NRI	NRIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the RHP/Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares
NRO Account	Non-Resident Ordinary Account
Net Issue	The Issue less reservation portion
Non-Institutional Investors or NIIs	All Bidders/Applicants, including sub accounts of FIIs registered with SEBI which are foreign corporates or foreign individuals and FPIs which are Category III foreign portfolio investors, that are not QIBs or RIBs and who have Bid for Equity Shares for an amount of more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Category	The portion of the Issue being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the RHP/Prospectus and the Bid cum Application Form
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FPIs and FVCIs registered with SEBI
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
Issue	Public issue of Equity Shares of the Issuer
Issue Price	The final price, less discount (if applicable) at which the Equity Shares may be Allotted to Bidders other than Anchor Investors, in terms of the Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Issue Price The Issue Price may be decided by the Issuer in consultation with the Book Running Lead Manager(s)
Other Investors	Investors other than Retail Individual Investors in a Fixed Price Issue. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for
PAN	Permanent Account Number allotted under the Income Tax Act, 1961
Price Band	Price Band with a minimum price, being the Floor Price and the maximum price, being the Cap Price and includes revisions thereof. The Price Band and the minimum Bid lot size for the Issue may be decided by the Issuer in consultation with the Book Running Lead Manager(s) and advertised, at least five working days in case of an IPO and one working day in case of FPO, prior to the Bid/Issue Opening Date, in English national daily, Hindi national daily and regional language at the place where the registered office of the Issuer is situated, newspaper each with wide circulation
Pricing Date	The date on which the Issuer in consultation with the Book Running Lead Manager(s), finalise the Issue Price
Prospectus	The prospectus to be filed with the RoC in accordance with Section 26 of the Companies Act 2013 after the Pricing Date, containing the Issue Price, the size of the Issue and certain other information
Public Issue Account	An account opened with the Banker to the Issue to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date
QIB Category	The portion of the Issue being such number of Equity Shares to be Allotted to QIBs on a proportionate basis
Qualified Institutional Buyers or QIBs	As defined under SEBI ICDR Regulations
RTGS	Real Time Gross Settlement

Term	Description
Red Herring Prospectus/RHP	The red herring prospectus issued in accordance with Section 32 of the Companies Act 2013, which does not have complete particulars of the price at which the Equity Shares are offered and the size of the Issue. The RHP may be filed with the RoC at least three days before the Bid/ Issue Opening Date and may become a Prospectus upon filing with the RoC after the Pricing Date. In case of issues undertaken through the fixed price process, all references to the RHP should be construed to mean the Prospectus
Refund Account(s)	The account opened with Refund Bank(s), from which refunds to Anchor Investors, if any, of the whole or part of the Bid Amount may be made
Refund Bank(s)	Refund bank(s) as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer
Refunds through electronic transfer of funds	Refunds through Direct Credit, NEFT, RTGS or ASBA, as applicable
Registered Broker	Stock Brokers registered with the Stock Exchanges having nationwide terminals, other than the members of the Syndicate
Registrar to the Issue/RTO	The Registrar to the Issue as disclosed in the RHP/Prospectus and Bid cum Application Form
Reserved Category/Categories	Categories of persons eligible for making application/Bidding under reservation portion
Reservation Portion	The portion of the Issue reserved for such category of eligible Bidders/Applicants as provided under the SEBI ICDR Regulations
Retail Individual Investors/RIIs	Investors who applies or bids for a value of not more than ₹200,000 (including HUFs applying through their karta and eligible NRIs and does not include NRIs other than Eligible NRIs.
Retail Individual Shareholders	Shareholders of a listed Issuer who applies or bids for a value of not more than ₹ 200,000.
Retail Category	The portion of the Issue being such number of Equity Shares available for allocation to RIIs which shall not be less than the minimum Bid Lot, subject to availability in RII category and the remaining shares to be Allotted on proportionate basis.
Revision Form	The form used by the Bidders in an issue through Book Building Process to modify the quantity of Equity Shares and/or bid price indicated therein in any of their Bid cum Application Forms or any previous Revision Form(s)
RoC	The Registrar of Companies
SEBI	The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended
Self Certified Syndicate Bank(s) or SCSB(s)	The banks registered with the SEBI which offers the facility of ASBA and the list of which is available on the website of the http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries
Specified Locations	Bidding centres where the Syndicate shall accept Bid cum Application Forms, a list of which is included in the Bid cum Application Form
Stock Exchanges	The stock exchanges as disclosed in the RHP/Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Issue are proposed to be listed
Syndicate	The Book Running Lead Manager(s) and the Syndicate Member
Syndicate Agreement	The agreement to be entered into among the Issuer, and the Syndicate in relation to collection of Bid cum Application Forms by Syndicate Members
Syndicate Member(s)	The Syndicate Member(s) as disclosed in the RHP/Prospectus
Underwriters	The Book Running Lead Manager(s) and the Syndicate Member(s)
Underwriting Agreement	The agreement amongst the Issuer, and the Underwriters to be entered into on or after the Pricing Date
Working Day	Any day, other than Saturdays or Sundays, on which commercial banks in India are open for business, provided however, for the purpose of the time period between the Bid/Issue Opening Date and listing of the Equity Shares on the Stock Exchanges, "Working Days" shall mean all trading days excluding Sundays and bank holidays in India in accordance with the SEBI circular no. SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016.

SECTION VIII – MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. Pursuant to Schedule I of the Companies Act, 2013 and the SEBI ICDR Regulations, the main provisions of the Articles of Association of our Company are detailed below.

Subject as hereinafter provided, the Regulations contained in Table 'F' in the Schedule I to the Companies Act, 2013 shall apply to the Company except so far as they have implied or expressly modified by what is contained in the Articles mentioned as altered or amended from time to time.

INTERPRETATION

1 (i) In these Regulations:-

a) "Act" means the Companies Act, 2013, and any statutory modification thereof.
b) “Board of Directors” or “Board” means the collective body of Directors of the Company.
c) "Company" means ‘PATEL INFRASTRUCTURE LIMITED’.
d) "Directors" means Director appointed to the Board of a Company.
e) "Office" means the Registered Office of the Company.
f) "The Seal" means the Common Seal of the Company.

(ii) Words importing the singular number shall include the plural number and words importing the masculine gender shall, where the context admits, include the feminine and neuter gender.

(iii) Unless the context otherwise requires words or expressions contained in these Articles shall have the same meaning as in the Act, or any statutory modification thereof in force at the date at which these Articles become binding on the Company.

PUBLIC COMPANY

2. The Company is a Public Company within the meaning of Section 2(71) of the Companies Act, 2013, and accordingly the Company is not a Private Company;

SHARE CAPITAL AND VARIATION OF RIGHTS

3. (a) The Authorised Share Capital of the Company shall be such amounts and be divided into such shares as may, from time to time, be provided in Clause V of the Memorandum of Association with power to increase or reduce the capital in accordance with the Company’s regulations and legislative provisions for the time being in force in that behalf with the powers to divide the share capital, whether original increased or decreased into several classes and attach thereto respectively such ordinary, preferential or special rights and conditions in such a manner as may for the time being be provided by the Regulations of the Company and allowed by law.

(b) The rights of the holders of any class of shares forming part of capital for the time being of the Company may be modified, affected, varied, extended, surrendered or abrogated in such manner as is or may be provided by the Articles of Association of the Company as originally registered or as altered from time to time.

(c) The Company in general meeting may decide to issue fully paid up bonus share to the member if so recommended by the Board.

(d) The certificate to share registered in the name of two or more persons shall be delivered to first named person in the register and this shall be a sufficient delivery to all such holders.

4. Every member shall be entitled, without payment, to one or more certificates in marketable lot, for all the shares of each class or denomination registered in his name, or if the Board so approves (upon paying such fee as the Board of Directors may from time to time determine), to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within two months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its Shares as the case may be as provided by Section 56 of the Act. Every certificate of shares shall be under the seal of the

Company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the Board may prescribe and approve, provided that in respect of a share or shares held jointly by several persons, the Company shall not be required to issue more than one certificate and delivery of a certificate of shares to one of several joint holders shall be a sufficient delivery to all such holders.

5. If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deems adequate, being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificate under this Article shall be issued without payment of fees if the Board so decides, or on payment of such fees (not exceeding ₹ 50 (Rupees Fifty) for each certificate) as the Board shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above the Board shall comply with such rules or regulations or requirements of any Stock Exchange or the rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956, as amended, or any other law, rules or regulations applicable in this behalf.

5A(i) The provisions of the foregoing Article relating to issue of certificates shall mutatis mutandis apply to issue of certificates for any other securities including debentures (except where the Act otherwise requires) of the Company.

(ii) Any debentures, debenture-stock may be issued subject to the provisions of Section 71 of the Act, the Companies (Shares and Debenture) Rules, 2014, and these Articles, at a discount, premium or otherwise or may be issued on the condition that they shall be convertible into shares of any denomination and with any special privileges or conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the general meeting, appointment of directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in its general meeting by a special resolution.

6. Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

7A. (i) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.

(ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.

(iii).The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

7B. The Company may issue the following kinds of shares in accordance with these Articles, the Act, the Rules and other applicable laws.
(a) Equity share capital

(i) with voting rights; or
(ii) with differential rights as to dividend, voting or otherwise in accordance with such rules as may be prescribed; and

(b) Preference share capital:

8. (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of

Section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

(ii). To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one third of the issued shares of the class in question.

9. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.

10. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

FURTHER ISSUE OF SHARE CAPITAL

10A (i) Where at any time, after the expiry of 2 (two) years from the formation of the Company or at any time after the expiry of 1 (one) year from the allotment of shares in the Company made for the first time after its formation, whichever is earlier, it is proposed to increase the subscribed capital of the Company by allotment of further shares either out of the unissued capital or out of the increased share capital then:

(a) Such further shares shall be offered to the persons who at the date of the offer, are holders of the equity shares of the Company, in proportion, as near as circumstances admit, to the capital paid up on those shares at the date;
(b) Such offer shall be made by a notice specifying the number of shares offered and limiting a time not less than thirty (30) days from the date of the offer, if not accepted, will be deemed to have been declined;
(c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any one of them in favour of any other person, and the notice referred to in (b) above shall contain a statement of this right; PROVIDED that the Board of Directors may decline, without assigning any reason to allot any shares to any person in whose favour any member may renounce the shares offered to him.
(d) After expiry of the time specified in the aforesaid notice or on receipt of earlier intimation from the person to whom such notice is given that such person declines to accept the shares offered, the Board of Directors may dispose of them in such manner and to such person(s) as they may think in their sole discretion, fit.

(ii) Notwithstanding anything contained in sub-clause (i) hereof, the further shares aforesaid may be offered to any persons (whether or not those persons include the persons referred to in Article 10A (i) (a) hereof) in any manner whatsoever:
(a) if a special resolution to that effect is passed by the Company in a general meeting, or;
(b) where no such special resolution is passed, if the votes cast (whether on a show of hands or on a poll as the case may be) in favour of the proposal contained in the resolution moved in that general meeting (including the casting vote, if any, of the Chairman) by the members who, being entitled to do so, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the proposal by members, so entitled and voting and the Central Government is satisfied, on an application made by the Board of Directors in this behalf that the proposal is most beneficial to the Company.

(iii) Nothing in Article 10A (i) (c) hereof shall be deemed:
(a) to extend the time within which the offer should be accepted; or
(b) to authorize any person to exercise the right of renunciation for a second time, on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.

(iv) Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option as a term attached to the debentures issued by the Company:
(a) To convert such debentures or loans into shares in the Company; or
(b) To subscribe to shares in the Company.

Provided that the terms of issue of such debentures or the terms of such loans include a term providing for such option and such term:

(a) either has been approved by the Central Government before the issue of debentures or the raising of loans or is in conformity with rules, if any, made by the government in this behalf; and
(b) in case of debentures or loans or other than debentures issued to, loans obtained from the Government or any institution specified by the Central Government in this behalf, has also approved, by way of a special resolution passed by the Company in general meeting, before the issue of the loans.

SHARES AT THE DISPOSAL OF THE BOARD OF DIRECTORS

10B. Subject to the provisions of Section 62 of the Act and these Articles, the shares in the capital of the Company for the time being shall be under the control of the Board who may issue, allot or otherwise dispose of the same or any of them to such person, in such proportion and on such terms and conditions and either at a premium or at par or at a discount (subject to the compliance with the provision of section 53 of the Act) and at such time as they may from time to time think fit and with sanction of the Company in the general meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Board think fit, and may issue and allot shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares. Provided that option or right to call of shares shall not be given to any person or persons without the sanction of the Company in the general meeting.

ALTERATION OF CAPITAL

11. The Company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.

12. Subject to the provisions of section 61, the company may, by ordinary resolution,—

(a) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

(b) Convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;

(c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;

(d) Cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

13. Where shares are converted into stock,—

(a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

(b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

(c) Such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stockholder” respectively.

14. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,—
(a) its share capital;
(b) any capital redemption reserve account; or
(c) any share premium account.

PREFERENCE SHARES

15. Subject to the provisions of the Act, the Board shall have the power to issue or re-issue preference shares of one or more classes which are liable to be redeemed or converted into equity shares, on such terms and conditions and in such manner as determined by the Board in accordance with the Act.

SHARES HELD JOINTLY

16. If the shares are held in the name of two or more jointly, then the person first named in the Register of Members shall for all the purpose except voting and transfer, be deemed to be sole holder thereof. But the joint holders are severally and jointly liable for all purpose.

LIEN

17. (i) Fully paid shares of the Company shall be free from all lien and in the case of partly paid shares the Company's lien shall be restricted to the unpaid calls arising from moneys called in relation to the shares or payable at a time fixed in respect of such shares.

The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares and debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share/debenture shall be created except upon the basis and condition that this Article will have full effect. Such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed, the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien, if any, on such shares/debentures. The Board may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this Article.

(ii) The company's lien, if any, on a share shall extend to all dividends or interest payable and bonuses declared from time to time in respect of such shares.

(iii) Unless otherwise agreed by the Board, the registration of a transfer of shares shall operate as a waiver of the Company's lien.

CALLS ON SHARES

18. (a) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one-fourth of the nominal value of the share or bepayable at less than one month from the date fixed for the payment of the last preceding call.

(b) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.

(c) A call may be revoked or postponed at the discretion of the Board.

19. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by installments

20. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

21. (a) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at such rate as may be fixed by the Board.

(b) The Board shall be at liberty to waive payment of any such interest wholly or in part.

22. (a) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

(b) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

23. The Board—

(a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and

(b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate as may be agreed between the member paying such sum in advance and the Board. Nothing contained in this clause shall confer on the member (a) any right to participate in profits or dividends or (b) any voting rights in respect of the moneys so paid by him until the same would, but for such payment, become presently payable by him.

24. The provision of these Articles relating to calls shall mutatis mutandis apply to any other securities including debentures of the Company.

25. Any amount paid-up in advance of calls on any share may carry interest but shall not entitle the holder of the share to participate in respect thereof, in dividend subsequently declared.

TRANSFER OF SHARES

26 (a) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.

(b) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

27. The instrument of transfer of share shall be in writing and all provisions of Section 56 of the Act (and any statutory modification thereof for the time being) shall be duly complied with in respect of all transfers of shares and the registration thereof.

28. The company shall use a common form of transfer

29. The provision of these Articles relating to transfer of shares shall mutatis mutandis apply to any other securities including debentures of the Company.

TRANSMISSION OF SHARES

30. (a) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares.

(b) Nothing in clause (a) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

31. (a) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either--

(i) to be registered himself as holder of the share; or

(ii)to make such transfer of the share as the deceased or insolvent member could have made.

(b) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

(c) The company shall be fully indemnified by such person from all liability, if any, by actions taken by the Board to give effect to such registration or transfer.

32. (i) if the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.

(ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer or the share.

(iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

33. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

34. The provision of these Articles relating to transmission by operation of law shall mutatis mutandis apply to any other securities including debentures of the Company.

34A. Subject to the provisions of Sections 58 and 59 of the Act, these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board of Directors may refuse whether in pursuance of any power of the Company under these Articles or otherwise to register the transfer of, or the transmission by operation of law of the right to, any shares or interest of a shareholder in or debentures of the Company. The Company shall, within 30 (thirty) days from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to the Company, send a notice of refusal to the transferee and transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal. Provided that, registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except where the Company has a lien on shares.

34B. No Fee on transfer or transmission shall be charged for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or other similar document.

FORFEITURE OF SHARES

35. If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.

36. The notice aforesaid shall—

(a) Name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and

(b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

37. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

38. (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

(ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

39. (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.

(ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.

40. (i) A duly verified declaration in writing that the declared is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share.

(ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed off.

(iii) The transferee shall thereupon be registered as the holder of the share.

(iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

41. The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

42. The provision of these Articles relating to forfeiture of shares shall mutatis mutandis apply to any other securities including debentures of the Company.

CAPITALISATION OF PROFITS

43. (i) The company in general meeting may, upon the recommendation of the Board, Resolve—

(a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and

(b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—

(A) paying up any amounts for the time being unpaid on any shares held by such
members respectively;

(B) Paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;

(C) Partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);

(D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;

(E) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

(iii) A securities premium account and a capital redemption reserve account or any other permissible reserve account any, for the purposes of this Article, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares;

44. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall—

(a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and all allotments and issues of fully paid shares if any; and

(b) generally do all acts and things required to give effect thereto.

(ii) The Board shall have power—

(a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and

(b) to authorise any person to enter, on behalf of all the members entitled there to, into an agreement with the company providing for the allotment to them respectively, credited a fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;

(iii) Any agreement made under such authority shall be effective and binding on such members.

BUY-BACK OF SHARES

45. Notwithstanding anything to the contrary contained in any other Articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

ISSUE OF SHARES IN KIND

46. The Company subject to the provisions of the Companies Act, 2013 and the statutory modifications and applicable provisions, if any, is authorised to issue the Shares in kind to the Shareholders.

ALTERATION TO MEMORANDUM

47. The Company shall have the power to alter the conditions of the Memorandum in any manner subject to the provisions of the Act and rules and regulations made there under.

GENERAL MEETINGS

48. All general meetings other than annual general meeting shall be called extraordinary general meeting.

49. (*i*) The Board may, whenever it thinks fit, call an extraordinary general meeting.

(*ii*) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

PROCEEDINGS AT GENERAL MEETINGS

50. (*i*) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceed to business.

(*ii*) The quorum for the general meetings shall be as provided in section 103.

51. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.

52. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.

53. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

54. (*i*). The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.

(*ii*). No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place -

(a) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

(b) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

VOTING RIGHTS

55. Subject to any rights or restrictions for the time being attached to any class or classes of shares,—

(*a*) on a show of hands, every member present in person shall have one vote; and

(*b*) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.

56. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

57. (*i*) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

(*ii*) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

58. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.

59. Any business other than that upon which a poll has been demanded may be preceded with, pending the taking of the poll.

60. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.

61. (*i*) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

(ii). Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

PROXY

62. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

63. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

64. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

BOARD OF DIRECTORS

65. The number of Directors shall not be less than three and not more than fifteen. Company may appoint more than fifteen Directors subject to necessary approvals as provided under section 149 and other applicable provisions of the Companies Act, 2013 and rules and regulations made thereunder.

66. (a) The first Directors of the Company are:-

1. Mr. Pravinbhai Vithalbhai Patel
2. Mr. Arvind Vithalbhai Patel
3. Mr. Dineshbhai Pragjibhai Vaviya
4. Mr. Madhubhai Pragjibhai Vaviya
5. Mr. Sureshbhai Pragjibhai Vavlya

(b) The following are the Directors of the company at the time of adoption of these Articles

1. Mr. Pravinbhai Vithalbhai Patel
2. Mr. Arvind Vithalbhai Patel
3. Mr. Dineshbhai Pragjibhai Vaviya
4. Mr. Madhubhai Pragjibhai Vaviya
5. Mr. Sureshbhai Pragjibhai Vavlya

67. (*i*) Subject to the provisions of section 149, 161(1), and other applicable provisions of the Act, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.

(*ii*) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

68. Subject to the provisions of Section 161(2) of the Act, the Board of Directors shall have power to appoint an alternate Director to act for a Director during his absence for a period of not less than three months from India.

69. The Directors shall have power, at any time and from time to time, to appoint any qualified person to be a director to fill a casual vacancy. Such casual vacancy shall be filled by the Board of Directors at a meeting of the Board. Any person so appointed shall hold office only upto the date on which the director in whose place he is appointed would have held office if it had not been vacated as aforesaid but he shall then be eligible for re-election.

70. In the course of its business and for its benefit the Company shall, subject to the provisions of the Act, be entitled to agree with any person, firm, corporation, government, financing institution or other authority that he or it shall have the right to appoint his or its nominee on the Board of Directors of the Company upon such terms and conditions as the Directors may deem fit. Such Nominees and their successors in office appointed under this Article shall be called Nominee Directors. Nominee Directors shall be entitled to hold office until requested to retire by the government, authority, person, firm, institution or corporation who have appointed them and will not be bound to retire by rotation. As and whenever a Nominee Director vacates office whether upon request as aforesaid or by death, resignation or otherwise the government, authority, person, firm, institution or corporation who appointed such Nominee Director may if the agreement so provide, appoint another Director in his place.

71. Subject to section 175 of the Act, a resolution passed by circulation in writing signed by the Director except a resolution which the Act specifically required it to be passed at a Board meeting shall be effective for all purposes as a resolution passed at a meeting of Directors duly called, held and constituted.

MANAGING DIRECTOR (S) AND WHOLE-TIME DIRECTOR (S)

72. Subject to the provisions of section 196, 197, 198, 200 and other applicable provisions of the Companies Act, 2013 and Rules and Regulations made thereunder the Directors may from time to time, appoint/re-appoint one or more of their body to the office of the Managing Director(s) or Whole time Director(s) on such terms and conditions as the Board may think fit and subject to the terms of any agreement entered into with him.

The office of Managing Director and Whole time Director shall be liable to retire by rotation.

73. Subject to Section 197, and 198 of Companies Act, 2013, the Managing Director and Whole time Director may be paid such remuneration as may, from time to time, be determined by the Board and such remuneration as may be fixed by way of salary or commission or participation in profits or partly in one way or partly in another.

Further, the Managing Director, Whole-time Directors and non-executive Directors may be paid sitting fees for attending the meeting of the Board or any committee thereof, as may be decided by the Board, for services rendered.

74. If any Director or Directors undertakes special services for the company, the Board of Directors may sanction a special remuneration for his or their work, as they may think proper, subject to the provisions of section 197 of the Act and such other applicable provisions, including rules and regulation thereto.

PROCEEDINGS OF THE BOARD

75. (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

(ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

76. (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

(ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

77. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.

78. (i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.

(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.

79. (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.

(ii). Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

80. (i) A committee may elect a Chairperson of its meetings;

(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.

(iii) (a) A committee may meet and adjourn as it thinks fit.

(b) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.

(c) All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.

(d) Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

81(a) Subject to Section 174 of the Act, the quorum for a meeting of the Board of Directors shall be one third of the total strength or two directors whichever is higher. The participation of the directors by video conferencing or by other audio visual means shall also be count for the purpose of quorum.

(b) Where at any time the number of interested directors exceeds or is equal to two-thirds of the total strength of the Board of Directors, the number of directors who are not interested directors and present at the meeting, being not less than two, shall be the quorum during such time.

(c) A meeting of the Directors for the time being, at which a quorum is present, shall be competent to exercise all or any of the authorities, powers and discretions by law or under the Articles and regulations for the time being vested or exercisable by the Directors generally.

82. The Members may by passing an Ordinary Resolution remove a director, before the expiry of his period of office, subject to the provisions of section 169 and other applicable provisions of Companies Act, 2013, and rules and regulation made thereunder.

CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER.

83. Subject to the provisions of the Act,—

(i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may thinks fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;

(ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

84. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

THE SEAL

85. (i) The Board shall select and provide for the safe custody of the seal.

(ii) The Seal shall not be affixed to any instrument except by the authority of a resolution of the Board or of a Committee of the Board authorised by it in that behalf, unless otherwise determined, any of the Directors may use and affix the Seal of the Company on behalf of the Company and the said Director shall sign the same in token thereof. The share certificate will, however, be signed and sealed in accordance with Rule prescribed by Central Government in this regard.

BORROWING POWERS

86. Subject to provisions of section 73, 179 and 180 and other applicable provisions of the Companies Act. 2013, and Rules and Regulations made there under and Directions issued by the RBI, the directors may, from time to time, raise or borrow any sums of money for and on behalf of the Company from the members or other persons, companies or banks or Non-Banking Financial Companies or Foreign Institutional Investors on such interest as may be approved by the Directors.

87.(a) The Directors may, from time to time, secure the payment of such money in such manner and upon such terms and conditions in all respects as they deem fit and in particular by the issue of bonds or debentures or by pledge, mortgage, charge or any other security on all or any of the properties of the Company (both present and future) including its uncalled capital for the time being.

(b) Subject to provisions of section 185 and 186 and other applicable provisions of the Companies Act, 2013 and Rules and Regulations made there under Directors may give guarantee or provide security in connection with a loan to any other Body Corporate or Person.

OPERATION OF BANK ACCOUNTS

88. The Board of Directors shall have the power to open bank accounts on behalf of the Company and to operate all banking accounts of the Company and to receive payments, make endorsements, draw and accept negotiable instruments, hundies and bills or may authorise any Director including any other person or persons to exercise such powers.

DIVIDENDS AND RESERVE

89. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

90. Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.

91. (i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit.

(ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

92. (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the

dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.

(ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

(iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

93. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.

94. (i) Any dividend, interest or other monies payable in cash in respect of shares maybe paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

(ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

95. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.

96. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

97. No dividend shall bear interest against the company.

97A. Where the Company has declared a dividend but which has not been paid or claimed within 30 (thirty) days from the date of declaration, transfer the total amount of dividend, which remained unpaid or unclaimed within 7 (seven) days from the date of expiry of the said period of 30 (thirty) days to a special account to be opened by the Company in that behalf in any scheduled bank to be called the "Unpaid Dividend of Patel Infrastructure Limited"

Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven (7) years from the date of such transfer, shall be transferred by the Company to the Fund known as Investor Education and Protection Fund established under sub-section (1) of Section 125 of the Act.

The Board shall forfeit no unclaimed or unpaid dividend.

ACCOUNTS

98. The Board shall, from time to time, determine whether and to what extent and at what, times and places and under what conditions or regulation the accounts and books of the Company or any of them shall be open to the inspection of members (not being Director).

99. No members (not being Director) shall have any right of inspecting any accounts or books of account of the Company except as conferred by law or authorised by the Board or by the Company in General Meeting.

DEMATERIALISATION OF SECURITIES

100. The provisions of this Article shall apply notwithstanding anything to the contrary contained in any other Articles.

(a) The Company shall be entitled to dematerialize its securities and to offer securities in a dematerialized form pursuant to the Depositories Act, 1996.

(b) Every holder of or subscriber to securities of the Company shall have the option to receive certificates for such securities or to hold the securities with a Depository. Such a Person who is the Beneficial Owner of the securities can at any time opt out of a Depository, if permitted by law, in respect of any securities in the manner provided by the Depositories Act, 1996 and the Company shall, in the manner and within the time prescribed, issue to the Beneficial Owner the required certificates for the securities. If a Person opts to hold his securities with the Depository, the Company shall intimate such Depository the details of allotment of the securities, and on receipt of the information, the Depository shall enter in its record the name of the allottee as the Beneficial Owner of the securities.

(c) All securities held by a Depository shall be in dematerialized and be in fungible form.

(d) (i) Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of securities of the Company on behalf of the Beneficial Owner.

(ii) Save as required by the Applicable Law, the Depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.

(iii) Every Person holding securities of the Company and whose name is entered as the Beneficial Owner of securities in the record of the Depository shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of the securities which are held by a Depository and shall be deemed to be a Member of the Company.

(e) Notwithstanding anything contained in the Act or these Articles to the contrary, where securities of the Company are held in a Depository, the records of the Beneficial Ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs.

(f) Nothing contained in Section 56 of the Act or these Articles, shall apply to a transfer of securities effected by a transferor and transferee both of whom are entered as Beneficial Owners in the records of a Depository.

(g) Notwithstanding anything contained in the Act or these Articles, where securities are dealt with by a Depository, the Company shall intimate the details thereof to the Depository immediately on allotment of such securities.

(h) Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for securities issued by the Company shall apply to securities held with a Depository.

(i) The Company shall cause to be kept a register and index of members in accordance with all applicable provisions of the Companies Act, 2013 and the Depositories Act, 1996 with details of shares held in physical and dematerialized forms in any medium as may be permitted by law including in any form of electronic medium. The Company shall be entitled to keep in any State or Country outside India a branch Register of Members Resident in that State or Country."

WINDING UP

101. Subject to the provisions of Chapter XX of the Act and rules made thereunder—

(*i*) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.

(*ii*) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

(*iii*) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

SECRECY

102. Subject to the provisions of law of land and the act, every manager, auditor trustee, member of a committee, officer servant, agent accountant or other persons employed in the business of the company shall, if so required

by the Board of Directors before entering upon his duties, sign, declaration, pledging himself to observe strict secrecy respecting all transactions of the Company with its customers and the state of account with individuals and in matters relating thereto and shall by such declaration pledge himself, not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required to do so by the directors or by any court of law and except so far as may be necessary in order to comply with any of the provisions in these presents.

INDEMNITY

103. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

GENERAL AUTHORITY

104. Wherever in the applicable provisions under Companies Act, 2013 it has been provide that any Company shall have any right, privilege or authority or that any Company could carry out any transaction only if the Company is authorised by it Articles, then and in that case this regulation hereby authorises and empowers the Company to have such right, privilege or authority and to carry out such transaction as have been permitted by the Act without there being any other specific regulation in that behalf herein provided.

SECTION IX – OTHER INFORMATION
MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or entered into more than two years before the date of this Draft Red Herring Prospectus) which are, or may be deemed material, have been entered or to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Red Herring Prospectus delivered to the RoC for registration, and also the documents for inspection referred to hereunder may be inspected at our Registered and Corporate and our Corporate Office, from 10.00 am to 4.00 pm on Working Days from the date of the Red Herring Prospectus until the Bid/Issue Closing Date.

Material Contracts to the Issue

1. Issue Agreement dated January 3, 2018 entered into by and among our Company and the BRLMs.
2. Registrar Agreement dated January 3, 2018, entered into by and among our Company and the Registrar to the Issue.
3. Escrow Agreement dated [●] entered into by and among our Company, the BRLMs, Escrow Collection Bank(s), Refund Bank(s), Public Issue Bank(s) and the Registrar to the Issue.
4. Syndicate Agreement dated [●] entered into by and among the members of the Syndicate, our Company, and the Registrar to the Issue.
5. Monitoring Agency Agreement dated [●] among our Company and the Monitoring Agency.
6. Underwriting Agreement dated [●] entered into by and among our Company, the BRLMs and Syndicate Members.
7. Tripartite Agreement dated November 10, 2016 entered into by and among our Company, NSDL and the Registrar to the Issue.
8. Tripartite Agreement dated November 29, 2017 entered into by and among our Company, CDSL and the Registrar to the Issue.

Material Documents

1. Certified copies of our Memorandum of Association and Articles of Association as amended until date.
2. Original certificate of incorporation dated April 13, 2004 and certificate of incorporation consequent to change of name to current name dated December 11, 2017.
3. Board resolution and Shareholders' resolution of our Company, both dated December 16, 2017, authorizing the Issue and other related matters.
4. Board resolution dated January 6, 2018 approving this Draft Red Herring Prospectus.
5. Copies of annual reports for the five Fiscals, i.e., Fiscals 2017, 2016, 2015, 2014 and 2013.
6. The examination reports of the Statutory Auditors, M/s Surana Maloo & Co., on our Restated Financial Information included in this Draft Red Herring Prospectus.
7. Consent of the Auditors, M/s Surana Maloo & Co., as referred to, in their capacity as "experts" and for inclusion of their examination reports on our Restated Financial Information and the Statement of Tax Benefits in the form and context in which it appears in this Draft Red Herring Prospectus.
8. Consents of Bankers to our Company, the Book Running Lead Managers, Registrar to the Issue, the lenders to our Company, the legal counsels, Directors of our Company, Company Secretary and Compliance Officer, Chief Financial Officer, Advisors to our Company, as referred to act, in their respective capacities.
9. Report titled 'Road sector in India' dated December, 2017 prepared by CRISIL and its consent dated December 29, 2017 for use of such report or any extract thereof.
10. In-principle listing approvals dated [●] and [●] from BSE and NSE, respectively.
11. Due diligence certificate to SEBI from the BRLMs, dated January 6, 2018.
12. Joint bidding agreement dated April 18, 2015 between our Company and Sadbhav Engineering Limited.
13. Joint bidding agreement dated March 9, 2015 between our Company and Kalthia Engineering and Construction Limited.
14. Joint venture agreement dated September 17, 2013 between our Company and Katira Contruction Limited.
15. SEBI observation letter (Ref. No. [●]) dated [●].

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders, subject to compliance with the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

(Pravinbhai Vithalbhai Patel)
(Chairman)

(Arvind Vithalbhai Patel)
(Managing Director)

(Dineshbhai Pragjibhai Vaviya)
(Whole Time Director)

(Madhubhai Pragjibhai Vaviya)
(Whole Time Director)

(Sureshbhai Pragjibhai Vaviya)
(Whole Time Director)

(Harcharan Singh Pratap Singh Jamdar)
(Independent Director)

(Sandip Anilbhai Sheth)
(Independent Director)

(Mehulkumar Dineshchandra Patel)
(Independent Director)

(Deepti Sharma)
(Independent Director)

(Hemant Jayantibhai Patel)
(Independent Director)

BY THE CHIEF FINANCIAL OFFICER

(Sandeep Sahni)
(Chief Financial Officer)

BY THE COMPANY SECRETARY AND COMPLIANCE OFFICER

(Aswini Kumar Sahu)
(Company Secretary and Compliance Officer)

Date: January 6, 2018
Place: Vadodara