DRAFT RED HERRING PROSPECTUS
September 27, 2017
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 Offer

H.G. INFRA ENGINEERING LIMITED

Our Company was incorporated as "H.G. Infra Engineering Private Limited" on January 21, 2003, as a private limited company under the Companies Act 1956, at Jodhpur, with a certificate of incorporation granted by the Registrar of Companies, Rajasthan, Jaipur (the "**RoC**"). Pursuant to the conversion of our Company to a public limited company, our name was changed to "H.G. Infra Engineering Limited" and the RoC issued a fresh certificate of incorporation on June 8, 2017. For more information on the changes in name of our Company, see "***History and Certain Corporate Matters***" on page 137.

Corporate Identity Number: U45201RJ2003PLC018049

Registered Office: 14, Panchwati Colony, Ratanada, Jodhpur 342 001, Rajasthan, India **Tel**: +91 291 2000307 **Fax**: +91 291 2515327
Corporate Office: III[rd] Floor, Sheel Mohar Plaza, A-1, Tilak Marg, C-Scheme, Jaipur 302 001, Rajasthan, India **Tel**: +91 141 4106040 **Fax**: +91 141 4106044
Contact Person: Ms. Ankita Mehra, Company Secretary and Compliance Officer **Tel:** +91 +91 141 4106040 **Fax:** +91 141 4106044
E-mail: cs@hginfra.com **Website**: www.hginfra.com

OUR PROMOTERS: MR. HARENDRA SINGH, MR. VIJENDRA SINGH AND MR. GIRISH PAL SINGH

INITIAL PUBLIC OFFERING OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH (THE "EQUITY SHARES") OF H.G. INFRA ENGINEERING 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 "OFFER PRICE") AGGREGATING UP TO [●] MILLION (THE "OFFER") COMPRISING A FRESH ISSUE OF [●] EQUITY SHARES BY OUR COMPANY AGGREGATING UP TO ₹ 3,000 MILLION (THE "FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 6,000,000 EQUITY SHARES AGGREGATING TO ₹ [●] MILLION BY THE SELLING SHAREHOLDERS, INCLUDING UP TO 3,000,000 EQUITY SHARES AGGREGATING TO ₹ [●] MILLION BY MR. HODAL SINGH, UP TO 1,000,000 EQUITY SHARES AGGREGATING TO ₹ [●] MILLION BY MR. HARENDRA SINGH, UP TO 1,000,000 EQUITY SHARES AGGREGATING TO ₹ [●] MILLION BY VIJENDRA SINGH AND UP TO 1,000,000 EQUITY SHARES AGGREGATING TO ₹ [●] MILLION BY GIRISH PAL SINGH ("OFFER FOR SALE"). THE OFFER SHALL CONSTITUTE [●]% OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY AND THE SELLING SHAREHOLDERS (AS DEFINED BELOW), IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS (THE "BRLMs") AND WILL BE ADVERTISED IN [●] EDITIONS OF [●] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER) AND [●] EDITIONS OF [●] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER, HINDI ALSO BEING THE REGIONAL LANGUAGE IN THE PLACE WHERE OUR REGISTERED OFFICE IS LOCATED) AT LEAST FIVE WORKING DAYS PRIOR TO THE BID/OFFER 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 OFFER PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES

In case of a revision in the Price Band, the Bid/Offer Period will be extended for at least three additional Working Days after revision of the Price Band subject to the Bid/Offer Period not exceeding a total of 10 Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, will 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 Offer is being made in terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended (the "**SCRR**"), through the Book Building Process and in compliance with Regulation 26(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the "**SEBI ICDR Regulations**"), wherein 50% of the Offer shall be Allotted to Qualified Institutional Buyers ("**QIBs**") (the "**QIB Category**"), provided that the Company and the Selling Shareholders 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**"), 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, 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 Offer Price. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Offer 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 Offer Price. All Investors (except Anchor Investors) shall mandatorily participate in this Offer 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 Anchor Investor Portion through the ASBA process. For details, see "***Offer Procedure***" on page 341.

RISKS IN RELATION TO THE FIRST OFFER

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 Offer Price (as determined and justified by our Company and the Selling Shareholders in consultation with the BRLMs, in accordance with SEBI ICDR Regulations, and as stated in "***Basis for Offer Price***" on page 91) 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 Offer 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 Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer 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 16.

ISSUER'S AND SELLING SHAREHOLDERS' 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 Offer, which is material in the context of the Offer, 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. Further, each Selling Shareholder accepts responsibility only for and confirms that the information relating to itself and the Equity Shares being offered by it in the Offer for Sale contained in this Draft Red Herring Prospectus are true and correct in all material aspects and are not misleading in any material respect. Each Selling Shareholder, severally and not jointly, does not assume any responsibility for any other statements, including without limitation, any and all of the statements made by or in relation to the Company or the other Selling Shareholders in this Draft Red Herring Prospectus.

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 Offer, [●] is 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 up to the Bid/Offer Closing Date, see "***Material Contracts and Documents for Inspection***" on page 421.

BOOK RUNNING LEAD MANAGERS		REGISTRAR TO THE OFFER
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: hgiel.ipo@sbicaps.com Investor Grievance E-mail: investor.relations@sbicaps.com Website: www.sbicaps.com Contact Person: Mr. Aditya Deshpande / Mr. Ronak Shah SEBI Registration No.: INM000003531	**HDFC Bank Limited** Investment Banking Group Unit No 401 & 402, 4th Floor Tower B Peninsula Business Park Lower Parel Mumbai 400 013 Maharashtra, India Telephone : (+91 22) 3395 8021 Facsimile : (+91 22) 3078 8584 Email: hginfra.ipo@hdfcbank.com Investor Grievance Email: investor.redressal@hdfcbank.com Website: www.hdfcbank.com Contact Person: Mr. Rakesh Bhunatar / Mr. Kunal Datt SEBI Registration No.: INM000011252	**Link Intime India Private Limited** C-101, 1st Floor, 247 Park, L.B.S. Marg Vikhroli (West) Mumbai 400 083 Maharashtra, India Telephone: +91 22 4918 6200 Facsimile: +91 22 4918 6195 E-mail: hginfra.ipo@linkintime.co.in Website: www.linkintime.co.in Contact Person: Ms. Shanti Gopalkrishnan SEBI Registration No.: INR000004058

BID/OFFER PERIOD*

BID/OFFER OPENS ON*	[●]	BID/OFFER CLOSES ON **	[●]

** Our Company and the Selling Shareholders, 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/Offer Opening Date.*
*** Our Company and the Selling Shareholders, in consultation with the BRLMs, may decide to close the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer 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 or regulations or policies 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.

*Unless the context otherwise indicates, all references to "**the Company**", "**our Company**" or "**the Issuer**" are references to H.G. Infra Engineering Limited, a company incorporated in India under the Companies Act 1956 with its Registered Office situated at 14, Panchwati Colony, Ratanada, Jodhpur 342 001, Rajasthan, India and Corporate Office situated at IIIrd Floor, Sheel Mohar Plaza, A-1, Tilak Marg, C-Scheme, Jaipur 302 001, Rajasthan, India, and references to "**we**", "**us**" and "**our**" are references to our Company, together with its Joint Ventures (as defined below).*

Company Related Terms

Term	Description
AoA/Articles of Association or Articles	The articles of association of our Company, as amended
Audit Committee	The audit committee of our Board comprising our Directors, Mr. Ashok Kumar Thakur, Mr. Onkar Singh and Mr. Harendra Singh
Auditors/ Statutory Auditors	The statutory auditor of our Company, being Price Waterhouse & Co Chartered Accountants LLP
Board/ Board of Directors	The board of directors of our Company, or a duly constituted committee thereof
Colossal	M/s. Colossal Construction
Corporate Office	The corporate office of our Company, situated at IIIrd Floor, Sheel Mohar Plaza, A-1, Tilak Marg, C-Scheme, Jaipur 302 001, Rajasthan, India
CSR Committee	The corporate social responsibility committee of our Board comprising our Directors, Mr. Harendra Singh, Mr. Vijendra Singh and Mr. Onkar Singh
CRISIL Report	A report titled "Roads sector in India" dated September, 2017, prepared by CRISIL Research
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 "***Our Promoters, Promoter Group and Group Company***" on page 156, and 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, 2017, 2016, 2015 and 2014, and any other company as considered material by our Board
HDFC	HDFC Bank Limited
HGIEPL – Colossal (JV)	A joint venture entered into between our Company and Colossal Construction
HGIEPL – Ranjit (JV)	A joint venture entered into between our Company and Ranjit Buildcon Limited
HGIEPL – RPS (JV)	A joint venture entered into between our Company and M/s. Rameshwar Prasad Sharma Contractor
Joint Ventures/JVs	The joint ventures of our Company, namely, HGIEPL – Colossal (JV), HGIEPL – Ranjit (JV), MGCPL – HGIEPL (JV), HGIEPL – RPS (JV) and TPL – HGIEPL (JV)
KMP/ Key Managerial 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 and as identified in "***Our Management***" on page 143
Materiality Policy	The policy adopted by our Board on September 11, 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
MGCPL	M.G. Contractors Private Limited
MGCPL – HGIEPL (JV)	A joint venture entered into between our Company and M.G. Contractors Private Limited
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 comprising our Directors, Mr. Onkar Singh, Ms. Pooja Hemant Goyal and Mr. Ashok Kumar Thakur
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 as reduced by the value of construction work billed until such date.
Promoters	The promoters of our Company, namely Mr. Harendra Singh, Mr. Vijendra Singh and Mr. Girish Pal Singh
Promoter Group	Persons and entities constituting the promoter group of our Company, pursuant to Regulation 2(1)(zb) of the SEBI ICDR Regulations
Ranjit	Ranjit Buildcon Limited
Registered Office	The registered office of our Company, situated at 14, Panchwati Colony, Ratanada, Jodhpur 342 001, Rajasthan, India
Restated Consolidated Financial Information	Restated consolidated statement of assets and liabilities as at March 31, 2017, 2016, 2015 and 2014 and restated consolidated statement of profit and loss and restated consolidated statement of cash flows for each of the Fiscals ended March 31, 2017, 2016, 2015 and 2014 of our Company and its joint ventures, as applicable during the relevant periods, read along with all the schedules and notes thereto and included in "***Financial Statements***" on page 162
Restated Financial Information	Collectively, the Restated Consolidated Financial Information and Restated Standalone Financial Information
Restated Standalone Financial Information	Restated standalone statement of assets and liabilities as at March 31, 2017, 2016, 2015, 2014 and 2013 and restated standalone statement of profit and loss and restated standalone statement of cash flows for each of Fiscals ended March 31, 2017, 2016, 2015, 2014 and 2013 of our Company read along with all the schedules and notes thereto and included in "***Financial Statements***" on page 162
RPS	M/s. Rameshwar Prasad Sharma Contractor
SBICAP	SBI Capital Markets Limited
Selling Shareholders	Collectively, Mr. Hodal Singh, Mr. Harendra Singh, Mr. Vijendra Singh and Mr. Girish Pal Singh
Stakeholders Relationship Committee	The stakeholders relationship committee of our Board comprising our Directors, Mr. Girish Pal Singh, Mr. Harendra Singh and Mr. Vijendra Singh
TPL	Tata Projects Limited
TPL – HGIEPL (JV)	A joint venture entered into between our Company and Tata Projects Limited

Offer 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	The issue, allotment and transfer of the Equity Shares to successful Bidders pursuant to the Offer
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
Anchor Investor Bidding Date	The date one Working Day prior to the Bid/Offer Opening Date on which Bids by Anchor Investors shall be submitted and allocation to the Anchor Investors shall be completed

Term	Description
Anchor Investor Offer 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 Offer Price but not higher than the Cap Price. The Anchor Investor Offer Price will be decided by our Company and the Selling Shareholders, 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 Offer Price, not later than two Working Days after the Bid/ Offer Closing Date
Anchor Investor Portion	Up to 60% of the QIB Category, which may be allocated by our Company and the Selling Shareholders, 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 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 made to Anchor Investors
Application Supported by Blocked Amount/ ASBA	The application (whether physical or electronic) by a Bidder (other than Anchor Investors) to make a Bid authorizing the relevant SCSB to block the Bid Amount in the relevant ASBA Account
ASBA Bidder	All Bidders other than Anchor Investors
ASBA Account	A bank account maintained with an SCSB and specified in the Bid cum Application Form which will be blocked by such SCSB to the extent of the appropriate Bid Amount in relation to a Bid by a Bidder (other than a Bid by an Anchor Investor)
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 Offer / 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 Anchor Escrow Accounts in relation to the Offer for Bids by Anchor Investors will be opened, in this case being [●]
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Bidders under the Offer, described in "***Offer Procedure***" on page 341
Bid	An indication to make an offer during the Bid/Offer 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 Bid cum Application 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 Offer
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/Offer Closing Date	Except in relation to Anchor Investors, the date after which the Designated Intermediaries shall not accept any Bids for the Offer, which shall be published in [●] editions of [●] (a widely circulated English national daily newspaper) and [●] editions of [●] (a widely circulated Hindi national daily newspaper**,** Hindi also being the regional language in the place where our Registered Office is located**)** and in case of any revisions, the extended Bid/Offer Closing Date shall also be notified on the websites and terminals of the Syndicate Members, as required under the SEBI ICDR Regulations. Our Company and the Selling Shareholders, in consultation with the BRLMs, may decide to close the Bid/ Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date, subject to the SEBI ICDR Regulations
Bid/Offer Opening Date	Except in relation to Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids for the Offer, which shall be published in [●] editions of [●] (a widely circulated English national daily newspaper) and [●] editions

Term	Description
	of [●] (a widely circulated Hindi national daily newspaper, Hindi also being the regional language in the place where our Registered Office is located) and in case of any revisions, the extended Bid/Offer Closing Date shall also be notified on the websites and terminals of the Syndicate Members, as required under the SEBI ICDR Regulations.
Bid/Offer Period	Except in relation to Anchor Investors, the period between the Bid/Offer Opening Date and the Bid/Offer 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 Schedule XI of the SEBI ICDR Regulations, in terms of which the Offer is being made
Book Running Lead Managers/BRLMs	SBI Capital Markets Limited and HDFC Bank Limited, the book running lead managers to the Offer
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 Offer Price and Anchor Investor Offer 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 Offer Price, finalized by our Company and the Selling Shareholders, 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 may collect the Bid cum Application Form used by Bidders (other than Anchor Investors), a list of which is available at the website of the SEBI (http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35) and updated 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
Designated Date	The date on which the funds from the Anchor Escrow Account are transferred to the Public Offer Account or the Refund Account(s), as appropriate, and the amounts blocked by the SCSBs are transferred from the ASBA Accounts, to the Public Offer Account or Refund Account, as applicable, in terms of the Red Herring Prospectus, following which the Board of Directors may Allot Equity Shares to successful Bidders in the Offer and the Selling Shareholders give delivery instructions for the transfer of their respective portions of the Equity Shares under the Offer for Sale

Term	Description
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 Offer
Designated RTA Locations	Such centres of the CRTAs where Bidders (except Anchor Investors) can submit the Bid cum Application Forms. The details of such Designated RTA Locations, along 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 Stock Exchange	[●]
Draft Red Herring Prospectus/DRHP	This draft red herring prospectus dated September 27, 2017, 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 Offer, 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 Offer 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 Offer 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 among our Company, the Selling Shareholders, the Registrar to the Offer, the BRLMs, 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
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 Offer Price and the Anchor Investor Offer 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
Fresh Issue	Fresh issue of [●] Equity Shares aggregating up to ₹ 3,000 million to be issued by our Company as part of the Offer, in terms of the Red Herring Prospectus and Prospectus.
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 "***Offer Procedure***" on page 341
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
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 Offer Price
Net Proceeds	Proceeds of the Offer that will be available to our Company, i.e., gross proceeds of the Fresh Issue, less Offer Expenses to the extent applicable to the Fresh Issue
Non-Institutional Category	The portion of the Offer, being not less than 15% of the Offer or [●] Equity Shares, available for allocation on a proportionate basis to Non-Institutional Investors subject to valid Bids being received at or above the Offer 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)
Offer	Public issue of up to [●] Equity Shares of face value ₹ 10 each for cash at a price of ₹ [●] each comprising the Fresh Issue and the Offer for Sale

Term	Description
Offer Agreement	The agreement dated September 25, 2017 entered into among our Company, the Selling Shareholders and the BRLMs, pursuant to which certain arrangements are agreed to in relation to the Offer
Offer for Sale	Offer of up to 6,000,000 Equity Shares aggregating to ₹ [●] million to be offered for sale/transfer by the Selling Shareholders pursuant to the Offer in terms of the Red Herring Prospectus and the Prospectus
Offer Price	The final price at which Equity Shares will be Allotted to the successful Bidders (except Anchor Investors), as determined in accordance with the Book Building Process and determined by our Company and the Selling Shareholders, in consultation with the BRLMs in terms of the Red Herring Prospectus on the Pricing Date.
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 Offer will be decided by our Company and the Selling Shareholders, in consultation with the BRLMs, and advertised in [●] editions of [●], a widely circulated English national daily newspaper and [●] editions of [●] (a widely circulated Hindi national daily newspaper, Hindi also being the regional language in the place where our Registered Office is located) at least five Working Days prior to the Bid/Offer 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 and the Selling Shareholders, in consultation with the BRLMs, shall finalize the Offer Price
Prospectus	The Prospectus to be filed with the RoC for this Offer 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 Offer Price, the size of the Offer and certain other information, including any addenda or corrigenda thereto
Public Offer Account	The account(s) to be opened with the Banker(s) to the Offer 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
QIB Category	The portion of the Offer, being 50% of the Offer 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 and the Selling Shareholders, in consultation with the BRLMs), subject to valid Bids being received at or above the Offer 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 filed with the RoC at least three Working Days before the Bid/Offer 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 Offer with whom the Refund Account(s) have 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 September 25, 2017, entered into among our Company, the Selling Shareholders and the Registrar to the Offer in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer
RoC or Registrar of Companies	The Registrar of Companies, Rajasthan, Jaipur
Registrar to the Offer	Link Intime India Private Limited
Resident Indian	A person resident in India, as defined under FEMA

Term	Description
Retail Category	The portion of the Offer, being not less than 35% of the Offer 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 Offer is not more than ₹ 200,000 in any of the bidding options in the Offer (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
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 (http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes) and updated from time to time and at such other websites as may be prescribed by SEBI from time to time
Share Escrow Agent	The escrow agent appointed pursuant to the Share Escrow Agreement, namely [●].
Share Escrow Agreement	The agreement dated [●] to be entered into between the Selling Shareholders, our Company and a share escrow agent in connection with the transfer of the respective portion of Offered Shares by each Selling Shareholder and credit of such Equity Shares to the demat account of the Allottees
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, the Selling Shareholders and the Registrar to the Offer 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 among our Company, the Selling Shareholders and the Underwriters, to be entered into on or after the Pricing Date
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/Offer 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/Offer 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

Conventional and General Terms and Abbreviations

Term	Description
AIF(s)	Alternative Investment Funds
AS 18	Accounting Standard 18 issued by the Institute of Chartered Accountants of India
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 -

Term	Description
	(End Value/Beginning Value)^(1/number of years) – 1
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
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
CLRA	Contract Labour (Regulation and Abolition) Act, 1970
Companies Act	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the Notified Sections) and the Companies Act, 2013, read with the rules, regulations, clarifications and modifications thereunder
Companies Act 1956	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the Notified Sections)
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 and modifications thereunder
Consolidated FDI Policy	The consolidated FDI Policy, effective from August 28, 2017, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, 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
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	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
FPIs	Foreign portfolio investors as defined under the SEBI FPI Regulations and includes a person who has been registered under the SEBI FPI Regulations
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

Term	Description
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
Rs.	Rupees
SCRA	Securities Contract (Regulation) Act, 1956
SCRR	The Securities Contracts (Regulation) Rules, 1957
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	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
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
STT	Securities Transaction Tax
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
Trademarks Act	Trademarks Act, 1999
UNCITRAL	United Nations Commission on International Trade Law
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 and the District of Columbia
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

Industry Related Terms

Term	Description
AMRUT	Atal Mission for Rejuvenation and Urban Transformation
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
BTKM	Billion tonne km
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
DBFO	Design, Build, Finance and Operate
DBFOT	Design, Build, Finance, Operate and Transfer
DFCs	Dedicated Freight Corridors
EPC	Engineering, Procurement and Construction
ESI Act	The Employees' State Insurance Act, 1948
GST	Goods and Services Tax
HAM	Hybrid Anuity Model
IDC	Interest During Construction
MES	Military Engineer Services
Minimum Wages Act	The Minimum Wages Act, 1948
MoRTH	Ministry of Road Transport and Highways
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 Programme
NIIF	National Investment and Infrastructure Fund
NITI	National Institution for Transforming India
OMT	Operate Maintain and Transfer
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
PMGSY	Pradhan Mantri Gram Sadak Yojana
PWD	Public works department
RLT	Rehabilitate, lease or rent, and transfer
ROT	Rehabilitate, operate, and transfer
SARDP-NE	Special Accelerated Road Development Programme for North-Eastern region
SPV	Special Purpose Vehicle
Wages Act	The Payment of Wages Act, 1936

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 1956, as superseded and substituted by notified provisions of the Companies Act 2013 (together the "**Companies Act**"), 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.

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 Material Developments***" and "***Part B***" of "***Offer 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, 2017, 2016, 2015, 2014 and 2013 and our Restated Consolidated Financial Information and as of and for the Fiscals ended March 31, 2017, 2016, 2015 and 2014, 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 301. 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 – Post listing, our Company will be required to prepare financial statements under IND (AS). The transition to IND (AS) in India is very recent and there is no clarity on the effect of such transition on our Company.***" on page 38.

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 "Roads sector in India" dated September, 2017, prepared by CRISIL Research ("**CRISIL Report**"), for the purpose of confirming our understanding of the industry in connection with the Offer. 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. H.G. Infra Engineering 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."

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 Selling Shareholders, 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 16.

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 "**Eur**" or "**€**" is to Euro, the official currency of the European Union. All reference to "**GBP**" is to the Great Britain Pound, the official currency of Great Britain.

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 August 31, 2017	Exchange rate as on March 31, 2017	Exchange rate as on March 31, 2016	Exchange rate as on March 31, 2015	Exchange rate as on March 28, 2014*	Exchange rate as on March 28, 2013**
1 USD	64.02	64.84	66.33	62.59	60.09	54.39
1 GBP	82.70	80.88	95.20	92.76	99.73	82.27

Source: RBI Reference Rate (for USD and GBP)

** 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 March 28, 2013, as RBI Reference Rate is not available for March 31, 2014, March 30, 2014 and March 29, 2014 being a Sunday, Saturday and public holiday respectively.*

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:

- Delays in the completion of construction and development of current and future projects;
- A significant part of our business transactions are with governmental or government-funded entities or agencies and any change in government policies or focus, or delay in payment may affect our business and we may also encounter disputes with these governmental entities;
- We and our Promoters have limited experience in successfully implementing our growth strategy to expand into new functional and geographic areas;
- failure to obtain new contracts;
- our inability to enter into or successfully manage joint ventures to qualify for the bidding process for and to implement large projects;
- disruption in the supply of raw materials or increase in the price of raw materials, fuel costs, labor or other inputs;
- Probable inability to effectively undertake project under the recently introduced hybrid annuity model for implementing a highway projects;
- Our inability to arrange / furnish financial and performance bank guarantees or the invocation of such guarantees;
- Dependence on a few customers and the loss of, or a significant reduction in award of contracts by such customers; and
- Obsolescence, destruction, breakdowns of our equipment or failures to repair or maintain such equipment.

For a further discussion of factors that could cause our actual results to differ, see "***Risk Factors***", "***Our Business***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on pages 16, 118 and 284, 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 Selling Shareholders, 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 and the BRLMs 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 Offer.

SECTION II - RISK FACTORS

*An investment in equity shares involves a high degree of risk. You should carefully consider all of the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares. To obtain a complete understanding, you should read this section together with "**Our Business**", "**Financial Information**" and "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" on pages 118, 162 and 284, respectively, as well as the other financial and statistical information contained in this Draft Red Herring Prospectus.*

Any of the following risks as well as the other risks and uncertainties discussed in this Draft Red Herring Prospectus could have a material adverse effect on our business, financial condition, results of operations and cash flows and could cause the trading price of our Equity Shares to decline, which could result in the loss of all or part of your investment. The risks and uncertainties described in this section are not the only risks that we currently face. Additional risks and uncertainties not known to us or that we currently believe to be immaterial may also have an adverse effect on our business, results of operations, financial condition and cash flows. Specific attention is directed to the fact that our Company is situated in India and is governed by Indian law, which may, in certain aspects, be different from the legal and regulatory environment in other jurisdictions. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of the Offer, including risks involved therein.

This Draft Red Herring Prospectus contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially 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. The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are certain risk factors where the effect is not quantifiable and hence has not been disclosed in such risk factors. You should not invest in this offering unless you are prepared to accept the risk of losing all or part of your investment, and you should consult your tax, financial and legal advisors about the particular consequences to you of an investment in the Equity Shares.

The financial information in this section is derived from our Consolidated Restated Financial Information, unless otherwise stated.

Internal Risk Factors

Risks Relating to Our Business

1. ***Our business and our financial condition would be materially and adversely affected if we fail to obtain new contracts.***

We are an infrastructure construction, development and management company with a focus on providing engineering, procurement and construction ("**EPC**") service for road projects, including highways, bridges and flyovers. As part of our business, we bid for projects on an ongoing basis. Our revenue from execution of projects in the roads and highways sector constituted approximately 86.02%, 89.57%, 85.95% and 92.89% of our total revenue for the years ended March 31, 2017, 2016, 2015 and 2014, respectively and 95.34% of our standalone revenue in Fiscal 2013. Infrastructure projects are typically awarded to us following a competitive bidding process and satisfaction of prescribed pre-qualification criteria. While service quality, health and safety records and personnel, as well as reputation and experience and sufficiency of financial resources are important considerations in final bid decisions, there can be no assurance that we would be able to meet such financial and technical qualification criteria, whether independently or together with other joint venture partners. Further, once the 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 be accepted. We may also not be able to secure bids due to negligence or disqualification of our joint venture partners in cases of bids in a consortium as these factors are beyond our control.

We are pre-qualified to bid independently on an annual basis for bids by NHAI and Ministry of Road Transport and Highways ("**MoRTH**") of contract value up to ₹ 8,066.60 million based on our technical and standalone financial capacity. 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 other companies for joint bidding for such projects. If we are unable to partner with other companies or lack the credentials to be the partner-of-choice for other companies, we may lose the opportunity to bid for large construction and development projects, which could affect our growth plans.

Additionally, tender processes conducted by the Indian government authorities 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 which have been announced and which 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, prospects, financial condition, cash flows and results of operations could be materially and adversely affected. Further, a 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 governmental policies, practices or focus that results in a slowdown in infrastructure projects, our business, prospects, financial condition and results of operations may be materially and adversely affected.

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 for our business, our business will be materially and adversely affected.

2. ***Delays in the completion of construction of current and future projects could lead to termination of EPC contracts or cost overruns or claims for damages, which could have an adverse effect on our cash flows, business, results of operations and financial condition.***

Our projects are required to achieve commercial operation no later than the scheduled commercial operation dates specified under the relevant EPC contracts, or by the end of the extension period, if any is granted by our clients. We provide our clients with performance guarantees for completion of the construction of our projects within a specified time frame. Subject to certain customary exceptions such as (i) occurrence and continuance of force majeure events that are not within our control, or (ii) delays that are caused due to reasons solely attributable to our client, failure to adhere to contractually agreed timelines or extended timelines could require us to pay liquidated damages as stipulated in the EPC contract or lead to encashment and appropriation of the bank guarantee or performance security. Such liquidated damages are often specified as a fixed percentage of the contract price and our clients are entitled to deduct the amount of damages from the payments due to us. The client may also be entitled to terminate the EPC 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.

In addition to the risk of termination by the client, delays in completion of development may result in cost overruns, lower or no returns on capital and reduced revenue for the client thus impacting the project's performance, as well as failure to meet scheduled debt service payment dates and increased interest costs from our financing agreements for the projects. We have faced delays in completion of our projects and may continue to face delays in completion of certain of our projects which are under construction. For instance, we were delayed in completing the construction of high level bridge and an underpass in Jaipur by almost two years on account of a delay by the relevant authority in providing to us the structural drawings in this regard. For details, see "***History and Certain Corporate Matters***" on page 137. The scheduled completion targets for our projects are estimates and are subject to delays as a result of, among other things, unforeseen engineering problems, force majeure events, issues arising out of right of way, unavailability of financing, unanticipated cost increases or adverse climatic conditions. We cannot assure you that such delays will not occur in the future. Such delays could jeopardize our reputation and our relationship with our existing clients and have adverse effects on our cash flows, business, results of operations and financial condition.

3. ***We may not be able to realise the amounts, partly or at all, reflected in our Order Book which may materially and adversely affect our business, prospects, reputation, profitability, financial condition and results of operation.***

As of July 31, 2017, our Company's Order Book was ₹ 39,488.43 million. Future earnings related to the performance of projects in the order book may not be realized and although the projects in the order book represent business that is considered firm, cancellations or scope or schedule adjustments may occur. We may also encounter problems executing the project as ordered, or executing it on a timely basis. Moreover, factors beyond our control or the control of our clients may postpone a project or cause its cancellation, including delays or failure to obtain necessary permits, authorizations, permissions, right-of-way, and other types of difficulties or obstructions. Due to the possibility of cancellations or changes in scope and schedule of projects, resulting from our clients' discretion or problems we encounter in project execution or reasons outside our control or the control of our clients, we cannot predict with certainty when, if or to what extent a project forming part of our order book will be performed. 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.

Any 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, could adversely affect our cash flow position, revenues and earnings.

4. ***Our business is dependent on a few customers and the loss of, or a significant reduction in award of contracts by such customers could adversely affect our business.***

Revenues from any particular client may vary significantly from reporting period to reporting period depending on the nature of ongoing contracts projects and the implementation schedule and stage of completion of such projects. For instance, as of July 31, 2017, we had seven on-going contracts with MoRTH which accounted for 48.23% 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. 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.

Further, 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. Furthermore, major events affecting our clients, such as adverse market conditions, regulatory changes, adverse cash flows, change of management, mergers and acquisitions by clients could adversely impact our business. If any of our major clients become bankrupt or insolvent, 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.

Consequently, the loss of any of our significant clients, could have an adverse effect on our business, cash flows and results of operations. In addition, any adverse change in the projects that we are constructing for them, such as delays or stoppages in completion schedules, changes to the agreed designs or failure to obtain regulatory permits for such projects by clients, may also have an adverse effect on our business.

5. ***A significant part of our business transactions are with governmental or government-funded entities or agencies and any change in government policies or focus, or delay in payment may adversely affect our business and results of operations.***

Our business is dependent on infrastructure projects undertaken by certain governmental authorities including among others, the NHAI, MoRTH and the state PWDs. As of July 31, 2017, our total order book was **₹** 39,488.43 million, with government contracts accounting for 68.78% and private contracts accounting for 31.22% of the Order Book. Sustained increases in budgetary allocations by the central and state governments for investments in the infrastructure sector, the development of a structured and comprehensive infrastructure policies that encourage greater private sector participation and sharing of risks and returns and increased funding by international and multilateral development financial institutions in infrastructure projects in India, have contributed to and resulted in increased investment by the private sector in infrastructure projects in India.

Any 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 governmental policies, practices or focus that results in a slowdown in infrastructure projects, our business, prospects, financial condition and results of operations may be materially and adversely affected.

Further, payments from the central, state and local governmental authorities 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 authorities in India are delayed, our working capital requirements would be adversely affected, resulting in additional finance costs and increase in our realization cycle. Any delay in payments from the central, state and local governmental authorities in India may adversely affect our financial condition and results of operations. Further, any change in the central or state governments may result in a change in policy and reassessment of the existing contracts. 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 authorities 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 a material adverse impact on our business.

6. ***Our business is manpower intensive and any unavailability of our employees or shortage of contract labour or any strikes, work stoppages, increased wage demands by workmen or changes in regulations governing contractual labour may have an adverse impact on our cash flows and results of operations.***

Our business is manpower intensive and we are dependent on the availability of our permanent employees and the supply of a sufficient pool of contract labourers at our project locations. Unavailability or shortage of such a pool of workmen or any strikes, work stoppages, increased wage demands by workmen or changes in regulations governing contractual labour may have an adverse impact on our cash flows and results of operations.

The number of contract labourers employed by us varies from time to time based on the nature and extent of work contracted to us and the availability of contract labour. We may not be able to secure the required number of contractual labourers required for the timely execution of our projects for a variety of reasons including, but not limited to, possibility of disputes with sub-contractors, strikes, less competitive rates to our sub-contractors as compared to our competitors or changes in labour regulations that may limit availability of contractual labour. We are subject to laws and regulations relating to employee welfare and benefits such as minimum wage, working conditions, employee insurance, and other such employee benefits and any changes to existing labour legislations, including upward revision of wages required by such state governments to be paid to such contract labourers, limitations on the number of hours of work or provision of improved facilities, such as food or safety equipment, may adversely affect our business and results of our operations.

As of July 31, 2017, we had 2,090 employees on our rolls and 96 contract labourers across all our projects. The total size of our workforce has also increased to 1,497 as at Fiscal ended March 31, 2017, from 1,070 and 690 as of Fiscals ended March 31, 2016 and 2015, respectively. Accordingly, the expenses incurred by our Company towards our employees (comprising salaries and wages, staff welfare expenses and contribution to the employees' provident fund and other funds), as a percentage of our total expenses has also increased to ₹ 416.62 million as at Fiscal ended March 31, 2017, from ₹ 299.60 million and ₹ 207.32 million, as at Fiscals ended March 31, 2016 and 2015, respectively.

Further, there can be no assurance that disruptions in our business will not be experienced if there are strikes, work stoppages, disputes or other problems with sub-contractors or contract labourers deployed at our projects. This may adversely affect our business and cash flows and results of operations.

In respect of labour cost and overhead cost components, based on our internal estimates and belief, we include appropriate escalation provisions in the cost estimates 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 labour. Any such increase in labour cost may have an adverse impact on our revenue from operations and profitability.

7. We are yet to obtain consent from some of our lenders for the Offer

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 certain of our lenders. Our Company proposes to obtain such consents prior to filing the Red Herring Prospectus with the RoC. Undertaking any of the above including the Offer 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. A default by our Company under the terms of any financing document may also trigger a cross-default under some of the other financing documents of our Company, or any other agreements or instruments of our Company containing a cross-default provision, which may individually or in aggregate, have an adverse effect on our operations, financial position and credit rating. If the lenders of a material amount of the outstanding loans declare an event of default simultaneously, our Company may be unable to pay its debts when they fall due. For further details of our Company's borrowings, see "***Financial Indebtedness***" on page 306.

8. We own a large fleet of equipment and have a large number of employees, resulting in increased fixed costs to our Company. In the event we are not able to generate adequate cash flows it may have a material adverse impact on our operations.

As on July 31, 2017, we had 2,090 employees, amongst which 231 were engineers, 46 held a degree in master's in business administration and 112 were managers. We also employed 10 chartered accountants / cost and works accountant and three company secretaries. Additionally, we own a large fleet of sophisticated and modern construction equipment, resulting in increased fixed costs to our Company. As of July 31, 2017, we have a fleet of about 867 construction equipment assets including crushers, excavators, loaders, dozers, sensor pavers and transportation vehicles from some of the leading suppliers. We have neither historically used nor currently use second-hand or used equipment to undertake our business. Accordingly, the cost of maintaining and keeping such capital equipment in proper working condition constitutes a significant portion of our operating expenses. In the event, we are unable to generate or maintain adequate revenues by successfully bidding for projects or recover payments from our clients in a timely manner or at all, it could have a material adverse effect on our financial condition and operations.

Further, we maintain a workforce based upon our current and anticipated workloads. If our Company does not receive future contract awards or if these awards are delayed, it could incur significant costs in the interim. Our estimate of the future performance depends on, among other things, whether and when we will be awarded new contracts. While our estimates are based upon best judgment, these estimates can be unreliable and may frequently change based upon newly available information. In the case of large-scale projects where timing is often uncertain, it is particularly difficult to predict whether or when we will be awarded the contract. The uncertainty of the contract being awarded and its timing can present difficulties in matching workforce size with contract needs. If a contract, which we expect will be awarded, is delayed or not received, our Company could incur costs due to maintaining under-utilized staff and facilities, which could have a material adverse effect on our profitability, financial condition and results of operations and financial condition.

9. Our business is dependent on a continuing relationship with our clients and strategic partners.

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 obtaining a share of contracts from such clients.

Our business and results of operations will be adversely affected if we are unable to develop and maintain a continuing relationship or pre-qualified status with certain of our key clients and strategic partners. The loss of a significant client or a number of significant clients may have a material adverse effect on our results of operations.

10. We cannot assure you that we will be able to successfully execute our growth strategies, which could affect our business prospects and results of operations.

Our growth strategies could place significant demand on our management and our administrative, technological, operational and financial infrastructure. As a result, we may be unable to maintain the quality of our services as our business grows. Our growth strategies are dependent on various circumstances, including business developments, new business(es) (including those incidental to our EPC business and road business focused activities), on-time completion of our projects, investment opportunities or unforeseen contingencies. We could also encounter difficulties and delays in executing our growth strategies due to a number of factors, including, without limitation, unavailability of human and capital resources, 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. In order to manage growth effectively, we must implement and improve operational systems, procedures and controls on a timely basis, which, as we grow and diversify, we may not be able to implement, manage or execute efficiently and in a timely manner or at all, which could result in delays, increased costs and diminished quality and may adversely affect our results of operations and our reputation.

Further, our Company is also seeking to evaluate opportunities of undertaking projects on the recently introduced hybrid annuity model ("**HAM**") by the government. This model aims to lower the financial burden on the concessionaire during project-implementation phase. However, since this is a relatively new mode of implementing highway projects, we cannot assure you that we will have the requisite skill and experience to be able to successfully execute projects which may be awarded to us.

In addition, if we raise additional funds for our growth through incurrence of debt, our interest and debt repayment obligations will increase, and we may be subject to additional covenants, which could limit our ability to access cash flow from operations and/or other means of financing. Further, our ability to arrange financing and the costs of such financing are dependent on numerous factors, including general economic and financial market conditions, credit availability from banks, investor confidence, the continued success of our current projects and other laws that are conducive to our capital raising initiatives. Our attempts to consummate future financings may not be successful or be on terms favourable to us. Our management may also change its view on the desirability of current strategies, and any resultant change in our strategies could put significant strain on our resources. We may also be unable to achieve the targeted levels of operations from our future projects. If we are unable to successfully execute our growth strategies, our business, prospects and results of operations could be materially and adversely affected.

11. Our business is relatively concentrated in northern and western part of India and any adverse development in these regions may adversely affect our business, results of operations and financial condition.

While we carry on business in various states of India, our project portfolio has historically been concentrated in the northern and western States of India. We started our business operations in Rajasthan and have gradually expanded to Uttar Pradesh, Haryana, Uttarakhand, Maharashtra and Arunachal Pradesh. As of July 31, 2017, our ongoing projects in Maharashtra, Rajasthan, Arunachal Pradesh, Haryana, Uttar Pradesh and Uttarakhand, constitute 48.23%, 46.40%, 1.82%, 1.37%, 1.12% and 1.06%, respectively, of our Order Book.

This concentration of business subjects us to various risks in these states, including but not limited to:

(i) regional slowdown in construction activities or reduction in infrastructure projects;
(ii) interruptions on account of adverse climatic conditions;
(iii) vulnerability to change in laws, policies and regulations of the political and economic environment;
(iv) perception by our potential customers that we are a regional construction company which hampers us from competing for large and complex projects at the national level

(v) our lack of brand recognition and reputation in such regions;
(vi) our lack of familiarity with the social and cultural conditions of these new regions; and
(vii) limitation on our ability to implement the strategy to cluster projects in the states where we intend to conduct business.

We may also encounter other additional anticipated risks and significant competition in such markets. Due to our limited experience in undertaking certain types of projects or offering certain services, our entry into new business segments or new geographical areas may not be successful, which could hamper our growth and damage our reputation. We may be unable to compete effectively for projects in these segments or areas or execute the awarded projects efficiently. Further, our new business or projects may turn out to be mutually disruptive and may cause an interruption to our business as a result.

While we strive to geographically diversify our project portfolio and reduce our concentration risk, we cannot assure you that adverse developments associated with the region will not impact on our business. If we are unable to mitigate the concentration risk, we may not be able to develop our business as planned and our business, financial condition and results of operation could be adversely affected.

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

Our projects in our business are under construction or development. The construction or development of these new projects involves various implementation risks including construction delays, delay or disruption in supply of raw materials, delays in acquisition of land, delays in obtaining environmental clearance, unanticipated cost increases, force majeure events, cost overruns or disputes with our joint venture partners. 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 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;
- 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 experience shortages of, and price increases in, materials and skilled and unskilled labour, and inflation in key supply markets;
- geological, construction, excavation, regulatory and equipment problems with respect to operating projects and projects under construction;
- our road infrastructure customers may not use our toll roads in the expected quantities or at all or may not pay in full or at all;
- 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 joint ventures of the Company;
- delays in shifting of utilities or receipt of approvals from railways or other local bodies;
- delays in completion and commercial operation could increase the financing costs associated with the construction and cause our forecast budget to be exceeded;
- 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;
- we may experience adverse changes in market demand or prices for the services that our projects are expected to provide; and
- other unanticipated circumstances or cost increases.

In addition, even where a project proceeds as scheduled, it is possible that contracting parties may default and fail to pay amounts owed on the receivables due. If any or all of these risks materialise, 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.

13. ***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 agreements executed by us, we are typically required to provide financial and performance bank guarantees in favour of our clients 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. 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 a material adverse effect on our business, results of operations and our financial condition.

As on July 31, 2017, we had issued bank guarantees amounting to ₹ 3,369.08 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 any or all the bank guarantees are invoked, it may result in a material adverse effect on our business and financial condition. Also see, "***Risk Factors – 45. Our contingent liabilities that have not been provided for could adversely affect our financial condition.***" on page 34.

14. ***Our ability to complete our projects in a timely manner and operate, maintain and expand our roads and highway projects, is subject to performance of our contractors.***

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, 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, results of operations and financial condition.

15. ***We have 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 results of operations.***

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. 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 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 performance bonds 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 performance bonds, our ability to enter into new contracts or obtain adequate supplies could be limited. Providing security to obtain letters of credit, bank guarantees and performance bonds increases our working capital needs. We may not be able to continue obtaining new letters of credit, bank guarantees, and performance bonds 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 tariff regulations, 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 a material adverse effect on our business, financial condition, growth prospects and results of operation.

16. ***We depend on forming joint ventures to qualify for the bidding process for and to implement large projects and our inability to enter into or successfully manage such joint ventures could impose additional financial and performance obligations resulting in reduced profits or in some cases, significant losses from the joint venture, which could have a material adverse effect on our business, financial condition and results of operation.***

In order to be able to bid for certain large scale infrastructure projects, where we do not suffice eligibility criteria independently, 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. For instance, our Company entered into a joint venture agreement dated May 31, 2013 with M/s. Rameshwar Prasad Sharma Contractor, a partnership firm ("**RPS**"), for the purpose of carrying out the work of development of the section from Bari- Baseri-Weir-Bhusawar-Chhonkarwara-Kherli-Nagar-Pahari Road up to Haryana Border (kilometer 0/0 to kilometer 122/0, against the tender invited by the Rajasthan State Road Development Cooperation Limited, Jaipur. In the event that we are unable to forge an alliance with appropriate partners to meet such requirements, we may lose out on opportunities to bid for projects, which would adversely impact our future growth. For details, see "***Our Business***" and "***History and Certain Corporate Matters***" on pages 118 and 137, respectively. 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.

The success of these joint ventures depends significantly on the satisfactory performance by our joint venture partners and fulfilment of their obligations under the EPC contracts, including among others, the obligations relating to equity funding and debt risk. Delays in infusing equity contributions on the part of our joint venture partners may potentially adversely affect our ability to subscribe to equity in our incorporated joint ventures as the relevant shareholding percentages may be fixed under the relevant joint venture agreements. In such cases, any excess contributions made by us may be treated as loans and therefore, would not ensure returns equal to that of equity contributions.

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. Further, we may be more reliant on our joint venture partners in sectors where we have limited experience. In addition, we may also need the co-operation and consent of our various joint venture partners in connection with the operations of our joint ventures, which may not always be forthcoming. 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.

Further, we do 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.

17. ***Our ability to complete our projects in a timely manner and operate, maintain and expand our EPC Projects is subject to performance of our contractors.***

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 construction 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, 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, results of operations and financial condition.

18. ***There are certain outstanding litigation involving our Company, which, if determined adversely, may affect our business and operations and our reputation.***

Our Company is involved in certain legal proceedings at different levels of adjudication before various courts, tribunals and appellate authorities. In the event of adverse rulings in these proceedings or consequent levy of penalties by other statutory authorities, our Company may need to make payments or make provisions for future payments, which may increase expenses and current or contingent liabilities and also adversely affect our reputation.

Brief details of such outstanding litigation as of the date of this Draft Red Herring Prospectus are set forth hereunder.

(₹ in million)

NATURE OF PROCEEDINGS	NUMBER OF PROCEEDINGS	AMOUNT INVOLVED TO THE EXTENT ASCERTAINABLE
LITIGATION INVOLVING OUR COMPANY		
Litigation against our Company		
Direct Tax Proceedings	1	10.19
Litigation by our Company		
Criminal Proceedings	1	8.00

We cannot assure you that any of the legal proceedings described above will be decided in favour of our Company. Further, the amounts claimed in these proceedings have been disclosed to the extent ascertainable, excluding contingent liabilities and include amounts claimed. Should any new developments arise, such as a change in Indian law or rulings by appellate courts or tribunals, additional provisions may need to be made by us, in our financial statements, which may adversely affect our business, financial condition and reputation. For further information, see "***Outstanding Litigation and Material Developments***" on page 309.

19. Our Restated Financial Information has mentioned certain qualifications relating to Companies (Auditor's Report) Order, 2008, as amended ("CARO") which do not require any corrective adjustments in the financial information.

Our Restated Standalone Financial Information contains certain CARO qualifications for the last five Fiscals which do not require any corrective adjustments in the restated standalone financial information.

S. No.	Audit Qualification	Fiscal Years
1.	Undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, value added tax and cess have not been regularly deposited with the appropriate authorities and there has been a delay in large number of cases	Fiscals 2017
2.	The Auditors did not review the books of accounts and records maintained by the Company for the maintenance of cost records under section 148(1) of the Companies (Cost Record and Audit) Rules, 2014	Fiscal 2016
3.	Non-maintenance of proper records of the inventory	Fiscal 2015, 2014 and 2013
4.	Not regular in depositing undisputed statutory dues including provident fund, income tax, sales tax, wealth tax, custom duty, excise duty, value added tax, cess and other statutory dues as applicable with appropriate authorities	Fiscal 2015
5.	Generally regular in depositing undisputed statutory dues including provident fund, income tax, sales tax, wealth tax, custom duty, excise duty, value added tax, cess and other statutory dues as applicable with appropriate authorities, except in some instances of delay	Fiscal 2014

For details, see Auditor's Report dated September 25, 2017 in relation to the Restated Standalone Financial Information included in the section titled "***Financial Statements***" on page 162 and "***Management's Discussion and Analysis of Financial Condition and Result of Operations***" on page 284.

There is no assurance that our audit reports for any future fiscal periods will not contain qualifications or that any qualifications, if included, will not require any adjustment in our financial information for such future fiscal periods or otherwise impact our financial condition, cash flows and results of operations in such future fiscal periods.

20. 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 a material adverse effect on our results of operations, cash flows and financial condition.

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 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.

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.

21. Delays in the acquisition of private land or rights of way, eviction of encroachments from government owned land by the Government or resolution of associated land issues may adversely affect our timely performance of our contracts and lead to disputes and losses.

In our contracts, government clients are typically required to acquire, lease, or secure rights of way over, tracts of land underlying the infrastructure we construct free of encroachments and encumbrances, which are beyond our control. Their failure to acquire in time the relevant land free of encumbrances may cause project delays, cost overruns or even force us to change or abandon the projects completely, which may further lead to disputes and cross-claims for liquidated damages between our project companies and the clients. Moreover, we are subject to legal proceedings or claims by landowners objecting to land acquisitions. These factors, either individually or collectively, could have an adverse effect on our business, financial condition and results of operations.

22. 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, labor or other inputs.

The timely and cost effective execution of our projects is dependent on the adequate and timely supply of key raw materials, such as steel and cement. While we have entered into memorandum of understandings with certain entities for the long-term supply of petroleum products, such as bitumen, high-speed diesel and furnace oil, we typically do not enter into any long-term contracts for the purchase of other raw materials with our suppliers. We cannot assure you that we will be able to procure adequate supplies of raw materials in the future, as and when we need them on commercially acceptable terms. Additionally, we typically use third-party transportation providers for the supply of most of our raw materials. Transportation strikes by, for example, members of various Indian truckers' unions and various legal or regulatory restrictions placed on transportation providers have had in the past, and could have in the future, an adverse effect on our receipt of supplies. If we are unable to procure the requisite quantities of raw materials in time and at commercially acceptable prices, the performance of our business and results of operations may be adversely affected.

Further, the cost of raw materials, fuel for operating our construction and other equipment, labor and other inputs constitutes a significant part of our operating expenses. 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 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 subcontractors' failure to perform.

Unanticipated increases in the price of raw materials, fuel costs, labor 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 could have a significant effect on our profitability, financial condition and results of operations.

23. 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 Offer will be achieved within the time frame expected or at all.

We intend to use the Net Proceeds for the purposes described under "***Objects of the Offer***" on page 83. The Objects of the Offer include repayment/prepayment of certain loans amounting to ₹ 1,157.09 million, funding the investment in capital equipment amounting to ₹ 900.00 million and 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. The Net Proceeds may be used to repay/prepay such term and/or working capital loans. While we believe that utilization of Net Proceeds for repayment of loans would help us to reduce our cost of debt and enable the utilization of our internal accruals for further investment in business growth and expansion, the repayment of loans will not result in the creation of any tangible assets for our Company. 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, as amended, 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.

24. ***There have been certain instances of discrepancies in relation to certain statutory filings made or required to be filed by our Company with the RoC, including among others, delay in filing of forms in relation to the appointment of the company secretary, under applicable law and certain other non-compliances under Indian company law.***

There have been certain discrepancies in relation to statutory filings required to be made by us with the RoC under applicable laws as well as certain other non-compliances incurred by us under Indian company law. As of the date of this Draft Red Herring Prospectus, we have filed applications for condonation of delay, and for compounding each dated July 8, 2017, before the Registrar of Companies, Rajasthan, Jaipur, in relation to these non-compliances. There can be no assurance that the Registrar of Companies, Rajasthan, Jaipur or any other statutory authority will not take an adverse view and impose penalties on our Company in this regard. A provision of ₹ 5.02 million has also been made by our Company towards any penalty that may possibly be imposed upon us in this regard. For details in relation to the compounding application, see "***Outstanding Litigation and Material Developments - Past cases of non-compliance and compounding***" on page 312.

25. ***Increases in interest rates may materially impact our profits and reduce our ability to take further debt.***

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.

26. ***We have, until date, not undertaken 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.***

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 client 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 client 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 to the concessionaire in semi-annual annuity payments. While toll collection will be the responsibility of the client, the concessionaire will be responsible for the maintenance of the project for the entire concession period.

Since this is a relatively new mode of implementing highway projects, we cannot assure you that we will 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 concessionaire 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. We cannot assure you if we will be successful in executing this project 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.

27. ***We operate in a very competitive industry and our failure to successfully compete could result in the loss of one or more of our significant customers and may adversely affect our business.***

We operate in a very competitive environment and compete against various domestic engineering, construction and infrastructure companies. Our competition varies depending on the size, nature and complexity of the project and on the geographical region in which the project is to be executed. For further information concerning our competitors in specific industry and project segments, see "***Our Business***" on page 118.

We may be unable to compete with larger infrastructure companies for high-value contracts, as many of them may have greater financial resources, economies of scale and operating efficiencies. If we are unable to bid for and win projects, whether large or small, or compete with larger competitors, we may be unable to sustain or increase, our volume of order intake and our results of operations may be materially adversely affected.

While many factors affect our ability to win the projects that we bid for, pricing is a key deciding factor in most of the tender awards. While we have, in the past, been awarded a number of contracts in this segment, we cannot assure you that we will continue to be awarded such contracts. Further, in the event that our competitors follow a policy of severely under-bidding in the projects that we bid for, our revenues may be adversely affected.

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.

28. ***Obsolescence, destruction, breakdowns of our equipment or failures to repair or maintain such equipment may adversely affect our business, cash flows, financial condition and results of operations.***

As of July 31, 2017, we have a fleet of about 867 construction equipment assets including crushers, excavators, loaders, dozers, sensor pavers and transportation vehicles from some of the leading suppliers. 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 construction contracts. The latest technology used in newer models of construction equipment may improve productivity significantly and render our older equipment obsolete.

Obsolescence, destruction, theft or breakdowns of our equipment may significantly increase our equipment purchase cost and the depreciation of our equipment, as well as change the way our management estimates the useful life of our equipment. In such cases, we may not be able to acquire new equipment or repair the damaged equipment in time or at all, particularly where our equipment are not readily available from the market or requires services from original equipment manufacturers. Some of our major equipment or parts may be costly to replace or repair. We may experience significant price increases due to supply shortages, inflation, transportation difficulties or unavailability of bulk discounts. Such obsolescence, destruction, theft, breakdowns, repair or maintenance failures or price increases may not be adequately covered by the insurance policies availed by our Company and may have an adverse effect our business, cash flows, financial condition and results of operations.

29. ***We and our Promoters have limited experience in successfully implementing our growth strategy to expand into new functional and geographic areas, which could have an adverse effect on our business, results of operations and financial condition.***

We intend to expand the geographical and functional areas in which we undertake our projects. Our construction activities have, however, historically been focused in north India and primarily in the areas of highways and bridges on an item-rate basis and EPC basis. However, we plan to continue our strategy of diversifying and expanding our presence in different states for the growth of our business. While our primary focus is on development and execution of EPC projects in the roads and highways sector, as part of our business growth strategy, we have also diversified in executing water supply projects and our Company is currently undertaking two water supply projects on turnkey basis in Rajasthan. We are also evaluating opportunities of undertaking projects on the newly introduced HAM. However, we and our Promoters have limited background and experience in these areas, and we may need to enter into strategic tie-ups, recruit additional skilled personnel and purchase additional equipment to support such activities. We cannot assure you that we will be able to successfully implement such expansion and diversification strategies, in a timely or cost-effective manner, or at all.

Further, as we seek to diversify our regional focus, we may face the risk that our competitors may be better known in other markets, enjoy better relationships with customers and international joint venture partners, gain early access to information regarding attractive projects and be better placed to bid for and be awarded such projects. Increasing competition could result in price and supply volatility, which could cause our business to suffer. In addition, we may not have the required amount of experience in the new areas of business in which we propose to venture and therefore may not be able to compete effectively with established competitors in these businesses. There can be no guarantee that we will be able to effectively manage our entry into new functional and geographical areas, which may have a material adverse impact on our business, financial condition and results of operation.

30. ***Our contracts with government agencies usually contain terms that favour the government clients, who may terminate our contracts prematurely under various circumstances beyond our control and as such, we have limited ability to negotiate terms of these contracts and may have to accept onerous provisions.***

The counterparties to a number of our construction contracts are government entities and these contracts are usually based on forms chosen by the government entities. As of July 31, 2017, our total order book was ₹ 39,488.43 million, with government contracts accounting for 68.78% of the Order Book. We thus have had only a limited ability to negotiate the terms of these contracts, which tend to favour our government clients.

The contractual terms may present risks to our business, including but not limited to:

- risks we have to assume and lack of recourse to our government client where defects in site or geological conditions were unforeseen or latent from our preliminary investigations, design and engineering prior to submitting a bid;
- liability for defects arising after the termination of the agreement;
- clients' discretion to grant time extensions, which may result in project delays and/or cost overruns;
- our liability as a contractor for consequential or economic loss to our clients;
- commitment of the government to secure encumbrance free land, utility shifting and delay in obtaining approvals;
- delay in receipt of payment from our government client on account of lengthy procedures and strict audit carried out by them; and
- the right of the government client to terminate our contracts for convenience at any time after providing us with the required written notice within the specified notice period.

Our ability to continue operating or undertake projects thus largely depends on our government clients, who may terminate the relevant construction agreements for reasons set forth in these agreements. If the government client terminates any of our construction agreements, under the relevant agreement it is generally required to compensate us for the amount of our unrecovered investment, 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 compensation on a timely basis or in an amount equivalent to the value of our investment plus our lost profits.

31. ***Our business is subject to seasonal and other fluctuations that may affect the functioning of the projects thereby adversely affecting our cash flows and business operations.***

Our business and operations may be affected by seasonal factors which may restrict our ability to carry on activities related to our projects and fully utilize our resources. Heavy or sustained rainfalls or other extreme weather conditions such as cyclones could result in delays or disruptions to our operations during the critical periods of our projects and cause severe damages to our premises and equipment. In particular, the monsoon season may restrict our ability to carry on activities related to our projects and fully utilize our resources. For instance, we have executed projects in locations having a hilly terrain such as in Uttarakhand where our ability to transport the required manpower and machinery to such location are very critical to our timely completion of the projects. Further, our projects in Maharashtra may also be stalled on account of the heavy rainfall experienced during the monsoon season. This may result in delays in execution of projects and also reduce our productivity. 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. 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. Such fluctuations may adversely affect our toll revenues, cash flows, results of operations and financial conditions.

32. ***Our indebtedness and the conditions and restrictions imposed on us by our financing agreements could adversely affect our ability to conduct our business.***

As on July 31, 2017 we had total outstanding secured term loans of ₹ 1,776.69 million on a consolidated basis. We may incur additional indebtedness in the future. Our indebtedness could have several important consequences, including but not limited to the following:

- a portion of our cash flow will be used towards repayment of our existing debt, which will reduce the availability of cash to fund working capital needs, capital expenditures, acquisitions and other general corporate requirements;
- our ability to obtain additional financing in the future at reasonable terms may be restricted;
- fluctuations in market interest rates may affect the cost of our borrowings, as some of our loans are at variable interest rates; and
- we may be more vulnerable to economic downturns, may be limited in our ability to withstand competitive pressures and may have reduced flexibility in responding to changing business, regulatory and economic conditions.

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 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:

- effecting any changes in capital structure;
- any change in management or control of our Company;
- formulating any scheme of amalgamation or reconstruction;
- invest by way of share capital in or lend or advance funds to or place deposits with any other concern; or
- undertake guarantee obligations on behalf of our Company.

For further details of the restrictive covenants under financing documents of our Company, see "***Financial Indebtedness***" on page 306. Failure to meet these conditions or obtain these consents could have significant consequences for our business.

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.

33. ***Construction faults may arise in our projects, which may result in delays in completion and revision in estimated costs, thereby affecting our business and results of operations.***

We may, in the course of our operations, encounter construction faults on account of factors including design-related deficiencies arising in our projects. Such construction related faults typically result in revision/modification to our design and engineering thereby resulting in increased interest cost due to delay, increase in estimated cost of operations on account of additional work executed towards rehabilitation and further expenditure incurred towards appointment of external consultants for assistance in revising our design. 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. 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. Delays in completion and commercial operation of our projects under construction could increase the financing costs associated with the construction and cause costs to exceed our forecasted budgets. We also cannot assure you that our clients will permit such revised completion schedule to be implemented to the necessary extent or at all, and we may be held in breach of the terms and conditions of the contracts in respect of such projects pertaining to completion schedule.

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.

34. Our operations are subject to environmental, health and safety laws and regulations.

As an infrastructure development company, we are required to comply with various laws and regulations relating to the environment, health and safety. Our project operations are subject to local environmental laws and regulations including the Environment (Protection) Act, 1986, Air (Prevention and Control of Pollution) Act, 1981 and Water (Prevention and Control of Pollution) Act, 1974. In particular, the discharge or emission of chemicals, dust or other pollutants into the air, soil or water that exceed permitted levels and cause damage to others may give rise to liability to the GoI and third parties, and may result in our incurring costs to remedy such discharge or emissions. There can be no assurance that compliance with such environmental laws and regulations will not result in a curtailment of operations, or a material increase in the costs of operations, or otherwise have a material adverse effect on the financial condition and results of our operations. For details, see "***Key Regulations and Policies in India***" on page 133.

Environmental laws and regulations in India have been increasing in stringency and it is possible that they will become significantly more stringent in the future. Stricter laws and regulations, or stricter interpretation of the existing laws and regulations, may impose new liabilities on us or result in the need for additional investment in pollution control equipment, either of which could adversely affect our business, financial condition or prospects. While as of the date of this Draft Red Herring Prospectus, we are not subject to any environmental legal proceedings, we may be impleaded in such legal proceedings in the course of our business. Such legal proceedings could divert management time and attention, and 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. No assurance can be given that we will be successful in all, or any, of such proceedings.

35. Our Company has certain credit facilities that are repayable on demand.

Our Company has availed certain credit facilities that are repayable on demand to the lenders. In the event that the lenders of such loans call in these loans, alternative sources of financing may not be available on commercially reasonable terms, or at all. Any such unexpected demand for repayment may materially and adversely affect our cash flows, business, financial condition and results of operations.

36. We are dependent on a number of key personnel and the loss of such persons, or our inability to attract and retain key personnel in the future, could adversely affect our business and results of operations.

Our ability to meet future business challenges depends on our ability to attract, recruit and retain talented and skilled personnel. We are highly dependent on our Promoters, our Directors, senior management and other key personnel, including skilled project management personnel. We face competition to recruit and retain skilled and professionally qualified staff. Due to the limited availability skilled personnel, competition for senior management and skilled engineers in our industry is intense. We may experience difficulties in attracting, recruiting and retaining an appropriate number of managers and engineers for our business needs. We may also need to increase our pay structures to attract and retain such personnel. Our future performance will depend upon the continued services of these persons. The loss of any of our Promoters, our Directors, senior management or other key personnel, or an inability to manage the attrition levels in different employee categories may materially and adversely impact our business, growth prospects and results of operations.

37. Our inability to obtain, renew or maintain the statutory and regulatory permits and approvals required to operate our business could have a material adverse effect on our business.

We require certain statutory and regulatory permits and approvals for our business. There can be no assurance that the relevant authorities will issue such permits or approvals in the timeframe anticipated by us or at all. Failure by us to renew, maintain or obtain the required permits or approvals may result in the interruption of our operations and may have a material adverse effect on our business, financial condition and results of operations. Additionally, we are required to adhere to certain terms and conditions provided for under the statutory and regulatory permits and approvals and any failure in adhering to such terms may result in the revocation of such approvals. For details of our material permits and approvals, see "***Government and Other Approvals***" on page 315.

38. ***Our insurance coverage may not adequately protect us against all material hazards.***

Our Company has covered itself against certain risks. Our significant insurance policies consist of coverage for risks relating to physical loss or damage. We have 'group health insurance policy', 'employees compensation liability policy', 'contractor's all risk insurance policy' and 'motor vehicle insurance policy' covering our projects for material damage to our construction, storage of our material, third party liability and our plants and machinery. Our Promoters Mr. Harendra Singh, Mr. Vijendra Singh and Mr. Girish Pal Singh are covered under Life Insurance Corporation policies. However, there can be no assurance that any claim under the insurance policies maintained by us will be honored fully, in part or on time, or that we have taken out sufficient insurance to cover all material losses. To the extent that we suffer loss or damage for which we did not obtain or maintain insurance, that is not covered by insurance or exceeds our insurance coverage, the loss would have to be borne by us and our cash flows, results of operations and financial performance could be adversely affected.

39. ***Our operations are subject to physical hazards and similar risks that 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 operation.

40. ***We may be subject to claims for defects arising out of our services.***

We may be subject to claims resulting from defects arising from engineering, procurement and/or construction services provided by us within the defect liability periods stipulated in our contracts, which typically range from 12 months to 48 months from the date of commissioning. Actual or claimed defects in equipment procured and/or construction quality could give rise to claims, liabilities, costs and expenses, relating to loss of life, personal injury, damage to property, damage to equipment and facilities, pollution, inefficient operating processes, loss of production or suspension of operations.

Any such defects may result in monetary claims and/or litigation, which would require us to expend considerable resources. Any product liability claims against us could generate adverse publicity, leading to a loss of reputation, customers and/or increase our costs, thereby materially and adversely affecting our business, results of operations and financial condition.

41. ***We could be adversely affected if we fail to keep pace with technical and technological developments in the construction industry.***

Our recent experience indicates that clients are increasingly demanding developing larger, more technically complex projects in the civil construction and infrastructure sector. To meet our clients' needs, we must regularly update existing technology and acquire or develop new technology for our engineering construction services. In addition, rapid and frequent technology and market demand changes can often render existing technologies and equipment obsolete, requiring substantial new capital expenditures and/or write-downs of assets. Our failure to anticipate or to respond adequately to changing technical, market demands and/or client requirements could adversely affect our business, financial condition and results of operation.

42. *We will be controlled by our Promoters so long as they control a majority of the Equity Shares.*

After the completion of this Offer, our Promoters will control, directly or indirectly, approximately [●]% of our Company's outstanding Equity Shares. As a result, our Promoters will continue to exercise significant control over us. Our Promoters 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.

43. *Our Company has issued Equity Shares to the Selling Shareholders at a price which may be lower than the Offer Price.*

Our Company has issued Equity Shares to the Selling Shareholders at a price which could be lower than the Offer Price. For details of the Equity Shares issued to the Selling Shareholders, please see "***Capital Structure***" on page 72. The Offer Price is not indicative of the price that will prevail in the open market following listing of the Equity Shares.

44. *Our Registered Office is located on leased premises.*

The premises on which our Registered Office is located at Jodhpur has been leased to our Company by a member of our Promoter Group, Mr. Hodal Singh, pursuant to a lease agreement dated April 19, 2017, in respect of our Registered Office. The license agreement in respect of our Registered Office is valid up to February 28, 2018. As of the date of this Draft Red Herring Prospectus, our Company is required to pay a monthly rental of ₹ 10,500 with effect from April 1, 2017, for the use of our Registered Office.

There can be no assurance, that we will be able to continue to occupy the said premises in the future. If any of the leases are terminated for any reason or are not renewed on favorable terms or at all, we may suffer a disruption in our operations or increased costs, or both, which may adversely affect our business, financial condition and results of operations.

45. *Our contingent liabilities that have not been provided for could adversely affect our financial condition.*

Clients of infrastructure and construction companies usually demand performance guarantees as a safety net against potential defaults by the construction companies. Additionally, construction companies such as ours are usually required to have letters of credit issued by their lenders in favor of their suppliers and other vendors. Hence, construction companies often carry substantial contingent liabilities for the projects they undertake.

As of March 31, 2017, the following contingent liabilities have not been provided for in our restated financial information:

(₹ in million)

Contingent Liabilities and Commitments	March 31, 2017
Performance bank guarantees	
- Issued by the holding company	2,597.39
- Share of holding company in jointly controlled entities	173.77
Claims against the Company not acknowledged as debt	6.05
Total	**2,777.21**

Note: Our Company and its Jointly Controlled Entities have issued performance bank guarantees in favour of contractees against the contracts awarded to them.

(Amount in ₹ million)

Capital Commitments	As at March 31, 2017
Estimated value of contracts in capital account remaining to be executed	23.51

If we are unable to complete a project on schedule, the client may invoke such performance guarantees. If we are unable to pay or otherwise default on our obligations, our lenders may be required pursuant to the relevant letters of credit or guarantees to cover the full or remaining balance of our obligations. In the event, that any of these contingent liabilities materialize, our financial condition may be adversely affected.

For details, see "***Financial Statements***" on page 162.

46. ***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.***

As at July 31, 2017, we had 2,090 employees on our rolls. There can be no assurance that we will not experience disruptions to our operations due to disputes or other problems with our work force such as strikes, work stoppages or increased wage demands, which may adversely affect our business. In addition, we enter into contracts with independent contractors to complete specified assignments and these contractors are required to source the labour necessary to complete such assignments. Although we generally do not engage such labour directly, it is possible under Indian law that we may be held responsible for wage payments to the labour engaged by contractors should the contractors default on wage payments. Any requirement to fund such payments will adversely affect us, our business, financial condition and results of operations. Furthermore, under the Contract Labour (Regulation and Abolition) Act, 1970 ("**CLRA**"), we may be required to absorb a portion of such contract labour as permanent employees. Any order from a regulatory body or court requiring us to absorb such contract labour may have an adverse effect on our business, financial condition and results of operations.

47. ***Our Company has issued Equity Shares during the preceding 12 months at a price that may be below the Offer Price.***

Our Company has, in the past 12 months prior to filing this Draft Red Herring Prospectus, issued Equity Shares under a Bonus issuance on September 8, 2017, to our shareholders, in the ratio of 2 Equity Shares to 1 Equity Shares. For further details, please see "***Capital Structure – Notes to Capital Structure – Share Capital History***" on page 72 of this Draft Red Herring Prospectus. 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.

48. ***We have entered into and may in the future enter into related party transactions.***

We have entered into certain related party transactions amounting to ₹ 338.63 million, as on March 31, 2017. For instance, our Company had, as on March 31, 2017, availed loan facilities for an aggregate amount of ₹ 41.95 million, from our Promoters and a member of our Promoter Group, Mr. Hodal Singh. There can be no assurance that we could not have achieved more favorable terms if such transactions had not been entered into with related parties or that we will be able to maintain existing terms, in cases where the terms are more favorable than if the transaction had been conducted on an arms-length basis. We have in the course of our business entered into, and will continue to enter into, transactions with related parties. For more information on our related party transactions, see "***Restated Consolidated Financial Information – Annexure V – Note 24– Related Party Disclosures***" on page 250.

While we believe that all of our related party transactions have been conducted on an arm's length basis, we cannot assure you that we could not have achieved more favorable terms had such transactions been entered into with unrelated parties. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our business, prospects, results of operations, financial condition and cash flows, including because of potential conflicts of interest or otherwise.

Our continued success in the future depends on our ability to effectively implement our competitive and growth strategies.

49. ***Certain of our Promoters, Directors and Key Managerial Personnel have interests in us other than reimbursement of expenses incurred and normal remuneration or benefits.***

Certain of our Promoters, Directors and Key Managerial Personnel may be regarded as having an interest in our Company other than reimbursement of expenses incurred and normal remuneration or benefits. Certain Directors and Promoters may be deemed to be interested to the extent of Equity Shares held by them and by members of our Promoter Group, as well as to the extent of any dividends, bonuses or other distributions on such Equity Shares. Further, a member of our Promoter Group, Mr. Hodal Singh is interested to the extent he receives rent from our Company on account of the lease taken by our Company of the premises on which our Registered Office is located at Jodhpur, pursuant to a lease agreement dated April 19, 2017.

For more information, see "***Our Management***" on page 143 and "***Our Business***" on page 118.

50. This Draft Red Herring Prospectus contains information from an industry report which we have commissioned from CRISIL Research.

This Draft Red Herring Prospectus includes information that is derived from the CRISIL Report, prepared by CRISIL Research, a research house, pursuant to an engagement with our Company. We 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 Offer has verified the information in the CRISIL 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 ("**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.

51. Our applications for the registration of 'H.G. Infra Engineering Limited' and 'H.G. Infra Engg. Ltd. We Make People Move' are pending and the use of these or similar trade names by third parties may result in loss of business to such third parties, and any potential negative publicity relating to such third parties may adversely affect our reputation, the goodwill of our brand and business prospects.

We believe our success depends in large part on our brand image. We believe that our trademarks and other proprietary rights have significant value and are important to identifying and differentiating our business from those of our competitors and creating and sustaining demand for our services. We have applied for the registration of 'H.G. Infra Engineering Limited' and 'H.G. Infra Engg. Ltd. We Make People Move' and our logo as appearing on the cover page of this Draft Red Herring Prospectus, with the Registrar of Trademarks. We are yet to receive registration or final approval for use of such trademarks from the Registrar of Trademarks. For further information, see "***Government and Other Approvals***" on page 315. However, we cannot guarantee that any of our pending trademark applications will be approved by the applicable governmental authorities. Moreover, even if the applications are approved, third parties may seek to oppose or otherwise challenge these registrations.

We cannot assure you that the steps taken by us to protect our intellectual property rights will be adequate to prevent infringement of such rights by others, including misappropriation of our brand. Additionally, we cannot assure you that obstacles will not arise as we expand our business and the geographic scope of our activities. Third parties may assert intellectual property claims against us, particularly as we expand our business. Our defense of any claim, regardless of its merit, could be expensive and time consuming and could divert management resources.

52. We will not receive any proceeds from the Offer for Sale portion.

The Offer includes an Offer for Sale of up to 6,000,000 Equity Shares by the Selling Shareholders. The entire proceeds of the Offer for Sale will be transferred to the Selling Shareholders and will not result in any creation of value for us or in respect of your investment in our Company.

53. Our operations are subject to risks of mishaps or accidents that could cause damage or loss to life and property and could also result in loss or slowdown in our business.

Our business operations are subject to operating risks, including but not limited to, fatal accidents and mishaps or other force majeure conditions which are beyond our control. We have in the past also made compensation and related payments in relation to fatal accidents that have occurred at our project sites and as such cannot assure you that such accidents will not happen in the future. During the construction and maintenance period, we may be exposed to various risks which we may not be able to foresee or may not have adequate insurance coverage.

Our insurance coverage may not be adequate to cover such loss or damage to life and property, and any consequential losses arising due to such events will affect our operations and financial condition. Further, in addition to the above, any such fatal accident or incident causing damage or loss to life and property, even if we are fully insured or held not to be liable, could negatively affect our reputation, thereby making it more difficult for us to conduct our business operations effectively, and could significantly affect our Order Book, availability of insurance coverage in the future and our results of operations.

54. ***Our Promoters have provided personal guarantees for a significant portion of our borrowings to secure certain of our loans. Our business, financial condition, results of operations, cash flows and prospects may be adversely affected by the revocation of all or any of the personal guarantees provided by our Promoters in connection with our Company's borrowings.***

Our Promoters have provided personal guarantees for a significant portion of our borrowings to secure certain of our loans. If any of these guarantees are revoked, our lenders may require alternative guarantees or collateral or cancellation of such facilities, entailing repayment of amounts outstanding under such facilities. If we are unable to procure alternative guarantees satisfactory to our lenders, we may need to seek alternative sources of capital, which may not be available to us at commercially reasonable terms or at all, or to agree to more onerous terms under our financing agreements, which may limit our operational flexibility. Accordingly, our business, financial condition, results of operations, cash flows and prospects may be adversely affected by the revocation of all or any of the personal guarantees provided by our Promoters in connection with our Company's borrowings.

External Risk Factors

Risks Related to India

55. ***There is uncertainty on the impact of currency demonetization in India on our business.***

The Reserve Bank of India, or RBI, and the Ministry of Finance of the GoI withdrew the legal tender status of ₹ 500 and ₹ 1,000 currency notes pursuant to notification dated November 8, 2016. The short-term impact of these developments has been, among other things, a decrease in liquidity of cash in India. There is uncertainty on the long-term impact of this action. The RBI has also established, and continues to refine, a process for holders of affected banknotes to tender such notes for equivalent value credited into the holders' bank accounts. The short- and long-term effects of demonetization on the Indian economy and our business are uncertain and we cannot accurately predict its effect on our business, results of operations and financial condition.

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

The Indian economy and its securities markets are influenced by economic developments and volatility in securities markets in other countries. Investors' reactions to developments in one country may have adverse effects on the market price of securities of companies located in other countries, including India. Negative economic developments, such as rising fiscal or trade deficits, or a default on national debt, in other emerging market countries may also affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general. Any of these factors could depress economic activity and restrict our access to capital, which could have an adverse effect on our business, financial condition and results of operations and reduce the price of our Equity Shares. Any financial disruption could have an adverse effect on our business, future financial performance, shareholders' equity and the price of our Equity Shares.

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. Economic growth in the countries in which we operate is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports (oil and oil products), global economic uncertainty and liquidity crisis, volatility in exchange currency rates, and annual rainfall which affects agricultural production. Consequently, any future slowdown in the Indian economy could harm our business, results of operations and financial condition. 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.

57. ***Post listing, our Company will be required to prepare financial statements under IND (AS). The transition to IND (AS) in India is very recent and there is no clarity on the effect of such transition on our Company.***

India has decided to adopt the "Convergence of its existing standards with IFRS" and not the IFRS. These "IFRS based or synchronized Accounting Standards" are referred to in India as the Indian Accounting Standards ("**IND (AS)**"). The Ministry of Corporate Affairs, Government of India, has through a notification dated February 16, 2015, set out the IND (AS) and the timelines for their implementation. Pursuant to the notification, IND (AS) is mandatorily applicable to companies (except banking companies, insurance companies and non-banking financial companies) effective from (i) the accounting periods beginning on or after April 1, 2016 (with comparatives for the period ending March 31, 2016 or thereafter), for companies with net worth of ₹ 5,000 million or more; and (ii) the accounting periods beginning on or after April 1, 2017 (with comparatives for the period ending March 31, 2017 or thereafter) for listed or to-be-listed companies (i.e. whose equity or debt securities are listed or are in the process of being listed on any stock exchange in or outside India) with net worth less than ₹ 5,000 million and unlisted companies with net worth between ₹ 2,500 million and ₹ 5,000 million. These requirements would also apply to any holding, subsidiary, joint venture or associate companies of such aforementioned companies. Accordingly, our Company is required to prepare their statutory financial statements in accordance with IND (AS) for periods beginning on or after April 1, 2018. Given that IND (AS) is different in many respects from Indian GAAP, our statutory financial statements for the period commencing from April 1, 2018 may not be comparable to our historical financial statements. Further, our Restated Financial Information has been prepared in accordance with the Companies Act, and restated in accordance with the SEBI ICDR Regulations. These statements have not been drawn up in accordance with IND (AS) and they may be affected if IND (AS) were applied to them.

We cannot assure you that the adoption of IND (AS) will not affect our reported results of operations or cash flows. Further, we may be required to retroactively apply IND (AS) to our historical financial statements, subject to certain exemptions, which may require us to restate financial statements after March 31, 2017, once included. In addition, our management may also have to divert its time and other resources for the successful and timely implementation of IND (AS). Any failure to successfully adopt IND (AS) may have an adverse effect on the trading price of our Equity Shares or may lead to regulatory action and other legal consequences. Moreover, our transition to IND (AS) reporting may be hampered by increasing competition and increased costs for the relatively small number of IND (AS)-experienced accounting personnel available as more Indian companies begin to prepare IND (AS) financial statements. Any of these factors relating to the use of IND (AS) may adversely affect our financial condition, results of operations and cash flows.

We have not attempted to quantify the effect of IND (AS) on the financial information included in this Draft Red Herring Prospectus, nor have we provided a reconciliation of our financial information to those under IND (AS). For details on the significant differences between Indian GAAP and IND (AS), see "***Summary of Significant Differences between Indian GAAP and IND (AS)***" on page 301.

58. ***The occurrence of natural or man-made disasters could adversely affect our results of operations, cash flows and 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. In addition, any deterioration in international relations, especially between India and its neighboring countries, may result in investor concern regarding regional stability which could adversely affect the price of the Equity Shares. In addition, India has 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.

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

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes, including the instances mentioned below, may adversely affect our business, 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.

- the Companies Act 2013 contains significant changes to Indian company law, including in relation to issuance of capital, related party transactions, corporate governance, audits, shareholder class actions and restrictions on the number of layers of subsidiaries. Among other things, effective April 1, 2014, companies exceeding certain net worth, revenue or profit thresholds are required to spend at least 2% of average net profits from the immediately preceding three financial years on corporate social responsibility projects, failing which an explanation is required to be provided in such companies' annual reports. Although in terms of such requirements, we were required to undertake such spends on corporate social responsibility initiatives during Fiscals 2015, 2016 and 2017, except Fiscal 2017, we were unable to meet such requirement on account of our inability to identify suitable opportunities in keeping with the identified objectives under the Companies Act 2013, as was disclosed in our annual reports for the Fiscals 2015 and 2016.

- the Government of India has issued a notification dated September 29, 2016 notifying Income Computation and Disclosure Standards ("**ICDS**"), thereby creating a new framework for the computation of taxable income. The ICDS shall apply from the assessment year for Fiscal 2018 and subsequent years. The adoption of ICDS is expected to significantly alter the way companies compute their taxable income, as ICDS deviates from several concepts that are followed under general accounting standards, including Indian GAAP and Ind AS. In addition, ICDS shall be applicable for the computation of income for tax purposes but shall not be applicable for the computation of income for minimum alternate tax. There can be no assurance that the adoption of ICDS will not adversely affect our business, results of operations and financial condition.

- the General Anti Avoidance Rules ("**GAAR**") have been made effective from April 1, 2017. The tax consequences of the GAAR provisions being applied to an arrangement could result in denial of tax benefit amongst other consequences. In the absence of any 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.

- the Government of India has recently approved the adoption of a comprehensive national goods and services tax ("**GST**") regime that will combine taxes and levies by the Central and State Governments into a unified rate structure, with effect from July 1, 2017. Given the limited availability of information in the public domain concerning the GST, we cannot provide any assurance as to this or any other aspect of the tax regime following implementation of the GST. The implementation of this rationalized tax structure may be affected by any disagreement between certain state governments, which may create uncertainty. Any future increases or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable. If, as a result of a particular tax risk materializing, the tax costs associated with certain transactions are greater than anticipated, it could affect the profitability of such transactions.

We have not determined the effect of such legislations on our business. In addition, unfavourable changes in or interpretations of existing, or the promulgation of new, 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 or 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, 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 affect the viability of our current business or restrict our ability to grow our business in the future.

60. 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 RBI. If a transfer of shares is not in compliance with such requirements and does not fall under any of the exceptions specified by the RBI, then the RBI's or central government'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.

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

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of Equity Shares in an Indian company are generally taxable in India. Any gain realized on the sale of listed equity shares on a stock exchange held for more than 12 months will not be subject to long term capital gains tax in India if Securities Transaction Tax ("**STT**") is paid on the sale transaction and additionally, as stipulated by the Finance Act, 2017, STT had been paid at the time of acquisition of such equity shares, except in the case of such acquisitions where STT could not have been paid, as notified by the Central Government. However, as on the date of this Draft Red Herring Prospectus, the Central Government has not issued any such notification. Due to uncertainty in the applicability of this provision, you may be subject to payment of long term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold.

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 the Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. 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 for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares.

62. 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.

63. 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. $ 394,550.00 million as on August 25, 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 and future financial performance and our ability to obtain financing to fund our growth, as well as the trading price of the Equity Shares.

Risks Related to the Equity Shares

64. The Equity Shares have never been publicly traded, and, after the Offer, 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 Offer Price, or at all.

Prior to the Offer, 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 Offer. 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 Offer 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 the Stock Exchanges, securities markets in other jurisdictions, 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.

65. You will not be able to immediately sell any of the Equity Shares you purchase in this Offer on the Stock Exchanges.

Under the SEBI ICDR Regulations, we are required to obtain listing and trading approvals for our Equity Shares Allotted pursuant to this Offer within six Working Days of the Bid/Offer Closing Date, or such other timeline as may be prescribed the SEBI. Consequently, the Equity Shares you purchase in the Offer may not be credited to your book or dematerialized account with the Depository Participants until six Working Days after the Bid/Offer Closing Date or such other timeline as may be prescribed by the SEBI. You can start trading in the Equity Shares only after they have been credited to your dematerialized account and listing and trading permissions are received from the Stock Exchanges.

66. The Offer Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Offer.

The Offer Price of the Equity Shares will be determined by our Company and the Selling Shareholders in consultation with the BRLMs through the Book Building Process. This price will be based on numerous factors, as described under "***Basis for Offer Price***" on page 91 and may not be indicative of the market price for the Equity Shares after the Offer. The market price of the Equity Shares could be subject to significant fluctuations after the Offer, and may decline below the Offer Price. We cannot assure you that the investor will be able to resell their Equity Shares at or above the Offer Price.

67. 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 provisions of the SEBI ICDR Regulations and other regulations and guidelines prescribed by the SEBI, QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares Bid for or the price) at any stage after submitting a Bid and are required to pay the Bid Amount at the time of submission of the Bid.

Events affecting the Bidders' decision to invest in the Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operation or financial condition, may arise between the date of submission of the Bid by QIBs and Non-Institutional Investors and Allotment of the Equity Shares. Our Company may choose to complete the Allotment of the Equity Shares pursuant to the Offer despite the occurrence or one or more such events, and QIBs and Non-Institutional Investors would not be able to withdraw or lower their Bids in such or any other situation, once they have submitted their Bid.

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

After the completion of the Offer, our Promoters will continue to own a majority of our outstanding 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, 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 72, we cannot assure you that our Promoters will not dispose of, pledge or encumber their Equity Shares in the future.

69. Future sales of Equity Shares by our Promoters and significant shareholders may adversely affect the market price of the Equity Shares.

After the completion of the Offer, our Promoters and significant shareholders will own, directly and indirectly, approximately [●]% of our outstanding Equity Shares. Sales of a large number of the Equity Shares by our Promoters and/or significant shareholders could adversely affect the market price of the Equity Shares. Similarly, the perception that any such primary or secondary sale may occur could adversely affect the market price of the Equity Shares. Except as disclosed in "***Capital Structure***" on page 72, no assurance may be given that our significant shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

Prominent Notes:

- Initial public offering of [●] Equity Shares of face value ₹ 10 each of our Company, for cash at a price of ₹ [●] per Equity Share aggregating up to ₹ [●] million, consisting of a Fresh Issue of [●] Equity Shares by our Company, aggregating up to ₹ 3,000 million and an Offer for Sale by the Selling Shareholders of up to 6,000,000 Equity Shares, aggregating up to ₹ [●] million. The Offer shall constitute [●]% of the post-Offer paid-up Equity Share capital of our Company.

- Our Net Worth ("**Net Worth**", *for purposes of the foregoing paragraph means the aggregate of share capital and reserves and surplus)* as at March 31, 2017 was ₹ 1,758.88 million, as per our Restated Consolidated Financial Information and ₹ 1,758.88 million as at March 31, 2017, as per our Restated Standalone Financial Information. For details, see "***Financial Information***" on page 162.

- The Net Asset Value per Equity Share ("**Net Asset Value per Equity Share**", *for purposes of the foregoing paragraph means total shareholders' funds of our Company divided by the equity shares issued and outstanding at the end of year (post bonus issue of equity shares approved by shareholders in the meeting held on September 8, 2017)),* of our Company was ₹ 32.54 as at March 31, 2017 as per our Restated Consolidated Financial Information and the Net Asset Value per Equity Share was ₹ 32.54 as at March 31, 2017 as per our Restated Standalone Financial Information. For details, see "***Financial Information***" on page 162.

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

Name of Promoter	Average cost of acquisition per Equity Share (₹)*
Mr. Harendra Singh	3.33
Mr. Vijendra Singh	3.33
Mr. Girish Pal Singh	3.33

**As certified by Tibrewal Chand & Co, Chartered Accountants by its certificate dated September 25, 2017.*

- The average cost of acquisition per Equity Share by our Selling Shareholders (other than Promoters) as on date of this Draft Red Herring Prospectus is:

Name of Selling Shareholders (other than Promoters)	Average cost of acquisition per Equity Share (₹)*
Mr. Hodal Singh	3.33

**As certified by Tibrewal Chand & Co, Chartered Accountants by its certificate dated September 25, 2017.*

- Other than the change in name of our Company on account of conversion from a private to a public company, there has been no change of name of our Company at any time during the last three years immediately preceding the date of filing Draft Red Herring Prospectus.

- There has been no financing arrangement whereby our Promoter Group, our Directors, or any of 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 Joint Ventures or our Group Company during the last financial year, including the nature and cumulative value of the transactions, see "***Financial Statements***" on page 162.

- For information regarding the business or other interests of our Group Company in our Company, see "***Our Promoters, Promoter Group and Group Company***" and "***Financial Statements***" on pages 156 and 162, respectively.

  Investors may contact the Book Running Lead Managers that have submitted the due diligence certificate to SEBI or the Registrar to the Offer, for any complaints pertaining to the Offer.

SECTION III – INTRODUCTION

SUMMARY OF INDUSTRY

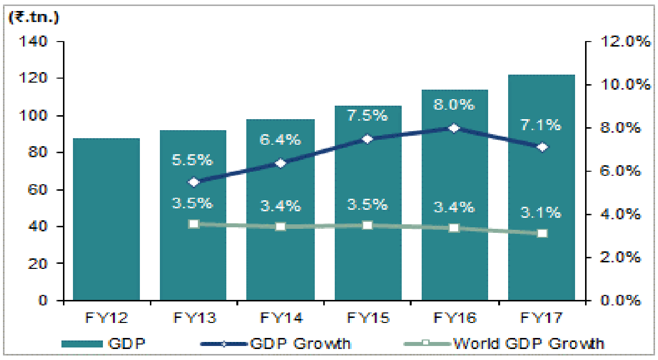
*The information in this section should be read in conjunction with the sections "**Risk Factors**", "**Industry Overview**", "**Financial Information**", "**Our Business**" and "**Management Discussion and Analysis of Financial Condition and Results of Operations**" on pages 16, 98, 162, 118 and 284, respectively.*

Indian Economy

Macroeconomic Overview of India

India is the seventh largest economy in the world with nominal GDP of USD 2.26 trillion and third in terms of purchasing power parity as per 2016 estimates. (*Source: CIA World Factbook*). The Indian economy grew by 7.1% in the fiscal year 2017 (estimates) as against 7.6% growth for the fiscal year 2016.

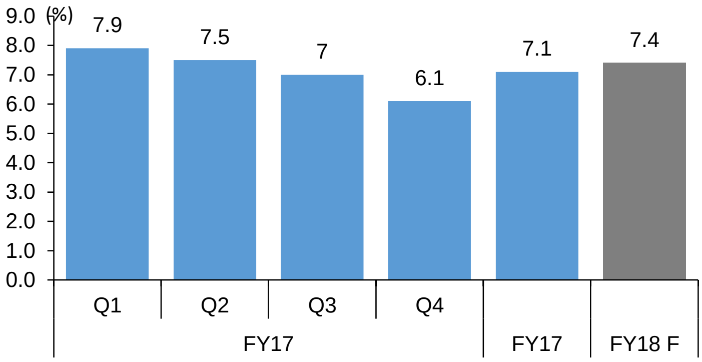
Real GDP growth in India



Source: CSO, CRISIL Research

GDP growth slowed down in the second half of Fiscal 2017 as impact of demonetization decelerated growth in the subsequent quarters. As per provisional estimates from CSO, Fiscal 2017 growth is expected to be about 7.1% down from 8% in Fiscal 2016.

Real GDP growth (% y-o-y)



PE: Provisional estimates
Source: CSO, CRISIL Research

Key demographic aspects

India is the second most populous country in the world and is expected to see its population grow at the rate of 1.1% over the next five years. The urban population as a percentage of India's total population is estimated to increase from the current 32.8%, in 2017 to 35% by 2020, thereby increasing the number of people that access premium facilities. The middle class population in India has doubled from 300 million to 600 million between

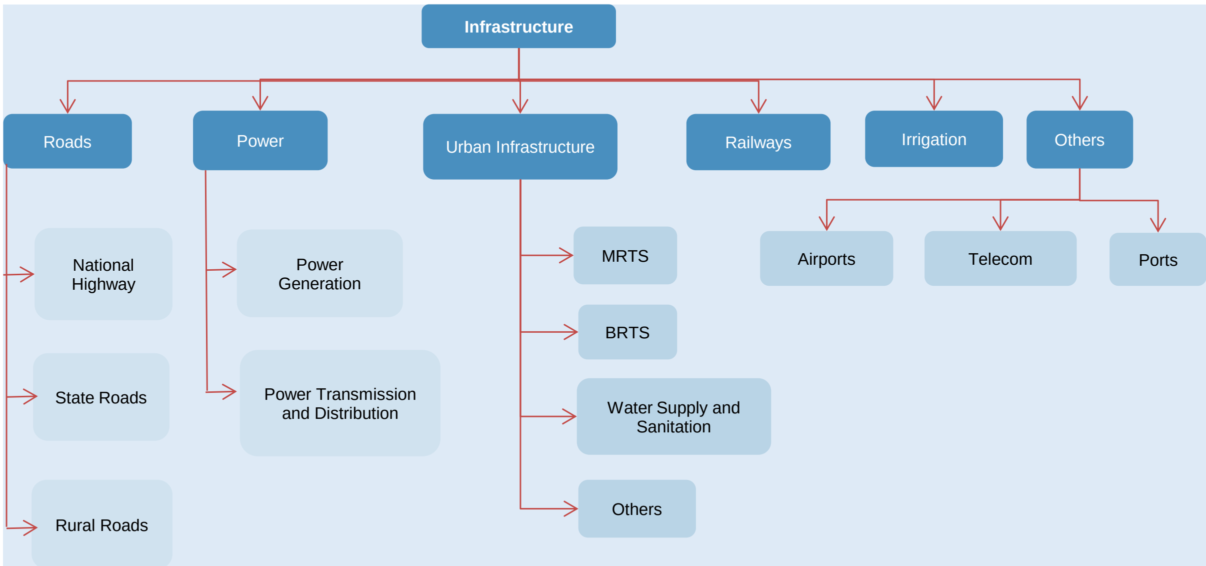
2004 and 2012, according to World Economic Forum, and is likely to overtake that of US and China by 2027. India's urban population has increased from 27.8% of total population (per census 2001) to 31.2% of the total population (per Census 2011).

Estimates by PwC indicate that by 2020, the average age of an Indian will be 29 years, compared with average age of 37 and 48 years, respectively, for China and Japan. This young population will help constitute a large working population, with an estimated 64% of India's population to be in the working age population by the fiscal year 2021 (*Source*: *Union budget and economic survey 2013*). The high economic growth and increasing opportunities in the cities have led to urbanization. The rate of urbanization during 2017 over 2016 was recorded at 2.5%.

Infrastructure Sector in India

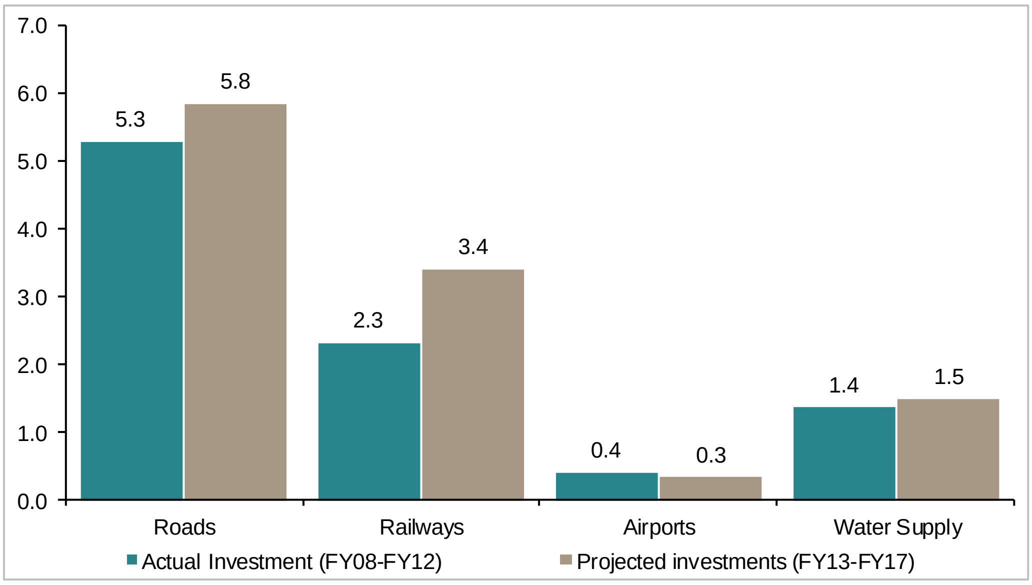
Investments Overview

The infrastructure industry includes among others, roads, power, railways, urban infrastructure and irrigation. The size and magnitude of major infrastructure development projects in India has been able to attract substantial capital investment. The government has also introduced significant policy reforms to augment FDI, to further boost investment and enhance infrastructure. The reformative policies of the Indian government have resulted in total FDI inflows of approximately $9.8 billion in construction activities in infrastructure from April 2000 to March 2017 as per data provided by the Department of Industrial Policy and Promotion ("**DIPP**"). The road sector is one of the key contributors to overall investment in the infrastructure industry.



Source: CRISIL Research

The actual investments in the infrastructure sector reached ₹ 27.3 trillion during Fiscal 2008 to Fiscal 2012, driven primarily by the Central Government's focus on improving domestic infrastructure. According to the second report of the High Level Committee on financing infrastructure, the construction spend on infrastructure projects during Fiscal 2012 and 2017 is estimated to be ₹ 30.93 trillion, increasing from ₹ 10.3 trillion as at Fiscal 2014. Of the total spend, the private sector is estimated to contribute 39% whereas the remaining 61% is to be contributed by the Central and State Governments. Power sector is estimated to be the largest contributor amongst the infrastructure sectors, forming 42% of the total infrastructure investments, followed by the road and railway sectors, contributing 19% and 14% respectively. Presented below, is a graphical representation of the construction spend in the key infrastructure segments, between Fiscal 2008 to Fiscal 202 and between Fiscal 2013 and Fiscal 2017.



**Others include irrigation, water supply and sanitation, storage, oil and gas pipelines*
 # At Fiscal 2012 prices, in Rs trillion
Source: High-level Committee on Financing Infrastructure (Second Report, June 2014), CRISIL Research

Growth Drivers in Infrastructure Investment

- Economic Growth
- Preference towards roads in freight traffic
- Increasing vehicular and passenger traffic
- E-commerce logistics, a growth driver for road freight
- Improved vehicle sales
- Increased private participation
- Policy changes fueling growth
- Make in India to boost traffic

Road Infrastructure in India

Road sector's contribution to Indian GDP

As of Fiscal 2016, the share of road transport in Indian GDP among other sectors is approximately 3.2%, marking 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 into national, state and rural roads

India has the second largest road network in the world, aggregating to 6.1 million kilometers. Roads are the most common mode of transportation and account for approximately 86% of passenger traffic and approximately 65% of freight traffic. In India, national highways with length of approximately 103,933 kilometers constitute a mere 1.7% of the road network, but carry about 40% of the total road traffic. On the other hand, state roads and major district roads form the secondary system of roads carry another 60% of traffic and account for 98% of road length.

In the decreasing order of volume of traffic movement, road network in India can be divided into following categories

Road network in India as in Fiscal 2017

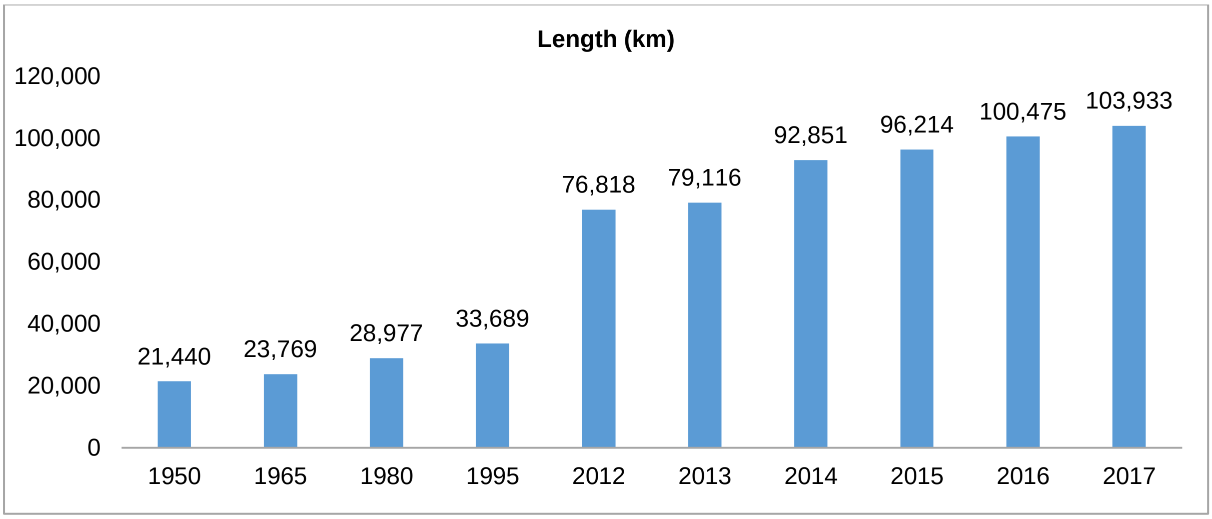
Road network	Length (km)	Percentage of total		Connectivity to
		Length	Traffic	
National highway	103,933	1.71	40	Union capital, state capitals, major ports, foreign highways
State highway	161,487	2.65	60	Major centres within the states, national highways
Other roads	5,820,744	95.64		Major and other district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

Source: MoRTH, CRISIL Research

National highways

National highways constitute around 1.7% of the country's road network, but carry approximately 40% of total road traffic. 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 the national highways. To develop the national highways network, NHAI launched the NHDP in December 2000.

National highways network



Source: Ministry of Road Transport and Highways (*MoRTH)*
Note: Year represents financial year

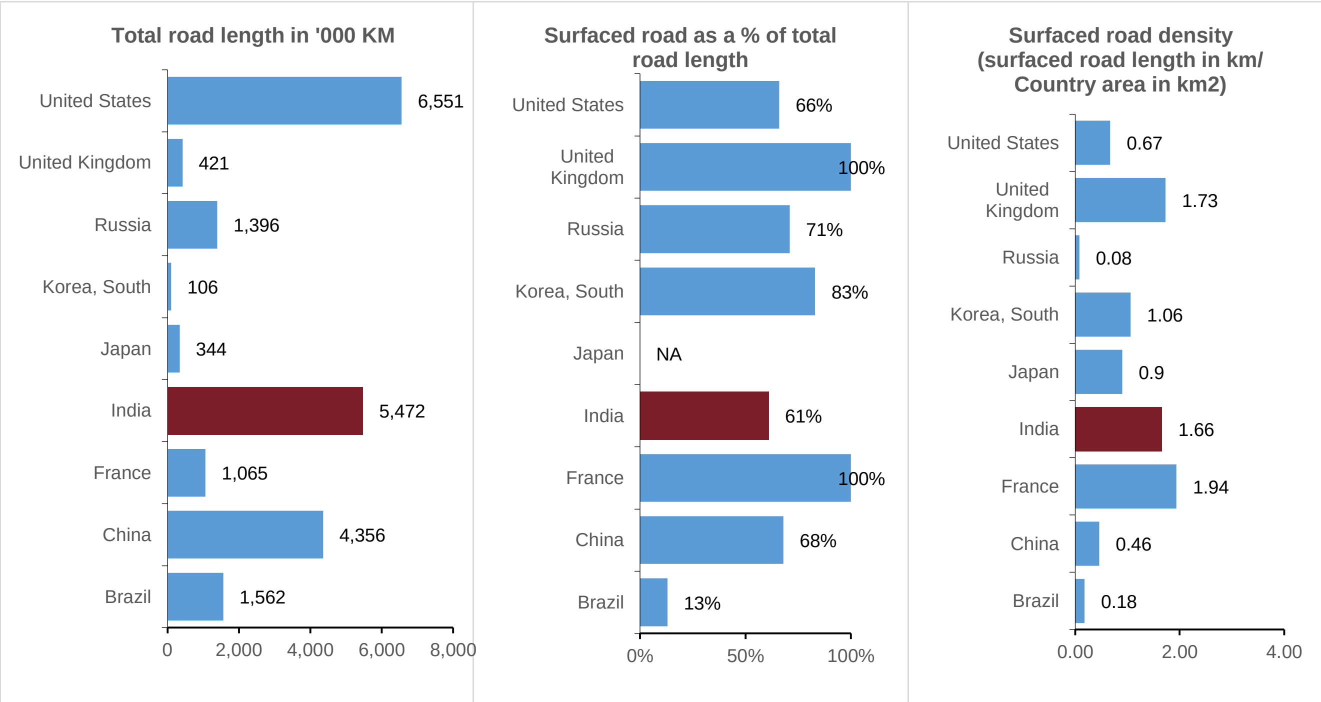
State roads

State roads constitute around 18% of the country's total road network and carry approximately 40% of the total road traffic. State roads comprise state highways, major district roads, other district roads and rural roads. State roads represent the secondary system of road transportation in the country. They 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 5.5 million kilometers road network, rural roads account for around 5 million kilometers.

Global comparison of road infrastructure



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

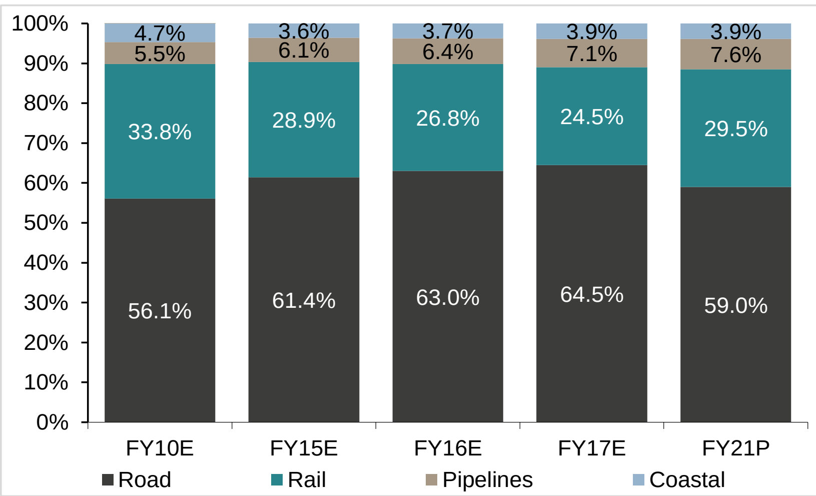
India has the second largest road network in the world, aggregating to 6.1 million kilometre. However, the quality of roads is subpar with only approximately 61% of India's road network being paved.

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 freight as well as passengers. In Fiscal 2017, it is estimated that 65% of total freight was carried by roads as compared to railways. In Fiscal 2010, roads accounted for approximately 58% of total freight traffic. Regular maintenance of bitumen-type roads generally accounts for 1 - 1.5% of project cost incurred during road construction. Roads undergo major maintenance every five to six years, which generally accounts for 5 - 6% of project cost incurred during construction.

Share of roads in total freight movement – in BTKM terms



E: Estimated; P: Projected
Source: CRISIL Research

Going forward, over the long term, share of rail freight traffic is projected to increase on account of the operationalization of dedicated freight corridor ("**DFC**") 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 6 - 8% CAGR in respect of road. However, freight traffic will see a large-scale shift to rail only post Fiscal 2019 when wagon shortage and capacity constraints abate, following expected operationalization of the DFCs.

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 16, 284 and 162 respectively.*

Overview

We are an infrastructure construction, development and management company with extensive experience in our focus area of road projects, including highways, bridges and flyovers. Our main business operations include (i) providing engineering, procurement and construction ("**EPC**") services on a fixed-sum turnkey basis and (ii) undertaking civil construction and related infrastructure projects on item rate and lump sum basis, primarily in the roads and highway sector. We have also forayed into executing water pipeline projects and are currently undertaking two water supply projects in Rajasthan on turnkey basis which includes the designing, construction, operation and maintenance of the project.

We have executed or are executing projects across various states in India covering Rajasthan, Uttar Pradesh Haryana, Uttarakhand, Maharashtra and Arunachal Pradesh. During the last five years, our Company has completed 12 projects above the contract value of ₹ 400.00 million in the roads and highways sector aggregating to a total contract value of ₹ 16,281.94 million, which included construction, improving, widening, strengthening of two and four lane highways, construction of high level bridge and construction of earthen embankment, culverts and cart track underpasses. As on July 31, 2017, our Company has 29 ongoing projects in the roads and highways sector which includes construction, improving, widening, strengthening, upgradation and rehabilitation of two, four and six lane highways, construction of high level bridge and construction of road network. Our Order Book for these ongoing projects in the roads and highways sector amounted to ₹ 38,114.90 million as on July 31, 2017, accounting for 96.52% of our total Order Book.

As of July 31, 2017, we had a total Order Book of ₹ 39,488.43 million, consisting of 29 projects in the roads and highways sector, six civil construction projects and two water supply projects.

We are pre-qualified to bid independently on an annual basis for bids by NHAI and MoRTH for contract values of up to ₹ 8,066.60 million based on our Company's technical and financial capacity as on March 31, 2017. While we independently execute the projects where we are pre-qualified to bid on an independent basis, we also form project specific joint ventures and consortiums with other infrastructure and construction companies, in particular, where we are not pre-qualified to bid independently or when a project requires us to meet specific eligibility requirements in relation to certain large projects, including requirements relating to particular types of experience and financial resources.

We have a track record in executing projects of different sizes particularly in the roads and highways sector. We believe that over the years, our Company has become an established construction developer in the roads and highways sector with strong execution capabilities and with a reputation of delivering quality projects. For instance, we have received a letter of appreciation in the year 2012 from Larsen and Toubro Limited for being the most quality consciousness sub-contractor. We have also received a bonus from the Chief Engineer, National Highways, PWD Lucknow for early completion of widening and strengthening of NH-96 Faizabad-Allahabad Road (from 0.00 kilometers to 46.470 kilometers) in Uttar Pradesh.

Between Fiscal 2018 and Fiscal 2022, CRISIL Research expects an investment of ₹ 4.10 trillion in national highways, up 2.8 times in the next five years compared with the past five years. Notably, the government will account for more than half of the investment. (*CRISIL Research*, *Roads Sector in India, September, 2017*). Execution of projects from our public sector clients accounted for approximately 73.02%, 57.87% and 54.23% of our total revenue for the Fiscals 2017, 2016 and 2015, respectively. Our public sector clients include NHAI, PWD, MES and Jaipur Development Authority. We have also executed road construction contracts as a sub-contractor for our private sector clients such as Tata Projects Limited and IRB-Modern Road Makers Private Limited. We believe that our quality of work and project execution skills have allowed us to enhance our relationships with existing clients and to secure projects from new clients. For instance, we have been recently awarded 7 EPC contracts in Maharashtra for an aggregate contract value of ₹ 19,045.94 million by MoRTH.

While our principal business of civil construction comprises of projects in the roads and highways sector, we were engaged in the year 2013 as the sub-contractor to execute two water supply projects in Rajasthan on a single responsibility turnkey basis, which includes the responsibility of designing, building and maintaining the projects. We have billed an aggregate revenue of ₹ 1,794.86 million from these water supply projects until Fiscal 2017. Our Order Book for these projects amounted to ₹ 579.90 million as of July 31, 2017, accounting for 1.47% of our total Order Book.

Over the years, we have gradually added a fleet of modern construction equipment and employed manpower to supplement the growth of our construction business. As on July 31, 2017, our equipment base comprised of 867 construction equipment.

We enjoy accreditations, such as the ISO 9001:2015, ISO 14001:2004, OHSAS 18001:2007 certification for quality management systems, environment management systems, and health and safety management systems, respectively, issued by LMS Assessment Services Private Limited.

Our Promoters have an experience of more than two decades in the construction industry. Prior to the incorporation of our Company, our Promoters were associated with M/s Hodal Singh Giriraj Singh & Co., Jodhpur, a partnership firm involved in the construction business which was taken over by our Company in 2003. For further information, see "***History and Certain Corporate Matters***" on page 137.

In Fiscal 2017, 2016, 2015 and 2014 our total revenue, as restated, on a consolidated basis were ₹ 10,585.83 million, ₹ 7,432.88 million, ₹ 3,675.93 million and ₹ 4,729.54 million, respectively, and in Fiscal 2013 our total revenue, as restated, on a standalone basis was ₹ 3,254.40 million. In Fiscal 2017, 2016, 2015 and 2014 our profit after tax, as restated, on a consolidated basis was ₹ 533.34 million, ₹ 353.50 million, ₹ 46.38 million and ₹ 108.99 million, respectively, and our profit after tax, as restated on a standalone basis was ₹ 151.41 million. We have been able to increase our total revenue from Fiscal 2013 to Fiscal 2017 at a CAGR of 34.30 % and our profit after tax has increased at a CAGR of 37.00% over the same period.

OUR STRENGTHS

Established roads and highways sector focused construction developer

We have an experience of over 14 years in construction and development of major infrastructure road projects including highways, bridges, flyovers and other related infrastructure activities, across various states in India covering Rajasthan, Uttar Pradesh Haryana, Uttarakhand, Maharashtra and Arunachal Pradesh. Our revenue from execution of projects in the roads and highways sector constituted approximately 86.02%, 89.57%, 85.95% and 92.89% of our total consolidated revenue in Fiscals 2017, 2016, 2015 and 2014, respectively, and 95.34% of our standalone revenue in Fiscal 2013. Our primary focus on the roads and highways sector has helped us in gaining technical expertise of 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 construction business. As on July 31, 2017 our Company is executing 29 projects in the roads and highways sector aggregating to a total contract value of ₹ 38,114.90 million. Our notable completed construction contracts during the last five years include four laning of Jaipur - Tonk - Deoli section of NH-12, four laning of Warora - Chandrapur – Ballarpur section of SH-267 and construction of Kuberpur to Fatehabad Road, Agra-Inner Ring Road. As on July 31, 2017, our equipment base comprised of 867 construction equipment comprising of HMPs, CBPs, crushers, excavators, loaders, dozers, sensor pavers and transportation vehicles from reputed global equipment suppliers. To support our growth and execution strategy, we employed approximately 2,090 employees as of July 31, 2017, which includes 1,820 skilled workers such as qualified engineers, management professionals and 270 unskilled workers.

As of July 31, 2017, our total Order Book in terms of contract value including escalation is ₹ 39,488.43 million comprising of 37 ongoing projects in Rajasthan, Uttar Pradesh Haryana, Uttarakhand, Maharashtra and Arunachal Pradesh. The size of our Order Book for our roads and highways projects grew from ₹ 8,551.74 million as of March 31, 2015, to ₹ 12,574.24 million as of March 31, 2016 and ₹ 39,198.48 million as of March 31, 2017 at a CAGR of 114.09%. We believe that 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.

Between Fiscal 2018 and Fiscal 2022, CRISIL Research expects an investment of ₹ 4.10 trillion in national highways, up 2.8 times in the next five years compared with the past five years. Notably, the government will account for more than half of the investment (*CRISIL Research, Roads Sector in India, September, 2017*). Execution of projects from our public sector clients accounted for 73.02%, 57.87% and 54.23% of our total revenue for the Fiscals 2017, 2016 and 2015, respectively. Our public sector clients include NHAI, PWD, MES, Jaipur Development Authority and MORTH. We have also executed road construction contracts as a sub-contractor for our private sector clients such as Tata Projects Limited and IRB-Modern Road Makers Private Limited. We value our relationships with our clients. We believe that our motivated team of personnel and our internal systems and processes complement each other to enable us to deliver high levels of client satisfaction. We also believe that our quality of work and project execution skills has allowed us to enhance our relationships with existing clients and to secure projects from new clients. For instance, we have been recently awarded 7 EPC contracts in Maharashtra for an aggregate contract value of ₹ 19,045.94 million by MoRTH.

Efficient business model

Our growth is largely attributable to our efficient business model which involves careful identification of our projects and cost optimisation, which is a result of executing our projects with careful planning and strategy. This model has facilitated us in maximising our efficiency and increasing our profit margins. Additionally, our fleet of modern construction equipment ensures better control over execution and timely completion of projects.

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. We believe that our strategic approach during the pre-bidding stage enables us to bid at competitive prices and helps us to successfully win projects. Once we win a bid, our focus is to ensure high quality of construction during the execution stage of the project, as a result of which, we believe, we are able reduce maintenance and repair costs and therefore realize higher margins during the operation and maintenance stage of the project.

Through our experience of executing projects of varying sizes, we believe that we have developed internal systems and processes which help us in effective execution of our ongoing projects. Our experienced engineering and management teams 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.

Strong project management and execution capabilities

Over the last five years, our Company has executed 12 projects above the contract value of ₹ 400.00 million in the roads and highways sector. Our focus is to leverage our strong project management and execution capabilities in order to complete our projects in a timely manner while maintaining high quality of construction.

Over the years, we have consistently invested and created a fleet of modern construction equipment to ensure high quality and timely execution of our projects. In the last three years, we have invested ₹ 1,727.43 million towards procurement of plant and machinery for our projects. We believe that we are one of the few players in India to own a large fleet of modern construction equipment including HMPs, CBPs, crushers, excavators, loaders, dozers, sensor pavers and transportation vehicles, which meet most of the requirements for our ongoing projects. The availability of modern construction equipment reduces our dependence on third party suppliers for execution of a project, which in turn enables us to control the cost of the project, and minimizes occurrence of events resulting in stoppage of work due to non-availability or breakdown of machinery. Further, it ensures that we are able to offer high quality construction and on time performance. With multiple projects in progress at any given time, ready access to such equipment is essential to execute our ongoing projects efficiently along with timely completion of projects and profitably and to bid for additional complex and challenging projects.

Our Company is also focused on ensuring that each project is executed in conformity with the work description provided in the contracts and adheres to the quality and standard of construction associated with our Company. Our Company has an in-house engineering and design team, which has the necessary skills and expertise in the areas of construction activity such as civil construction, electrical and mechanical and help in preparing detailed architectural and /or structural designs based on the conceptual requirements of the client. Our in-house engineering and design team reduces our dependence on outsourcing engineering and design work to third party consultants. Our quality system managers are responsible for conducting regular inspection and tests at every construction site and publishing reports on the status of compliance with contractual requirements and quality standards at every project site. We have also adopted best practices, including deployment of advanced technology at our construction sites, and regularly undertaking mock drills and other safety orientation programmes to promote a safe working environment. We enjoy accreditations, such as the ISO 9001:2015, ISO 14001:2004, OHSAS 18001:2007 certification for quality management systems, environment management ,systems, and health and safety management systems, respectively, from issued LMS Assessment Services Private Limited.

Visible growth through our growing Order Book and improved pre-qualification credentials

Our Order Book as of 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 growth strategy has been focused on selecting quality projects with potentially higher margins. We believe that by expanding our operations in different geographical regions, we are able to pursue a broader range of project tenders and therefore maximize our business volume and contract profit margins. Our order book has grown significantly over the last three years, from ₹ 10,677.04 million as of March 31, 2015, to ₹ 14,462.65 million as of March 31, 2016 and ₹ 40,190.89 million as of March 31, 2017, respectively. As of July 31, 2017, our total order book was ₹ 39,488.43 million, with government contracts accounting for 68.78% and private contracts accounting for 31.22% of the Order Book.

We believe our track record of completed projects, our existing portfolio and our financial performance allows us to meet the qualification requirements for a large number of new projects in the roads and highways sector. For instance, we are pre-qualified to bid independently on an annual basis for bids by NHAI and MoRTH of contract value up to ₹ 8,066.60 million based on our technical and financial capacity. We also form project specific joint ventures and consortiums with other infrastructure and construction companies, in particular, where we are not pre-qualified to bid independently or when a project requires us to meet specific eligibility requirements in relation to certain large projects, including requirements relating to particular types of experience and financial resources.

Experienced management team

Our management team is well qualified and experienced in the construction industry and has been in many ways responsible for the growth of our operations. In particular, our Promoters and Directors, Girish Pal Choudhary, Vijendra Singh Choudhary and Harendra Singh Choudhary have about 20 years of experience in the infrastructure development sector, and have been instrumental in driving our growth since inception of our business. We believe that our motivated team of management and key managerial personnel along with our internal systems and processes complement each other to enable us to deliver high levels of client satisfaction. For details on the qualifications and experience of our senior management team, see "***Our Management***" on page 143. We believe the strength and entrepreneurial vision of our Promoters and management has been instrumental in driving our growth and implementing our strategies.

OUR STRATEGIES

Continue focusing on our EPC business in the roads and highways sector and enhancing execution efficiency

Our primary focus is to strengthen our market position in India in developing and executing EPC projects in the roads and highways sector. Over the next few years, we will continue to focus on the operation, maintenance and development of our existing projects while seeking opportunities to expand our EPC projects in the roads and highways sector. We intend to capitalize on our experience and project execution expertise and continue to selectively pursue EPC projects in the roads and highways sector, both independently and in partnership with other players. CRISIL Research expects investment in road projects to double to ₹ 10.70 trillion over next five years. Further, given the current financial crunch being faced by build-operate-transfer (BOT) players, CRISIL Research expects the share of engineering, procurement, construction (EPC)/ cash contract projects to widen, especially in low-traffic-volume projects under NHDP-Phase IV, over the next five years (*CRISIL Research, Roads Sector in India, September, 2017*). We believe that, given the Government's focus on improving infrastructure in India, the roads and highways infrastructure sector has high potential for growth and our experience and track record in the construction business provides us with a competitive advantage in pursuing future opportunities.

We intend to continue to focus on efficient project execution by adopting industry best practices and advanced technologies to deliver quality projects to the satisfaction of our clients. We intend to continue to invest in modern construction equipment to ensure continuous and timely availability of equipment critical to our business, which will help us in exercising better control over the execution of our projects. We seek to attract, train and retain qualified personnel and skilled laborers and further strengthen our workforce through more comprehensive training and provide adequate and skilled manpower to our clients. We also seek to offer our engineering and technical personnel a wide range of work experience, in-house training and learning opportunities by providing them with an opportunity to work on a variety of large, complex construction projects.

We will continue focusing on improving our internal systems and processes and upgrade our IT systems to reduce manual intervention and improve reliability and efficiency of our business and operations. We also intend to utilize advanced technologies, designs, engineering and project management tools to increase productivity and maximize asset utilization in construction activities.

Selectively expand our geographical footprint

Our Company started its operations in Rajasthan and has gradually expanded in other states including Uttar Pradesh, Haryana, Uttarakhand, Maharashtra and Arunachal Pradesh. We plan to continue our strategy of diversifying and expanding our presence in different states for the growth of our business. We are selective when we expand in a new location and typically look to geographies where we can deliver high-quality services without experiencing significant delays and interruptions on account of adverse climatic conditions or regulatory delays. We believe that our strategy of selective expansion helps us in mitigating diversification related risks. We currently expect that a significant portion of our geographic expansion will be in states such as Gujarat, Punjab and Madhya Pradesh, which have favourable geographic and climatic conditions. Through further diversification of our operations geographically, we hope to hedge against risks in specific areas or projects and protect us from fluctuations resulting from business concentration in limited geographical areas.

Selectively explore hybrid annuity based model to optimize our project portfolio

We undertake majority of our projects on the EPC basis and while our focus primarily is to grow our EPC business, we also seek to evaluate opportunities of undertaking projects on the newly introduced hybrid annuity model ("**HAM**") by the government. This model aims to lower the financial burden on the concessionaire during project-implementation phase. In projects undertaken on HAM basis, the developer is responsible to meet only 60% of the total project cost but undertakes the entire risk of operations and maintenance, while the government bears 40% of the total project cost and undertakes the entire toll collection risk. We believe that the introduction of the HAM model in India provides opportunities for private developers to participate in the annuity based model but, unlike the "Build Operate Transfer" model, does not expose the developers to bear the entire financial risk and the revenue risk. CRISIL Research expects that out of the total ₹ 4.10 trillion expected to be invested in national highways upto Fiscal 2022, about ₹ 1.10 trillion will be through HAM mode (*CRISIL Research*, *Roads Sector in India*, *September*, *2017*). We seek to selectively explore opportunities of undertaking projects on HAM basis by evaluating the investments required and selecting projects where the risk and reward profile is favourable. For projects where we are not pre-qualified to bid independently, we may also enter into strategic alliances and joint ventures with other developers.

Diversify beyond projects in the roads and highways sector by leveraging existing capabilities

While our primary focus is on development and execution of EPC projects in the roads and highways sector, as part of our business growth strategy, we have also diversified in executing water supply projects and our Company is currently undertaking two water supply projects on turnkey basis in Rajasthan. We believe that, due to the increasing levels of the Government's focus and investment in infrastructure in India, certain segments such as irrigation, airport runways, waterways and development of smart cities provide us with exciting opportunities to further develop our business and achieve higher profitability. For instance, the government introduced the Smart Cities Mission in June 2015 for the development of 100 smart cities over five years (Fiscal 2017 onwards) to meet the infrastructure and services expectations of citizens. 60 cities have received funding by May 2017. The total estimated cost of projects is ₹ 13.20 billion (*CRISIL Research, Roads Sector in India, September, 2017*). We seek to capitalise on such opportunities in new functional areas of infrastructure development by leveraging on our established project execution track record in our civil construction business. As part of our business growth strategy, we intend to diversify into, and shall consider bidding for, projects related to construction and maintenance of airport runways, projects related to railways and metros including earthwork and water treatment and sewerage related projects. In order to mitigate the risk of over-diversification, we seek to expand in businesses that require execution skills that are similar to our roads and highways construction business and allow us to leverage our past experience and maximize the use of our manpower, equipment and new materials in our expansion and avoid additional investment in new equipment wherever possible. We believe that with this strategy, we will be able to develop into a full EPC service company capable of undertaking projects in multiple businesses while adhering to financial discipline and mitigating associated risks. Further, in new areas where we may lack experience or expertise, we may also enter into strategic alliances and joint ventures with other developers.

SUMMARY FINANCIAL INFORMATION

Restated Standalone Statement of Assets and Liabilities of H.G. Infra Engineering Limited (Formerly known as H.G. Infra Engineering Private Limited)

(Amount in Rs. Millions)

Particulars	**As at**				
	March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
EQUITY AND LIABILITIES					
Shareholders' funds					
Share capital	180.20	180.20	152.50	152.50	152.50
Reserves and surplus	1,578.68	1,045.34	691.84	645.46	536.47
Non-current liabilities					
Long-term borrowings	634.78	284.47	155.04	43.71	91.84
Other long-term liabilities	295.37	88.45	87.10	14.50	23.78
Long-term provisions	7.53	5.66	3.97	3.21	1.93
Deferred Tax Liability (Net)	-	-	-	12.82	38.00
Current liabilities					
Short-term borrowings	932.89	589.87	399.93	573.50	522.26
Trade Payables	632.37	460.15	198.41	259.58	235.23
Other current liabilities	1,048.86	1,089.56	557.69	441.28	663.09
Short-term provisions	69.50	10.22	3.18	1.54	0.89
Total	**5,380.18**	**3,753.92**	**2,249.66**	**2,148.10**	**2,265.99**
ASSETS					
Non-current assets					
Fixed assets					
Tangible assets	2,041.34	1,160.85	835.79	857.72	979.15
Intangible assets	2.48	0.83	0.54	0.25	0.31
Capital work-in-progress	6.86	48.34	-	-	-
Non-current investments	3.96	3.82	0.93	0.82	-
Deferred Tax Assets (Net)	20.06	8.24	1.46	-	-
Long-term loans and advances	174.45	183.94	153.28	131.96	117.06
Other non-current assets	60.73	72.04	98.56	82.60	26.22
Current assets					
Inventories	488.93	432.76	217.86	204.99	186.89
Trade receivables	1,131.52	926.64	419.09	289.88	357.15
Cash and bank balances	71.77	41.07	14.29	25.29	16.95
Short-term loans and advances	782.45	547.91	261.70	289.21	317.61
Other current assets	595.63	327.48	246.16	265.38	264.65
Total	**5,380.18**	**3,753.92**	**2,249.66**	**2,148.10**	**2,265.99**

The above statement should be read with the basis of preparation and significant Accounting Policies appearing in Annexure IV, Notes to the Restated Standalone Financial Information appearing in Annexure V and Statement of Adjustments to Audited Standalone Financial Statements appearing in Annexure VI.

Restated Standalone Statement of Profit and Loss of H.G. Infra Engineering Limited (Formerly known as H.G. Infra Engineering Private Limited)

(Amount in Rs. Millions)

Particulars	Year ended March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
REVENUE					
Revenue from Operations	9,702.94	7,124.26	3,352.15	4,446.75	3,236.26
Other Income	36.78	23.76	25.18	19.09	18.14
Total Revenue (A)	**9,739.72**	**7,148.02**	**3,377.33**	**4,465.84**	**3,254.40**
EXPENSES					
Cost of material consumed	4,066.23	2,793.63	1,188.78	2,407.15	1,577.01
Contract and site expenses	3,916.19	3,089.32	1,479.31	1,288.74	979.43
Employee benefits expense	416.30	299.18	207.19	212.94	208.53
Finance costs	192.66	159.90	158.21	133.74	127.22
Depreciation and amortisation expense	256.02	183.37	171.46	133.86	141.66
Other expenses	105.83	161.43	37.50	31.48	20.13
Total expenses (B)	**8,953.23**	**6,686.83**	**3,242.45**	**4,207.91**	**3,053.98**
Profit before tax and Material Adjustment (C = A-B)	**786.49**	**461.19**	**134.88**	**257.93**	**200.42**
Tax expense (D)					
Current tax	308.00	165.01	58.50	86.37	62.78
Deferred tax	(14.48)	(5.65)	(15.84)	(0.15)	2.74
Total (D)	**293.52**	**159.36**	**42.66**	**86.22**	**65.52**
Net Profit after taxation (C-D)	**492.97**	**301.83**	**92.22**	**171.71**	**134.90**
Net Profit before restatement adjustments	**492.97**	**301.83**	**92.22**	**171.71**	**134.90**
Restatement adjustments:					
Material restatement adjustments	**55.26**	**68.58**	**(60.89)**	**(91.95)**	**28.99**
Less: Deferred tax on above adjustment	**14.89**	**16.91**	**(15.05)**	**(29.23)**	**12.48**
Net Profit before the adjustments on account of changes in accounting policies	**533.34**	**353.50**	**46.38**	**108.99**	**151.41**
Adjustments on account of changes in accounting policies	-	-	-	-	-
Net Profit as restated	**533.34**	**353.50**	**46.38**	**108.99**	**151.41**

The above statement should be read with the basis of preparation and significant Accounting Policies appearing in Annexure IV, Notes to the Restated Standalone Financial Information appearing in Annexure V and Statement of Adjustments to Audited Standalone Financial Statements appearing in Annexure VI.

Restated Standalone Statement of Cash Flows of H G Infra Engineering Limited (Formerly known as H.G. Infra Engineering Private Limited)

(Amount in Rs. Millions)

	Particulars	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013
A)	**Cash Flow From Operating Activities**					
	Restated Net Profit before tax and after restatement adjustments	829.52	511.73	90.60	170.17	238.88
	Adjustments for:					
	Depreciation and amortisation expense	256.02	183.37	171.46	133.86	141.66
	Interest Income	(24.07)	(20.08)	(17.96)	(16.85)	(12.96)
	Profit from Jointly Controlled Entities	(3.79)	(7.13)	(9.54)	(6.67)	-
	Provision for doubtful debts	20.66	-	-	-	-
	Bad- debts written off	-	112.95	-	-	-
	Net loss on sale / disposal of fixed assets	2.79	0.34	1.90	0.01	-
	Finance costs	188.71	161.87	159.09	132.22	129.82
	Operating Profit before Working Capital Changes	**1,269.84**	**943.05**	**395.55**	**412.74**	**497.40**
	Changes in working capital:					
	(Increase) / decrease in trade receivables	(225.54)	(620.50)	(129.21)	67.27	(105.58)
	(Increase) in inventories	(56.17)	(214.90)	(12.87)	(18.10)	(111.06)
	(Decrease) / increase in trade payables	172.22	261.74	(61.17)	24.35	20.00
	(Decrease) / increase in other long term liabilities	206.92	1.35	72.60	(9.28)	23.78
	Increase in long term provision	1.87	1.69	0.76	1.28	1.93
	(Decrease) / increase in other current liabilities	(170.95)	381.81	30.72	(17.40)	81.89
	(Decrease) / increase in short term provision	(2.28)	1.35	1.64	0.65	0.89
	(Increase) / decrease in long term loans and advances	0.27	4.38	(1.35)	(11.72)	(29.13)
	(Increase) / decrease in short term loans and advances	(234.54)	(286.21)	27.51	28.40	(20.59)
	(Increase) / decrease in other assets	(171.07)	17.93	16.66	(20.45)	(116.25)
	Cash generated from operations	790.57	491.69	340.84	457.74	243.28
	Taxes paid (net of refunds)	(246.44)	(148.73)	(63.86)	(85.82)	(68.57)
	Net cash generated from Operating Activities	**544.13**	**342.96**	**276.98**	**371.92**	**174.71**
B)	**Cash Flow From Investing Activities**					
	Purchase of fixed assets	(1,151.12)	(626.37)	(208.80)	(30.65)	(177.89)
	Sale of fixed assets	65.46	17.14	34.03	16.05	14.74
	Fixed deposits placed / redemption of fixed deposits (net)	(75.23)	(72.73)	(13.40)	(36.66)	(38.20)
	Interest Income	23.65	20.08	17.96	16.85	12.96
	Investments in Jointly Controlled Entities	(0.08)	(105.30)	(7.16)	(16.67)	-
	Repayment from Jointly Controlled Entities	3.73	109.55	16.58	22.52	-
	Net Cash used in Investing Activities	**(1,133.59)**	**(657.63)**	**(160.79)**	**(28.56)**	**(188.39)**
C)	**Cash Flow From Financing Activities**					
	Proceeds / (Repayment) of short term borrowings	343.02	189.94	(173.57)	51.24	144.75
	Proceeds / (Repayment) from long-term borrowings	466.43	283.72	204.59	(250.88)	(108.89)
	Issued of Share Capital	-	27.70	-	-	30.00
	Finance cost paid	(189.29)	(159.91)	(158.21)	(135.38)	(125.57)
	Net Cash generated/ (used) in Financing Activities	**620.16**	**341.45**	**(127.19)**	**(335.02)**	**(59.71)**
	Net increase in cash and cash equivalents	**30.70**	**26.78**	**(11.00)**	**8.34**	**(73.39)**
	Cash and Cash Equivalents as at the beginning of the year	**41.07**	**14.29**	**25.29**	**16.95**	**90.34**
	Cash and cash equivalents at the end of the year (refer to Annexure V - Note 13)	**71.77**	**41.07**	**14.29**	**25.29**	**16.95**
	Cash and cash equivalents at the end of the year comprise of:					
	Cash on hand	3.70	6.39	6.16	9.79	11.45
	Balances with banks	68.07	34.68	8.13	15.50	5.50
		71.77	**41.07**	**14.29**	**25.29**	**16.95**

Restated Consolidated Statement of Assets and Liabilities of H.G. Infra Engineering Limited (Formerly known as H.G. Infra Engineering Private Limited)

(Amount in Rs. Millions)

Particulars	As at			
	March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**
EQUITY AND LIABILITIES				
Shareholders' funds				
Share capital	180.20	180.20	152.50	152.50
Reserves and surplus	1,578.68	1,045.34	691.84	645.46
Non-current liabilities				
Long-term borrowings	634.78	284.47	155.04	43.71
Other long-term liabilities	295.37	88.45	87.10	14.50
Long-term provisions	7.53	5.66	3.97	3.21
Deferred Tax Liability (Net)	-	-	-	12.82
Current liabilities				
Short-term borrowings	932.89	589.87	377.93	573.50
Trade Payables	744.88	512.25	286.37	305.38
Other current liabilities	1,266.98	1,271.87	630.61	468.59
Short-term provisions	62.11	4.53	3.18	1.54
Total	**5,703.42**	**3,982.64**	**2,388.54**	**2,221.21**
ASSETS				
Non-current assets				
Fixed assets				
Tangible assets	2,041.34	1,160.85	835.79	857.72
Intangible assets	2.48	0.83	0.54	0.25
Capital work-in-progress	6.86	48.34	-	-
Deferred Tax Assets (Net)	20.06	8.24	1.47	-
Long-term loans and advances	180.85	191.92	163.33	136.39
Other non-current assets	60.73	72.04	98.56	82.60
Current assets				
Inventories	492.04	435.32	217.86	204.99
Trade receivables	1,127.83	926.64	420.91	289.88
Cash and bank balances	170.31	43.51	47.24	29.80
Short-term loans and advances	991.57	684.47	293.26	306.15
Other current assets	609.35	410.48	309.58	313.43
Total	**5,703.42**	**3,982.64**	**2,388.54**	**2,221.21**

The above statement should be read with the basis of preparation and significant Accounting Policies appearing in Annexure IV, Notes to the Restated Consolidated Financial Information appearing in Annexure V and Statement of Adjustments to Audited Consolidated Financial Statements appearing in Annexure VI.

Restated Consolidated Statement of Profit and Loss of H.G. Infra Engineering Limited (Formerly known as H.G. Infra Engineering Private Limited)

(Amount in Rs. Millions)

Particulars	Year ended			
	March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**
REVENUE				
Revenue from Operations	10,548.94	7,408.84	3,650.75	4,710.45
Other Income	36.89	24.04	25.18	19.09
Total Revenue (A)	**10,585.83**	**7,432.88**	**3,675.93**	**4,729.54**
EXPENSES				
Cost of material consumed	4,088.67	2,830.89	1,196.68	2,437.45
Contract and site expenses	4,735.64	3,335.11	1,768.29	1,519.71
Employee benefits expense	416.62	299.60	207.32	212.95
Finance costs	192.70	159.92	158.22	135.62
Depreciation and Amortisation expense	256.02	183.37	171.46	133.86
Other expenses	106.26	161.96	38.82	32.02
Total expenses (B)	**9,795.91**	**6,970.85**	**3,540.79**	**4,471.61**
Profit before tax and Material Adjustment (C=A-B)	**789.92**	**462.03**	**135.14**	**257.93**
Tax expense (D)				
Current tax	311.43	165.85	58.76	86.37
Deferred tax	(14.48)	(5.65)	(15.84)	(0.15)
Total (D)	**296.95**	**160.20**	**42.92**	**86.22**
Net Profit after taxation (C-D)	**492.97**	**301.83**	**92.22**	**171.71**
Net Profit before restatement adjustments	**492.97**	**301.83**	**92.22**	**171.71**
Restatement adjustments:				
Material restatement adjustments	**55.26**	**68.58**	**(60.89)**	**(91.95)**
Less: Deferred tax on above adjustment	**14.89**	**16.91**	**(15.05)**	**(29.23)**
Net Profit before the adjustments on account of changes in accounting policies	**533.34**	**353.50**	**46.38**	**108.99**
Adjustments on account of changes in accounting policies				
Net Profit as restated	**533.34**	**353.50**	**46.38**	**108.99**

The above statement should be read with the basis of preparation and significant Accounting Policies appearing in Annexure IV, Notes to the Restated Consolidated Financial Information appearing in Annexure V and Statement of Adjustments to Audited Consolidated Financial Statements appearing in Annexure VI.

Restated Consolidated Statement of Cash Flows of H. G. Infra Engineering Limited (Formerly known as H. G. Infra Engineering Private Limited)

(Amount in Rs. Millions)

Particulars	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014
A) Cash Flow From Operating Activities				
Net Profit before tax and after restatement adjustment	832.95	512.57	90.86	170.17
Adjustments for:				
Depreciation and Amortisation expense	256.02	183.37	171.46	133.86
Interest Income	(24.07)	(20.08)	(17.96)	(16.85)
Provision for doubtful debts	20.66	-	-	-
Net loss on sale / disposal of fixed assets	2.79	0.34	1.90	0.01
Finance costs	188.76	161.90	159.09	134.11
Operating Profit before Working Capital Changes	1,277.11	838.10	405.35	421.30
Changes in working capital:				
(Increase) / decrease in trade receivables	(221.85)	(505.73)	(131.03)	67.27
(Increase) in inventories	(56.72)	(217.46)	(12.87)	(18.10)
(Decrease) / increase in trade payables	232.63	225.88	(19.01)	70.16
(Decrease) / increase in other long term liabilities	206.92	1.35	72.60	(9.28)
Increase in long term provision	1.87	1.69	0.76	1.29
(Decrease) / increase in other current liabilities	(135.16)	491.19	76.34	9.86
(Decrease) / increase in short term provision	(2.28)	1.35	1.64	0.65
(Increase) / decrease in long term loans and advances	(4.95)	3.20	(1.37)	(11.70)
(Increase) / decrease in short term loans and advances	(307.10)	(391.21)	12.89	11.46
(Increase) / decrease in other assets	(101.80)	(1.64)	1.29	(68.50)
Cash generated from operations	888.67	446.72	406.59	474.41
Taxes paid (net of refunds)	(244.77)	(152.01)	(69.74)	(90.25)
Net cash generated from Operating Activities	**643.90**	**294.71**	**336.85**	**384.16**
B) Cash Flow From Investing Activities				
Purchase of fixed assets	(1,151.12)	(626.37)	(208.80)	(30.65)
Sale of fixed assets	65.46	17.14	34.03	16.06
Fixed deposits placed / redemption of fixed deposits (net)	(75.22)	(72.73)	(13.40)	(36.66)
Interest Income	23.65	20.08	17.96	16.85
Net Cash used in Investing Activities	**(1,137.24)**	**(661.88)**	**(170.21)**	**(34.40)**
C) Cash Flow From Financing Activities				
Proceeds / (Repayment) of short term borrowings	343.02	211.94	(195.57)	51.24
Proceeds / (Repayment) from long-term borrowings	466.44	283.72	204.59	(250.88)
Proceeds from issue of Equity Share Capital	-	27.70	-	-
Payment of finance cost	(189.32)	(159.92)	(158.22)	(137.27)
Net Cash generated / (used) in Financing Activities	**620.14**	**363.44**	**(149.20)**	**(336.91)**
Net increase / (decrease) in cash and cash equivalents	**126.80**	**(3.73)**	**17.44**	**12.85**
Cash and Cash Equivalents as at the beginning of the year	43.51	47.24	29.80	16.95
Cash and cash equivalents at the end of the year (refer to Annexure V- Note 13)	170.31	43.51	47.24	29.80
Cash and cash equivalents at the end of the year comprise of:				
Cash on hand	4.53	7.37	6.36	11.84
Balances with banks	165.78	36.14	40.88	17.96
	170.31	**43.51**	**47.24**	**29.80**

THE OFFER

The following table summarizes details of the Offer:

Offer	**Up to [●] Equity Shares aggregating up to ₹ [●] million**
The Offer consists of:	
Fresh Issue(1)	Up to [●] Equity Shares aggregating up to ₹ 3,000 million
Offer for Sale(2)	Up to 6,000,000 Equity Shares aggregating up to ₹ [●] million
Of which:	
A. QIB Category(3)	At least [●] Equity Shares
Of which:	
Anchor Investor Portion(4)	Up to [●] Equity Shares
B. Non-Institutional Category(3)	Not less than [●] Equity Shares
C. Retail Category(3)	Not less than [●] Equity Shares
Pre and post-Offer Equity Shares	
Equity Shares outstanding prior to the Offer	54,060,000 Equity Shares
Equity Shares outstanding after the Offer	[●] Equity Shares
Use of proceeds of the Offer	For details, see "***Objects of the Offer***" on page 83.

(1) *The Offer has been authorised by our Board pursuant to its resolution dated September 6, 2017, and by our shareholders pursuant to their resolution dated September 8, 2017.*

(2) *The Selling Shareholders have specifically confirmed and authorized their respective participation in the Offer for Sale, pursuant to their consent letters, each dated September 25, 2017. For details see "**Other Regulatory and Statutory Disclosures**" on page 318.*

(3) *Subject to valid Bids being received at or above the Offer 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 and the Selling Shareholders, 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 Offer shall constitute at least 25% of the fully diluted post-Offer paid up equity share capital of our Company. In the event of under-subscription in the Offer, subject to receiving minimum subscription for 90% of the Fresh Issue and compliance with Rule 19(2)(b)(i) of the SCRR, Allotment will be first made towards the Fresh Issue from the valid Bids. For further details, please see "**Offer Structure**" on page 334.*

(4) *Our Company and the Selling Shareholders 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 "**Offer Procedure**" on page 341.*

Notes:

1. Pursuant to Rule 19(2)(b)(i) of the SCRR, the Offer is being made for at least 25% of the post-Offer paid-up equity share capital of our Company.

2. The Equity Shares being offered pursuant to the Offer for Sale have been held by the Selling Shareholder for a period of at least one year immediately preceding the date of the Draft Red Herring Prospectus, other than the Equity Shares being offered having resulted from a bonus issue. To the extent that the Equity Shares being offered in the Offer for Sale have resulted from a bonus issue, the bonus issue has been on Equity Shares held for a period of at least one year prior to the filing of the Draft Red Herring Prospectus and were issued out of free reserves of our Company existing as on March 31, 2017. Accordingly, the Equity Shares being offered in the Offer for Sale are eligible in accordance with Regulation 26(6) of the SEBI ICDR Regulations. For more information, see "***Capital Structure***" on page 72.

3. 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 "***Offer Procedure***" on page 341.

4. 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 "***Offer Structure***" and "***Offer Procedure***" on page 334 and 341, respectively. For details of the terms of the Offer, see "***Terms of the Offer***" on page 338.

GENERAL INFORMATION

Our Company was incorporated as "H.G. Infra Engineering Private Limited" on January 21, 2003, as a private limited company under the Companies Act 1956, at Jodhpur, with a certificate of incorporation granted by the RoC. Pursuant to the conversion of our Company to a public limited company, our name was changed to "H.G. Infra Engineering Limited" and the RoC issued a fresh certificate of incorporation on June 8, 2017. For more information on the changes in name of our Company, see "***History and Certain Corporate Matters***" on page 137.

Registration Number: 018049

Corporate Identity Number: U45201RJ2003PLC018049

Registered Office

14, Panchwati Colony, Ratanada
Jodhpur 342 001, Rajasthan
India
Telephone: +91 291 2000307
Facsimile: +91 291 2515327
Website: www.hginfra.com

Corporate Office

IIIrd Floor, Sheel Mohar Plaza
A-1, Tilak Marg, C-Scheme
Jaipur 302 001, Rajasthan
India
Telephone: +91 141 4106040
Facsimile: +91 141 4106044
Website: www.hginfra.com

Address of the Registrar of Companies

Our Company is registered with the Registrar of Companies, Rajasthan, Jaipur, located at the following address:

Registrar of Companies, Rajasthan, Jaipur

Corporate Bhawan
G/6-7, Second Floor
Residency Area
Civil Lines
Jaipur 302 001, Rajasthan
India
Telephone: +91 141 2222465
Facsimile: +91 141 2222464

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 (years)	DIN	Address
Mr. Harendra Singh *Designation:* Chairman and Managing Director	50	00402458	Flat no. 101, Diamond Tower, Somdatt Landmark, Hawa Sarak, Jaipur, Rajasthan 302 006, India
Mr. Vijendra Singh *Designation:* Whole-time Director	52	01688452	Hotel Marudhar Compound, Manch Gaon, Abu Road, Block No. 3, Sirohi, Rajasthan 307 501, India

Name and Designation	Age (years)	DIN	Address
Mr. Girish Pal Singh *Designation:* Non-Executive Director	57	00487476	Plot no. 13, Khasra no. 1819/623, Jaldai Colony, Pali, Rajasthan 306 401, India
Mr. Ashok Kumar Thakur *Designation:* Independent Director	63	07573726	A-901, A Nandan Spectra, Mitcon Road, Opposite Ram Nagar Bus Stop, Balewadi, Pune 411 045, Maharashtra, India
Ms. Pooja Hemant Goyal *Designation:* Independent Director	39	07813296	1902, Bliss Citi Of Joy, Jata Shankar Dosa Road, Opposite Lok Everest, Mulund West, Mumbai 400 080, Maharashtra, India
Mr. Onkar Singh *Designation:* Independent Director	61	07853887	97, Padmavati Colony-B, Lane No. 5, Kings Road, Near Nirman Nagar, Jaipur 302019, Rajasthan, India

For brief profiles and further details in respect of our Directors, see "***Our Management***" on page 143.

Chief Financial Officer

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

IIIrd Floor, Sheel Mohar Plaza
A-1, Tilak Marg, C-Scheme
Jaipur 302 001
Rajasthan, India
Telephone: +91 141 4106040
Facsimile: +91 141 4106044
E-mail: rajeev.mishra@hginfra.com

Company Secretary and Compliance Officer

Ms. Ankita Mehra is the Company Secretary and Compliance Officer of our Company. Her contact details are as follows:

Ms. Ankita Mehra
IIIrd Floor, Sheel Mohar Plaza
A-1, Tilak Marg, C-Scheme
Jaipur 302 001, Rajasthan
India
Telephone: +91 141 4106040
Facsimile: +91 141 4106044
E-mail: cs@hginfra.com

Investors can contact the Company Secretary and Compliance Officer, the Registrar to the Offer in case of any pre-Offer or post-Offer 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 Offer related queries and for redressal of complaints, investors may also write to the BRLMs.

All grievances, other than of Anchor Investors may be addressed to the Registrar to the Offer 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 Offer, 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 **Telephone**: (+91 22) 2217 8300 **Facsimile**: (+91 22) 2218 8332 **E-mail**: hgiel.ipo@sbicaps.com **Investor Grievance E-mail**: investor.relations@sbicaps.com **Website**: www.sbicaps.com **Contact Person**: Mr. Aditya Deshpande / Mr. Ronak Shah **SEBI Registration No**.: INM000003531	**HDFC Bank Limited** Investment Banking Group, Unit No 401 & 402 4th Floor, Tower B Peninsula Business Park Lower Parel, Mumbai 400 013 Maharashtra, India **Tel :** +91 22 3395 8021 **Facsimile :** +91 22 30788584 **Email :** hginfra.ipo@hdfcbank.com **Investor Grievance Email**: investor.redressal@hdfcbank.com **Website:** www.hdfcbank.com **Contact Person:** Mr. Rakesh Bhunatar / Mr. Kunal Datt **SEBI Registration No.:** INM000011252

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

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

Sr. 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 finalization of Prospectus and RoC filing.	SBICAP and HDFC	SBICAP
2.	Drafting and approval of all statutory advertisement	SBICAP and HDFC	SBICAP
3.	Drafting and approval of all publicity material other than statutory advertisement as mentioned above including corporate advertising, brochure, etc.	SBICAP and HDFC	HDFC
4.	Appointment of intermediaries - Registrar to the Offer, advertising agency, printers and Bankers to the Offer and Monitoring Agency and coordinating with them for execution of their respective agreements.	SBICAP and HDFC	HDFC
5.	Marketing and road-show presentation and preparation of frequently asked questions for the road show team	SBICAP and HDFC	SBICAP
6.	Domestic & International Institutional marketing of the Offer, which will cover, *inter alia*: • Institutional marketing strategy; • Finalizing the list and division of domestic investors for one-to-one meetings; • Finalizing domestic road show and investor meeting schedule • Finalizing the list and division of international investors for one-to-one meetings; and • Finalizing international road show and investor meeting schedule	SBICAP and HDFC	SBICAP
7.	Retail and Non-institutional marketing of the Offer which will cover, *inter alia*, • Finalizing media, marketing and public relations strategy; • Finalizing centres for holding conferences for brokers, etc; • Follow-up on distribution of publicity and Offer material including form, the Prospectus and deciding on the quantum of the Offer material; and • Finalizing collection centres	SBICAP and HDFC	HDFC
8.	Coordination with Stock Exchanges for book building software, Bidding terminals and mock trading, payment of Securities	SBICAP and HDFC	SBICAP

Sr. No	Activity	Responsibility	Co-ordinator
	Transaction Tax on behalf of the Selling Shareholders, co-ordination with Stock Exchanges and SEBI for deposit.		
9.	Managing the book and finalization of pricing in consultation with the Company along with managing Anchor book.	SBICAP and HDFC	SBICAP
10.	Post-Offer activities including Anchor Investor related activities for post Offer, which shall involve essential follow-up steps including Anchor coordination, follow-up with Bankers to the Offer and SCSBs to get quick estimates of collection and advising the Company about the closure of the Offer, finalization 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-Offer activity such as Registrar to the Offer, Bankers to the Offer, SCSBs, including responsibility for execution of underwriting arrangement, as applicable. No-objection certificate from SEBI and release of 1% security deposit, handling of investor grievances for redressal and media compliance report.	SBICAP and HDFC	HDFC

Syndicate Members

[●]

Legal Counsel to the Offer, as to Indian Law

Shardul Amarchand Mangaldas & Co
Amarchand Towers
216, Okhla Industrial Estate Phase – III
New Delhi 110 020, India
Telephone: +91 11 4159 0700
Facsimile: +91 11 2692 4900

Legal Counsel to the Selling Shareholders as to Indian Law

M/s. Crawford Bayley & Co.
State Bank Buildings
4th Floor, N.G. N. Vaidya Marg
Fort, Mumbai 400 023
Maharashtra, India
Telephone: + 91 22 2266 3353
Facsimile: + 91 22 2266 3978

Advisors to the Offer

Choice Capital Advisors Private Limited
Shree Shakambhari Corporate Park
Plot no. 156-158 Chakravarti Ashok Society
J.B Nagar Andheri (East)
Mumbai 400 099
Maharashtra, India
Telephone: + 91 22 6707 9999
Facsimilie: + 91 22 6707 9959

Registrar to the Offer

Link Intime India Private Limited
C-101, 1st Floor, 247 Park, L.B.S. Marg
Vikhroli (West)
Mumbai 400 083
Maharashtra, India
Telephone: +91 22 4918 6200
Facsimile: +91 22 4918 6195

E-mail: hginfra.ipo@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Ms. Shanti Gopalkrishnan
SEBI Registration No.: INR000004058

Escrow Collection 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 Designated 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 submit Bid 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 to our Company

Price Waterhouse & Co Chartered Accountants LLP
252, Veer Savarkar Marg
Shivaji Park, Dadar
Mumbai 400 028
Maharashtra, India
Telephone: +91 22 6669 1000
Facsimile: +91 22 6654 7800
Email: ipo.he@in.pwc.com
Firm Registration No.: 304026E/E-300009
Peer Review Number: 007770

Bankers to our Company

HDFC Bank Limited Kamalkunj Branch Jaipur 302 001 Rajasthan, India **Telephone**: +91 95499 27999 **Facsimile**: N/A **Email**: deepaks.rathore@hdfcbank.com **Website**: www.hdfcbank.com **Contact Person**: Mr. Deepak Rathore	**Axis Bank Limited** Shanthi Tower, Sodala Hawa Sadak Road Jaipur 302 006 Rajasthan, India **Telephone**: +91 95499 27999 **Facsimile**: N/A **Email**: Anil5.Gupta@axisbank.com **Website**: www.axisbank.com **Contact Person**: Mr. Anil Gupta	**Yes Bank Limited** D-12, South Extension 2 New Delhi 110 049 India **Telephone:** +91 98111 32138 **Facsimile:** +91 11 2625 4000 **Email:** tanmay.biswas@yesbank.in **Website:** www.yesbank.in **Contact Person:** Mr. Tanmay Biswas

Grading of the Offer

No credit agency registered with SEBI has been appointed in respect of obtaining grading for the Offer.

Appraising Entity

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

Monitoring Agency

Our Company shall appoint a Monitoring Agency for the Fresh 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 written consent from the Statutory Auditors, Price Waterhouse & Co. Chartered Accountants LLP 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 September 25, 2017, on the Restated Standalone Financial Information and Restated Consolidated Financial Information of our Company, 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. A written consent under the provisions of the Companies Act, 2013 is different from a consent filed with the U.S. Securities and Exchange Commission under Section 7 of the U.S. Securities Act, 1933 ("**U.S. Securities Act**") which is applicable only to transactions involving securities registered under the U.S. Securities Act. As the Equity Shares are proposed to be offered as a part of an initial public offering in India and the Equity Shares have not been and will not be registered under the U.S. Securities Act, the Statutory Auditors have not given consent under Section 7 of the U.S. Securities Act. In this regard, the Statutory Auditors have given consent to be referred to as experts in this Draft Red Herring Prospectus in accordance with the requirements of the Companies Act, 2013. The term experts as used in this Draft Red Herring Prospectus is different from those defined under the U.S. Securities Act which is applicable only to transactions involving securities registered under the U.S. Securities Act. The reference to the Statutory Auditors as experts in this Draft Red Herring Prospectus is not made in the context of the U.S. Securities Act but solely in the context of this initial public offering in India.

Further, Tibrewal Chand & Co, Chartered Accountants has given its consent dated September 25, 2017 to include its name as an expert in respect of the Statement of Tax Benefits dated September 25, 2017 included in this Draft Red Herring Prospectus.

Credit Rating

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

Trustees

As the offer is of Equity Shares, the appointment of trustees is not required.

Book Building Process

Book building, in the context of the Offer, 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 and the Selling Shareholders, in consultation with the BRLMs, and advertised in [●] editions of [●] (a widely circulated English national daily newspaper) and [●] editions of [●] (a widely circulated Hindi national daily newspaper, Hindi also being the regional language in the place where our Registered Office is located), at least five Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchanges for the purposes of uploading on their website. The Offer Price shall be determined by our Company and the Selling Shareholders, in consultation with the BRLMs after the Bid/Offer Closing Date.

All Investors (except Anchor Investors) can participate in this Offer only through the ASBA process. Anchor Investors are not permitted to participate in the Offer 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/ Offer Period and withdraw their Bid(s) until Bid/ Offer 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 Offer will be on a proportionate basis. For further details on method and process of Bidding, see **"*Offer Structure*"** on page 334.

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.

Investors should note the Offer 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 Offer, 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 and the Selling Shareholders, in consultation with the BRLMs, will finalise the Offer Price at or below such cut-off, i.e., at or below ₹ 22. All bids at or above the Offer Price and cut-off price are valid bids and are considered for allocation in the respective categories.

Underwriting Agreement

After the determination of the Offer Price and allocation of Equity Shares but prior to the filing of the Prospectus with the RoC, our Company and the Selling Shareholders will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Offer. It is proposed that pursuant to the terms of the Underwriting Agreement, each of the BRLMs will be severally responsible for bringing in the amount devolved, in the event any of their respective Syndicate Members do not fulfill their underwriting obligations. 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).

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

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

		Aggregate nominal value (in ₹ except share data)	Aggregate value at Offer Price (in ₹ except share data)
A.	**AUTHORIZED SHARE CAPITAL***		
	80,000,000 Equity Shares	800,000,000	-
B.	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL PRIOR TO THE OFFER**		
	54,060,000 Equity Shares	540,600,000	-
C.	**THE OFFER****		
	[●] Equity Shares aggregating up to ₹ [●] million	[●]	[●]
	Comprising		
	Fresh Issue of [●] Equity Shares aggregating up to ₹ 3,000 million	[●]	[●]
	Offer for Sale of up to 6,000,000 Equity Shares by the Selling Shareholders	[●]	[●]
D.	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE OFFER**		
	[●] Equity Shares	[●]	
E.	**SHARE PREMIUM ACCOUNT**		
	Prior to the Offer		0.00
	After the Offer		[●]

* *For details in the changes of the authorized share capital of our Company, see "**History and Certain Corporate Matters – Amendments to our Memorandum of Association**" on page 138.*

** *The Offer has been authorized by our Board of Directors pursuant to their resolution dated September 6, 2017 and by our shareholders pursuant to their resolution passed at an annual general meeting held on September 8, 2017. The Selling Shareholders have specifically confirmed and authorized their respective participation in the Offer for Sale pursuant to their letters, each dated September 25, 2017. For details see "**Other Regulatory and Statutory Disclosures**" on page 318.*

Notes to Capital Structure

1. **Share Capital History**

Our Company was formed pursuant to the conversion of a partnership firm, M/s. Hodal Singh Giriraj Singh & Co., Jodhpur (the "**Partnership Firm**") into our Company, a joint stock company under Part IX of the Companies Act, 1956 on January 21, 2003. Pursuant to such conversion, the business of the Partnership Firm including among others, the business of public works department ("**PWD**"), railways, irrigation department in respect of roads, bridges, dams, supply of material and technical consultation was taken over by our Company. Mr. Bhagwan Singh, Mr. Hodal Singh, Mr. Pokhpal Singh, Mr. Girish Pal Singh, Mr. Vijendra Singh, Mr. Harendra Singh and Mr. Rajendra Singh were the erstwhile partners of the Partnership Firm. For further details, see "***History and Certain Corporate Matters – Conversion of Partnership Firm into our Company***" on page 137.

The Equity Share capital history of our Company is set forth below.

Date of allotment of Equity Shares	Number of Equity Shares alloted	Face value (₹) per Equity Share	Offer/ Purchase Price per Equity Share (₹)	Nature of Consideration (Cash/Bonus/Other than Cash)	Nature of allotment	Cumulative number of equity shares	Cumulative paid-up Equity Share capital (₹)
January 21, 2003	1,738,750	10	10	Pursuant to conversion of the capital account of the partnership	Subscription to the MoA(1)	1,738,750	17,387,500

Date of allotment of Equity Shares	Number of Equity Shares alloted	Face value (₹) per Equity Share	Offer/ Purchase Price per Equity Share (₹)	Nature of Consideration (Cash/Bonus/Other than Cash)	Nature of allotment	Cumulative number of equity shares	Cumulative paid-up Equity Share capital (₹)
				firm			
March 4, 2005	11,250	10	10	Cash	Further Issue(2)	1,750,000	17,500,000
March 31, 2010	1,000,000	10	10	Cash	Further Issue(3)	2,750,000	27,500,000
January 18, 2011	2,250,000	10	10	Cash	Further Issue(4)	5,000,000	50,000,000
March 25, 2011	2,500,000	10	10	Cash	Further Issue(5)	7,500,000	75,000,000
September 30, 2011	2,500,000	10	10	Cash	Further Issue(6)	10,000,000	100,000,000
March 31, 2012	2,250,000	10	10	Cash	Further Issue(7)	12,250,000	122,500,000
March 31, 2013	3,000,000	10	10	Cash	Further Issue(8)	15,250,000	152,500,000
Offer of Equity Shares in the last two years							
February 29, 2016	2,000,000	10	10	Cash	Rights Issue(9)	17,250,000	172,500,000
March 31, 2016	770,000	10	10	Cash	Rights Issue(10)	18,020,000	180,200,000
September 11, 2017	36,040,000	10	-	N.A.	Bonus issue of 2 Equity Shares for every 1 Equity Share held(11)	54,060,000	540,600,000
TOTAL	**54,060,000**						

[1] *Subscription to 53,831 Equity Shares by Mr. Bhagwan Singh, 452,647 Equity Shares by Mr. Hodal Singh, 25,843 Equity Shares by Mr. Pokhpal Singh, 324,255 Equity Shares by Mr. Girish Pal Singh, 408,257 Equity Shares by Mr. Vijendra Singh, 442,572 Equity Shares by Mr. Harendra Singh and 31,345 Equity Shares by Mr. Rajendra Singh on January 21, 2003, pursuant to conversion of the Partnership Firm, into our Company, a joint stock company under Part IX of the Companies Act, 1956. For details, see "**History and Certain Corporate Matters - Conversion of Partnership Firm into our Company**" on page 137.*

[2] *Allotment of 5,625 Equity Shares to Ms. Poonam Singh and Ms. Nisha Singh, each.*

[3] *Allotment of 450,000 Equity Shares to Mr. Hodal Singh, 50,000 Equity Shares to Mr. Girish Pal Singh, 110,000 Equity Shares to Mr. Vijendra Singh and 390,000 Equity Shares to Mr. Harendra Singh.*

[4] *Allotment of 300,000 Equity Shares to Mr. Hodal Singh, 750,000 Equity Shares to Mr. Girish Pal Singh, 700,000 Equity Shares to Mr. Vijendra Singh and 500,000 Equity Shares to Mr. Harendra Singh.*

[5] *Allotment of 240,000 Equity Shares to Mr. Hodal Singh, 925,000 Equity Shares to Mr. Girish Pal Singh, 665,000 Equity Shares to Mr. Vijendra Singh, 600,000 Equity Shares to Mr. Harendra Singh and 70,000 Equity Shares to Mr. Vaibhav Choudhary.*

[6] *Allotment of 273,700 Equity Shares to Mr. Hodal Singh, 669,600 Equity Shares to Mr. Girish Pal Singh, 882,100 Equity Shares to Mr. Vijendra Singh and 674,600 Equity Shares to Mr. Harendra Singh.*

[7] *Allotment of 360,000 Equity Shares to Mr. Hodal Singh, 200,000 Equity Shares to Mr. Girish Pal Singh, 450,000 Equity Shares to Mr. Vijendra Singh, 760,000 Equity Shares to Mr. Harendra Singh, 230,000 Equity Shares to Mr. Vaibhav Choudhary and 250,000 Equity Shares to Harendra Singh HUF.*

[8] *Allotment of 450,000 Equity Shares to Mr. Hodal Singh, 1,000,000 Equity Shares to Mr. Girish Pal Singh, 400,000 Equity Shares to Mr. Vijendra Singh, 900,000 Equity Shares to Mr. Harendra Singh, 50,000 Equity Shares to Mr. Vaibhav Choudhary and 200,000 Equity Shares to Ms. Nisha Singh.*

[9] *Allotment of 500,000 Equity Shares to Mr. Hodal Singh, 500,000 Equity Shares to Mr. Girish Pal Singh, 850,000 Equity Shares to Mr. Harendra Singh and 150,000 Equity Shares to Ms. Poonam Singh pursuant to a Rights Issue.*

[10] *Allotment of 600,000 Equity Shares to Mr. Vijendra Singh, 70,000 Equity Shares to Ms. Nisha Singh and 100,000 Equity Shares to Mr. Vaibhav Choudhary pursuant to a Rights Issue.*

[11] *Allotment of 8,945,372 Equity Shares to Mr. Girish Pal Singh, 8,482,400 Equity Shares to Mr. Vijendra Singh, 10,234,344 Equity Shares to Mr. Harendra Singh, 6,115,384 Equity Shares to Mr. Hodal Singh, 311,250 Equity Shares to Ms. Poonam Singh, 551,250 Equity Shares to Ms. Nisha Singh, 900,000 Equity Shares to Mr. Vaibhav Choudhary and 500,000 Equity Shares to Harendra Singh HUF.*

As on the date of this Draft Red Herring Prospectus, the Company does not have any authorized, issued, subscribed or paid-up preference share capital.

2. **Issue of shares for consideration other than cash**

(a) Except the initial subscription of Equity Shares pursuant to subscription of the Memorandum of Association on January 21, 2003, and the allotment of 36,040,000 Equity Shares pursuant to a bonus issue dated September 11, 2017, our Company has not issued any Equity Shares for consideration other than cash. For details of the issuance of Bonus shares, see "***- Notes to Capital Structure – Share Capital History***" on page 72.

(b) *Issue of shares out of Revaluation Reserves*

As on the date of this Draft Red Herring Prospectus, our Company has not issued any Equity Shares out of revaluation reserves, since incorporation.

3. **Issue of Equity Shares in the last one year**

Except the issuance of 36,040,000 Bonus shares dated September 11, 2017 in the ratio of 2 Equity Shares to 1 Equity Shares, our Company has not issued any Equity Shares in the one year immediately preceding the date of this Draft Red Herring Prospectus at a price which may be lower than the Offer Price.

4. **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.

5. **Build-up of our Promoters' Shareholding, Promoters' Contribution and Lock-In**

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

As on the date of this Draft Red Herring Prospectus, our Promoters collectively hold 41,493,174 Equity Shares, which constitutes 76.75% of the issued, subscribed and paid-up Pre-Offer Equity Share capital of our Company.

The build-up of the Equity Shareholding of our Promoters, since the incorporation of our Company is set forth below.

Date of allotment /transfer	No. of Equity Shares	Face value (₹)	Offer/Purchase /Selling Price per Equity Share (₹)	Cash/Bonus/ Other than Cash	Nature of allotment / transfer	Percentage of pre-Offer issued Equity Share Capital (%)	Percentage of post-Offer issued Equity Share Capital (%)
Mr. Harendra Singh							
January 21, 2003	442,572	10	10	Pursuant to conversion of the capital account of the partnership firm	Subscription to MoA	0.82	[●]
March 31, 2010	390,000	10	10	Cash	Further issue	0.72	[●]
January 18, 2011	500,000	10	10	Cash	Further issue	0.92	[●]
March 25, 2011	600,000	10	10	Cash	Further issue	1.11	[●]
September 30, 2011	674,600	10	10	Cash	Further issue	1.25	[●]

Date of allotment /transfer	No. of Equity Shares	Face value (₹)	Offer/Purchase /Selling Price per Equity Share (₹)	Cash/Bonus/ Other than Cash	Nature of allotment / transfer	Percentage of pre-Offer issued Equity Share Capital (%)	Percentage of post-Offer issued Equity Share Capital (%)
March 31, 2012	760,000	10	10	Cash	Further issue	1.41	[●]
March 31, 2013	900,000	10	10	Cash	Further issue	1.67	[●]
February 29, 2016	850,000	10	10	Cash	Rights Issue	1.57	[●]
September 11, 2017	10,234,344	10	-	N.A.	Bonus issue of 2 Equity Shares for every 1 Equity Share held	18.93	[●]
Total (A)	**15,351,516**					**28.40**	**[●]**
Mr. Vijendra Singh							
January 21, 2003	408,257	10	10	Pursuant to conversion of the capital account of the partnership firm	Subscription to MoA	0.76	[●]
March 15, 2005	25,843	10	10	Cash	Acquisition from Mr. Pokhpal Singh	0.05	
March 31, 2010	110,000	10	10	Cash	Further issue	0.20	[●]
January 18, 2011	700,000	10	10	Cash	Further issue	1.29	[●]
March 25, 2011	665,000	10	10	Cash	Further issue	1.23	[●]
September 30, 2011	882,100	10	10	Cash	Further issue	1.63	[●]
March 31, 2012	450,000	10	10	Cash	Further issue	0.83	[●]
March 31, 2013	400,000	10	10	Cash	Further issue	0.74	[●]
March 31, 2016	600,000	10	10	Cash	Rights Issue	1.11	[●]
September 11, 2017	8,482,400	10	-	N.A.	Bonus issue of 2 Equity Shares for every 1 Equity Share held	15.69	[●]
Total (B)	**12,723,600**					**23.53**	[●]
Mr. Girish Pal Singh							
January 21, 2003	324,255	10	10	Pursuant to conversion of the capital account of the partnership firm	Subscription to MoA	0.60	[●]
March 15, 2005	53,831	10	10	Cash	Acquisition from Mr. Bhagwan Singh	0.10	[●]
March 31, 2010	50,000	10	10	Cash	Further issue	0.09	[●]
January 18, 2011	750,000	10	10	Cash	Further issue	1.39	[●]

Date of allotment /transfer	No. of Equity Shares	Face value (₹)	Offer/Purchase /Selling Price per Equity Share (₹)	Cash/Bonus/ Other than Cash	Nature of allotment / transfer	Percentage of pre-Offer issued Equity Share Capital (%)	Percentage of post-Offer issued Equity Share Capital (%)
March 25, 2011	925,000	10	10	Cash	Further issue	1.71	[●]
September 30, 2011	669,600	10	10	Cash	Further issue	1.24	[●]
March 31, 2012	200,000	10	10	Cash	Further issue	0.37	[●]
March 31, 2013	1,000,000	10	10	Cash	Further issue	1.85	[●]
February 29, 2016	500,000	10	10	Cash	Rights Issue	0.92	[●]
September 11, 2017	8,945,372	10	-	N.A.	Bonus issue of 2 Equity Shares for every 1 Equity Share held	16.55	[●]
Total (C)	**13,418,058**					**24.82**	[●]
Total (A+B+C)	**41,493,174**					**76.75**	

Our Promoters have confirmed to our Company and the BRLMs that the Equity Shares held by our Promoters have been financed from their personal funds or internal accruals, as the case may be, and no loans or financial assistance from any bank or financial institution has been availed by them for such purpose.

(b) *Shareholding of our Promoters and our Promoter Group*

Set forth below is the shareholding of our Promoters and our Promoter Group, as on the date of this Draft Red Herring Prospectus.

Name of Shareholder	Pre-Offer		Post-Offer*	
	No. of Equity Shares	Percentage of issued Equity Share capital (%)	No. of Equity Shares	Percentage of issued Equity Share capital (%)
Promoters				
Mr. Harendra Singh	15,351,516	28.40	[●]	[●]
Mr. Vijendra Singh	12,723,600	23.53	[●]	[●]
Mr. Girish Pal Singh	13,418,058	24.82	[●]	[●]
Sub Total (A)	**41,493,174**	**76.75**	[●]	[●]
Promoter Group				
Mr. Hodal Singh	9,173,076	16.97	[●]	[●]
Ms. Poonam Singh	466,875	0.86	[●]	[●]
Ms. Nisha Singh	826,875	1.53	[●]	[●]
Mr. Vaibhav Choudhary	1,350,000	2.50	[●]	[●]
Harendra Singh HUF	750,000	1.39	[●]	[●]
Sub Total (B)	**12,566,826**	**23.25**	[●]	[●]
Total Promoter and Promoter Group (A) + (B)	**54,060,000**	**100.00**	[●]	[●]

**Assuming full subscription in the Offer, and assuming that all the Equity Shares offered by the Selling Shareholders as part of the Offer for Sale are transferred pursuant to this Offer.*

(c) *Details of Promoter's Contribution Locked-in for Three Years*

Pursuant to the SEBI ICDR Regulations, an aggregate of at least 20% of the fully-diluted post-Offer paid-up Equity Share capital of our Company held by our Promoters shall be locked-in for a period of three years from the date of Allotment. All Equity Shares held by our Promoters are eligible for Promoters' contribution, pursuant to Regulation 33 of the SEBI ICDR Regulations.

Accordingly, pursuant to the SEBI ICDR Regulations, Equity Shares aggregating 20% of the fully-diluted post-Offer paid-up capital of our Company, held by our Promoters shall be locked-in for a period of three years from the date of Allotment in the Offer as follows:

Name of Promoter	Date of allotment/ transfer	Offer/Purchase /Selling Price per Equity Share (₹)	Nature of allotment / transfer	Number of Equity Shares locked-in as part of Promoter's Contribution	Face Value (₹)	Percentage of pre-Offer Capital	Percentage of post-Offer Capital
[●]	[●]	[●]	[●]	[●]	10	[●]	[●]
[●]	[●]	[●]	[●]	[●]	10	[●]	[●]
[●]	[●]	[●]	[●]	[●]	10	[●]	[●]
Total				**[●]**	**10**	**[●]**	**20.00**

Note: To be incorporated upon finalization of the Offer Price

For details on build-up of Equity Shares held by our Promoters, see "***– Build-up of our Promoters' shareholding in our Company***" on page 74.

Our Promoters have given their consent for the inclusion of the Equity Shares held by them as part of Promoter's contribution subject to lock-in and the Equity Shares proposed to form part of Promoters' contribution subject to lock-in shall not be disposed/ sold/ transferred by our Promoters during the period starting from the date of filing this Draft Red Herring Prospectus with the SEBI until the date of commencement of the lock-in period.

The Promoters' contribution has been brought in to the extent of not less than the specified minimum lot and from the persons defined as 'promoters' under the SEBI ICDR Regulations. The Equity Shares that are being locked-in are not ineligible for computation of Promoters' contribution under Regulation 33 of the SEBI ICDR Regulations. In this respect, we confirm the following:

i. the Equity Shares offered for minimum Promoters' contribution have not been acquired in the three years immediately preceding the date of this Draft Red Herring Prospectus for consideration other than cash and revaluation of assets or capitalization of intangible assets, nor have resulted from a bonus issue out of revaluation reserves or unrealized profits of our Company or against Equity Shares which are otherwise ineligible for computation of Promoter's contribution;

ii. the minimum Promoters' contribution does not include any Equity Shares acquired during the one year immediately 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 Offer;

iii. no Equity Shares have been issued to our Promoters in the last one year preceding the date of this Draft Red Herring Prospectus pursuant to conversion of a partnership firm; and

iv. the Equity Shares held by our Promoters which are offered for 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-Offer 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, locked-in Equity Shares for one year held by our Promoters 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 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 Offer.

Pursuant to Regulation 40 of the SEBI ICDR Regulations, the Equity Shares held by persons other than our Promoters prior to the Offer may be transferred to any other person holding Equity Shares which are locked-in, subject to the continuation of the lock-in in the hands of transferees for the remaining period and compliance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (the "**SEBI Takeover Regulations**").

Pursuant to Regulation 40 of the SEBI ICDR Regulations, Equity Shares held by our Promoters may be transferred to and among the members of our Promoter Group or to new promoters or persons in control of our Company, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI Takeover Regulations.

6. **Shareholding Pattern of our Company**

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

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) (VIII) 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 % total shares held (b)	No. (a)	As a % total shares held (b)	
								Class eg: X (Equity Shares)	Class eg: Y	Total								
(A)	**Promoter & Promoter Group**	8	54,060,000	Nil	Nil	54,060,000	100	54,060,000	NA	54,060,000	100	NA	100	NA	NA	NA	NA	54,060,000
(B)	**Public**	Nil	Nil	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
(C)	**Non Promoter-Non Public**	Nil	Nil	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
(1)	**Shares underlying Custodian/Depository Receipts**	Nil	Nil	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
(2)	**Shares held by Employee Trusts**	Nil	Nil	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	Total (A)+(B)+(C)	**8**	**54,060,000**	**NA**	**NA**	**54,060,000**	**100**	**54,060,000**	**NA**	**54,060,000**	**100**	**NA**	**100**	**NA**	**NA**	**NA**	**NA**	**54,060,000**

7. The BRLMs and their associates do not hold any Equity Shares in our Company as on the date of this Draft Red Herring Prospectus.

8. **Shareholding of our Directors and our Key Managerial Personnel**

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

Name	No. of Equity Shares	% of pre-Offer Equity Share capital
Mr. Harendra Singh	15,351,516	28.40
Mr. Vijendra Singh	12,723,600	23.53
Mr. Girish Pal Singh	13,418,058	24.82
Total	**41,493,174**	**76.75**

9. The 10 largest shareholders of our Company, and the respective number of Equity Shares held by them as on the date of filing, 10 days prior to the date of filing, and two years prior to the date of filing of this Draft Red Herring Prospectus, are set forth below.

(a) Our Company has eight shareholders as on the date of this Draft Red Herring Prospectus and 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.	Name of Shareholder	No. of Equity Shares	Percentage shareholding (%)
1.	Mr. Harendra Singh	15,351,516	28.40
2.	Mr. Girish Pal Singh	13,418,058	24.82
3.	Mr. Vijendra Singh	12,723,600	23.53
4.	Mr. Hodal Singh	9,173,076	16.97
5.	Mr. Vaibhav Choudhary	1,350,000	2.50
6.	Ms. Nisha Singh	826,875	1.53
7.	Harendra Sigh HUF	750,000	1.39
8.	Ms. Poonam Singh	466,875	0.86
	Total	**54,060,000**	**100.00**

(b) Our Company had eight shareholders two years prior to the date of this Draft Red Herring Prospectus (i.e., September 27, 2015), and the number of equity shares held by them are as set forth below.

S. No.	Name of Shareholder	No. of Equity Shares	Percentage shareholding (%)
1.	Mr. Harendra Singh	4,267,172	27.98
2.	Mr. Girish Pal Singh	3,972,686	26.05
3.	Mr. Vijendra Singh	3,641,200	23.87
4.	Mr. Hodal Singh	2,557,692	16.77
5.	Mr. Vaibhav Choudhary	350,000	2.30
6.	Harendra Sigh HUF	250,000	1.64
7.	Ms. Nisha Singh	205,625	1.35
8.	Ms. Poonam Singh	5,625	0.04
	Total	**15,250,000**	**100.00**

10. As on the date of this Draft Red Herring Prospectus, there is no public shareholder in our Company.

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

12. Subject to valid Bids being received at or above the Offer Price, 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 and the Selling Shareholders in consultation with the BRLMs and the Designated Stock Exchange.

13. Our Company has not allotted any Equity Shares pursuant to any scheme approved under Sections 391 to 394 of the Companies Act 1956.

14. As on the date of this Draft Red Herring Prospectus, there are no partly paid-up Equity Shares of our Company.

15. All the Equity Shares offered through the Offer will be fully paid-up at the time of Allotment.

16. As on the date of this Draft Red Herring Prospectus, our Company has eight shareholders.

17. Over-subscription to the extent of 10% of the Offer can be retained for the purpose of rounding off to the nearer multiple of minimum allotment lot while finalizing the basis of Allotment.

18. Our Promoters, members of our Promoter Group, our Directors and the BRLMs have not entered into any buy-back, safety net or standby arrangements for purchase of Equity Shares being offered through the Offer from any person.

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

20. Our Company has not raised any bridge loans against the Net Proceeds.

21. No payment, direct or indirect in the nature of discount, commission and allowance or otherwise shall be made either by us or our Promoters to the person who may receive allotment in this Offer.

22. The Offer is being made in terms of Rule 19(2)(b)(i) of the SCRR, through the Book Building Process and in compliance with Regulation 26(1) of the SEBI ICDR Regulations, wherein 50% of the Offer shall be Allotted to QIBs, provided that the Company and the Selling Shareholders 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**"), 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, 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 Offer Price. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Offer 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 Offer Price.

23. We currently do not intend to or propose any further issue of Equity Shares whether by way of issue of bonus shares, preferential allotment and rights issue or alter the capital structure in any other manner during the period commencing from the date of this Draft Red Herring Prospectus with the SEBI until the Equity Shares offered through the Red Herring Prospectus have been listed on the Stock Exchanges or all application moneys have been refunded, as the case may be.

24. We currently do not intend or propose to alter our Company's capital structure for a period of six months from the Bid/Offer 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, directly or indirectly for Equity Shares) whether on a preferential basis or by way of issue of bonus issue or on a rights basis or by way of further public issue of Equity Shares or qualified institutional placements or otherwise. However, if we enter into any acquisitions, joint ventures or other arrangements, we may, subject to necessary approvals, consider raising additional capital to fund such activity or use the Equity Shares as currency for acquisition or participation in such acquisitions or joint ventures.

25. 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 the SEBI from time to time.

26. 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 Offer under the Anchor Investor Portion.

27. There has been no financing arrangement whereby our Promoter Group, our Directors, or any of 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.

28. Except to the extent of the Equity Shares offered by the Selling Shareholders for sale in the Offer for Sale, our Promoters, members of our Promoter Group and Group Company will not participate in the Offer.

29. Transactions in Equity Shares by the Promoter and members of the Promoter Group, if any, between the date of registering the Red Herring Prospectus with the RoC and the Bid/Offer Closing Date shall be reported to the Stock Exchanges within 24 hours of such transactions being completed.

30. A Bidder cannot submit a Bid for more than the number of Equity Shares offered in the Offer and such bids are subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.

31. Except as provided above in "***Notes to Capital Structure – 1. Share Capital History***" on page 72, our Company has not made any public issue of its Equity Shares or rights issue of any kind since its incorporation.

OBJECTS OF THE OFFER

The Offer comprises a Fresh Issue of [●] Equity Shares, aggregating up to ₹ 3,000 million by our Company and an Offer for Sale of up to 6,000,000 Equity Shares, aggregating to ₹ [●] million by the Selling Shareholders.

The Offer for Sale

Each of the Selling Shareholders will be entitled to the respective proportion of the proceeds of the Offer for Sale. Other than the listing fees (which shall be borne by our Company), all expenses in relation to the Offer will be shared among our Company and the Selling Shareholders in proportion to the Equity Shares being offered or sold by them, respectively, pursuant to the Offer and in accordance with applicable law. Our Company will not receive any proceeds of the Offer for Sale by the Selling Shareholders.

The Fresh Issue

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

(a) Purchasing capital equipment;
(b) Repayment/ prepayment in part or in full, of certain indebtedness; and
(c) General corporate purposes.

(together, the "**Objects of the Fresh Issue**")

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 clause of our Memorandum of Association enables us to undertake the activities for which the funds are being raised by us in the Fresh Issue. Further, the activities we have been carrying out until now are in accordance with the main objects clause of our Memorandum of Association.

Offer Proceeds

The details of the proceeds of the Offer are summarized in the table below.

(₹ in million)

S. No.	Particulars	Amount*
(a)	Gross Proceeds of the Offer	[●]
(b)	Proceeds of the Offer for Sale*	[●]
(c)	Offer Expenses (only those apportioned to our Company)**	[●]
(d)	Net Proceeds of the Fresh Issue (excluding the proceeds of the Offer for Sale and the Offer Expenses to be borne by the Company) ("**Net Proceeds**")	[●]

**To be finalized upon determination of Offer Price.*
***Our Company will bear all costs, charges, fees and expenses associated with and incurred in connection with this Offer, other than such costs, charges, fees or expenses required to be borne by our Company and the Selling Shareholders in proportion to the Equity Shares being offered by each of our Company and the Selling Shareholders in this Offer, in accordance with Applicable Law.*

Utilization of Net Proceeds

The Net Proceeds are currently expected to be utilized in accordance with the schedule as set forth below:

(₹ in million)

S. No.	Particulars	Amount
1.	Purchasing capital equipment	900.00
2.	Repayment/ prepayment of certain indebtedness	1,157.09
3.	General corporate purposes*	[●]
	Total	[●]

**To be finalized upon determination of the Offer Price.*

Schedule of Implementation and Deployment of Funds

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

(₹ in million)

S. No.	Particulars	Amount proposed to be funded from the Net Proceeds	Estimated Utilization in Fiscal 2018	Estimated Utilization in Fiscal 2019
1.	Purchasing capital equipment	900.00	450.00	450.00
2.	Repayment/ prepayment of certain indebtedness	1,157.09	1,157.09	-
3.	General corporate purposes*	[●]	[●]	[●]
	Total	**[●]**	**[●]**	**[●]**

**To be finalized upon determination of the Offer Price.*

Means of finance

We propose to fund the entire requirements of the Objects of the Fresh Issue detailed above entirely from the Net Proceeds. Accordingly, Paragraph VII C of Part A of Schedule VIII of the SEBI ICDR Regulations (which requires firm arrangements to be made through verifiable means towards 75% of the stated means of finance, excluding the amount proposed to be raised through the Issue) does not apply.

Our fund requirements and deployment of the Net Proceeds are based on internal management estimates as per our business plan approved by our Board based on current market conditions, and have not been appraised by any bank, financial institution or other independent agency. In view of the competitive environment of the industry in which we operate, we may have to revise our business plan from time to time and consequently our capital and operational expenditure requirements may also change. Our Company's historical capital and operational expenditure may not be reflective of our future expenditure plans. We may have to revise our estimated costs, fund allocation and fund requirements owing to factors such as economic and business conditions, increased competition and other external factors which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of our management.

In case of any increase in the actual utilization of funds earmarked for the Objects of the Fresh Issue, such additional funds for a particular activity will be met by way of means available to our Company, including from internal accruals and any additional equity and/or debt arrangements. If the actual utilization towards any of the Objects of the Fresh Issue is lower than the proposed deployment such balance will be used for future growth opportunities including funding existing Objects of the Fresh Issue, if required and general corporate purposes. In the event that estimated utilization out of the Net Proceeds in a fiscal is not completely met, the same shall be utilized in the next fiscal. 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.

Details of the Objects of the Fresh Issue

1. Purchasing capital 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 ₹ 900.00 million out of the Net Proceeds towards such purchasing capital equipment which includes (i) laying equipment, (ii) loading equipment, (iii) plant equipment, and (iv) material handling equipment.

While we propose to utilize ₹ 900 million towards purchasing capital equipment, based on our current estimates, the specific number and nature of such equipment to be procured by our Company will depend on our business requirements and the details of our capital equipment to be procured from the Net Proceeds will be suitably updated at the time of filing of the Red Herring Prospectus with the RoC.

An indicative list of such (i) laying equipment, (ii) loading equipment, (iii) plant equipment, and (iv) material handling equipment that we intend to purchase, along with details of the quotations we have received in this respect is set forth below.

(₹ *in million)*

S. No.	Description of Equipment	Cost per unit	Date of Quotation
Laying equipment			
1.	7 Mtr Volvo Asphalt Paver	8.87	August 26, 2017
2.	Volvo Vibratory Soil Compactor	2.20	August 26, 2017
3.	Volvo PTR	4.00	August 26, 2017
4.	Volvo Vibratory Asphalt Compactor	2.34	August 26, 2017
Loading equipment			
5.	Excavator 20 T	5.42	August 26, 2017
6.	Excavator 14 T	4.60	August 26, 2017
7.	Volvo Wheel Loader	12.30	August 26, 2017
Plant equipment			
8.	Crusher 270 TPH Rapid 3Stage	60.00	August 26, 2017
9.	Rapid Crushing Unit NW220GPD 250 TPH	27.50	August 23, 2017
10.	Hot Mix Plant 160 TPH	60.18	August 26, 2017
11.	Concrete batching plant – CRP 600	6.84	August 31, 2017
12.	Concrete batching plant – CRP 1200	15.89	August 31, 2017
Material handling equipment			
13.	Tipper 25 T	3.47	August 26, 2017
14.	Tipper 12 Wheeled	3.51	August 26, 2017
15.	Tipper 14 Wheeled	3.59	August 26, 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 for our EPC business 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.

2. Repayment/ prepayment in full or in part, of certain indebtedness

Our Company has entered into various financing arrangements with banks and other lenders. Arrangements entered into by our Company include term loans for the purpose of financing capital expenditure and long term working capital requirements and secured working capital loans. As on July 31, 2017, the aggregate amount of loans outstanding under our various financing arrangements was ₹ 2,729.04 million, comprising of term loans of ₹ 1,843.11 million and secured working capital loans of ₹ 885.93 million. For details of our indebtedness, see "***Financial Indebtedness***" on page 306.

We intend to utilize up to ₹ 1,157.09 million from the Net Proceeds towards repayment/ prepayment in full or in part, of certain such term loans. We believe such repayment or prepayment of the loan facilities will reduce our debt to equity ratio and our finance costs.

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 July 31, 2017 (%)	Repayment Schedule**	Prepayment Penalty	Amount outstanding as on July 31, 2017*
Axis Bank Limited	Total of 41 Capital Equipment Financing Loan	153.42	Within the range of 8.30% to 8.35%	38 facilities repayable in 37 instalments and 3 facility repayable in 35 instalments from the date of sanction	5% of the outstanding amount	141.76
HDB Financial Services Limited	Total of 9 Capital Equipment Financing Loan	54.18	Within the range of 6.42% to 9.22%	4 facilities repayable in 23 instalments and 5 facilities repayable in 29 instalments from the date of sanction	4% of the outstanding amount if prepaid between 7 and 36 months along with additional taxes, and beyond 36 months, 2% of the principal outstanding along with additional taxes	53.87
SREI Equipment Finance Limited	Total of 22 Capital Equipment Financing Loan	507.35	Within the range of 6.71% to 9.84%	21 facilities repayable in 35 instalments and 1 facility repayable in 6 instalments from the date of sanction	4% of the outstanding amount	486.38
Sundaram Finance Limited	Total of 9 Capital Equipment Financing Loan	98.02	Within the range of 7.45% to 9.14%	Repayable in 35 instalments from the date of sanction	3% on the principal outstanding amount	77.35
Tata Capital Financial Services Limited	Total of 25 Capital Equipment Financing Loan	260.62	Within the range of 4.49% to 9.88%	Repayable in 35 instalments from the date of sanction	4% of the outstanding amount or ₹ 5,000, whichever is higher	226.54
Tata Motors Finance Limited	Total of 89 Capital Equipment Financing Loan	224.96	10%	Repayable in 30 instalments from the date of sanction	4% of the outstanding loan or ₹ 5,000, whichever is higher	205.35
Yes Bank Limited	Total of 45 Capital Equipment Financing Loan	105.09	Within the range of 9.1% to 9.30%	15 facilities repayable in 35 instalments and 30 facilities repayable in 36 instalments from the date of sanction	If prepaid within 7 to 24 months, 4% of the principal outstanding amount along with applicable tax and post 24 months, 2% of the principal outstanding along	96.95

Lender	Nature and purpose of loan facility availed	Sanctioned Amount	Rate of interest as on July 31, 2017 (%)	Repayment Schedule**	Prepayment Penalty	Amount outstanding as on July 31, 2017*
					with applicable tax	
Total		**1,403.64**				**1,288.20**

** As per certificate issued by Tibrewal Chand & Co, Chartered Accountants, dated September 25, 2017.*

*** The repayment schedule is based on the total sanctioned amount for each of the financing arrangements.*

Note: Our Company proposes to utilize ₹ 1,035.79 million out of the Net Proceeds towards repayment of credit facilities details of which are disclosed in the table hereinabove. However, our Company has made two more credit arrangements with SREI Equipment Finance Limited for an aggregate amount of ₹ 139.50 million. No amount from these two facilities has been drawn-down as on the date of this Draft Red Herring Prospectus and therefore, the details for these two facilities have not been separately disclosed in the table above. Our Company proposes to repay ₹ 121.30 million from the Net Proceeds towards these two loan facilities. Accordingly, the aggregate amount that we propose to use towards repayment of indebtedness is ₹ 1,157.09 million.

As per the certificate dated September 25, 2017 issued by Tibrewal Chand & Co, 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 306.

Our Company will approach the lenders after completion of this Offer for repayment/ prepayment of some of the above high-cost loans. The amounts under our loan facilities may be dependent on various factors and may include intermediate repayments and drawdowns. Accordingly, it may be possible that amount outstanding under our loan facilities may vary from time to time. We may, from time to time, repay, refinance, enter into further financing arrangements or draw down funds from any such existing term loan facilities. In such event, we may utilize the Net Proceeds towards repayment/pre-payment of any existing or additional indebtedness which will be selected based on various commercial considerations including, among others, the interest rate on the loan facility, the amount of the loan outstanding and the remaining tenor of the loan, any conditions attached to the borrowings restricting our ability to pre-pay/ repay the borrowings, receipt of consents for pre-payment from the respective lenders and applicable law governing such borrowings. In the event that the outstanding amounts were to vary prior to filing of the Red Herring Prospectus with the RoC, we may revise our utilization of the Net Proceeds towards repayment of amounts under the identified loans, subject to compliance with the SEBI ICDR Regulations, Companies Act and other applicable laws. However, the aggregate amount to be utilised from the Net Proceeds towards repayment/ prepayment of loans, in part or full, will not exceed ₹ 1,157.09 million.

We may be required to obtain the prior consent of or notify certain of our lenders prior to the repayment/pre-payment. Further, we may be subject to the levy of pre-payment penalties or premiums, depending on the facility being repaid/prepaid, the conditions specified in the relevant documents governing such credit facility and the amount outstanding/being pre-paid/repaid, as applicable. Payment of pre-payment penalty or premium, if any, shall be made by our Company from the Net Proceeds. If the Net Proceeds are insufficient for making payments for such pre-payment penalties or premiums, such excessive amount shall be met from our internal accruals.

3. *General Corporate Purposes*

The Net Proceeds will be first utilized towards the Objects of the Fresh Issue mentioned above. The balance is proposed to be utilized for general corporate purposes, subject to such utilization not exceeding 25% of the proceeds of the Fresh Issue, in compliance with the SEBI ICDR Regulations. Our Company intends to deploy the balance Net Proceeds, if any, for general corporate purposes, subject to above mentioned limit, as may be approved by our management, including the following:

(i) strategic initiatives;
(ii) funding growth opportunities;
(iii) repayment/ prepayment of short-term debt;
(iv) strengthening marketing capabilities and brand building exercises;
(v) meeting ongoing general corporate exigencies; and
(vi) any other purpose as may be approved by the Board.

The quantum of utilization of funds towards each of the above purposes will be determined by our Board based on the permissible amount actually available under the head 'General Corporate Purposes' and the business requirements of our Company, from time to time.

Offer Related Expenses

The total expenses of the Offer are estimated to be approximately ₹ [●] million. The expenses of this Offer 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 Offer, Bankers to the Offer, processing fee to the SCSBs for processing Bid cum Application Forms, brokerage and selling commission payable to Registered Brokers, CRTAs 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 Offer expenses are as follows:

S. No.	Activity	Estimated amount* (₹ in million)	As a % of total estimated Offer Expenses*	As a % of Offer 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 Offer	[●]	[●]	[●]
5.	Listing fees, SEBI filing fees, book building software fees and other regulatory expenses, printing and stationery expenses, advertising and marketing expenses for the Offer and fees payable to the legal counsel	[●]	[●]	[●]
6.	Other Advisors to the Offer	[●]	[●]	[●]
7.	Miscellaneous	[●]	[●]	[●]
	Total Estimated Offer Expenses	[●]	[●]	[●]

* *To be incorporated in the Prospectus after finalization of the Offer 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 and the Selling Shareholders 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 and Selling Shareholders before the opening of the Offer.

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 and the Selling Shareholders to Registered Brokers, RTAs and CDPs.

All costs, fees and expenses in respect of the Offer (other than listing fees) shall be shared by our Company and the Selling Shareholders in proportion to the number of Equity Shares being issued or offered, as the case may be, by each of them in the Fresh Issue and the Offer for Sale, upon the successful completion of the Offer, in accordance with applicable law. Upon the successful completion of the Offer, each of the Selling Shareholders agree that they shall severally and not jointly reimburse our Company, on a pro-rata basis, in proportion to their respective Offered Shares sold pursuant to the Offer, for any expenses (other than listing fees) incurred by our Company on behalf of the Selling Shareholders.

Interim Use of Funds

Our management will have flexibility in deploying the Net Proceeds. Pending utilization for the purposes described above, we undertake to temporarily invest the funds from the Net Proceeds only in interest bearing accounts with the Scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934, as amended for the necessary duration. Such investments 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

Our Company will appoint a Monitoring Agency in relation to the Offer under the requirements of the SEBI ICDR Regulations, prior to the filing of the Red Herring Prospectus with the RoC. Our Company is raising capital to meet future capital adequacy related requirements and not for any specified project(s).

Pursuant to Regulation 32 of the SEBI Listing Regulations, our Company and the Monitoring Agency shall on a quarterly basis disclose to the Audit Committee the deviations and the category wise variations of the Net Proceeds and after such review, the statements shall be submitted to the Stock Exchanges. This information will also be advertised in newspapers simultaneously with the interim or annual financial results of our Company after placing the same before the Audit Committee. We will disclose the utilization of the Net Proceeds under a separate head in our balance sheet(s) until such time as the Net Proceeds remain unutilized clearly specifying the purpose for which such Net Proceeds have been utilized. In the event that we are unable to utilize the entire amount that we have currently estimated for use out of the Net Proceeds in a Fiscal, we will utilize such unutilized amount in the next Fiscal.

Variation in Objects of the Fresh Issue

In accordance with Sections 13(8) and 27 of the Companies Act 2013, our Company shall not vary the Objects of the Fresh Issue without our Company being authorized to do so by the shareholders by way of a special resolution. 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 Promoter 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 of the Fresh Issue, 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.

Investors may note that the Selling Shareholders is not liable under Section 27 of the Companies Act 2013 or any other applicable law or regulation (including any direction or order by any regulatory authority, court or tribunal) for any variation of (i) terms of a contract referred to in this Draft Red Herring Prospectus; and/or (ii) objects for which this Draft Red Herring Prospectus is issued.

Appraising Agency

None of the Objects of the Fresh 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 Entities 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 Fresh Issue. Further, we confirm that our Company, Promoters, members of our the 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 OFFER PRICE

The Offer Price will be determined by our Company and the Selling Shareholders 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 Offer 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 "***Our Business***", "***Risk Factors***" and "***Financial Information***" on pages 118, 16 and 162 of this Draft Red Herring Prospectus, 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 Offer Price are:

- Established roads and highways sector focused construction developer;
- Efficient business model;
- Strong project management and execution capabilities;
- Visible growth through our growing Order Book and improved pre-qualification credentials; and
- Experienced management team.

For further details, see "***Our Business***" and "***Risk Factors***" on pages 118 and 16 of this Draft Red Herring Prospectus, respectively.

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 162 of this Draft Red Herring Prospectus.

Some of the quantitative factors which may form the basis for computing the Offer 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 EPS (₹)	Diluted EPS (₹)	Weight
Year ended March 31, 2017	9.87	9.87	3
Year ended March 31, 2016	7.64	7.64	2
Year ended March 31, 2015	1.01	1.01	1
Weighted Average	**7.65**	**7.65**	

As per Restated Consolidated Financial Information:

Financial Period	Basic EPS (₹)	Diluted EPS (₹)	Weight
Year ended March 31, 2017	9.87	9.87	3
Year ended March 31, 2016	7.64	7.64	2
Year ended March 31, 2015	1.01	1.01	1
Weighted Average	**7.65**	**7.65**	

Notes:

(1) *Earnings per share calculations are done 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.*

(2) *The face value of each Equity Share is Rs. 10/- each.*

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

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

2. *Price Earning (P/ E) Ratio in relation to the Offer Price of ₹ [●] 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 EPS for the financial year ended March 31, 2017 on a standalone basis	[●]	[●]
Based on basic EPS for the financial year ended March 31, 2017 on a consolidated basis	[●]	[●]
Based on diluted EPS for the financial year ended March 31, 2017 on a standalone basis	[●]	[●]
Based on 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	26.89	29.44
Lowest	15.35	15.34
Average	19.76	22.76

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 93 of this Draft Red Herring Prospectus.

3. *Return on net worth (RoNW)*

As per Restated Standalone Financial Information of the Company:

Financial Period	RoNW %	Weight
Year ended March 31, 2017	30.32	3
Year ended March 31, 2016	28.84	2
Year ended March 31, 2015	5.49	1
Weighted Average	**25.69**	

As per Restated Consolidated Financial Information of the Company:

Financial Period	RoNW %	Weight
Year ended March 31, 2017	30.32	3
Year ended March 31, 2016	28.84	2
Year ended March 31, 2015	5.49	1
Weighted Average	**25.69**	

Notes:
(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) RoNW (%) is traced from Restated Standalone Financial Information and Restated Consolidated Financial Information

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

a) For Basic EPS

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

b) For 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 (₹)
At on March 31, 2017	32.54	32.54
After the Issue		
- At the Floor Price	[●]	[●]
- At the Cap Price	[●]	[●]
Offer Price	[●]	[●]

Notes:

(1) Net Asset Value Per Equity Share is traced from the Restated Standalone Financial Information and Restated Consolidated Financial Information of the Company respectively.

(2) The Net asset value per Equity share is calculated after considering the Bonus issue of Shares subsequent to March 31, 2017.

6. Comparison with listed industry peers

Name of the Company	Standalone / Consolidated	Total Revenue (₹ in million)	Face Value per Equity Share	EPS (Basic) (₹)	P/E	Return on Net Worth (%)	Net Asset Value per Share (₹)
Company*	Consolidated	10,585.83	10	9.87	[●]	30.32	32.54
	Standalone	9,739.72		9.87	[●]	30.32	32.54
Peer Group							
Dilip Buildcon Limited**	Consolidated	53,191.57	2	27.56	21.51	20.81%	125.69
	Standalone	50,976.25		27.81	21.31	19.48%	135.48
KNR Constructions Limited**	Consolidated	16,795.88	2	8.17	24.76	11.24%	62.48
	Standalone	15,410.53		11.18	18.09	17.56%	63.68
PNC Infratech Limited**	Consolidated	22,523.32	2	4.62	29.44	8.09%	56.96
	Standalone	16,891.14		8.17	16.65	12.34%	61.28
J Kumar Infraprojects Limited***	Consolidated	15,728.07	5	13.95	15.34	7.60%	183.58
	Standalone	14,274.95		13.94	15.35	7.60%	183.57
Sadbhav Engineering Limited**	Consolidated	45,700.06	1	-3.15	-****	-13.68%	73.11
	Standalone	33,203.05		10.95	26.89	11.31%	96.81
Ashoka Buildcon Limited***	Consolidated	29,820.90	5	-0.53	-****	-0.47%	113.32
	Standalone	20,519.04		9.83	20.24	9.84%	99.61

P/E figures for the peer is computed based on closing market price as on September 15, 2017, of relevant peer companies as available at BSE, (available at www.bseindia.com)

** Restated Standalone Financial Information and Restated Consolidated Financial Information of the Company as on and for the year ended March 31, 2017.*

***Source: Annual Reports as on and for the year ended March 31, 2017.*

**** Source: Financial statement as on and for the year ended March 31, 2017 as available at BSE, (available at www.bseindia.com)*
*****Posted a loss for the period*

The Offer Price of ₹ [●] has been determined by our Company and Selling Shareholder, 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 "***Our Business***" "***Risk Factors***" and "***Financial Statements***" on pages 118, 16 and 162 of this Draft Red Herring Prospectus, 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

To,

The Board of Directors
H.G. Infra Engineering Limited
A1, III Floor Sheel Mohar Plaza
Tilak Marg, C Scheme, Ashok Nagar
Jaipur - 302 001
Rajasthan, India.

Subject: Statement of possible special tax benefits ('the Statement') available to H.G. Infra Engineering Limited (formerly known as H.G. Infra Engineering Private 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')

Dear Sirs,

We report that the enclosed statement in Annexure A, states the possible direct tax benefits available to the Company and to its shareholders under the Income-tax Act, 1961 and Income Tax Rules, 1962 (together "**tax laws**") presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the statute. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon their fulfilling such conditions, which based on business imperatives the Company faces in the future, the Company may or may not choose to fulfill.

The Central Board for Direct Taxes ("**CBDT**") has constituted a Committee to suggest framework to compute book profit which constitutes the tax base for Minimum Alternate Tax ("**MAT**") levy for companies converging to Ind-AS. Till date the Committee has made two reports, which are yet to be accepted by the Government. Since the Committee recommendations do not carry any weightage in law as they may or may not be accepted we have not expressed our opinion on the transitional impact of Ind-AS, which maybe applicable to the Company from Fiscal 2107-2018 onwards.

The benefits discussed in the enclosed statement are not exhaustive and the preparation of the contents stated is the responsibility of the Company's management. 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.

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; and
iii) the revenue authorities/courts will concur with the views expressed herein.

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company. Our views are based on the existing tax laws and its interpretation, which are subject to change from time to time. The enclosed annexure is intended solely for your information and for inclusion in the Draft Red Herring Prospectus 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 Tibrewal Chand & Co
Chartered Accountants
Firm Registration No.: - 311047E

Vishal Rathi
Partner
Membership No: 126244

Place: Mumbai
Date: September 25, 2017

Annexure to the statement of Possible Special Tax Benefits available to the Company and to its Shareholders

Outlined below are the possible special tax benefits available to the Company and its Shareholders under the Income-tax Act, 1961 and Income Tax Rules, 1962 (together "**tax laws**") presently in force in India. The Act is amended every fiscal year.

Tax Benefits available to the Company

There are no special tax benefits available to the Company. The general tax benefits those are available to all registered companies have not been enumerated here. Those statutory provisions would be applicable as per the prevailing laws in the respective circumstances.

Tax Benefits available to Shareholders of the Company

There are no special tax benefits available to any of the shareholders of the Company. The general tax benefits those are available to all the persons above have not been enumerated here. Those statutory provisions would be applicable as per the prevailing laws in the respective circumstances.

Note:

1. This statement does not discuss any tax consequences in the country outside India of an investment in the Equity Shares. The subscribers of the Equity Shares in the country other than India are urged to consult their own professional advisers regarding possible income-tax consequences that apply to them.

2. *In respect of non-residents, the tax rates and the consequent taxation mentioned above shall be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile.*

3. *The above statement covers only above mentioned tax laws benefits and does not cover any indirect tax law benefits or benefit under any other law.*

SECTION IV: ABOUT THE COMPANY

INDUSTRY OVERVIEW

Unless otherwise indicated, the information in this section is derived from a combination of CRISIL Research, a division of CRISIL Limited as well as extracts from publicly available information, industry reports, data and statistics and has been extracted from official sources and other sources of information.

It has not been independently verified by our Company, the Selling Shareholders, the Book Running Lead Managers or their respective legal or financial advisors, and no representations are made as to the accuracy of this information, which may be inconsistent with information available or compiled from other sources. The data may have been reclassified by us for the purpose of presentation. 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, and, accordingly, investment decisions should not be based on such information. Industry sources and publications are also prepared based on information and estimates as of specific dates and may no longer be current. Figures used in this section are as presented in the original sources and have not been adjusted, restated or rounded off for presentation. Statements in this section that are not statements of historical fact constitute 'forward-looking statements', which are subject to various risks, assumptions and uncertainties and certain factors could cause actual results or outcomes to differ materially. For further details, see "Forward-Looking Statements" on page 15. Such information, data and estimates may be approximations or use rounded numbers. Accordingly, investment decisions should not be based on such information.

Further, in this regard, CRISIL Research has issued the following disclaimer:

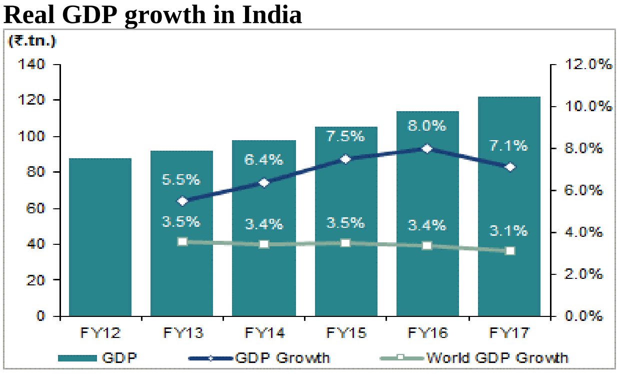
"CRISIL Research, a division of CRISIL Limited (CRISIL) has taken due care and caution in preparing this report (Report) based on the Information obtained by CRISIL from sources which it considers reliable (Data). However, CRISIL does not guarantee the accuracy, adequacy or completeness of the Data/Report 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. H.G. Infra Engineering 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."

Indian Economy

Macroeconomic Overview of India

India is the seventh largest economy in the world with nominal GDP of USD 2.26 trillion and third in terms of purchasing power parity as per 2016 estimates. (*Source: CIA World Factbook*). The Indian economy grew by 7.1% in the fiscal year 2017 (estimates) as against 7.6% growth for the fiscal year 2016.

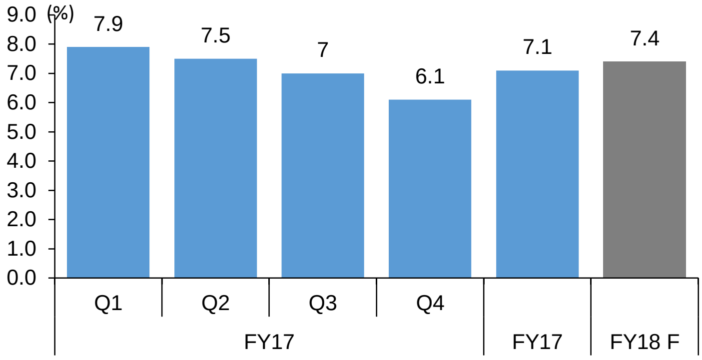
Real GDP growth in India



Source: CSO, CRISIL Research

GDP growth slowed down in the second half of Fiscal 2017 as impact of demonetization decelerated growth in the subsequent quarters. As per provisional estimates from CSO, Fiscal 2017 growth is expected to be about 7.1% down from 8% in Fiscal 2016.

Real GDP growth (% y-o-y)



PE: Provisional estimates
Source: CSO, CRISIL Research

Key demographic aspects

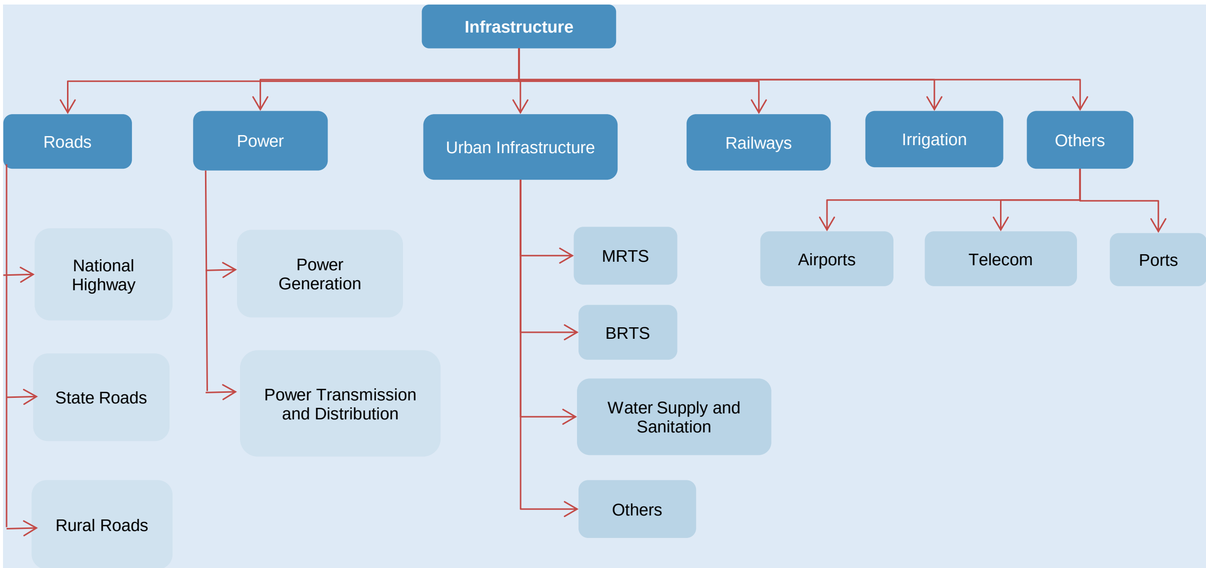
India is the second most populous country in the world and is expected to see its population grow at the rate of 1.1% over the next five years. The urban population as a percentage of India's total population is estimated to increase from the current 32.8%, in 2017 to 35% by 2020, thereby increasing the number of people that access premium facilities. The middle class population in India has doubled from 300 million to 600 million between 2004 and 2012, according to World Economic Forum, and is likely to overtake that of US and China by 2027. India's urban population has increased from 27.8% of total population (per census 2001) to 31.2% of the total population (per Census 2011).

Estimates by PwC indicate that by 2020, the average age of an Indian will be 29 years, compared with average age of 37 and 48 years, respectively, for China and Japan. This young population will help constitute a large working population, with an estimated 64% of India's population to be in the working age population by the fiscal year 2021 (*Source*: *Union budget and economic survey 2013*). The high economic growth and increasing opportunities in the cities have led to urbanization. The rate of urbanization during 2017 over 2016 was recorded at 2.5%.

Infrastructure Sector in India

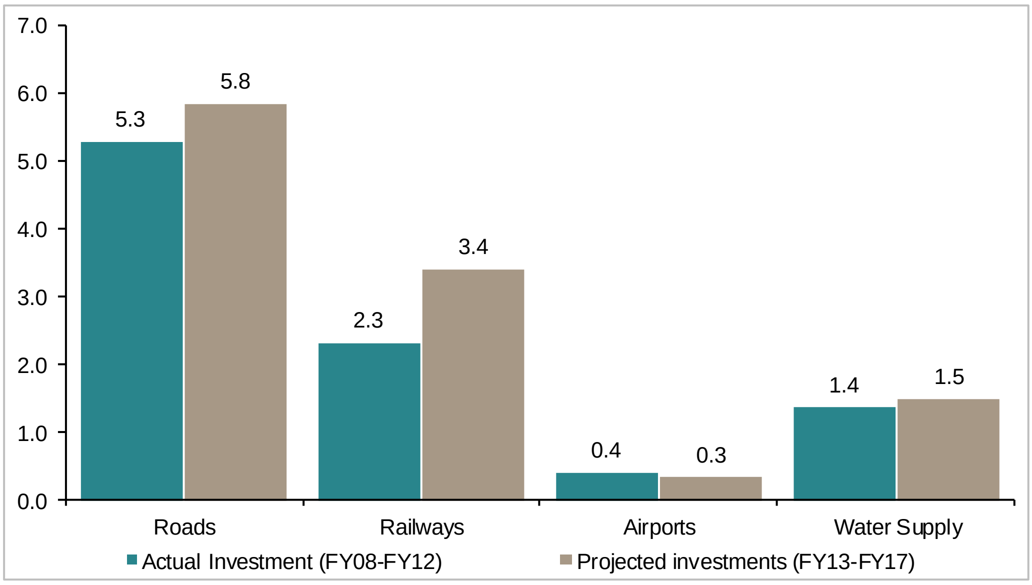
Investments Overview

The infrastructure industry includes among others, roads, power, railways, urban infrastructure and irrigation. The size and magnitude of major infrastructure development projects in India has been able to attract substantial capital investment. The government has also introduced significant policy reforms to augment FDI, to further boost investment and enhance infrastructure. The reformative policies of the Indian government have resulted in total FDI inflows of approximately $9.8 billion in construction activities in infrastructure from April 2000 to March 2017 as per data provided by the Department of Industrial Policy and Promotion ("**DIPP**"). The road sector is one of the key contributors to overall investment in the infrastructure industry.



Source: CRISIL Research

The actual investments in the infrastructure sector reached ₹ 27.3 trillion during Fiscal 2008 to Fiscal 2012, driven primarily by the Central Government's focus on improving domestic infrastructure. According to the second report of the High Level Committee on financing infrastructure, the construction spend on infrastructure projects during Fiscal 2012 and 2017 is estimated to be ₹ 30.93 trillion, increasing from ₹ 10.3 trillion as at Fiscal 2014. Of the total spend, the private sector is estimated to contribute 39% whereas the remaining 61% is to be contributed by the Central and State Governments. Power sector is estimated to be the largest contributor amongst the infrastructure sectors, forming 42% of the total infrastructure investments, followed by the road and railway sectors, contributing 19% and 14% respectively. Presented below, is a graphical representation of the construction spend in the key infrastructure segments, between Fiscal 2008 to Fiscal 202 and between Fiscal 2013 and Fiscal 2017.



**Others include irrigation, water supply and sanitation, storage, oil and gas pipelines*
 # At Fiscal 2012 prices, in Rs trillion
Source: High-level Committee on Financing Infrastructure (Second Report, June 2014), CRISIL Research

Investment in Roads Sector

Investment in road sector during Fiscal 2008 to Fiscal 2012 was ₹ 5.3 trillion, constituting approximately 19% of the overall infrastructure investment. This was largely driven by the government's focus on encouragement of public private partnerships ("**PPPs**"), speedy implementation of the National Highways Development Project ("**NHDP**"), and certain other changes in policies. Investment in road sector is expected to have risen by 11% to ₹

5.8 trillion during Fiscal 2013 to Fiscal 2017. However, its share in overall infrastructure investment is expected to remain at 19%.

Fiscal 2012 to 2017: Investment in road sector at Fiscal 2012 prices

(Rs billion)	Centre	State	Private	Total
Fiscal 13 (E)	278	485	262	1,025
Fiscal 14 (E)	250	495	271	1,017
Fiscal 15 (P)	243	563	294	1,100
Fiscal 16 (P)	240	677	335	1,252
Fiscal 17 (P)	236	815	381	1,432
Total	1248	3035	1543	5,826

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

Investment in Railways

Investment in the railways sector during Fiscal 2008 to Fiscal 2012 was ₹ 2.3 trillion, or approximately 8.5% of the overall infrastructure investment. Historically, the Central Government has been responsible for investment in railways sector; and private participation has been miniscule. This sector has been facing capacity constraints over the past few years and requires major investment to augment its capacity. Accordingly, the Indian Railways plans to source capital for funding capital expenditure across projects, such as first/last mile and port connectivity projects, logistic parks/ private freight terminals, station re-development, etc. To this end, it has finalised various PPP models such as non-government rail, joint venture, build-operate-transfer, etc., to suit different risk appetites. The model concession agreements for each of these models have been finalised to improve transparency and attract private companies. The government has also increased investment in the sector by approximately 47% during Fiscal 2012 to Fiscal 2017, to ₹ 3.4 trillion, taking its share in overall infrastructure investment to approximately 11%.

Fiscal 2012 to Fiscal 2017: Investment in railways at Fiscal 2012 prices

(Rs billion)	Centre	Private	Total
Fiscal 13 (E)	470	10	479
Fiscal 14 (E)	552	10	562
Fiscal 15 (P)	586	30	616
Fiscal 16 (P)	647	93	740
Fiscal 17 (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

Investment in Airports

Investment in airports during Fiscal 2008 to Fiscal 2012 was approximately ₹ 0.4 trillion, or approximately 1.5% of the total infrastructure investment. Private participation in airport infrastructure has outpaced government expenditure. Further, the government has also been looking 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 during Fiscal 2013 to Fiscal 2017 was 19% lower than what it was from Fiscal 2008 to Fiscal 2012 (by approximately ₹ 0.3 trillion), diminishing its share in total infrastructure investment to 1.1%.

Fiscal 2013 to Fiscal 2017: Investment in airports at Fiscal 2012 prices

(Rs billion)	Centre	States	Private	Total
Fiscal 13 (E)	17	-	30	47
Fiscal 14 (E)	17	1	30	48
Fiscal 15 (P)	17	1	40	58
Fiscal 16 (P)	18	1	59	78

Fiscal 17 (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

Investment in Water Supply and Sanitation

The total investment in water supply and sanitation during Fiscal 2008 and Fiscal 2012 was ₹ 1.4 trillion accounting for approximately 5% of the overall investment in infrastructure. However, private investment was low, since state governments and local authorities did not adopt a PPP model for upgrading and modernising water supply infrastructure. However, the government's spend on water supply and sanitation has risen on account of the Atal Mission for Rejuvenation and Urban Transformation ("**AMRUT**") and Swachh Bharat Mission. While investments in water supply and sanitation during Fiscal 2013 and Fiscal 2017 increased to ₹ 1.5 trillion (by approximately 10%), private investment is expected to rise due to the schemes mentioned hereinabove, taking the share of water supply and sanitation segment in total expenditure on urban infrastructure investment to over 50% in the next five years according to CRISIL Research.

Fiscal 2012 – Fiscal 2017: Investment in water supply at Fiscal 2012 prices

(Rs billion)	Centre	States	Private	Total
Fiscal 13 (E)	121	152	2	275
Fiscal 14 (E)	104	157	4	265
Fiscal 15 (P)	111	165	6	282
Fiscal 16 (P)	123	180	11	314
Fiscal 17 (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

Growth Drivers in Infrastructure Investment

Economic growth, increasing government thrust, preference towards roads in freight traffic, rise in private participation and an increase in passenger traffic and vehicle density are the key drivers for growth in the infrastructure investment.

Economic Growth

The growth of freight traffic is a function of economic activity, as it further necessitates development of roads. The primary freight in billion tonne km ("**BTKM**") is estimated to grow by 4 to 5% on-year in Fiscal 2017, compared with an estimated growth of 4.3% in Fiscal 2016. The demand in freight decreased post demonetisation, however, it is expected to recover gradually.

Preference towards roads in freight traffic

Roads continue to dominate freight traffic, with their share in overall freight movement rising steadily to approximately 65% in Fiscal 2017, from approximately 55% in Fiscal 2007. This rise is mainly on account of the capacity constraints in the railway sector and a robust growth in non-bulk traffic, which is predominantly transported by road.

Increasing vehicular and passenger traffic

Historically, growth in vehicular and passenger traffic has outpaced the increase in total road network. While the number of vehicles increased at a CAGR of approximately 10.3% between Fiscal 2001 and Fiscal 2008, the number of passengers travelling by road increased at a CAGR of 6.4%. However, the total road network expanded at only 2.6% during the same period. This increase in vehicular and passenger traffic is expected to put pressure on the existing road network and necessitate road development.

E-commerce logistics, a growth driver for road freight

CRISIL Research expects the e-commerce industry to grow, at an estimated CAGR of 28-33% between Fiscal 2016 and Fiscal 2019, to approximately ₹ 2.5 trillion. Such growth is expected to be driven by segments such as the online marketplace, where companies continue to offer discounts, deals, and innovations to attract customers. Further, rising penetration of the internet, increasing use of smart phones (with mobile based applications), and increasing consumer awareness should supplement growth. As the industry grows, companies are looking to develop local ecosystems to serve demand across India. As these local ecosystems evolve, lead distances would reduce, and freight traffic could gradually shift from air freight to roads.

Improved vehicle sales

Passenger vehicle sales increased by 9.2% in Fiscal 2017, and are expected to post a growth of 10% in Fiscal 2018 year on year, over a high base. The implementation of the Goods and services tax ("**GST**") is likely to result in a growth of 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 stabilize at lower levels. Increased urbanization, 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 according to CRISIL Research.

Increased private participation

Amendments to the model concession agreement governing private participation in road sector in August 2009 have made investment in roads more private sector-friendly. Consequently, the share of private sector in national highways increased to 45% from Fiscal 2013 to Fiscal 2017.

Policy changes fueling growth

The Central Government has focused on reducing difficulties for new projects and clearing the stalled projects, thus reducing the delays involved during construction. In the roads sector, a major cause of delay was the non-availability of land, after the construction had begun. This has been managed by the government by ensuring availability of 80 - 90% of land before a project is awarded.

Make in India to boost traffic

Started in September 2014, Make in India campaign is directed towards encouraging multi-national companies across 25 sectors in the economy to manufacture in India. In addition to providing a boost to the overall economic growth, it will also increase the need for transportation of goods, thereby increasing the freight traffic.

Road Infrastructure in India

Road sector's contribution to Indian GDP

As of Fiscal 2016, the share of road transport in Indian GDP among other sectors is approximately 3.2%, marking 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 into national, state and rural roads

India has the second largest road network in the world, aggregating to 6.1 million kilometers. Roads are the most common mode of transportation and account for approximately 86% of passenger traffic and approximately 65% of freight traffic. In India, national highways with length of approximately 103,933 kilometers constitute a mere 1.7% of the road network, but carry about 40% of the total road traffic. On the other hand, state roads and major district roads form the secondary system of roads carry another 60% of traffic and account for 98% of road length.

In the decreasing order of volume of traffic movement, road network in India can be divided into following categories

Road network in India as in Fiscal 2017

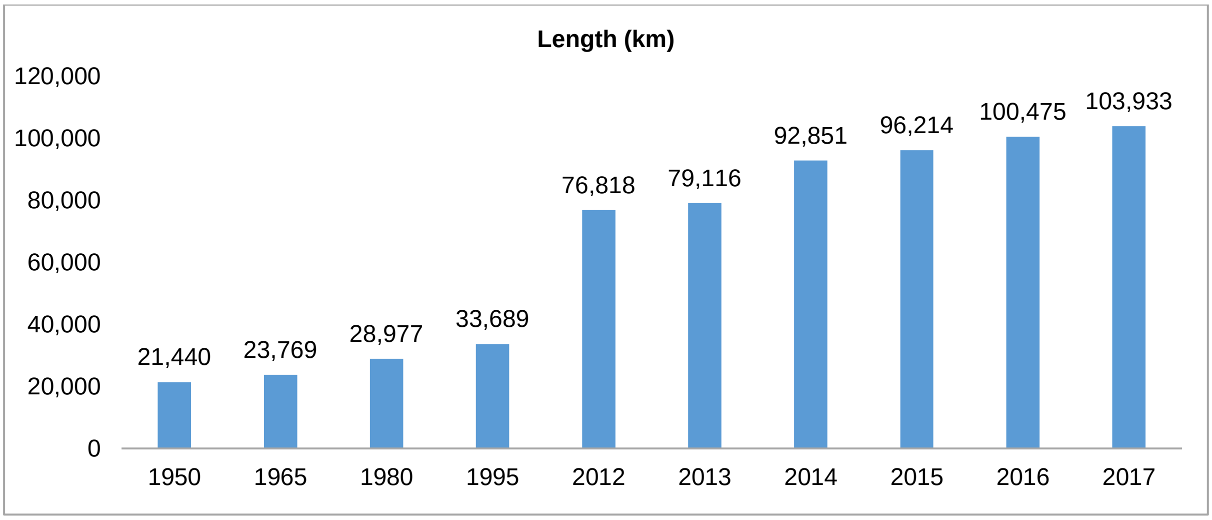
Road network	Length (km)	Percentage of total		Connectivity to
		Length	Traffic	
National highway	103,933	1.71	40	Union capital, state capitals, major ports, foreign highways
State highway	161,487	2.65		Major centres within the states, national highways
Other roads	5,820,744	95.64	60	Major and other district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

Source: MoRTH, CRISIL Research

National highways

National highways constitute around 1.7% of the country's road network, but carry approximately 40% of total road traffic. 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 the national highways. To develop the national highways network, NHAI launched the NHDP in December 2000.

National highways network



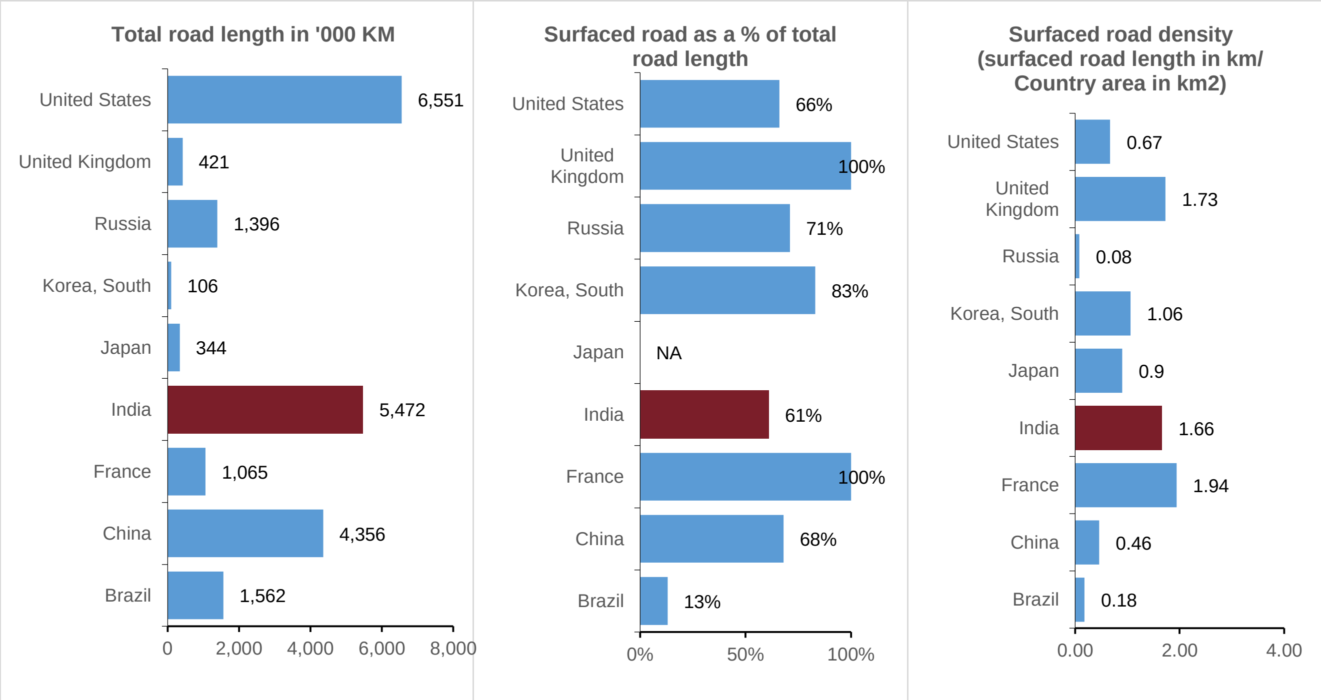
Source: Ministry of Road Transport and Highways (*MoRTH)*
Note: Year represents financial year

State roads

State roads constitute around 18% of the country's total road network and carry approximately 40% of the total road traffic. State roads comprise state highways, major district roads, other district roads and rural roads. State roads represent the secondary system of road transportation in the country. They 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 5.5 million kilometers road network, rural roads account for around 5 million kilometers.
Global comparison of road infrastructure



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

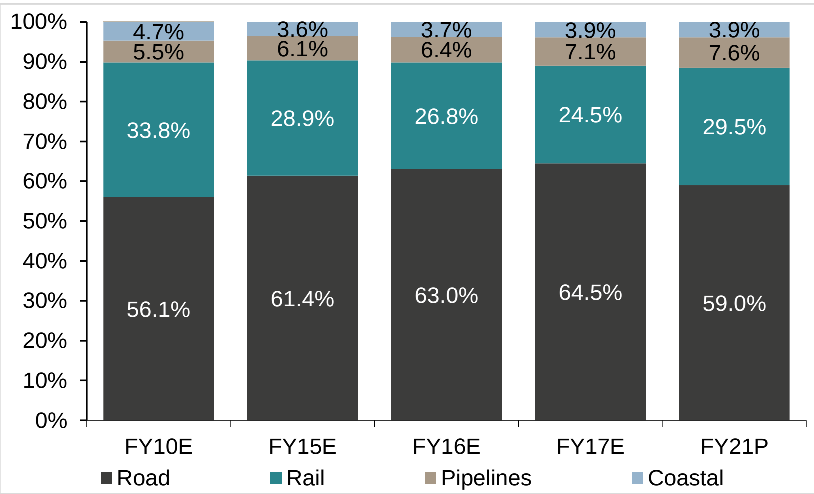
India has the second largest road network in the world, aggregating to 6.1 million kilometre. However, the quality of roads is subpar with only approximately 61% of India's road network being paved.

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 freight as well as passengers. In Fiscal 2017, it is estimated that 65% of total freight was carried by roads as compared to railways. In Fiscal 2010, roads accounted for approximately 58% of total freight traffic. Regular maintenance of bitumen-type roads generally accounts for 1 - 1.5% of project cost incurred during road construction. Roads undergo major maintenance every five to six years, which generally accounts for 5 - 6% of project cost incurred during construction.

Share of roads in total freight movement – in BTKM terms

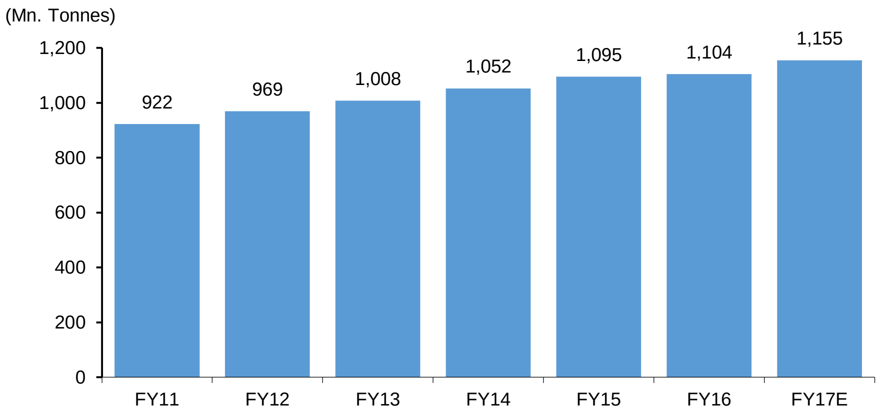


E: Estimated; P: Projected
Source: CRISIL Research

Going forward, over the long term, share of rail freight traffic is projected to increase on account of the operationalization of dedicated freight corridor ("**DFC**") 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 6 - 8% CAGR in respect of road. However, freight traffic will see a large-scale shift to rail only post Fiscal 2019 when wagon shortage and capacity constraints abate, following expected operationalization of the DFCs.

Qualitative coverage on recent freight traffic trends

Freight movement



Note: Assumed a yearly scrappage rate of 3%
Source: CRISIL Research

CRISIL Research foresees a rise in overall freight traffic on account of projected growth of 6.8% in industrial GDP in Fiscal 2018 as against 5.8% rise in Fiscal 2017, and 3.3% growth in agricultural GDP in Fiscal 2018 on assumption of normal monsoon. Industrial GDP and subsequently freight movement will rise on account of:

- Expected improvement in demand from primary freight-generating sectors and higher disposable incomes coupled with lower inflation boosting consumer demand

- Mining activity gaining traction as coal production is expected to go up, driven by the government's efforts to boost Coal India Limited's output as well as rising production from captive coal blocks auctioned to end-users. CRISIL Research also expects Iron-ore mining to grow post auctions in Goa and in Karnataka which would also boost freight demand.

Key growth drivers for road sector

Rise in government investments, reforms and higher budgetary support to drive growth in roads sector

CRISIL Research expects investment in road projects 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 case of rural roads, on account of higher budgetary allocation to Pradhan Mantri Gram Sadak Yojana ("**PMGSY**") since Fiscal 2016. The Central Government has opened up new avenues of investments, with NHAI launching Masala Bonds on London Stock Exchange. National Investment and Infrastructure Fund ("**NIIF**"), a fund of funds, which has been set up, will have multiple alternative investment funds ("**AIF**") under its umbrella.

Policy changes to drive execution of national highway projects

Execution of national highway projects declined in the past two years on account of the private developers' weak financials and unwillingness of lenders to provide further credit to infrastructure companies. To clear this backlog, NHAI terminated projects and accordingly, work on approximately 5,500 kilometers of length was stalled. To put execution back on track, the NHAI re-awarded almost 1,000 kilometers of the terminated projects. Moreover, in the past couple of years, the government announced certain policy changes to reduce delays in project execution.

To offer some 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 also allowed NHAI to fund projects, stuck owing to weak financial health of promoters and where at least 50% of the construction work was completed. New amendments to the model concession agreement such as back-ending of premium payments and deemed termination on delay of appointed date, have also brought many changes which will reduce delay and improve lender comfort. The Cabinet Committee on Economic Affairs ("**CCEA**") has decided to pay 75% of the total payout in those cases where the arbitration tribunals have passed orders in favor of concessionaires in arbitral proceedings and such orders have been further challenged by the government agencies.

Accordingly, the government's focus has clearly shifted towards ensuring on-the-ground implementation, instead of merely awarding more projects.

New region-specific initiatives to drive growth in road network

The government has taken new initiatives 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 the ongoing projects, covering state roads. MoRTH has set up the National Highways and Infrastructure Development Corporation Limited ("**NHIDCL**"), an organization which will award national highway projects specifically in the border areas and in the north-eastern states. Apart from these projects, the Bharat Mala programme 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 likely to improve which will increase demand for two-wheelers and passenger vehicles in the country. Initiatives such as 'Make in India' and implementation of the GST are also expected to grow the road freight traffic in India. Rise in two-wheeler and four-wheeler vehicles, increasing freight traffic, and strong trade and tourist flows between states are all set to augment road development. All segments of roads, i.e., national highways, state roads and rural roads are expected to experience higher traffic growth on account of faster economic growth in India.

Increased private participation to boost road development

Government's efforts to put in place appropriate policy, institutional and regulatory mechanisms, including a set of fiscal and financial incentives, are expected to encourage further private participation in the future. Such participation will boost each of the segments of roads in the country. On account of the financial distress of the companies which previously participated heavily in Build Operate Transfer ("**BOT**") model, a new model named hybrid annuity model ("**HAM**") has been introduced which addresses the needs of the private sector and increases their participation. Private investments are expected to flow in to new operation and maintenance ("**O&M**") models like toll-operate-transfer ("**TOT**"), which will help existing companies shed off debt from their balance sheets.

New trends in roads sector

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

- *Improved awarding momentum:* The government has tried to improve rate of awarding projects over the years. Further, a significant share of awarding project has recently been under HAM, and is expected to be increasingly so in the coming years.

- *Increasing participation of private equity funds:* Private equity has contributed to road projects in the past. Going forward, private equity investment could further increase, following the 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 companies, we expect the share of EPC / cash contract projects 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 companies, providing for 'secured' status for PPP projects while lending, proposal to scrap slow moving highway projects.

- *Hybrid Annuity Model:* HAM has now gathered pace, and hence, is likely to improve private participation in the sector. This model has been successful in bringing a new set of companies to the private space by mitigating risks related to traffic, interest rate and inflation, and by requiring a smaller equity commitment, i.e. only 12 - 15% of project cost.

- *Toll, Operate and Transfer:* The TOT model is a new PPP model under consideration by the NHAI to increase private participation in the roads sector.

- *Operate, Maintain, Transfer:* 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 an OMT basis.

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

Challenges

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 described below.

Limited financial flexibility of PPP road developers

Funding constraints and financial stress have thwarted the pace of development in the roads sector. During 2007 - 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. As a result, 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, more than 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 the 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, since there is no proper accountability on quality of roads in the case of state-owned roads. In case of PPP projects, the developer is bound to maintain the roads in good condition for a longer period of time, i.e., until 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 significant cost overruns which lower returns for developers as well as adversely affect their debt servicing ability. The reasons for such delays include, concerns in land acquisition, environmental clearances, forest clearances, railway clearances, and shifting of utilities, religious structures and encroachments.

Hurdles in bank funding for road projects

Banks are reluctant to fund road sector projects as they are approaching the sector exposure limits. Further, to ensure that delays due to land acquisition do not hinder the progress of a project, they demand 80 - 100% of the land to be available with the developer at the time of the award of the project. Given the dependence of infrastructure projects on banks for funding, the work on projects does not begin due to such funding constraints. Moreover, elongated working capital cycle in core construction businesses of many entities has also strained their liquidity position and further increased their dependence on borrowed funds. Operating margins of several road contractors also witnessed pressure because of 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

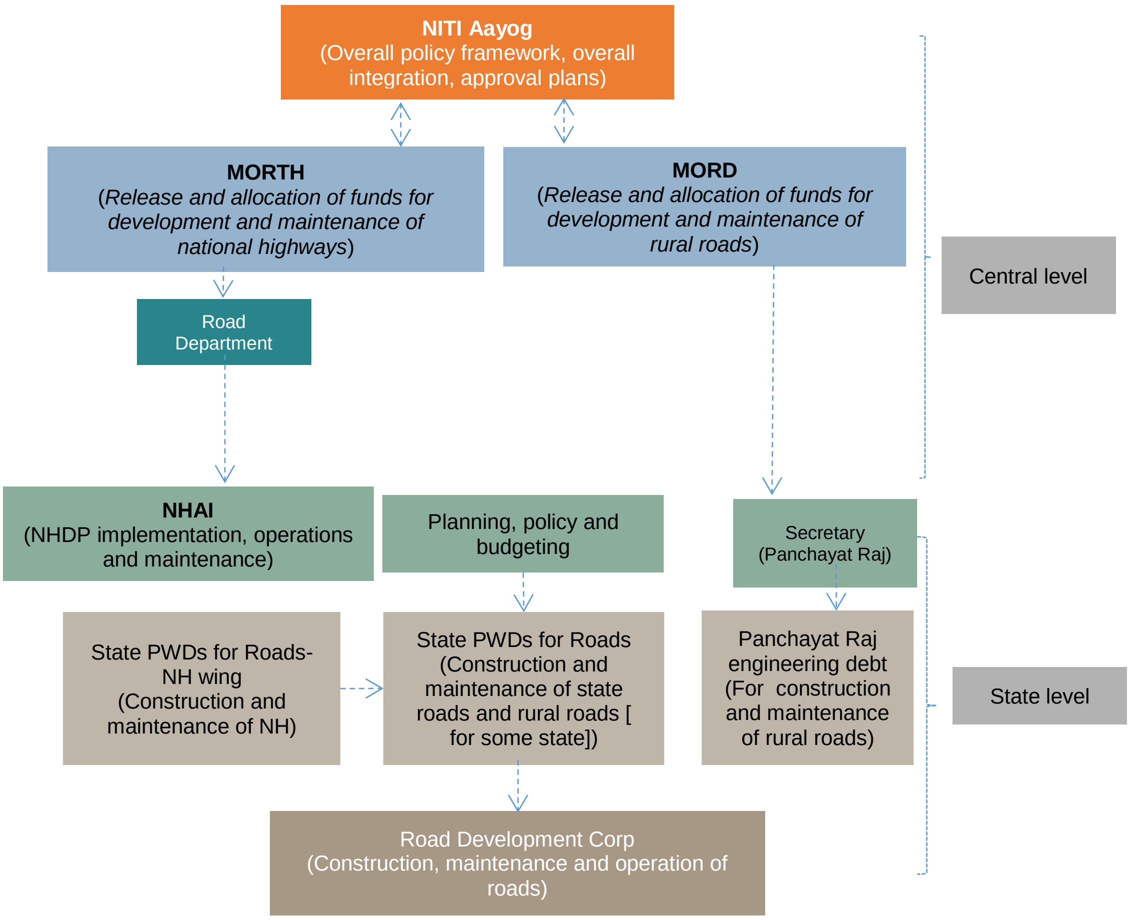
The Indian population has not yet completely accepted the importance of tolls for road construction and improvement of service delivery. Further, appeasement of people through provision of subsidies has been a major tool for reaping political gains in the country. There have been several instances of people, backed by various political groups, opposing toll plazas. Such instances have not only deteriorated the sentiment of road developers but 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 the Central and State Governments.

Road sector: Institutional arrangement at the central and state level



Source: CRISIL Research

At the central level, NITI Aayog, in consultation with the MoRTH and the MoRD, will be in charge of overall policy-framing, programme development and resource planning. MoRTH formulates policies on road transport and development, and maintenance of national highways. NHAI is the agency responsible for implementation, operation and maintenance of the national highways. At the state level, the 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 & transport ministries.

National Highways and Infrastructure Development Corporation ("**NHIDCL**"), a fully-owned subsidiary of MoRTH, was 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 the country that share international boundaries with neighbouring countries.

State PWDs and road development corporations 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 the construction and maintenance of rural roads.

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 as listed hereunder.

- 100% FDI has been allowed in road sector projects.
- Dispute resolution will be in line with Arbitration and Conciliation Act 1996, based on the United Nations Commission on International Trade Law ("**UNCITRAL**") provisions.
- Higher concession period of up to 30 years has been granted.
- A provision has been made for capital subsidy of up to 40% of the project cost to make projects commercially viable.
- A provision has been made for unencumbered site for work, i.e., the government shall meet all expenses relating to land and other pre-construction activities.
- As per a recent RBI directive, loans for PPP projects can be considered 'secured' subject to certain conditions.
- The 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 the country and insulate NHAI from heavy financial claims and unnecessary disputes.

Overview of PPP framework and models in operation

Public private partnership 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 made and/or management undertaken by the private sector entity, for a specified period of time. There is a 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 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 the one in which ownership of the underlying asset remains with the private entity during the tenure of the contract and the project gets transferred back to the public entity on the termination of the contract, the final decision on the form of PPP is taken bearing in mind the value for money.

Types of construction contracts, based on price risk

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 costs, during the construction period. Certain pass-through of higher costs 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 percentage over cost or a pre-decided fee over cost. Therefore, any increase in cost of the project, during the construction phase, is passed onto the client.

Types of contracts, based on scope of execution

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: These contracts are fixed price contracts in which the contractor fixes a lump-sum fee, based on the specific project requirements stated. The client states the project specifications with respect to designs, drawings, technical stipulations, quality of raw materials, etc., based on which the contractor provides bids, stating a lump-sum fee for execution.

Design & Build Contracts: In these type of contracts, 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.

Stated hereinbelow are a few operational models:

i. *Build operate transfer*

These contracts are typically PPP agreements, wherein a government agency provides a private company 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 for the project is arranged by the concessionaire, through a combination 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, therefore, classified into the following types:

a. *Annuity based contract:* Under this 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, which is borne by the authority. However, 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.

b. *Toll-based:* Under this model too, the concessionaire is responsible for construction and maintenance of the project, post which the project's ownership is transferred to the public authority. However, the toll collected is retained by the concessionaire and not transferred to the authority. Therefore, the concessionaire bears the 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.

c. *Hybrid annuity model (HAM):* This is a mix of EPC and BOT (annuity) model. In this model, the total project cost is shared between the public authority and the concessionaire in a ratio of 40:60. This model aims to lower the financial burden on the concessionaire during project implementation phase. Compared to EPC projects, the shift to HAM will also ease cash flow pressure on the 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 now be lower. This model will also encourage banks to lend to road projects because of NHAI's involvement. HAM was approved by the Cabinet Committee on Economic Affairs on January 27, 2016.

One of the methods used by the government for awarding BOT projects is by way of Viability Gap Funding ("**VGF**"). Those projects which generally were expected to have traffic numbers insufficient to compensate the costs to the developer, were provided an additional grant from the government for execution. Bidder quoting the lowest grant were awarded the project. The number of projects which got such a grant decreased from a high of 23 projects in Fiscal 2010 to only 2 projects in Fiscal 2016 and no projects in Fiscal 2017. Up to Fiscal 2012, the projects receiving VGF decreased drastically on account of an increase in aggressive bidding of projects. During Fiscal 2013 and Fiscal 2015, the number of projects awarded by NHAI decreased drastically and since Fiscal 2016, majority of the projects that have been awarded by the Central Government have been on EPC basis.

ii. Engineering, procurement and construction

EPC contracts are fixed price contracts wherein the client provides conceptual information about the project. Technical parameters, based on the desired output, are specified in the contract. The contractor undertakes the responsibility of designing the project, either through an in-house design team or by appointing consultants. Unlike item rate and lump sum turnkey contracts, the contractor is allowed to innovate on the design of the project. Based on these designs, the contractor draws up cost estimates and accordingly bids for the project.

iii. Toll collection

Toll collection, as a separate business model, which evolved in 2009. Under this model, the authority invites bids from private companies for collection of toll on roads constructed under EPC and BOT (annuity) model. It is used for such projects which are short in nature, 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 under this category involves negligible to minimal road construction and maintenance.

iv. Operate, maintain and transfer

The OMT concept 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 operation and maintenance of the stretch. The scope of work for OMT contracts under the model concession agreement includes the operation and maintenance 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 and any major maintenance work (necessary in long-term contracts, not mandatory in short-term contracts).

v. 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 is then 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.
**NHAI has not awarded a project on TOT model yet.*

Key initiatives and overview on HAM

MORTH released the standard concession agreement and request for proposal for the HAM for private-public partnerships in road construction in June 2016. HAM is a mix of the EPC and BOT (annuity) models.

The HAM model typically entails the following -

- 40% of total project cost is to be funded by the government and the remaining is to be funded by the developer.

- The project cost is 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 the percentage of project cost spent by the concessionaire.

- Traffic risk is 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 the traffic risk to NHAI from the concessionaries, with developers being provided fixed annuities based on a predetermined schedule. Debt servicing, which is generally challenging during the initial years of the concession period for BOT (toll) projects, will become easier with the receipt of fixed annuity payments.

Elimination of traffic risk is also an advantage, given the unpleasant experience of road developers, where actual base traffic and traffic growth were significantly lower than estimated. Typically, a 2% point decline in traffic growth leads to about a 150 bps decline in projects IRRs. Further, linking construction and maintenance costs to inflation and ensuring timely availability of land will mitigate cost overrun risks

In the past, cost overruns severely impacted project returns. An analysis of projects completed between Fiscal 2009 and Fiscal 2014 shows a drastic 45% cost overrun for a sample of 51 projects, aggregating to about 3,350 kilometers. The aggregate cost overrun was about ₹ 100 billion for these projects.

Hence, in order to address the issue of cost overruns, the government has linked construction and O&M costs to inflation. The issues related to delays in land acquisition, which has always been difficult to resolve, have also 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 significant 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, the banker's risk has also significantly reduced.

Lower equity contribution requirement to increase private player ability to bid for projects

With the government incurring 40% of the project cost, HAM requires lower equity contribution from the developer (which is about 15% compared to about 25% for BOT (toll) projects). This is extremely beneficial, given the current weak financial position of road developers. Further, with NHAI's equity stake in the project, the lenders are more comfortable in lending towards such projects.

Developers' interest rate risk to reduce significantly

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 significantly lowers the risk for the developer, in terms of interest rate volatility.

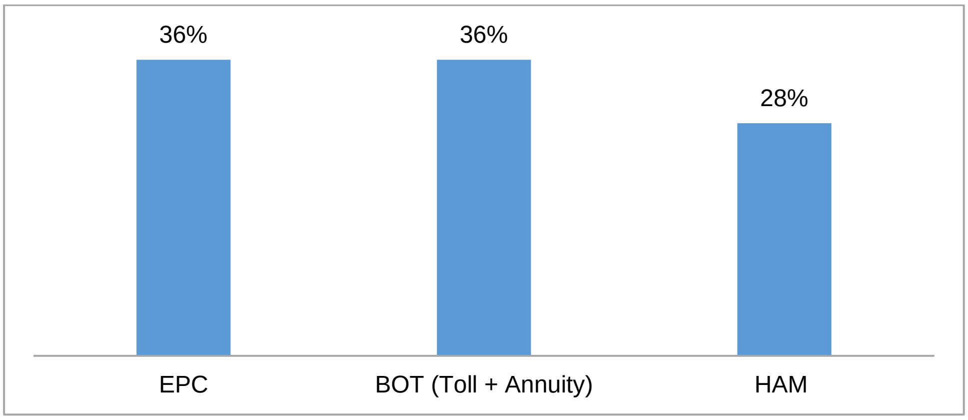
Low risk model to provide moderate returns

CRISIL Research expects low risk and lower capital requirements to entice private companies. Hence, it believes developers would target 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.

Hybrid-annuity model to boost private investments in national highways over the next five years

CRISIL Research expects HAM to gradually increase private participation in the road sector, which declined significantly during the past two to three years. On account of delays in land acquisition, and caution shown by lenders in the initial phases for lending to HAM, the overall award remained at 4,337 kilometers in Fiscal 2017, compared to 4,349 kilometer in Fiscal 2016. Of the total projects awarded in Fiscal 2017, about 2,434 kilometers were awarded through HAM. Because of this, private participation stood at 66% in Fiscal 2017. This was significantly higher than approximately 28% private participation seen in Fiscal 2016.

Accordingly, NHAI project execution is expected to increase and touch approximately 3,010 kilometers in Fiscal 2018, from approximately 2,625 kilometers in Fiscal 2017. The share of private investments in national highways is also expected to rise to 50% by Fiscal 2020, after dropping to 47 % in Fiscal 2016 from 70% in Fiscal 2011. Provided below, is the expected Investment in national highways through different models -



CRISIL Research expects that out of the total ₹ 4.1 trillion expected to be invested in national highways up to Fiscal 2022, about ₹ 1.1 trillion will be through HAM mode.

Key budget announcements for road sector

Key budget proposals

- Budgetary support for national highways and the NHAI has increased by 24% and 54%, respectively, over the revised estimates of Fiscal 2017.

- Budgetary support to the rural road scheme, the Pradhan Mantri Gram Sadak Yojana, has been maintained at ₹ 190 billion

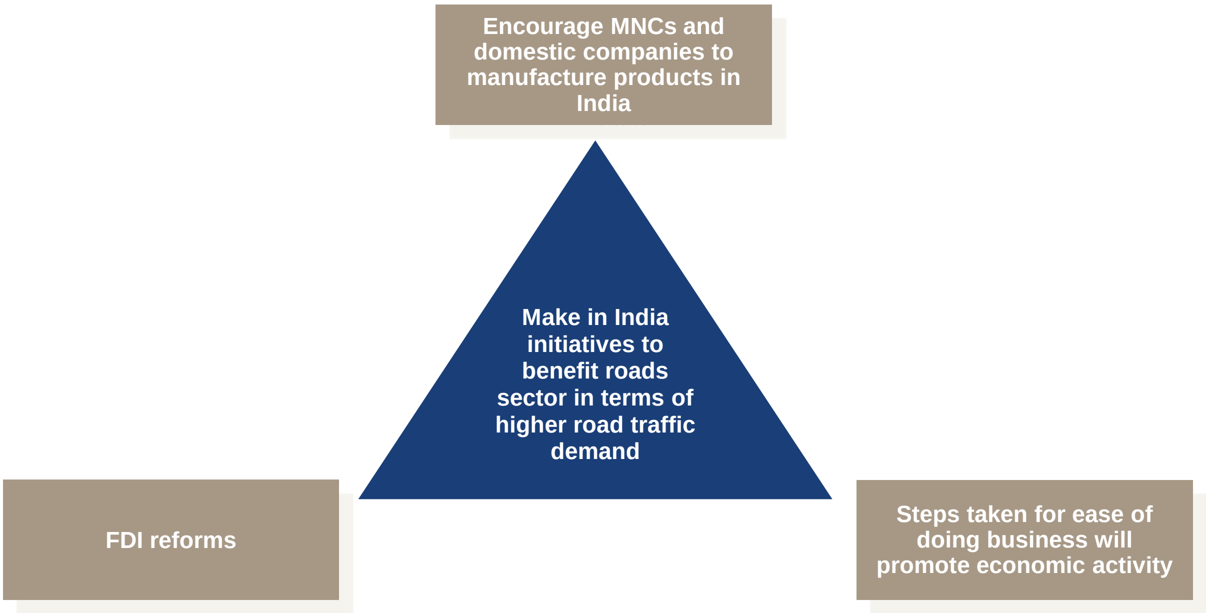
Budget impact

- The budgetary allocation to NHAI from CRF in Fiscal 2017 was approximately ₹ 120 billion, however, the revised estimates show that the actual allocation to NHAI was only about ₹ 75 billion. For Fiscal 2018, the budgetary allocation to NHAI from CRF is approximately ₹ 154 billion, however, the actual transfer is expected to be lesser than that as NHAI has been successful in gathering funds from other sources like masala bonds and bonds with NHAI. With the authority now executing more projects on cash contract/hybrid annuity basis, utilising public funds, a higher share of the cess will provide it with more secure funding.

- The target year for completion of the Pradhan Mantri Gram Sadak Yojana was brought forward by three years to 2019 in the previous Budget. The allocation was 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 road sector

Launched in September 2014, 'Make in India' campaign covers 25 major sectors in the economy, including roads and highways. The 'Make in India' initiatives, such as encouraging multinational companies to manufacture products in India, and taking steps to improve the ease of doing business, as well as FDI reforms, are expected to benefit the road sector in terms of higher traffic movement.



Source: CRISIL Research

Encourage multinational companies and domestic companies to manufacture products in India

Multinational companies and domestic companies setting up manufacturing plants in India will facilitate higher road traffic in terms of both passenger traffic and freight. Post the announcement of '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 the Indian state of 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:

- Process of applying for environment and forest clearances has been made online, through the Ministry of Environment and Forests and Climate Change portals.

- Application forms for industrial licence and industrial entrepreneur memorandum have been simplified.

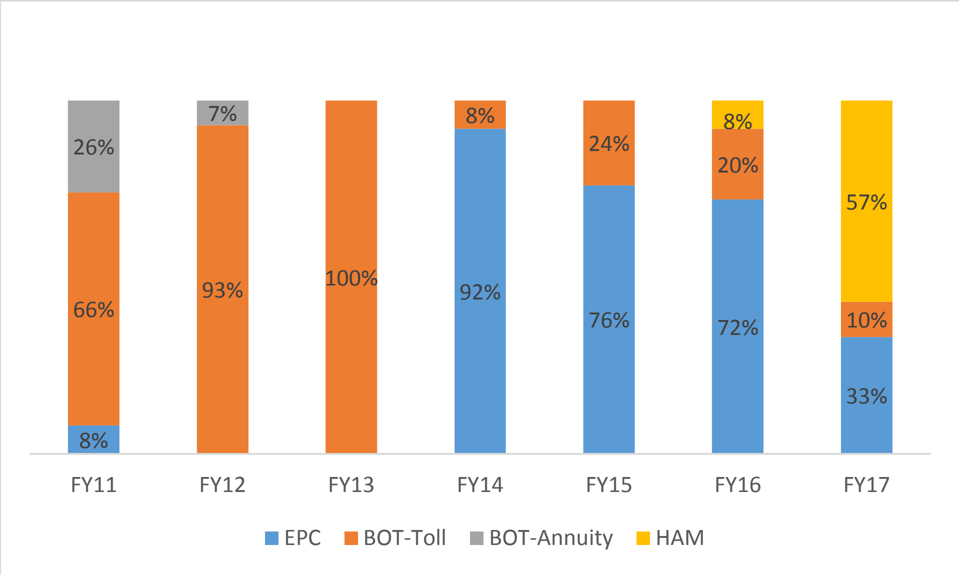
- Process of applying for industrial licence and industrial entrepreneur memorandum has been made online.

- 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, reporting of inspection, submission of returns and grievance redressal, has been launched by the Ministry of Labour and Employment, Government of India.

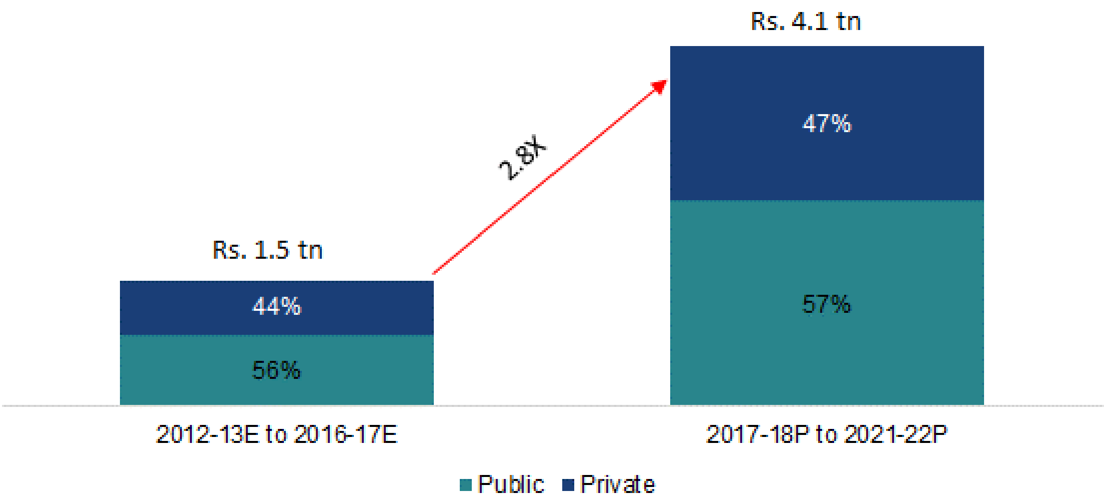
Review of Investment in NHAI Projects

The NHAI awards projects under different modes – EPC, BOT, and the recently introduced HAM. In the past two years, BOT projects have lost out to EPC projects because the latter requires limited upfront capital and involves lower risk. Presented below is the trend of award of projects by the NHAI, which has significantly changed over the last few years.



P: projected
Source: NHAI, CRISIL Research

Between Fiscal 2018 and Fiscal 2022, CRISIL Research expects an investment of ₹ 4.1 trillion in national highways, up 2.8 times in the next five years as compared to the past five years. Notably, the government will account for more than half of the investment. Provided hereinbelow, is a description of share of financing between the public and the private entities.



Source: NHAI, CRISIL Research

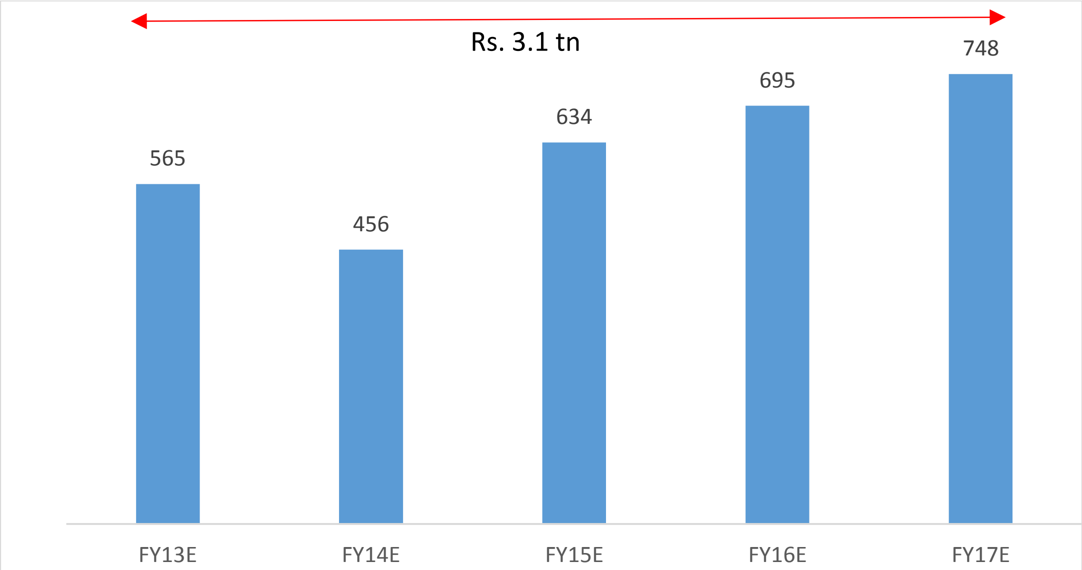
State Roads – Review and Outlook

Review of investments – Fiscal 2013 to Fiscal 2017

State roads (which include highways, major district roads, and rural roads that do not enter the purview of the Pradhan Mantri Gram Sadak Yojana, or PMGSY) comprise approximately 20% of the country's total road network and handle approximately 40% of the 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 materials and products to and fro the hinterland.

Over the past few years, many state governments such as Uttar Pradesh, Gujarat, Maharashtra, Tamil Nadu, etc., have allocated a significant portion of their budgets for developing roads. Through this period, the Central Government's contribution to state roads through the Central Road Fund has remained more or less constant. Currently, 15 - 16% of the total investments in state road projects is channeled through the PPP route.

A total investment of ₹ 3.1 trillion was made in state roads between Fiscal 2013 and Fiscal 2017.



Note: State roads includes state highways and other district roads
Source: CRISIL Research

Projected investments in state roads - Fiscal 2017 to Fiscal 2011

The total investment in state roads between Fiscal 2017 and Fiscal 2021 is expected to be ₹ 4.4 trillion. CRISIL Research expects private participation in state road projects to remain steady in the future, too. Gujarat, Madhya Pradesh, Maharashtra, and Rajasthan are expected to lead the way in implementing state highway projects through the PPP route.

OUR BUSINESS

We are an infrastructure construction, development and management company with extensive experience in our focus area of road projects, including highways, bridges and flyovers. Our main business operations include (i) providing engineering, procurement and construction ("**EPC**") services on a fixed-sum turnkey basis and (ii) undertaking civil construction and related infrastructure projects on item rate and lump sum basis, primarily in the roads and highway sector. We have also forayed into executing water pipeline projects and are currently undertaking two water supply projects in Rajasthan on turnkey basis which includes the designing, construction, operation and maintenance of the project.

We have executed or are executing projects across various states in India covering Rajasthan, Uttar Pradesh Haryana, Uttarakhand, Maharashtra and Arunachal Pradesh. During the last five years, our Company has completed 12 projects above the contract value of ₹ 400.00 million in the roads and highways sector aggregating to a total contract value of ₹ 16,281.94 million, which included construction, improving, widening, strengthening of two and four lane highways, construction of high level bridge and construction of earthen embankment, culverts and cart track underpasses. As on July 31, 2017, our Company has 29 ongoing projects in the roads and highways sector which includes construction, improving, widening, strengthening, upgradation and rehabilitation of two, four and six lane highways, construction of high level bridge and construction of road network. Our Order Book for these ongoing projects in the roads and highways sector amounted to ₹ 38,114.90 million as on July 31, 2017, accounting for 96.52% of our total Order Book.

As of July 31, 2017, we had a total Order Book of ₹ 39,488.43 million, consisting of 29 projects in the roads and highways sector, six civil construction projects and two water supply projects.

We are pre-qualified to bid independently on an annual basis for bids by NHAI and MoRTH for contract values of up to ₹ 8,066.60 million based on our Company's technical and financial capacity as on March 31, 2017. While we independently execute the projects where we are pre-qualified to bid on an independent basis, we also form project specific joint ventures and consortiums with other infrastructure and construction companies, in particular, where we are not pre-qualified to bid independently or when a project requires us to meet specific eligibility requirements in relation to certain large projects, including requirements relating to particular types of experience and financial resources.

We have a track record in executing projects of different sizes particularly in the roads and highways sector. We believe that over the years, our Company has become an established construction developer in the roads and highways sector with strong execution capabilities and with a reputation of delivering quality projects. For instance, we have received a letter of appreciation in the year 2012 from Larsen and Toubro Limited for being the most quality consciousness sub-contractor. We have also received a bonus from the Chief Engineer, National Highways, PWD Lucknow for early completion of widening and strengthening of NH-96 Faizabad-Allahabad Road (from 0.00 kilometers to 46.470 kilometers) in Uttar Pradesh.

Between Fiscal 2018 and Fiscal 2022, CRISIL Research expects an investment of ₹ 4.10 trillion in national highways, up 2.8 times in the next five years compared with the past five years. Notably, the government will account for more than half of the investment. (*CRISIL Research, Roads Sector in India, September, 2017*). Execution of projects from our public sector clients accounted for approximately 73.02%, 57.87% and 54.23% of our total revenue for the Fiscals 2017, 2016 and 2015, respectively. Our public sector clients include NHAI, PWD, MES and Jaipur Development Authority. We have also executed road construction contracts as a sub-contractor for our private sector clients such as Tata Projects Limited and IRB-Modern Road Makers Private Limited. We believe that our quality of work and project execution skills have allowed us to enhance our relationships with existing clients and to secure projects from new clients. For instance, we have been recently awarded 7 EPC contracts in Maharashtra for an aggregate contract value of ₹ 19,045.94 million by MoRTH.

While our principal business of civil construction comprises of projects in the roads and highways sector, we were engaged in the year 2013 as the sub-contractor to execute two water supply projects in Rajasthan on a single responsibility turnkey basis, which includes the responsibility of designing, building and maintaining the projects. We have billed an aggregate revenue of ₹ 1,794.86 million from these water supply projects until Fiscal 2017. Our Order Book for these projects amounted to ₹ 579.90 million as of July 31, 2017, accounting for 1.47% of our total Order Book.

Over the years, we have gradually added a fleet of modern construction equipment and employed manpower to supplement the growth of our construction business. As on July 31, 2017, our equipment base comprised of 867 construction equipment.

We enjoy accreditations, such as the ISO 9001:2015, ISO 14001:2004, OHSAS 18001:2007 certification for quality management systems, environment management systems, and health and safety management systems, respectively, issued by LMS Assessment Services Private Limited.

Our Promoters have an experience of more than two decades in the construction industry. Prior to the incorporation of our Company, our Promoters were associated with M/s Hodal Singh Giriraj Singh & Co., Jodhpur, a partnership firm involved in the construction business which was taken over by our Company in 2003. For further information, see "***History and Certain Corporate Matters***" on page 137.

In Fiscal 2017, 2016, 2015 and 2014 our total revenue, as restated, on a consolidated basis were ₹ 10,585.83 million, ₹ 7,432.88 million, ₹ 3,675.93 million and ₹ 4,729.54 million, respectively, and in Fiscal 2013 our total revenue, as restated, on a standalone basis was ₹ 3,254.40 million. In Fiscal 2017, 2016, 2015 and 2014 our profit after tax, as restated, on a consolidated basis was ₹ 533.34 million, ₹ 353.50 million, ₹ 46.38 million and ₹ 108.99 million, respectively, and our profit after tax, as restated on a standalone basis was ₹ 151.41 million. We have been able to increase our total revenue from Fiscal 2013 to Fiscal 2017 at a CAGR of 34.30 % and our profit after tax has increased at a CAGR of 37.00% over the same period.

OUR STRENGTHS

Established roads and highways sector focused construction developer

We have an experience of over 14 years in construction and development of major infrastructure road projects including highways, bridges, flyovers and other related infrastructure activities, across various states in India covering Rajasthan, Uttar Pradesh Haryana, Uttarakhand, Maharashtra and Arunachal Pradesh. Our revenue from execution of projects in the roads and highways sector constituted approximately 86.02%, 89.57%, 85.95% and 92.89% of our total consolidated revenue in Fiscals 2017, 2016, 2015 and 2014, respectively, and 95.34% of our standalone revenue in Fiscal 2013. Our primary focus on the roads and highways sector has helped us in gaining technical expertise of 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 construction business. As on July 31, 2017 our Company is executing 29 projects in the roads and highways sector aggregating to a total contract value of ₹ 38,114.90 million. Our notable completed construction contracts during the last five years include four laning of Jaipur - Tonk - Deoli section of NH-12, four laning of Warora - Chandrapur – Ballarpur section of SH-267 and construction of Kuberpur to Fatehabad Road, Agra-Inner Ring Road. As on July 31, 2017, our equipment base comprised of 867 construction equipment comprising of HMPs, CBPs, crushers, excavators, loaders, dozers, sensor pavers and transportation vehicles from reputed global equipment suppliers. To support our growth and execution strategy, we employed approximately 2,090 employees as of July 31, 2017, which includes 1,820 skilled workers such as qualified engineers, management professionals and 270 unskilled workers.

As of July 31, 2017, our total Order Book in terms of contract value including escalation is ₹ 39,488.43 million comprising of 37 ongoing projects in Rajasthan, Uttar Pradesh Haryana, Uttarakhand, Maharashtra and Arunachal Pradesh. The size of our Order Book for our roads and highways projects grew from ₹ 8,551.74 million as of March 31, 2015, to ₹ 12,574.24 million as of March 31, 2016 and ₹ 39,198.48 million as of March 31, 2017 at a CAGR of 114.09%. We believe that 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.

Between Fiscal 2018 and Fiscal 2022, CRISIL Research expects an investment of ₹ 4.10 trillion in national highways, up 2.8 times in the next five years compared with the past five years. Notably, the government will account for more than half of the investment (*CRISIL Research, Roads Sector in India, September, 2017*). Execution of projects from our public sector clients accounted for 73.02%, 57.87% and 54.23% of our total revenue for the Fiscals 2017, 2016 and 2015, respectively. Our public sector clients include NHAI, PWD, MES, Jaipur Development Authority and MORTH. We have also executed road construction contracts as a sub-contractor for our private sector clients such as Tata Projects Limited and IRB-Modern Road Makers Private Limited. We value our relationships with our clients. We believe that our motivated team of personnel and our internal systems and processes complement each other to enable us to deliver high levels of client satisfaction. We also believe that our quality of work and project execution skills has allowed us to enhance our relationships with existing clients and to secure projects from new clients. For instance, we have been recently awarded 7 EPC contracts in Maharashtra for an aggregate contract value of ₹ 19,045.94 million by MoRTH.

Efficient business model

Our growth is largely attributable to our efficient business model which involves careful identification of our projects and cost optimisation, which is a result of executing our projects with careful planning and strategy. This model has facilitated us in maximising our efficiency and increasing our profit margins. Additionally, our fleet of modern construction equipment ensures better control over execution and timely completion of projects.

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. We believe that our strategic approach during the pre-bidding stage enables us to bid at competitive prices and helps us to successfully win projects. Once we win a bid, our focus is to ensure high quality of construction during the execution stage of the project, as a result of which, we believe, we are able reduce maintenance and repair costs and therefore realize higher margins during the operation and maintenance stage of the project.

Through our experience of executing projects of varying sizes, we believe that we have developed internal systems and processes which help us in effective execution of our ongoing projects. Our experienced engineering and management teams 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.

Strong project management and execution capabilities

Over the last five years, our Company has executed 12 projects above the contract value of ₹ 400.00 million in the roads and highways sector. Our focus is to leverage our strong project management and execution capabilities in order to complete our projects in a timely manner while maintaining high quality of construction.

Over the years, we have consistently invested and created a fleet of modern construction equipment to ensure high quality and timely execution of our projects. In the last three years, we have invested ₹ 1,727.43 million towards procurement of plant and machinery for our projects. We believe that we are one of the few players in India to own a large fleet of modern construction equipment including HMPs, CBPs, crushers, excavators, loaders, dozers, sensor pavers and transportation vehicles, which meet most of the requirements for our ongoing projects. The availability of modern construction equipment reduces our dependence on third party suppliers for execution of a project, which in turn enables us to control the cost of the project, and minimizes occurrence of events resulting in stoppage of work due to non-availability or breakdown of machinery. Further, it ensures that we are able to offer high quality construction and on time performance. With multiple projects in progress at any given time, ready access to such equipment is essential to execute our ongoing projects efficiently along with timely completion of projects and profitably and to bid for additional complex and challenging projects.

Our Company is also focused on ensuring that each project is executed in conformity with the work description provided in the contracts and adheres to the quality and standard of construction associated with our Company. Our Company has an in-house engineering and design team, which has the necessary skills and expertise in the areas of construction activity such as civil construction, electrical and mechanical and help in preparing detailed architectural and /or structural designs based on the conceptual requirements of the client. Our in-house engineering and design team reduces our dependence on outsourcing engineering and design work to third party consultants. Our quality system managers are responsible for conducting regular inspection and tests at every construction site and publishing reports on the status of compliance with contractual requirements and quality standards at every project site. We have also adopted best practices, including deployment of advanced technology at our construction sites, and regularly undertaking mock drills and other safety orientation programmes to promote a safe working environment. We enjoy accreditations, such as the ISO 9001:2015, ISO 14001:2004, OHSAS 18001:2007 certification for quality management systems, environment management ,systems, and health and safety management systems, respectively, from issued LMS Assessment Services Private Limited.

Visible growth through our growing Order Book and improved pre-qualification credentials

Our Order Book as of 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 growth strategy has been focused on selecting quality projects with potentially higher margins. We believe that by expanding our operations in different geographical regions, we are able to pursue a broader range of project tenders and therefore maximize our business volume and contract profit margins. Our order book has grown significantly over the last three years, from ₹ 10,677.04 million as of March 31, 2015, to ₹ 14,462.65 million as of March 31, 2016 and ₹ 40,190.89 million as of March 31, 2017, respectively. As of July 31, 2017, our total order book was ₹ 39,488.43 million, with government contracts accounting for 68.78% and private contracts accounting for 31.22% of the Order Book.

We believe our track record of completed projects, our existing portfolio and our financial performance allows us to meet the qualification requirements for a large number of new projects in the roads and highways sector. For instance, we are pre-qualified to bid independently on an annual basis for bids by NHAI and MoRTH of contract value up to ₹ 8,066.60 million based on our technical and financial capacity. We also form project specific joint ventures and consortiums with other infrastructure and construction companies, in particular, where we are not pre-qualified to bid independently or when a project requires us to meet specific eligibility requirements in relation to certain large projects, including requirements relating to particular types of experience and financial resources.

Experienced management team

Our management team is well qualified and experienced in the construction industry and has been in many ways responsible for the growth of our operations. In particular, our Promoters and Directors, Girish Pal Choudhary, Vijendra Singh Choudhary and Harendra Singh Choudhary have about 20 years of experience in the infrastructure development sector, and have been instrumental in driving our growth since inception of our business. We believe that our motivated team of management and key managerial personnel along with our internal systems and processes complement each other to enable us to deliver high levels of client satisfaction. For details on the qualifications and experience of our senior management team, see "***Our Management***" on page 143. We believe the strength and entrepreneurial vision of our Promoters and management has been instrumental in driving our growth and implementing our strategies.

OUR STRATEGIES

Continue focusing on our EPC business in the roads and highways sector and enhancing execution efficiency

Our primary focus is to strengthen our market position in India in developing and executing EPC projects in the roads and highways sector. Over the next few years, we will continue to focus on the operation, maintenance and development of our existing projects while seeking opportunities to expand our EPC projects in the roads and highways sector. We intend to capitalize on our experience and project execution expertise and continue to selectively pursue EPC projects in the roads and highways sector, both independently and in partnership with other players. CRISIL Research expects investment in road projects to double to ₹ 10.70 trillion over next five years. Further, given the current financial crunch being faced by build-operate-transfer (BOT) players, CRISIL Research expects the share of engineering, procurement, construction (EPC)/ cash contract projects to widen, especially in low-traffic-volume projects under NHDP-Phase IV, over the next five years (*CRISIL Research, Roads Sector in India, September, 2017*). We believe that, given the Government's focus on improving infrastructure in India, the roads and highways infrastructure sector has high potential for growth and our experience and track record in the construction business provides us with a competitive advantage in pursuing future opportunities.

We intend to continue to focus on efficient project execution by adopting industry best practices and advanced technologies to deliver quality projects to the satisfaction of our clients. We intend to continue to invest in modern construction equipment to ensure continuous and timely availability of equipment critical to our business, which will help us in exercising better control over the execution of our projects. We seek to attract, train and retain qualified personnel and skilled laborers and further strengthen our workforce through more comprehensive training and provide adequate and skilled manpower to our clients. We also seek to offer our engineering and technical personnel a wide range of work experience, in-house training and learning opportunities by providing them with an opportunity to work on a variety of large, complex construction projects.

We will continue focusing on improving our internal systems and processes and upgrade our IT systems to reduce manual intervention and improve reliability and efficiency of our business and operations. We also intend to utilize advanced technologies, designs, engineering and project management tools to increase productivity and maximize asset utilization in construction activities.

Selectively expand our geographical footprint

Our Company started its operations in Rajasthan and has gradually expanded in other states including Uttar Pradesh, Haryana, Uttarakhand, Maharashtra and Arunachal Pradesh. We plan to continue our strategy of diversifying and expanding our presence in different states for the growth of our business. We are selective when we expand in a new location and typically look to geographies where we can deliver high-quality services without experiencing significant delays and interruptions on account of adverse climatic conditions or regulatory delays. We believe that our strategy of selective expansion helps us in mitigating diversification related risks. We currently expect that a significant portion of our geographic expansion will be in states such as Gujarat, Punjab and Madhya Pradesh, which have favourable geographic and climatic conditions. Through further diversification of our operations geographically, we hope to hedge against risks in specific areas or projects and protect us from fluctuations resulting from business concentration in limited geographical areas.

Selectively explore hybrid annuity based model to optimize our project portfolio

We undertake majority of our projects on the EPC basis and while our focus primarily is to grow our EPC business, we also seek to evaluate opportunities of undertaking projects on the newly introduced hybrid annuity model ("**HAM**") by the government. This model aims to lower the financial burden on the concessionaire during project-implementation phase. In projects undertaken on HAM basis, the developer is responsible to meet only 60% of the total project cost but undertakes the entire risk of operations and maintenance, while the government bears 40% of the total project cost and undertakes the entire toll collection risk. We believe that the introduction of the HAM model in India provides opportunities for private developers to participate in the annuity based model but, unlike the "Build Operate Transfer" model, does not expose the developers to bear the entire financial risk and the revenue risk. CRISIL Research expects that out of the total ₹ 4.10 trillion expected to be invested in national highways upto Fiscal 2022, about ₹ 1.10 trillion will be through HAM mode (*CRISIL Research, Roads Sector in India, September, 2017*). We seek to selectively explore opportunities of undertaking projects on HAM basis by evaluating the investments required and selecting projects where the risk and reward profile is favourable. For projects where we are not pre-qualified to bid independently, we may also enter into strategic alliances and joint ventures with other developers.

Diversify beyond projects in the roads and highways sector by leveraging existing capabilities

While our primary focus is on development and execution of EPC projects in the roads and highways sector, as part of our business growth strategy, we have also diversified in executing water supply projects and our Company is currently undertaking two water supply projects on turnkey basis in Rajasthan. We believe that, due to the increasing levels of the Government's focus and investment in infrastructure in India, certain segments such as irrigation, airport runways, waterways and development of smart cities provide us with exciting opportunities to further develop our business and achieve higher profitability. For instance, the government introduced the Smart Cities Mission in June 2015 for the development of 100 smart cities over five years (Fiscal 2017 onwards) to meet the infrastructure and services expectations of citizens. 60 cities have received funding by May 2017. The total estimated cost of projects is ₹ 13.20 billion (*CRISIL Research, Roads Sector in India, September, 2017*). We seek to capitalise on such opportunities in new functional areas of infrastructure development by leveraging on our established project execution track record in our civil construction business. As part of our business growth strategy, we intend to diversify into, and shall consider bidding for, projects related to construction and maintenance of airport runways, projects related to railways and metros including earthwork and water treatment and sewerage related projects. In order to mitigate the risk of over-diversification, we seek to expand in businesses that require execution skills that are similar to our roads and highways construction business and allow us to leverage our past experience and maximize the use of our manpower, equipment and new materials in our expansion and avoid additional investment in new equipment wherever possible. We believe that with this strategy, we will be able to develop into a full EPC service company capable of undertaking projects in multiple businesses while adhering to financial discipline and mitigating associated risks. Further, in new areas where we may lack experience or expertise, we may also enter into strategic alliances and joint ventures with other developers.

OUR BUSINESS

As of July 31, 2017, we have a project portfolio consisting of 37 ongoing projects. The nature of such roads and highways infrastructure projects includes various works, such as construction, widening, strengthening, improvement, lane-related construction, maintenance, as well as development activities.

Generally, the construction contracts that we enter into for our services fall within the following categories:

- *EPC Contracts*- EPC contracts are fixed-price contracts wherein the client provides conceptual information about the project. Technical parameters, based on the 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.

  <u>Engineering</u> — 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.

  <u>Procurement</u> — 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.

  <u>Construction</u> — 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, such as embankment, cross drainage, bridge works over rivers and canals in the construction of highways.

- *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 BOQ 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 COMPLETED PROJECTS

Some of the major projects undertaken in the roads and highways sector completed by our Company during the last five years, based on the total contract value, are set out below.

Sr.	Name of Work	Project Cost (In ₹ million)	Work Done Amount (In ₹ million)	Role (Contractor/ subcontractor)	Independent/ Joint Venture
1.	Construction of Kuberpur to Fatehabad Road, Agra-Inner Ring Road (Phase-I)	3,069.50	3,046.90	Contractor	Independent
2.	Construction of Four laning of Jaipur - Tonk - Deoli Section of NH-12 from Km 63 + 000 to Km 114 + 000 (Package no - II) (Additional Work included)	3,032.00	3,620.26	Sub-contractor	Independent
3.	Four laning of Warora - Chandrapur – Ballarpur-Bamni Road and Bridges on SH-267, part of Warora to Chandrapur from	2,684.50	2,637.90	Sub-contractor	Independent

Sr.	Name of Work	Project Cost (In ₹ million)	Work Done Amount (In ₹ million)	Role (Contractor/ subcontractor)	Independent/ Joint Venture
	Km 40.00 to Km 83.40, part of Chandrapur to Bamni from Km. 94.00 to Km. 107.80 including Chandrapur Bypass Road (Sh 266) from Km. 0.00 to Km 5.20 and 1.20 Km Length of SH 267 in Chandrapur District in state the of Maharastra				
4.	Widening and strengthening from Km.O+OOO to 46+470 of NH-96 (New NH No.330) (Faizabad-Allahbad Road) in the state of Uttar Pradesh under EPC mode	1,711.10	1,634.30	Contractor	Independent
5.	2nd Renewal Coat on pavement of 6 lane divided carriageway of Jaipur-Kishangarh Section of NH-08 from km. 273.500 to km. 363.885 including 2 lane service road (Approximately 30 km)	1,423.10	1,423.10	Sub-contractor	Independent

ORDER BOOK

Our Order Book as of 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 total order book was ₹ 40,190.89 million, ₹ 14,462.65 million, ₹ 10,677.04 million, for the Financial Years ended as at March 31, 2017, 2016, 2015, representing a change of 177.89%, 35.46% for the Financial Years ended March 31, 2017, 2016 respectively. Our total order book was ₹ 39,488.43 million as of July 31, 2017.

The following table sets forth the breakdown of our order book as of July 31, 2017 by type of clients or ownership.

Client	Number of contracts	Total contract value (₹ in million)	Order Book value (₹ in million)	Percentage of total Order Book (%)
Private clients	5	17,578.50	12,329.50	31.22
Government clients	32	35,157.84	27,158.93	68.78
NHAI	5	10,454.70	4,407.38	11.16
MoRTH	7	19,045.94	19,045.94	48.23
State PWDs	6	3,108.70	2,127.40	5.39
Total	**37**	**52,736.34**	**39,488.43**	**100.00**

The following table sets forth a comparison of our private and public sector client base over the last three years.

(Based on revenues in each year)

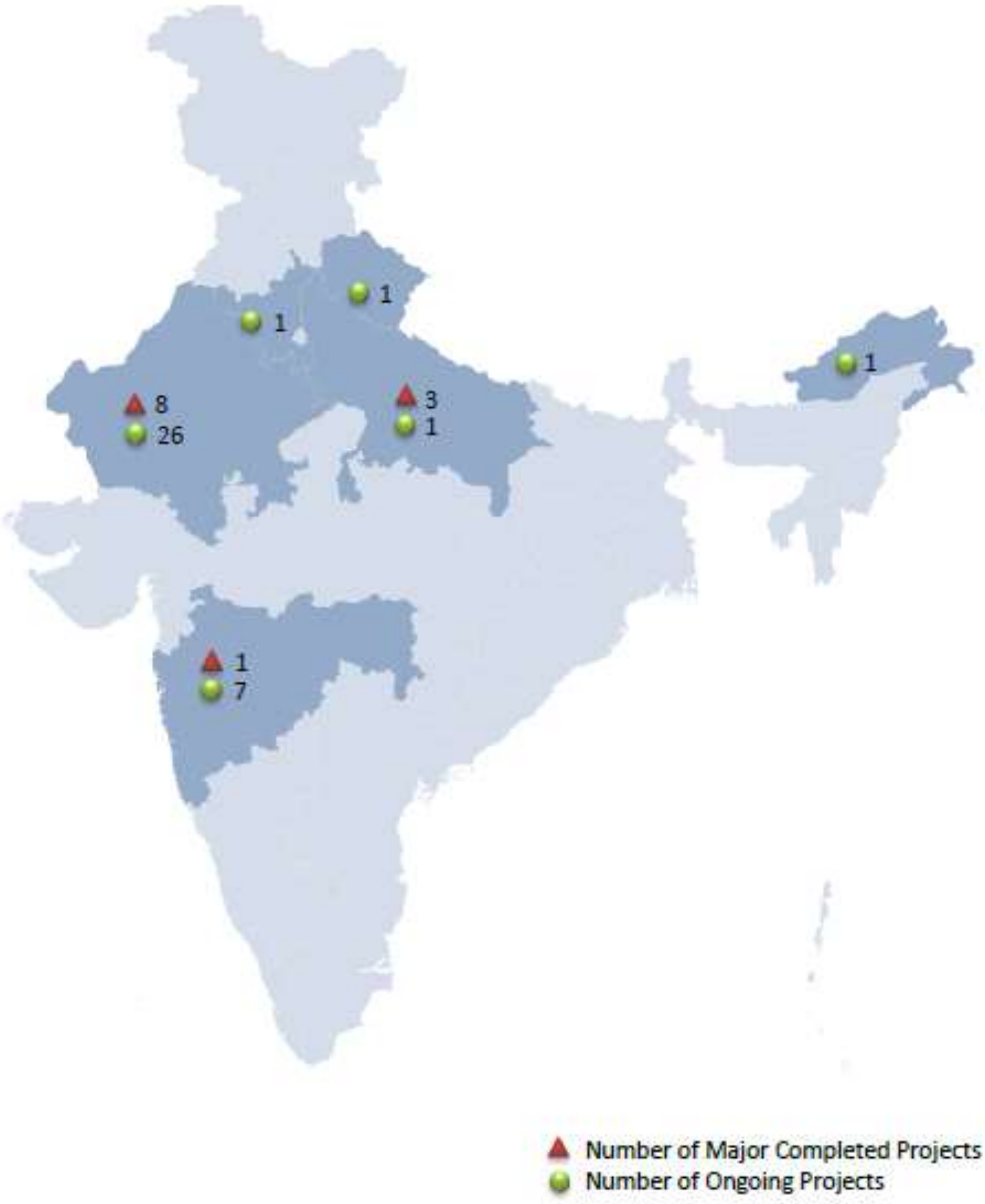
Client	Number of Contracts Fiscal 2017	Number of Contracts Fiscal 2016	Number of Contracts Fiscal 2015
Private clients	8	12	8
Government clients	39	32	21
NHAI	6	3	1
MoRTH	1	1	-
State PWDs	17	12	9
Total	**47.00**	**44.00**	**29.00**

Geographical distribution of projects

We started our business operations in Rajasthan and have gradually expanded to Uttar Pradesh, Haryana, Uttarakhand, Maharashtra and Arunachal Pradesh. While the majority of our contracts are being executed in Rajasthan, the orders we received from outside Rajasthan have accounted for 56.24 %, 52.99 % and 61.72 % of our Order Book as of March 31, 2017, 2016 and 2015, respectively.

The following table sets forth the breakdown of our Order Book as of July 31, 2017 by geographical areas:

Region	Number of contracts	Total contract value (₹ in million)	Order Book value (₹ in million)	Percentage of total Order Book (%)
Rajasthan	26	24,976.20	18,324.49	46.40
Uttar Pradesh	1	1,269.30	440.30	1.12
Haryana	1	4,011.10	540.00	1.37
Uttarakhand	1	2,431.10	420.10	1.06
Maharashtra	7	19,045.94	19,045.94	48.23
Arunachal Pradesh	1	1,002.70	717.60	1.82



Major Ongoing Projects

As on July 31, 2017, the top five projects (in terms of value) constituting a part of our Order Book are the following:

Sr.	Name of Work	Total contract value (₹ in million)	Order Book value (₹ in million)
1.	Six laning of Gulabpura Chittorgarh Section-2-From Km.138+870 to Km.213.00 (75 Km.)	6,375.90	6,375.90
2.	Six laning of Chittorgarh-Udaipur Section of NH-76 Section 1 from design chainage Km. 214.87 to Km. 263.87 + Additional 15 Km. top layer & RE wall, Road Furniture, Street Light (Ch. 263.87 to Ch. 278.87)	4,833.70	4,833.70
3.	Construction of 4 laning highway NH-65, Kaithal-Rajasthan border Pkg-I (a)	4,011.10	540.00
4.	Rehabilitation and Up-gradation of Nagpur-Katol-Warud State Highway From Existing Km 60+100 (End of Katol bypass) To Km 101+085 (Warud upto joint junction) [Design Km.60+100 To Km. 100+565] From Two lane with paved shoulder in the state of Maharashtra on EPC Mode	3,142.10	3,142.10
5.	Rehabilitation and Up-gradation of Nandurbar (Near Kolde)- Prakasha-Sahada-Khetia (SH-4 &SH-5) State Highway from existing km 50+260 of SH 5,(Kolde) to km 90+220 (Khetia) Design km.50+200 to km.98+800] to Two lane with paved shoulders/4 lane in the State of Maharashtra on Engineering, Procurement and Construction (EPC) Basis Contract	2,981.10	2,981.10

OUR 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. Between the years 2013 and 2017, we have executed or are executing 5 roads and highways infrastructure projects through our joint ventures, the details of which are set forth hereunder.

1. HGIEPL – RPS (JV)

Our Company entered into a joint venture agreement dated May 31, 2013 with M/s. Rameshwar Prasad Sharma Contractor, a partnership firm ("**RPS**"), for the purpose of submitting an offer for work through our joint venture, HGIEPL – RPS (JV)**,** in relation to development of the section from Bari- Baseri-Weir-Bhusawar-Chhonkarwara-Kherli-Nagar-Pahari Road up to Haryana Border (kilometer 0/0 to kilometer 122/0, against the tender invited by the Rajasthan State Road Development Corporation Limited, Jaipur.

2. MGCPL – HGIEPL (JV)

Our Company is currently undertaking the contract for rehabilitation and augmentation of two laning from Changlang District Boundary to the Khonsa section of the new National Highway 215 from kilometer 0.00 to kilometer 42.844 in Arunachal Pradesh on an EPC basis, through our joint venture MGCPL-HGIEPL (JV), which was awarded the project by National Highways & Infrastructure Development Corporation Limited through its letter dated February 15, 2016.

3. M/s HGIEPL – Colossal (JV)

Our Company entered into a joint venture (partnership) agreement dated January 10, 2014 with M/s. Colossal Construction ("**Colossal**") for carrying out construction activities.

4. HGIEPL – Ranjit (JV)

Our Company is currently undertaking the four laning of Babatpur to Varanasi section of National Highway 56 from kilometer 263/000 to kilometer 280/250 in Uttar Pradesh on an EPC basis, through our joint venture partner Ranjit Buildcon Limited, which was awarded to us by the Ministry of Road Transport and Highways, Government of India, pursuant to its letter of award dated June 23, 2015.

5. TPL – HGIEPL Joint Venture

Our Company has currently formed a joint venture for part of the six laning of the Chittorgarh – Udaipur section of National Highway 76 from kilometer 214 + 870 to kilometer 308 + 370 in the state of Rajasthan on EPC basis, through our joint venture TPL-HGIEPL Joint Venture.

For further information, see "***History and Certain Corporate Matters***" on page 137.

SUMMARY OF OUR EPC CONTRACTS

Under an EPC contract, we are primarily responsible for the implementation of all design, engineering, procurement and construction efforts, in strict compliance with the design requirements and other terms and conditions of the EPC contract, in a timely manner and to the satisfaction of our clients. Certain EPC contracts restrict us from sub-contracting more than certain specified percentage of the total length of the project highway. 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 might exist in some cases to cover cost overruns.

Indemnities

Under an EPC contract, we are usually required to indemnify the employer and its members, officers and employees against all actions, proceedings, claims, liabilities, damages, losses and expenses due to failure on our part to perform our obligations under the EPC contract.

Performance Security and Defect Liability

We are usually required to provide a guarantee equal to a fixed percentage of the contract price as the performance security. During the construction period as well as the warranty period after the completion of construction, we are usually required to cure construction defects, except usual wear and tear, at our own risk and costs. We are usually responsible for curing the defects during the defect notification period, which is usually for a period of 12 to 60 months after completion of work. In the event we are unable to cure the defects, our clients usually has the right to get the defect rectified by a third party at our cost.

Retention money

Our contracts specify a certain percentage of the value of work executed 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 EPC contract. However, the retention money can be replaced with an irrevocable and unconditional bank guarantee provided to our client.

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 of the contract price. Our clients are entitled to deduct the amount of damages from the payments due to us.

Business Development

We enter into contracts primarily through a competitive bidding process. Our clients typically advertise for potential projects on their websites and in leading national newspapers. Our tendering department regularly reviews newspapers and websites to identify projects that could be of interest to us. After such projects are identified, the tender department seeks approval of the management in order to determine if the identified projects are to be pursued. We consider feasibility of bidding for projects based on, including the pre-qualification criteria for the project, the geographic location of the project and the degree of difficulty in executing the project in such location, our current and projected workload, the likelihood of additional work, the project's cost and profitability estimates and our competitive advantage relative to other likely bidders. Once we have identified projects that meet our criteria, we submit an application to the client according to the procedures set forth in the advertisement.

Tendering

Our Company has a dedicated tender department that is responsible for applying for all pre-qualifications and tenders. The tender department 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 ₹ 8,066.60 million 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. The site visit also allows us to determine the incidence and rates of local taxes and levies, such as sales tax or value added tax, octroi and cess.

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 two (2) 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.

Material comprises a significant portion of the total project cost. Consequently, success in any project would depend on the adequate supply of requisite material during the tenure of the contract. We have a separate department, which is responsible for procurement and logistics to ensure timely availability of material at each of our project sites.

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. The project 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. Procurement of material, services and equipment from external suppliers typically comprises a significant part of a project's cost.

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.

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 project 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 experienced engineering and management teams 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.

Our engineering and management teams are also responsible for preparing reports with respect to information regarding daily activities such as raw material consumption rate, requirement and procurement of raw materials, machinery breakdowns and idle status reports and captive production report about equipment such as crushers, batching plants and hot and wet mix plants. Our engineering teams also prepare monthly reports by comparing the target program and the progress achieved, program revision to cover slippages, if any, reviews status of project design and drawing, reconciles raw materials, prepares an action plan for bottlenecks and provides 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 have a large fleet of construction equipment assets, including HMPs, CBPs, crushers, excavators, loaders, dozers, sensor pavers and transportation vehicles from reputed global equipment suppliers. Having such an asset base, is in our view, an important advantage in serving the technically challenging and diverse nature of the construction projects in which we are engaged.

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 machineries to the work sites where they can be utilized at an efficient level without delays. With a full 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. We believe we can thus 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 built in-house repair and maintenance facilities at Pali center.

The following table provides a list of some of our key equipment as on July 31, 2017:

Detail of Equipment	Quantity
Concrete Batching Plant	29
Water Tanker (With Sprinkler)	35
Motor Grader	38
Vibratory Soil Compactor	51
Hot Mix Batching Plant	10
Paver Finisher	23
Crushers	12
WMM Plant	8
Pneumatic Tyre Roller	6
Transit mixer	64
Material Lifting Elevator	33
Dozer	1
F.E. Loader	17
Smooth Wheeled Roller	18
Bitumen Sprayer	12
Vibratory Roller DD-90	13
Air Compressor	16
Hydraulic Excavator	48
Concrete Pump	9
Kerb Laying Machine	7
Dumpers	254
Tractor	5
D.G. Set	144
Weigh Bridge	11
Milling Machine	3

Human Resources

As on July 31, 2017, we have 2,090 permanent employees, of which 1,820 were skilled workers and 270 were unskilled workers. 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 July 31, 2017, out of the 2,090 employees employed by us, 231 were engineers, 46 held a degree in master's in business administration and 112 were managers. We also employed 10 chartered accountants / cost and works accountant and three company secretaries. For the purposes of recruiting employees, we advertise in national dailies, use recruitment web-sites and conduct campus interviews at regular periods. Our emoluments for our staff are performance based. Employees are evaluated on a yearly basis for their performance on specified parameters. None of our employees are in a union and we have not had any material disputes with our employees in the past. As such we consider our relations with our employees to be amicable.

We are committed to the development of the expertise and know-how of our employees through technical seminars and training sessions organised or sponsored by the Company. Our personnel policies are aimed towards recruiting the talent that we need, facilitating the integration of our employees into the Company and encouraging the development of skills in order to support our performance and the growth of our operations.

Information Technology

We are focusing on improving our internal systems and processes and upgrade our IT systems to reduce manual intervention and improve reliability and efficiency of our business and operations. We also intend to utilize advanced technologies, designs, engineering and project management tools to increase productivity and maximize asset utilization in construction activities. ,

Insurance

Our operations are subject to hazards inherent in providing engineering and construction services, such as risk of equipment failure, land mine blasts and other work accidents, fire, earthquake, flood and other *force majeure* events, acts of terrorism and explosions including hazards that may cause injury and loss of life, destruction of property and equipment and environmental damage. We may also be subject to claims resulting from defects arising from EPC services provided by us.

Our significant insurance policies consist of coverage for risks relating to physical loss or damage. We have "Group Health Insurance Policy", "Employees Compensation Liability Policy" "Contractor's All Risk Insurance Policy" and "Motor vehicle Insurance" covering for material damage to our construction equipment and vehicles.

Health, Safety and Environment

We enjoy accreditations, such as the ISO 9001:2015, ISO 14001:2004, OHSAS 18001:2007 certification for quality management systems, environment management systems, and health and safety management systems, respectively, from issued LMS Assessment Services Private Limited.

We have also adopted best practices, including deployment of advanced technology at our construction sites, and regularly undertaking mock drills and other safety orientation programmes to promote a safe working environment. Our constructions and operations are subject to governmental, state and municipal laws and regulations relating to the protection of the environment, including requirements for water discharges, air emissions, the use, management and disposal of solid or hazardous materials or wastes and the cleanup of contamination. However, typically in EPC contracts entered by us all 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 face competition from other road construction companies operating in the same geographies as ours. 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's are key factors in client decisions among competitors, price often is the deciding factor in most tender awards. Some of our competitors may have greater resources than those available to us. We believe that we face competition from other construction companies which operate in the same geographies as us and undertake projects in the road and high sector, such as G.R. Infraprojects Limited, Gawar Constructions Limited and Patel Infrastructure Private Limited. Please see the section entitled "***Industry Overview***" on page 98.

Intellectual Property

Our trademark "H.G. Infra Engg. Ltd.-We Make People Move" is not duly registered under the applicable class in India and we have made four applications dated June 22, 2017 for registration of this trademark under Class 37. For further details, see "***Government and Other Approvals***" and "***Risk Factors***" on pages 315 and 16, respectively.

Property

Our Registered Office, situated at 14, Panchwati Colony, Ratanada, Jodhpur, Rajasthan, 302 001, is owned by Mr. Hodal Singh. Our Corporate Office, situated at, IIIrd Floor, Sheel Mohar Plaza, , A-1, Tilak Marg C-Scheme, Jaipur, Rajasthan 302001 is owned by us. Additionally, our Company owns other property, including, on a freehold basis, property at Jaipur, Jodhpur, Noida and Sitarganj.

Additionally, our Company also enters into short term leases, typically for a duration of 11 months for construction of offices and other related facilities at our construction sites.

Corporate Social Responsibility

We demonstrate our commitment towards our communities by committing our resources and energies to social development and we have aligned our CSR programs with Indian legal requirements. In furtherance of the same, we have undertaken CSR activities including augmentation of child education, alleviation of poverty, restoration of flora & fauna, providing fodder to cows in goushala and their rehabilitation, water harvesting measures and investment on safe and drinking water at remote location of Rajasthan.

KEY REGULATIONS AND POLICIES IN INDIA

*The following description is a summary of the relevant regulations and policies 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 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 nor intended to substitute for professional legal advice. For details of government approvals obtained by us, please see chapter "**Government and Other Approvals**" beginning on page 315. 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 Central Government is responsible for the development and maintenance of 'National Highways' and may delegate any function relating to development 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 Central Government may also enter into an agreement with any person (being, either an individual, a partnership firm, a company, a joint venture, a consortium or any other form of legal entity, Indian or foreign, capable of financing from own resources or funds raised from financial institutions, banks or open market) in relation to the development and maintenance of the whole or any part of a 'National Highway'. Such agreement may provide for designing and building a project and operating and maintaining it, collecting fees from users during an agreed period, which period together with construction period is usually referred to as the 'concession period'. Upon expiry of the 'concession period', the right of the person to collect fees and his obligation to operate and maintain the project ceases and the facility stands transferred to the central government.

Under the National Highways Act (the "**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 inter alia 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 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 Government of India, under the Central Road Fund Act, 2000 created a dedicated fund for NHDP (the "**Fund**"). 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.

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 Central 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 States 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;
- Equal Remuneration Act, 1976; and
- Public Liability Insurance Act, 1991.

Other laws

In addition to the above, our Company is also required to, inter alia, comply with the provisions of the 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.

FOREIGN DIRECT INVESTMENT ("FDI")

Under the current consolidated FDI Policy, effective from August 28, 2017, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, including any modifications thereto or substitutions thereof, issued from time to time, (the "**Consolidated FDI Policy**") which consolidates the policy framework on FDI, 100% FDI through automatic route is permitted in the road and water supply sectors.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

Our Company was incorporated as "H.G. Infra Engineering Private Limited" on January 21, 2003, as a private limited company under the Companies Act 1956, at Jodhpur, with a certificate of incorporation granted by the RoC. Pursuant to the conversion of our Company to a public limited company, our name was changed to "H.G. Infra Engineering Limited" and the RoC issued a fresh certificate of incorporation on June 8, 2017.

Conversion of a Partnership Firm into our Company

Our Company was formed pursuant to the conversion of a partnership firm, M/s Hodal Singh Giriraj Singh & Co., Jodhpur (the "**Partnership Firm**") into our Company, a joint stock company under Part IX of the Companies Act, 1956 on January 21, 2003. The Partnership Firm was constituted pursuant to a partnership deed dated December 10, 1980, initially entered into amongst the original partners, Mr. Giriraj Singh, Mr. Bhagwan Singh, Mr. Hodal Singh, Mr. Pokhpal Singh, Mr. Devendra Singh, Mr. Ramswaroop Singh and Mr. Narpat Singh for the purpose of carrying out the business of, among others, public works department ("**PWD**"), railways, irrigation department or any other government or semi-government departments in respect of roads, bridges, dams, supply of material and technical consultation. Pursuant to the changes in the constitution of the partnership, the partnership deed was subsequently amended from time to time.

The business of the Partnership Firm was taken over by our Company pursuant to the conversion and Mr. Bhagwan Singh, Mr. Hodal Singh, Mr. Pokhpal Singh, Mr. Girishpal Singh, Mr. Vijendra Singh, Mr. Harendra Singh and Mr. Rajendra Singh, the erstwhile partners of the Partnership Firm were issued and allotted 53,831 Equity Shares, 452,647 Equity Shares, 25,843 Equity Shares, 324,255 Equity Shares, 408,257 Equity Shares, 442,572 Equity Shares and 31,345 Equity Shares, respectively. For details, see "***Capital Structure***" on page 72.

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 "***Our Business***", "***Industry Overview***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on pages 118, 98 and 284, respectively. For details of the management of our Company and its managerial competence, see "***Our Management***" on page 143.

Changes in Registered Office

The Registered Office of our Company is situated at 14, Panchwati Colony, Ratanada, Jodhpur 342 001, Rajasthan, India. As on the date of the Draft Red Herring Prospectus, there has not been any change in the Registered Office of the Company.

Our main objects

The main objects of our Company as contained in our Memorandum of Association are:

1. To carry on in India or elsewhere, either alone or jointly with one or more person, government, local or other bodies, the business to construct, build, alter, acquire, convert, improve, design, erect, establish, equip, develop, dismantle, pull down, turn to account, furnish, level, decorate, fabricate, install, finish, repair, maintain, search, survey, examine, taste, inspect, locate, modify, own, operate, protect, promote, provide, participate, reconstruct, grout, dig, excavate, pour, renovate, remodel, rebuild, undertake, contribute, assist, and to act as civil engineer, architectural engineer, interior decorator, consultant, advisor, agent, broker, supervisor, administrator, contractor, BOT contractor, sub-contractor, turnkey contractor and manager of all types of constructions and developmental work in all its branches such as roads, ways, culverts, dams, bridges, railways, tramways, water tanks, reservoirs, canals, wharves, warehouse, factories, buildings, structures, drainage and sewage works, water distribution and filteration systems, docks, harbours, piers, irrigation, works, foundation works, flyovers, airports, runways, rock drilling, aquaducts, stadiums, hydraulic units, sanitary, work, power supply works, power stations, hotels, hospitals, dharamshalas, multistories, colonies, complexes, housing projects, and other similar works and for the purpose to acquire, handover, purchase, sell, own, cut to size, develop, distribute, or otherwise,

to deal in all sorts of lands and buildings and to carry on all or any of the foregoing activities for buildings and to materials, goods, plants, machineries, equipments, accessories, parts, tools, fittings, articles, materials and facilities of whatsoever nature and to do all incidental acts and things necessary for the attainment of foregoing objects.

2. To carry on the business of to undertake and execute contract works in P.W.D., P.H.E.D, R.S.A.M.B., C.P.W.D., M.E.S., J.L.C., I.G.N.P., RIICO, Railways, U.I.T., Irrigation Development or any other Government or Semi-Government in respect of Buildings, Roads, Bridges, Canals, Dams, culverts, transportation and supply of material, technical or alternative business deemed to be profitable.

The main objects clause and objects incidental or ancillary to the main objects as contained in the Memorandum of Association enable our Company to undertake its existing activities.

Amendments to our Memorandum of Association

Since the incorporation of our Company the following changes have been made to our Memorandum of Association:

Date of change/ shareholders' resolution	Nature of amendment
January 22, 2010	The authorized share capital of our Company was increased from ₹ 17,500,000 divided into 1,750,000 Equity Shares of ₹ 10 each to ₹ 30,000,000 divided into 3,000,000 Equity Shares of ₹ 10 each.
October 22, 2010	The authorized share capital of our Company was increased from ₹ 30,000,000 divided into 3,000,000 Equity Shares of ₹ 10 each to ₹ 50,000,000 divided into 5,000,000 Equity Shares of ₹ 10 each.
February 1, 2011	The authorized share capital of our Company was increased from ₹ 50,000,000 divided into 5,000,000 Equity Shares of ₹ 10 each to ₹ 75,000,000 divided into 7,500,000 Equity Shares of ₹ 10 each.
August 25, 2011	The authorized share capital of our Company was increased from ₹ 75,000,000 divided into 7,500,000 Equity Shares of ₹ 10 each to ₹ 125,000,000 divided into 12,500,000 Equity Shares of ₹ 10 each.
February 15, 2013	The authorized share capital of our Company was increased from ₹ 125,000,000 divided into 12,500,000 Equity Shares of ₹ 10 each to ₹ 160,000,000 divided into 16,000,000 Equity Shares of ₹ 10 each.
January 1, 2016	The authorized share capital of our Company was increased from ₹ 160,000,000 divided into 16,000,000 Equity Shares of ₹ 10 each to ₹ 200,000,000 divided into 20,000,000 Equity Shares of ₹ 10 each.
May 15, 2017	Clause I of the Memorandum of Association was altered to reflect the change in name of our Company from "H.G. Infra Engineering Private Limited" to "H.G. Infra Engineering Limited".
	Clause III of the Memorandum of Association was altered by deleting Clause (III) (B) and (C) and inserting in place thereof, a new Clause (III) (B) stating 'Matters which are necessary for furtherance of the objects specified in Clause (III) (A) are" to bring the Object Clause III in accordance with the Companies Act 2013.
	Clause IV of the Memorandum of Association was altered by substituting the existing Clause IV with the following new Clause IV to bring the Object Clause IV in accordance with the Companies Act, 2013: "The liability of member(s) is limited and this liability is limited to the amount unpaid, if any, on shares held by them."
September 8, 2017	The authorized share capital of our Company was increased from ₹ 200,000,000 divided into 20,000,000 Equity Shares of ₹ 10 each to ₹ 800,000,000 divided into 80,000,000 Equity Shares of ₹ 10 each.

Total Number of shareholders of our Company

As on the date of this Draft Red Herring Prospectus, our Company has eight Shareholders. For further details on the shareholding of our Company, see "***Capital Structure***" on page 72.

Major events and milestones

The table below sets forth some of the major events in the history of our Company.

Calendar Year	Details
2003	Incorporation of our Company under Part IX of the Companies Act, 1956
2008	Executed our first subcontract work of construction of embankment, among other things for an amount of ₹ 149.13 million
	Commenced construction of a portion of the Yamuna Expressway, worth ₹ 1,160.60 million
2010	Commenced our first major project as a subcontractor to carry out work of four laning of 49 kilometers on the Jaipur – Tonk Deoli section on National Highway 12, worth ₹ 2,574.40 million
	Commenced work on a part of the project for development of road of 20 kilometers on the six laning work being carried out on National Highway 8, on the Ajmer bypass section for an amount of ₹ 563.80 million.
2011	Commenced work on the project of four laning of the Warora Bamni section in Maharashtra for an amount of ₹ 2,684.58 million
2014	Executed construction of the Jaipur - Nagaur road from kilometer 63/500 (Bhatipura) to kilometer 101/700 (Narayanpur Tiraha) for a total cost of ₹ 442.70 million
	Executed construction of the Jaipur-Nagaur road from kilometer 18/0 (Kalwar) to kilometer 63/500 (Bhatipura) for a total cost of ₹ 561.40 million
2015	Awarded construction project of four laning highway of National Highway 65, on the Kaithal-Rajasthan border for a cost of ₹ 4,011.10 million, in the state of Haryana, awarded by Modern Road Makers Private Limited
2016	Executed second renewal coat on the pavement of six lane Jaipur - Kishangarh section of National Highway 8 in the state of Rajasthan from kilometer 273.500 to kilometer 363.885 for a project cost of ₹ 1,423.10 million
2017	Conversion of our Company into a public limited company
	Awarded seven construction projects in Maharashtra worth ₹ 19,045.90 million by MoRTH
	Awarded two construction projects by NHAI worth ₹ 4,140.00 million

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

Our equity issuances in the past has been provided in "***Capital Structure***" on pages 72. Further, our Company has not undertaken any public offering of debt instruments since its incorporation.

Strike and lock-outs

We have not experienced any strike, lock-outs or labour unrest since incorporation.

Time/cost overrun

Except disclosed below, there have been no time/cost overruns pertaining to our business operations since incorporation.

- Our Company was awarded a project for construction of a high level bridge and an underpass in Jaipur pursuant to an order dated May 31, 2008, amounting to ₹ 170.26 million awarded by the Jaipur Development Authority. The stipulated date of completion of the project was June 14, 2009. However, there was a time overrun of almost two years in respect of the completion of construction of the high level bridge and the underpass since there was a delay by the Jaipur Development Authority in providing our Company the structural drawings pertaining to such project. The project was completed on April 29, 2011 and the total cost of the project amounted to ₹ 206.99 million. A completion certificate was awarded to us by the Jaipur Development Authority on July 8, 2013.

- Our Company was awarded a project of construction, widening and strengthening of the road and construction of road-side drains in Baran section in Rajasthan pursuant to an order dated May 17, 2010 for an amount of ₹ 221.79 million. The start date of the project was May 26, 2010 and the scheduled date of completion was August 25, 2011. However, there was a time overrun of 133 days on account of certain disputes in relation to the acquisition of land, and the project was actually completed on January 5, 2012. Our Company was accountable for the delay of 91 days out of the total delay of 133 days, and was accordingly charged a penalty of ₹ 1.20 million.

Defaults or rescheduling of borrowings with financial institutions/banks, conversion of loans into equity by the Company.

There have been no defaults or rescheduling of borrowings with financial institutions, banks or conversion of loans into equity in relation to our Company.

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 since incorporation.

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 does not have any Subsidiaries.

Our Joint Ventures

As on the date of this Draft Red Herring Prospectus, our Company has entered into five joint venture agreements pursuant to which, our Company has five joint ventures ("**Joint Ventures**"). Set for the below are the details of our Joint Ventures.

1. ***HGIEPL – RPS (JV)***

Our Company entered into a joint venture agreement dated May 31, 2013 with Rameshwar Prasad Sharma Contractor, a partnership firm ("**RPS**", and such joint venture, "**HGIEPL – RPS (JV)**"), for the development of the section from Bari to Kherli (kilometer 0/0 to kilometer 122/0), up to the Haryana border (which runs through Baseri, Weir, Bhusawar, Chhonkarwara, Kherli, Nagar, Pahari Road), against the tender invited by the RSRDC. Accordingly, the parties in this joint venture formed a consortium on mutually agreed terms and conditions specified in the agreement. The participation of our Company and RPS in this Joint Venture including their financial commitment is in the ratio of 51% and 49%, respectively. The costs and expenses are also borne by the parties in the aforementioned ratio. Our Company, being the lead member, is authorised to incur liabilities for the entire duration of the execution of the work. Performance guarantee, advance guarantees or such other bonds or securities, if required by RSRDC shall be provided directly and if required specifically from our Company, shall be so provided in which case, RPS shall provide a counter guarantee, bond or security to our Company. The cost and expenses of such guarantee or the counter guarantee shall be shared by the parties in the proportion of their respective scope of work.

2. MGCPL – HGIEPL (JV)

Our Company entered into a joint bidding agreement dated September 24, 2015 with M.G. Contractors Private Limited ("**MGCPL**") in relation to the proposal for award of contract of rehabilitation and augmentation of two laning of the Khonsa section of the new National Highway 215 from kilometer 0.000 to kilometer 42.844 in Arunachal Pradesh. This project was on an EPC basis and was invited by the National Highways & Infrastructure Development Corporation Limited, a GoI undertaking ("**NHIDCL**"). Our Company is undertaking this project through its joint venture under the name and style MGCPL – HGIEPL (JV). The participation of our Company and MGCPL, in this contract under the joint venture agreement, is in the ratio of 30% and 70%, respectively. MGCPL has itself undertaken to perform at least 30% of the total length of the project highway, and accordingly holds at least 51% of the equity share capital of the joint venture. The parties are jointly and severally responsible for all obligations and liabilities relating to this project, in accordance with the terms of the request for proposal and the EPC contract, until the completion of this project. This agreement has been effective since September 24, 2015 and shall be in force until the completion of the project.

3. HGIEPL – Colossal (JV)

Our Company entered into a joint venture (partnership) agreement dated January 10, 2014 with Colossal Construction ("**Colossal**"), a proprietorship firm, for carrying out construction activities as per the contract awarded for execution of the project in accordance with the general and specific conditions of the contract and any activity as may be mutually agreed between the parties. This agreement has been effective since September 1, 2013. The members to this agreement are responsible for the satisfactory completion of the work including any maintenance work where applicable. The members are also responsible for damages caused to the contract awarder during the course of execution of the contract or due to the non-execution of the contract or part thereof. The participation of our Company and Colossal in this joint venture is in the ratio of 70% and 30%, respectively. The agreement shall be terminated either on completion of the project or when the maintenance period ends or when the contractual liabilities are completely discharged.

4. HGIEPL – Ranjit (JV)

Our Company entered into a joint bidding agreement dated May 15, 2015 with Ranjit Buildcon Limited ("**Ranjit**") in relation to the proposal for award of contract of rehabilitation and augmentation of four laning of the Babatpur – Varanasi section of the National Highway 56 from kilometer 263/000 to kilometer 280/250 in Uttar Pradesh on an EPC basis, invited by the Ministry of Road Transport & Highways, Regional Office, Lucknow, Uttar Pradesh. The participation of our Company and Ranjit in this contract under the joint venture agreement, is in the ratio of 30% and 70%, respectively. The parties are jointly and severally responsible for all obligations and liabilities relating to this project, in accordance with the terms of the request for proposal and the EPC contract, until the completion of this project. This agreement has been effective since May 15, 2015 and shall be in force until the completion of the project.

5. TPL – HGIEPL (JV)

Our Company entered into a joint venture agreement dated November 11, 2016 with Tata Projects Limited ("**TPL**") for six laning of the Chittorgarh – Udaipur section of National Highway 76 from kilometer 214 + 870 to kilometer 308 + 370 in the state of Rajasthan on DBFOT basis through the joint venture TPL – HGIEPL (JV). The participation of our Company and TPL in this joint venture is in the ratio of 26% and 74%, respectively. The parties shall be jointly and severally responsible for all obligations and liabilities relating to this project, in accordance with the terms of the contract, until the completion of this project. The performance security and other securities of the joint venture shall be in the name of the TPL – HGIEPL (JV).

Confirmations

Related Business Transactions within the group and significance on the financial performance of our Company

For details, see "***Restated Consolidated Financial Information – Annexure V – Note 24 - Related Party Disclosures***" on page 250.

Strategic and financial partnerships

As on the date of this Draft Red Herring Prospectus, our Company does not have any strategic or financial partners.

Guarantees given by Promoters participating in the Offer

In accordance with the provisions of the loan agreements entered into between our Company and various lenders of our Company, our Company and our Promoters have issued deeds of guarantees in favour of such lenders. For details in relation to the guarantees issued by our Company and our Promoters, see "***Restated Consolidated Financial Information – Annexure V – Note 24 - Related Party Disclosures***" on page 250.

OUR MANAGEMENT

Under the Articles of Association, our Company is authorised to have up to 15 Directors. As on the date of this Draft Red Herring Prospectus, we have six Directors on our Board, comprising two Executive Directors, one non-executive Director and three Independent Directors, including one woman Director. The Chairman of our Board, Mr. Harendra Singh 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)	Address	Other Directorships
Mr. Harendra Singh *Designation:* Chairman and Managing Director *Occupation*: Business *Nationality:* Indian *Term:* Liable to retire by rotation *DIN:* 00402458	50	Flat no. 101, Diamond Tower, Somdatt Landmark, Hawa Sarak, Jaipur, Rajasthan 302 006, India	*Indian private/public limited companies* Nil
Mr. Vijendra Singh *Designation*: Whole-time Director *Occupation*: Business *Nationality:* Indian *Term:* Liable to retire by rotation *DIN:* 01688452	52	Hotel Marudhar Compound, Manch Gaon, Abu Road, Block No. 3, Sirohi, Rajasthan 307 501, India	*Indian private/public limited companies* 1. H.G. Acreage Developers Private Limited; and 2. Oriya Investment Private Limited
Mr. Girish Pal Singh *Designation:* Non-Executive Director *Occupation*: Business *Nationality:* Indian *Term:* Liable to retire by rotation *DIN:* 00487476	57	Plot no. 13, Khasra no. 1819/623, Jaldai Colony, Pali, Rajasthan 306 401, India	*Indian private/public limited companies* Nil
Mr. Ashok Kumar Thakur *Designation:* Independent Director *Occupation*: Professional *Nationality:* Indian *Term:* Appointed for a period of five years with effect from May 15, 2017 *DIN:* 07573726	63	A-901, A Nandan Spectra, Mitcon Road, Opposite Ram Nagar Bus Stop, Balewadi, Pune 411 045, Maharashtra, India	*Indian private/public limited companies* 1. Choice Equity Broking Private Limited; 2. Choice International Limited; 3. Navkar Corporation Limited; and 4. Navkar Terminals Limited
Ms. Pooja Hemant Goyal *Designation:* Independent Director	39	1902, Bliss Citi Of Joy, Jata Shankar Dosa Road, Opposite Lok Everest, Mulund West, Mumbai	*Indian private/public limited companies* Nil

Name, Designation, Occupation, Nationality, Term and DIN	Age (years)	Address	Other Directorships
Occupation: Professional *Nationality:* Indian *Term:* Appointed for a period of five years with effect from May 15, 2017 *DIN:* 07813296		400 080, Maharashtra, India	
Mr. Onkar Singh *Designation:* Independent Director *Occupation*: Retired professional *Nationality:* Indian *Term:* Appointed for a period of five years with effect from September 8, 2017 *DIN:* 07853887	61	97, Padmavati Colony-B, Lane No. 5, Kings Road, Near Nirman Nagar, Jaipur 302 019, Rajasthan, India	*Indian private/public limited 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 have been appointed pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others.

Brief profiles of our Directors

Mr. Harendra Singh, aged 50 years, is the Chairman and Managing Director of our Company. He holds a bachelor's degree in engineering (civil) from Jodhpur University. He has been on the Board since the incorporation of our Company, and was reappointed for a period of five years with effect from May 15, 2017. He has 23 years of experience in the construction industry. He has been awarded by the Indian Achievers Forum for his outstanding achievement in business and social service, on August, 5 2016 and on November 11, 2016.

Mr. Vijendra Singh, aged 52 years, is a Whole-time Director of our Company. He has basic education. He has been on the Board since the incorporation of our Company, and was reappointed for a period of five years with effect from May 15, 2017. He has 23 years of experience in the construction industry. He is responsible for the overall functioning of our Company.

Mr. Girish Pal Singh, aged 57 years, is a Non-Executive Director of our Company. He has basic education. He has been on the Board since the incorporation of our Company. His designation was changed from an executive director to a Non-Executive Director pursuant to a resolution passed by our Board dated May 10, 2017. He has 23 years of experience in the construction industry.

Mr. Ashok Kumar Thakur, aged 63 years, is an Independent Director of our Company. He holds a master's degree in commerce from Lucknow University. He has been on our Board with effect from May 15, 2017. He has over 37 years of experience in the banking industry. He is currently working as vice-president – finance with Nirmal Lifestyle Limited. Prior to this he worked at various positions with Union Bank of India, including general manager (Kolkata zone) and deputy general manager (regional head) at Kolkata and Chandigarh. He also held the position of chairman at the Rewa Siddhi Gramin Bank.

Ms. Pooja Hemant Goyal, aged 39 years, is an Independent Director of our Company. She holds a bachelor's degree in commerce a master's degree in law, both from Jiwaji University, Gwalior, Madhya Pradesh. She has been on our Board with effect from on May 15, 2017. She has five years of experience in the legal industry. She has previously been associated with N. N. Vechalekar & Co., Advocates.

Mr. Onkar Singh, aged 61 years, is an Independent Director of our Company. He is a retired Indian Administrative Service officer. He holds a bachelor's degree in commerce, master's degree in commerce and a master's degree in philosophy, each from Rajasthan University, Jaipur. He joined our Board on September 8, 2017. He has over 20 years of experience in the economic administration and rural development sector. He has previously worked in the tribal area development department, Udaipur as a junior research officer, in the education department, government secretariat, Jaipur as an evaluation officer and in the rural development department, Jaipur as a project director. He has also been the collector and district magistrate in certain districts in the state of Rajasthan. Further, he was the divisional commissioner at Kota and also held designation of vice-chancellor at Agriculture University, Kota, Kota University and Technical University, Kota.

Relationship between Directors

Except Mr. Girish Pal Singh, Mr. Vijendra Singh and Mr. Harendra Singh who are brothers, none of our Directors are related to each other.

Terms of Appointment of our Executive Directors

Mr. Harendra Singh

Mr. Harendra Singh was appointed as our Managing Director pursuant to a resolution passed by our shareholders on May 15, 2017 and is liable to retirement by rotation. He received a gross remuneration of ₹ 21.60 million in Fiscal 2017.

Pursuant to a resolution passed by the Board of Directors on May 10, 2017, subject to applicable law, Mr. Harendra Singh is entitled to the following remuneration with effect from May 15, 2017.

Particulars	Remuneration (in ₹)
Basic Salary	14,400,000
Special Allowance	7,200,000
Total	**21,600,000**

In addition to the remuneration mentioned hereinabove, Mr. Harendra Singh is also entitled to performance bonus linked to achievement of targets and long term incentives as decided by our Board. Further, Mr. Harendra Singh is also entitled to certain perquisites such as, (i) free furnished accommodation; (ii) reimbursement of expenses of electricity, gas and water; (iii) medical expenses reimbursement as per the policy of the Company; (iv) two cars; (v) reimbursement of leave travel expenses; (vi) fee of one corporate club in India; (vii) reimbursement of entertainment travelling and other expense as per company policy; (viii) leave encashment as per the policy of the Company; (ix) personal accident insurance premium; (x) contribution towards provident fund; (xi) contribution to gratuity fund of the Company; and (xii) any other perquisites, benefits and other allowances as may be decided by our Board from time to time.

Mr. Vijendra Singh

Mr. Vijendra Singh was appointed as our Whole-time Director pursuant to a resolution passed by our shareholders dated May 15, 2017 and is liable to retire by rotation. He received a gross remuneration of ₹ 12.00 million in Fiscal 2017.

Pursuant to a resolution passed by the Board of Directors on May 10, 2017, subject to applicable law, Mr. Vijendra Singh is entitled to the following remuneration with effect from May 15, 2017.

Particulars	Remuneration (in ₹)
Basic Salary	7,800,000
Special Allowance	4,200,000
Total	**12,000,000**

In addition to the remuneration mentioned hereinabove, Mr. Vijendra Singh is also entitled to a performance bonus linked to achievement of targets and long term incentives as decided by the Board. Further, Mr. Vijendra Singh is also entitled to certain perquisites such as, (i) free furnished accommodation; (ii) reimbursement of expenses of electricity, gas and water; (iii) medical expenses reimbursement as per the policy of the Company; (iv) two cars; (v) reimbursement of leave travel expenses; (vi) fee of one corporate club in India; (vii) reimbursement of entertainment travelling and other expense as per company policy; (viii) leave encashment as per the policy of the Company; (ix) personal accident insurance premium; (x) contribution towards provident fund; (xi) contribution to gratuity fund of the Company; and (xii) any other perquisites, benefits and other allowances as may be decided by the Board from time to time.

Compensation paid to our Non-Executive and Independent Directors

Pursuant to a resolution of our Board of Directors dated May 17, 2017, our Non-Executive Directors, including our Independent Directors are entitled to a sitting fee of ₹ 20,000 for attending each meeting of our Board and each meeting of the committees constituted by our Board, including the Audit Committee and Nomination and Remuneration Committee, Stakeholders Relationship Committee and the Corporate Social Responsibility Committee. No sitting fee was paid during the Fiscal Year 2017.

Further, the designation of our Director, Mr. Girish Pal Singh changed from an executive director to a Non-Executive Director with effect from May 10, 2017. On account of his services as an executive director, he received a gross remuneration of ₹ 12.00 million along with certain benefits from our Company in Fiscal 2017. Additionally, in Fiscal 2018, he received ₹ 1.32 million as remuneration for his services as an executive director of our Company until his change in designation to Non-Executive Director.

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.

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

Our Articles of Association do not require the Directors to hold any qualification shares.

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

Name	No. of Equity Shares	% of pre-Offer Equity Share capital
Mr. Harendra Singh	15,351,516	28.40
Mr. Vijendra Singh	12,723,600	23.53
Mr. Girish Pal Singh	13,418,058	24.82
Total	**41,493,174**	**76.75**

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 Chairman and Managing Director, Mr. Harendra Singh and our Whole-time Director, Mr. Vijendra Singh may be deemed to be interested to the extent of remuneration paid to them for services rendered as a Director of our Company and reimbursement of expenses payable to them. For details see "- ***Terms of appointment of our Executive Directors***" above. Further, all our Non-Executive and Independent Directors are entitled to receive sitting fees for attending our Board/committee meetings within the limits laid down in the Companies Act and as decided by our Board.

Certain of our Directors may also be interested to the extent of Equity Shares 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 Offer. For further details regarding the shareholding of our Directors, see "***– Shareholding of our Directors"*** and on pages 146.

Further, as on the date of this Draft Red Herring Prospectus, our Directors, Mr. Harendra Singh, Mr. Vijendra Singh and Mr. Girish Pal Singh are also interested to the extent of being co-borrowers in addition to giving personal guarantees as security in relation to certain loans availed by our Company.

Interest in property

None of our Directors are not interested in any property acquired by the Company within two years of the date of this Draft Red Herring Prospectus, or presently intended to be acquired by it.

Interest in promotion of the Company

Except our Directors Mr. Harendra Singh, Mr. Vijendra Singh and Mr. Girish Pal Singh, who are also our Promoters, none 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 "***Our Promoters and Group Company***" on page 156.

Interest upon conversion of the Partnership Firm

Our Directors, Mr. Harendra Singh, Mr. Vijendra Singh and Mr. Girish Pal Singh are also interested to the extent of being the subscribers to the Memorandum of Association of our Company on its incorporation, pursuant to the conversion of the partnership firm, M/s Hodal Singh Giriraj Singh & Co., Jodhpur into a joint stock company under Part IX of the Companies Act, 1956. The business of the Partnership Firm was taken over by our Company pursuant to the conversion and the erstwhile partners of the Partnership Firm, including Mr. Harendra Singh, Mr. Vijendra Singh and Mr. Girishpal Singh were issued and allotted Equity Shares. For details, see "***History and Certain Corporate Matters***" on page 137.

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).

Except as disclosed below, none of our Directors are associated with the securities market.

Name of the Director	Mr. Ashok Kumar Thakur
Name of the entity	Choice Equity Broking Private Limited*
SEBI Registration No.	INB011377331
Category of registration	Trading Member
Date of expiry of registration	It shall be valid till it is suspended or cancelled in accordance with the regulations
If registration has expired, reasons for non-renewal	Not applicable
Details of any enquiry/ investigation conducted by SEBI at any time	Nil
Penalty imposed by SEBI, if any	Nil
Outstanding fees payable to SEBI, if any	Not applicable

** Associated as a non-executive director*

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 set forth below.

Name of Director	Date of Change	Reasons
Mr. Hodal Singh	May 17, 2017	Resignation
Mr. Ashok Kumar Thakur	May 15, 2017	Appointed as Independent Director
Ms. Pooja Hemant Goyal	May 15, 2017	Appointed as Independent Director

Name of Director	Date of Change	Reasons
Mr. Onkar Singh	September 8, 2017	Appointed as Independent Director

Payment of non-salary related benefits

Except as stated in "- ***Terms of Appointment of our Executive Directors***" and "- ***Compensation payable to our nonexecutive and independent directors***", 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 Mr. Vaibhav Choudhary, who is employed in our Company as a project controller officer and Mr. Rohit Choudhary, who is employed in our Company as a manager (mechanical), both of whom are sons of Mr. Girish Pal Singh, none of the relatives of our 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 May 15, 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 ₹ 15,000 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 six Directors on our Board, comprising two Executive Directors, one Non-executive Director and three Independent Directors, including one woman Director. The Chairman of our Board, Mr. Harendra Singh, is 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 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 last re-constituted by a resolution of our Board dated September 11, 2017 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. Mr. Ashok Kumar Thakur – *Chairman*
2. Mr. Onkar Singh – *Member*
3. Mr. Harendra Singh – *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 May 17, 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 the 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 the 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;
vii. Modified opinion(s) in the draft audit report; and
viii. Qualifications 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) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
(i) Approval of any subsequent modification of transactions of the Company with related parties;
(j) Scrutiny of inter-corporate loans and investments;
(k) Valuation of undertakings or assets of the 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) To look 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) To establish and review the functioning of the whistle blower mechanism;
(t) To oversee 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 May 17, 2017 and was last reconstituted pursuant to a resolution of our Board dated September 11, 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. Onkar Singh – *Chairman*
2. Mr. Ashok Kumar Thakur – *Member*
3. Ms. Pooja Hemant Goyal – *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 the 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 the 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) Such other matters as may be required by any statutory authority from time to time.

Stakeholders Relationship Committee

Our Stakeholders Relationship Committee was constituted by a resolution of our Board dated September 11, 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. Girish Pal Singh – *Chairperson*
2. Mr. Harendra Singh – *Member*
3. Mr. Vijendra Singh – *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 the Company, including complaints in respect of allotment of Equity Shares, transfer of Equity Shares, non-receipt of declared dividends, annual reports, balance sheets of the Company, etc.;
(c) Allotment of Equity Shares, approval of transfer or transmission of Equity Shares, debentures or any other securities;
(d) Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.; and
(e) Carrying out any other functions required to be undertaken by the Stakeholders Relationship Committee under applicable law.

Corporate Social Responsibility Committee

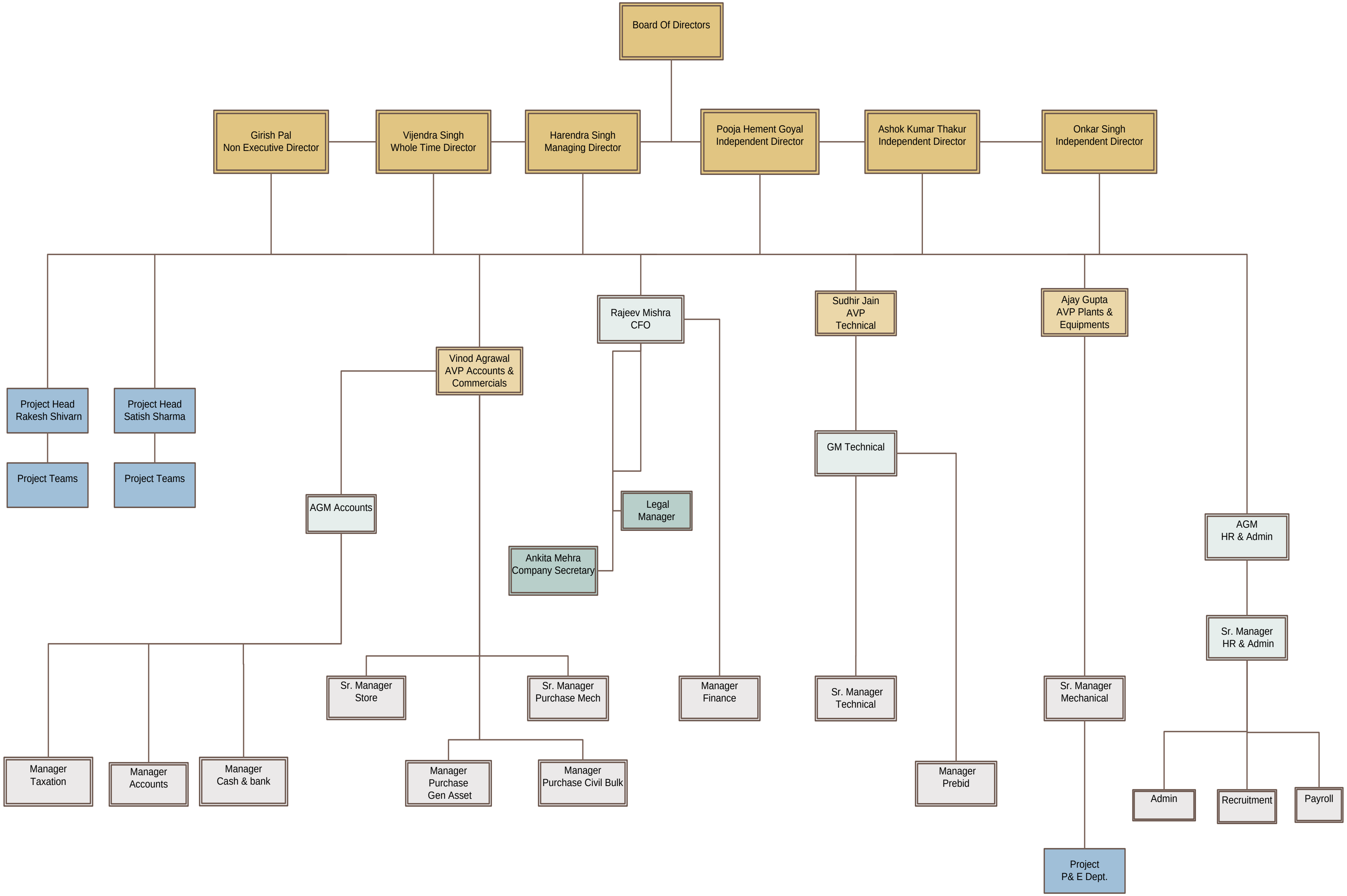
Our Corporate Social Responsibility Committee was constituted by a resolution of our Board dated May 17, 2017 and was last reconstituted pursuant to a resolution of our Board dated September 11, 2017. The Corporate Social Responsibility Committee is in compliance with Section 135 of the Companies Act 2013. The Corporate Social Responsibility Committee currently comprises:

1. Mr. Harendra Singh – *Chairperson*
2. Mr. Vijendra Singh – *Member*
3. Mr. Onkar Singh – *Member*

Scope and mandate: The mandate of Corporate Social Responsibility Committee are set forth below:

(a) to formulate and recommend to Board of Directors a Corporate Social Responsibility for undertaking permissible activities;
(b) Recommend the amount of expenditure to be incurred on Corporate Social Responsibility activities and monitor the corporate social responsibility activities.

Management Organization Structure



Board Of Directors
Girish Pal
Non Executive Director
Vijendra Singh
Whole Time Director
Harendra Singh
Managing Director
Pooja Hement Goyal
Independent Director
Ashok Kumar Thakur
Independent Director
Onkar Singh
Independent Director
Rajeev Mishra
CFO
Sudhir Jain
AVP
Technical
Ajay Gupta
AVP Plants &
Equipments
Vinod Agrawal
AVP Accounts &
Commercials
Project Head
Rakesh Shivarn
Project Head
Satish Sharma
Project Teams
Project Teams
GM Technical
Legal
Manager
AGM Accounts
Ankita Mehra
Company Secretary
AGM
HR & Admin
Sr. Manager
HR & Admin
Sr. Manager
Store
Sr. Manager
Purchase Mech
Manager
Finance
Sr. Manager
Technical
Sr. Manager
Mechanical
Manager
Taxation
Manager
Accounts
Manager
Cash & bank
Manager
Purchase
Gen Asset
Manager
Purchase Civil Bulk
Manager
Prebid
Admin
Recruitment
Payroll
Project
P& E Dept.

Key Managerial Personnel

In addition to Mr. Harendra Singh our Chairman and Managing Director and Mr. Vijendra Singh, our Whole-time Director, each of whose details are provided in "***– Brief Profiles of our Directors***" on page 144, the details of our other Key Managerial Personnel as on the date of this Draft Red Herring Prospectus are set forth below.

Mr. Rajeev Mishra

Mr. Rajeev Mishra, aged 43 years**,** is the Chief Financial Official of our Company. He holds a diploma in human resource development from the National Institute of Industrial Research and Development, Chennai and a master's degree in business administration (Marketing and Finance) from Institute of Rural Management, Jaipur. He has been associated with our Company since July 11, 2015. He has over 10 years of experience in the field of banking and real estate industry. He has previously worked with LKP Forex Limited as a senior executive, HDFC Bank Limited as a senior officer, ICICI Bank Limited as a manager, Kotak Mahindra Bank as chief manager, Yes Bank Limited as its vice president and with World Trade Park Limited as its chief financial officer. He received a gross remuneration of ₹ 1.45 million in Fiscal 2017.

Mr. Ajay Kumar Gupta

Mr. Ajay Kumar Gupta, aged 57 years, is the Assistant Vice President - Plant and Equipment of our Company. He holds a bachelor's degree in mechanical engineering from the U.P. Tech Board. He was appointed as the Assistant Vice President - Plant and Equipment with effect from December 12, 2016. He has over 34 years of experience in the field of construction plants and equipment. Prior to this, he worked with Somdutt Builders Limited as its chief mechanical engineer, Larsen and Toubro Limited as its engineer (plant and machinery), Hindustan Paper Corporation as a senior supervisor (mechanical), Jai Prakash Associates Private Limited as a junior engineer (Mechanical) and Dhiraj Enterprises as a mechanical supervisor. He received a gross remuneration of ₹ 0.49 million in Fiscal 2017.

Ms. Ankita Mehra

Ms. Ankita Mehra, aged 29 years, is the Company Secretary and Compliance Officer of our Company. She holds a bachelor's degree in commerce from Mahatma Jyotibha Phule Rohilkhand University and a master's degree in commerce from Mahatma Jyotibha Phule Rohilkhand University. She is a fellow member of the Institute of Company Secretaries of India. She joined our Company on November 03, 2014 and was appointed as the Compliance Officer of our Company pursuant to a resolution passed by our Board on September 11, 2017. She has over two years of experience in the field of legal and secretarial compliances. She received a gross remuneration of ₹ 0.28 million in Fiscal 2017.

Mr. Rakesh Shivran

Mr. Rakesh Shivran, aged 45 years, is the Senior General Manager - Civil of our Company. He holds a bachelor's degree in engineering from Nagpur University and a master's degree in transportation engineering from Malbiya National Institute of Technology, Jaipur. He has been associated with our Company since April 19, 2010. He has over 14 years of experience in the field of engineering. Prior to joining our Company, he worked with SPAN Consultants Private Limited as a quality control engineer, Scott Wilson Kirkpatrick and Company Limited, United Kingdom as field engineer, RITES Limited as assistant highway cum maintenance engineer, M/s. Shankar Lal Gupta as a site engineer and with Birla GTM Enterprise Limited as a site engineer. He received a gross remuneration of ₹ 2.13 million in Fiscal 2017.

Mr. Satish Kumar Sharma

Mr. Satish Kumar Sharma, aged 47 years, is the Senior General Manager – Planning and Quality Standard of our Company. He holds a bachelor's degree in civil engineering from Vinayak Missions University, Tamil Nadu and a master's degree in business administration from Punjab Technical University. He has been associated with our Company since October 9, 2010. He has over 21 years of experience in the field of engineering. Prior to this, he worked with Nag Infrastructure Consulting Engineering Private Limited as acting highway engineer, Scott Wilson Kirkpatrick and Company Limited as field engineer, SMEC International Pty. Limited as field engineer, STUP Consultants Private Limited as field engineer, Birla GTM Enterprise Limited as junior engineer and CIMMCO Birla Limited as construction supervisor. He received gross remuneration of ₹ 1.94 million in Fiscal 2017.

Mr. Sudhir Jain

Mr. Sudhir Jain, aged 54 years, is the Project Director of our Company. He holds a bachelor's degree in civil engineering from the University of Madras. He has been associated with our Company since September 6, 2014. He has over seven years of experience in the field of engineering. Prior to this, he worked with Feedback Ventures Private Limited as team leader and L&T Infrastructure Projects Development Limited as project coordinator and project head. He received gross remuneration of ₹ 2.54 million in Fiscal 2017.

Mr. Vinod Agarwal

Mr. Vinod Agarwal, aged 51 years, is the Assistant Vice President – Commercials and Accounts of our Company. He holds a bachelor's degree and a master's degree in commerce, each from Rajasthan University, Jaipur. He has been associated with our Company since December 3, 2016. He has over 30 years of experience in the field of finance. Prior to this, he worked with Kalpaturu Group as its general manager, Golden Jubliee Hotels Limited as general manager (accounts and finance), Phoenix Infra Tech Private Limited as general manager and chief financial officer, Reliance Industries Limited as general manager finance and accounts, Indian Petrochemical Limited as deputy general manager and Pratap Rajasthan Special Steel Limited as cost accountant. He received gross remuneration of ₹ 1.03 million in Fiscal 2017.

Status of Key Managerial Personnel

All the Key Managerial Personnel are permanent employees of our Company.

Relationship among Key Managerial Personnel

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, which is in accordance with their terms of appointment.

Shareholding of Key Managerial Personnel

Except Mr. Harendra Singh who holds 15,351,516 Equity Shares and Mr. Vijendra Singh who holds 12,723,600 Equity Shares in our Company, none of our Key Managerial Personnel hold Equity Shares as on the date of this Draft Red Herring Prospectus. For details of the shareholding of Mr. Harendra Singh and Mr. Vijendra Singh, see "- ***Shareholding of our Directors***" on page 146.

Service Contracts with Key Managerial Personnel

Our Key Managerial Personnel have not entered into any contractual arrangement with our Company. Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company including Key Managerial Personnel is entitled to any benefit upon termination of such officer's employment or superannuation.

Loans to and deposits from Key Managerial Personnel

As on the date of this Draft Red Herring Prospectus, there are no outstanding loans availed by our Key Managerial Personnel from our Company.

Interest of Key Managerial Personnel

None of our Key Managerial 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 Managerial Personnel 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 Offer.

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
Ms. Suchi Khandelwal	October 22, 2014	Resignation
Ms. Ankita Mehra	November 3, 2014	Appointment
Mr. Rajeev Mishra	July 11, 2015	Appointment
Mr. Vinod Agarwal	December 3, 2016	Appointment
Mr. Ajay Kumar Gupta	December 12, 2016	Appointment

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.

OUR PROMOTERS, PROMOTER GROUP AND GROUP COMPANY

The Promoters of our Company are Mr. Harendra Singh, Mr. Vijendra Singh and Mr. Girish Pal Singh. As on the date of this Draft Red Herring Prospectus, our Promoters hold, in the aggregate, 41,493,174 Equity Shares, which constitutes 76.75% 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 – Notes to Capital Structure***" on page 72.

I. Details of our Promoters

Harendra Singh

Residential Address: 14, Panchwati Colony, Ratanada, Jodhpur 342 001, Rajasthan, India

Driver's license number: RJ-24A/DLC/09/7760

Voter identification number: TDL/0289934

For a brief profile of Mr. Harendra Singh, see "***Our Management – Brief Profiles of our Directors***" on page 144.

Vijendra Singh

Residential Address: 66A, Municipal Colony, Abu Parvat Th., Abu Road, District Sirohi 307 501, Rajasthan, India

Driver's license number: RJ-24A/DLC/08/4710

Voter identification number: NOW/0767897

For a brief profile of Mr. Vijendra Singh, see "***Our Management – Brief Profiles of our Directors***" on page 144.

Girish Pal Singh

Residential Address: 14, Panchwati Colony, Ratanada, Jodhpur 342 001, Rajasthan, India

Driver's license number: RJ-22/DLC/10/98767

Voter identification number: KFH/3740990

For a brief profile of Girish Pal Singh, see "***Our Management – Brief Profiles of our Directors***" on page 144.

We confirm that the PAN, passport number and bank account number of each of our Promoters will be submitted to the Stock Exchanges at the time of submission of the Draft Red Herring Prospectus with them.

Interests of our Promoters

Interest of our Promoters in the Promotion of our Company

Our Promoters are interested in our Company to the extent of their respective shareholding in our Company and dividend or other distributions payable, if any, by our Company. For further details of our Promoters' shareholding, see "***Capital Structure***" on page 72. Additionally, Mr. Harendra Singh and Mr. Vijendra Singh are also interested in our Company as Executive Directors and any remuneration payable to them in such capacity. For details, see "***Our Management – Terms of Appointment of our Executive Directors***" on page 145. Further, our Promoter and Non-Executive Director, Mr. Girish Pal Singh is also interested in our Company to the extent he receives sitting fees for attending meetings of our Board and the meetings of the committees of our Board.

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 including 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.

Interest upon conversion of the Partnership Firm

Our Promoters, Mr. Harendra Singh, Mr. Vijendra Singh and Mr. Girish Pal Singh are also interested to the extent of being the subscribers to the Memorandum of Association of our Company on its incorporation, pursuant to the conversion of the partnership firm, M/s Hodal Singh Giriraj Singh & Co., Jodhpur into a joint stock company under Part IX of the Companies Act, 1956. The business of the Partnership Firm was taken over by our Company pursuant to the conversion and the erstwhile partners of the Partnership Firm, including Mr. Harendra Singh, Mr. Vijendra Singh and Mr. Girishpal Singh were issued and allotted Equity Shares. For details, see "***History and Certain Corporate Matters***" on page 137.

Interest in respect of loans

As on the date of this Draft Red Herring Prospectus, our Promoters, Mr. Harendra Singh, Mr. Vijendra Singh and Mr. Girish Pal Singh are interested to the extent of being co-borrowers in addition to giving personal guarantees as security in relation to certain loans availed by our Company.

II. Group Company

As per the SEBI ICDR Regulations for the purpose of identification of group companies, our Company has considered companies covered under the applicable accounting standard, i.e., 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, 2017, 2016, 2015 and 2014, and other companies as per the Materiality Policy adopted by our Board through its resolution dated September 11, 2017, for the purpose of disclosure in connection with the Offer, a company shall be considered material and disclosed as a Group Company if it:

(i) is a member of the Promoter Group and has entered into one or more transactions with the Company in the most recent audited Fiscal or the stub period, as applicable, which, individually or in the aggregate, exceed 10% of the total consolidated revenue of our Company for such Fiscal; and

(ii) companies which, subsequent to the date of the last audited consolidated financial information of the Company, would require disclosure in the consolidated financial information of the Company for subsequent periods as entities covered under AS 18 in addition to/ other than those companies covered under AS 18 in the restated consolidated financial information of the Company included in the Draft Red Herring Prospectus.

Based on the above, as on the date of this Draft Red Herring Prospectus, H.G. Luxury Hotels Private Limited is the only Group Company of our Company.

Set forth below are details of our Group Company as on the date of this Draft Red Herring Prospectus.

H.G. Luxury Hotels Private Limited

H.G. Luxury Hotels Private Limited was incorporated on October 10, 2012 under the Companies Act, 1956. The registered office of H.G. Luxury Hotels Private Limited is situated at 14, Panchwati Colony, Ratanada, Jodhpur

342 001, Rajasthan, India and its corporate identity number is U55101RJ2012PTC040347. H.G. Luxury Hotels Private Limited is currently engaged in carrying on the business of providing boarding, lodging and allied services / facilities in its hotel.

The authorized share capital of H.G. Luxury Hotels Private Limited is ₹ 20,000,000, comprising 2,000,000 shares of ₹ 10 each and its paid-up share capital is ₹ 19,480,000 comprising of 1,948,000 shares of ₹ 10 each. Our Promoters do not hold any equity shares in H.G. Luxury Hotels Private Limited.

Shareholding Pattern

The shareholding pattern of H.G. Luxury Hotels Private Limited as of the date of this Draft Red Herring Prospectus is set forth hereunder.

S. No.	Name of Shareholder	Number of equity shares held	Percentage %
1.	Ms. Poonam Singh	1,048,000	53.80
2.	Mr. Navneet Choudhary	300,000	15.40
3.	Ms. Nisha Singh	400,000	20.53
4.	Ms. Gazal Choudhary	200.000	10.27
	Total	**1,948,000**	**100**

Financial Performance

Certain details of the audited financials of H.G. Luxury Hotels Private Limited for fiscal 2016, 2015 and 2014 are set forth hereunder.

(in ₹ , except per share data)

	Fiscal 2016	Fiscal 2015	Fiscal 2014
Equity capital	19,480,000.00	19,480,000.00	19,480,000.00
Reserves and surplus (excluding revaluation)	3,814,391.63	3,807,612.41	1,905,650.00
Total Revenue	21,234,294.00	25,934,933.00	27,679,830.91
Profit/(Loss) after tax	6,779.22	1,901,962.41	977,210.00
Earnings per share (Basic)	0.00	0.98	0.50
Earnings per share (Diluted)	0.00	0.98	0.50
Net asset value per share	11.96	11.95	10.98

Significant Notes by Auditors

Significant notes of auditors in the standalone financial statements of H.G. Luxury Hotels Private Limited for the period ended March 31, 2016 are given below.

- *The company did not maintain proper records for inventory; and*

- *The assessee company is engaged in the business of providing boarding, lodging and allied services/ facilities to its customers in the hotel. Quantitative details as required under AS-2 could not be furnished as assessee had not maintained any separate purchases and consumption – wise quantity as per books of accounts produced for the auditor's examination for audit purpose. Further, no physical verification at the end of the year was made by the auditors. As per certificate obtained from assessee, the closing stock is determined by physical verification of stock at the year-end by the assessee. The valuation was made at cost or realizable market value whichever was lower.*

Significant notes of auditors in the standalone financial statements of H.G. Luxury Hotels Private Limited for the period ended March 31, 2015 are given below.

- *The company did not maintain proper records for inventory.*

- *According to the information and explanations, given to the auditors and the records of the company, examined by the auditors, in their opinion, the company was not regular in depositing undisputed statutory dues including provident fund, income tax, sales tax, wealth tax, custom duty, excise duty, VAT, cess and any other statutory dues as applicable with the appropriate authorities. According to the information and explanation given to the auditors, there were no undisputed amounts payable in respect* *of provident fund, income tax , sales tax, wealth tax, custom duty, wxcise duty, VAT, cess and any other statutory dues outstanding as at March 31, 2015, for a period of more than six months from the date they became payable.*

- *The assessee company is engaged in the business of providing boarding, lodging and allied services/ facilities to its customers in the hotel. Quantitative details as required under AS-2 could not be furnished as assessee had not maintained any separate purchases and consumption – wise quantity as per books of accounts produced for the auditor's examination for audit purpose. Further, no physical verification at the end of the year was made by the auditors. As per certificate obtained from assessee, the closing stock is determined by physical verification of stock at the year-end by the assessee. The valuation was made at cost or realizable market value whichever was lower.*

Significant notes of auditors in the standalone financial statements of H.G. Luxury Hotels Private Limited for the period ended March 31, 2014 are given below.

- *The company did not maintain proper records for inventory; and*

- *The assessee company is engaged in the business of providing boarding, lodging and allied services/ facilities to its customers in the hotel. Quantitative details as required under AS-2 could not be furnished as assessee had not maintained any separate purchases and consumption – wise quantity as per books of accounts produced for the auditor's examination for audit purpose. Further, no physical verification at the end of the year was made by the auditors. As per certificate obtained from assessee, the closing stock is determined by physical verification of stock at the year-end by the assessee. The valuation was made at cost or realizable market value whichever was lower.*

As on the date of this Draft Red Herring Prospectus, our Group Company does not have any equity shares that are listed on any stock exchange. Further, our Group Company has not made any public or rights issue of securities in the three years immediately preceding the date of this Draft Red Herring Prospectus.

Disassociation by our Promoters in the Preceding Three Years

Our Promoters have not disassociated themselves as a promoter from any company in the three years immediately preceding the date of this Draft Red Herring Prospectus.

Payment or Benefit to Promoters and Group Company

Except as stated above in " – ***Interest of our Promoters***" and "***Restated Consolidated Financial Information– Annexure V – Note 24 - Related Party Disclosures***" on pages 156 and 250, there has been no payment of benefits to our Promoters and Group Company, during Fiscal 2017 and 2016, nor is any benefit proposed to be paid to them as on the date of this Draft Red Herring Prospectus.

Other Confirmations

Common Pursuits

As on the date of this Draft Red Herring Prospectus, our Promoters and our Group Company are neither engaged in nor permitted to carry on business activities, similar to that of our Company.

Business interests within the group

Our Group Company does not have any business or other interest in our Company except for business conducted on an arm's length basis. Further, one of the members of our Promoter Group, Harendra Singh HUF and our Group Company, H.G. Luxury Hotels Private Limited have availed loan facilities amounting to ₹ 0.71 million and ₹ 24.00 million from our Company. For more information on such business transactions and their impact on our financial performance as well as the loans facilities availed from our Company as stated herein, see "***Restated Consolidated Financial Information – Annexure V – Note 24 - Related Party Disclosures***" on page 250.

Further, except as stated in "***Restated Consolidated Financial Information – Annexure V – Note 24 - Related Party Disclosures***" on page 250, our Company does not have any sales/purchase arising out of any transaction with our Group Company exceeding, in aggregate, 10% of the total sales or purchases of our Company.

Our Promoters, directors of our Group Company and our Group Company have confirmed that they have not been declared as wilful defaulters by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past and no proceedings pertaining to such penalties are pending against them.

As on the date of this Draft Red Herring Prospectus, our Promoters, members of our Promoter Group and our Group Company are not prohibited from accessing or operating in the capital markets, or restrained from buying, selling or dealing in securities under any order or direction passed by the SEBI or any other regulatory or governmental authority. Further, none of our Promoters was or is a promoter or person in control of any other company that is debarred from accessing the capital markets under any order or direction made by SEBI or any other authority or is a promoter or person in control of any other company, the securities of which have been suspended from any stock exchange due to non-compliance with listing requirements.

Sick or Defunct Companies

Our Group Company has never become a sick company under the Sick Industrial Companies (Special Provisions) Act, 1985 and no winding up proceedings have been initiated against it. Further, our Group Company has never become defunct and no application has been made in respect it to the respective registrar of companies where it is registered, for striking off its name, in the five years immediately preceding the date of this Draft Red Herring Prospectus.

Participation by our Promoters in the Offer

Except Mr. Harendra Singh, Mr. Vijendra Singh, Mr. Girish Pal Singh and Mr. Hodal Singh, none of our Promoters or members of our Promoter Group or any persons related to our Promoters or members of our Promoter Group will participate in the Offer for Sale.

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) and will depend on a number of factors, including but not limited to our profits, capital requirements, contractual obligations and the overall financial condition of our Company. 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 other financing arrangements.

Our Company has not declared any dividends during the last five Fiscals immediately preceding the date of filing of the Draft Red Herring Prospectus.

SECTION V – FINANCIAL INFORMATION
FINANCIAL STATEMENTS

To

The Board of Directors
H.G. Infra Engineering Limited (formerly known as H.G. Infra Engineering Private Limited)
III Floor, Sheel Mohar Plaza
A-1, Tilak Marg
C-Scheme, Jaipur-302001
Rajasthan, India

Auditors' Report on Restated Standalone Financial Information in connection with the Initial Public Offering of H.G. Infra Engineering Limited (formerly known as H.G. Infra Engineering Private Limited)

Dear Sirs,

1. This report is issued in accordance with the terms of our agreement dated September 22, 2017.

2. The accompanying restated standalone financial information, expressed in Indian Rupees in millions, of **H. G. Infra Engineering Limited [formerly known as H. G. Infra Engineering Private Limited]** (hereinafter referred to as the "Company), comprising Standalone Financial Information in paragraph A below and Other Standalone Financial Information in paragraph B below (hereinafter together referred to as "Restated Standalone Financial Information"), has been prepared by the Management of the Company in accordance with the requirements of Section 26 of the Companies Act, 2013 (hereinafter referred to as the "Act") read with Rule 4 to Rule 6 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 (the "Rules") and item (IX) of Part A of Schedule VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended to date read along with the SEBI circular SEBI/HO/CFD/DIL/CIR/P/ 2016/47 dated March 31, 2016 (the "SEBI Regulations") issued by the Securities and Exchange Board of India (the "SEBI") in connection with the Proposed Initial Public Offering of Equity Shares of the Company (the "Issue") and has been approved by the Board of Directors of the Company and initialed by us for identification purposes only.

Management's Responsibility for the Restated Standalone Financial Information

3. The preparation of the Restated Standalone Financial Information, which is to be included in the Draft Red Herring Prospectus ("DRHP"), is the responsibility of the Management of the Company and has been approved by the Board of Directors of the Company, at its meeting held on September 25, 2017, for the purpose set out in paragraph 14 below. The Management's responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the Restated Standalone Financial Information. The Management is also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities.

Auditors' Responsibilities

4. 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 Prospectuses (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 Regulations. Our 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.

A. Standalone Financial Information as per audited standalone financial statements:

Auditors' Report on Restated Standalone Financial Information in connection with the Initial Public Offering of H.G. Infra Engineering Limited (formerly known as H.G. Infra Engineering Private Limited)

5. We have examined the following standalone financial statements of the Company contained in Restated Standalone Financial Information of the Company:

   a) the "Restated Standalone Statement of Assets and Liabilities " as at March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 (enclosed as Annexure I);

   b) the "Restated Standalone Statement of Profit and Loss" for each of the years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 (enclosed as Annexure II) and

   c) the "Restated Standalone Statement of Cash Flows" for each of the years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 (enclosed as Annexure III).

6. The Restated Standalone Financial Information, expressed in Indian Rupees in millions, has been prepared by the Company's management from the audited standalone financial statements of the Company, as at and for each of the years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 (all of which were expressed in Indian Rupees), read with paragraphs 7 and 13 below, on which respective auditors have expressed unmodified audit opinions vide their reports dated August 28, 2017, July 26, 2016, August 26, 2015, August 27, 2014 and August 19, 2013, respectively. Audit of the standalone financial statements of the Company as at and for the year ended March 31, 2017 was done by us and audit of the standalone financial statements of the Company as at and for each of the years ended March 31, 2016, 2015, 2014 and 2013 was done by another firm of chartered accountants.

7. We draw your attention that the Restated Standalone Financial Information should be read in conjunction with the basis of preparation and significant accounting policies given in Annexure IV (as described in paragraph B).

8. We have not audited any standalone financial statements of the Company as at any date or for any period subsequent to March 31, 2017. Accordingly, we do not express any opinion on the financial position, results or cash flows of the Company as at any date or for any period subsequent to March 31, 2017.

B. Other Standalone Financial Information:

9. At the Company's request, we have also examined the following Other Standalone Financial Information relating to the Company as at March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 and for each of the years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013, proposed to be included in the DRHP, prepared by the Management of the Company and as approved by the Board of Directors of the Company and annexed to this report:

   i) Basis of preparation and Significant Accounting Policies as enclosed in Annexure IV;
   ii) Notes to the Restated Standalone Financial Information as enclosed in Annexure V;
   iii) Statement of Adjustments to Audited Standalone Financial Statements as enclosed in Annexure VI;
   iv) Restated Standalone Statement of Secured Borrowings as enclosed in Annexure VII;
   v) Restated Standalone Statement of Principal Terms of Secured Borrowings as enclosed in Annexure VIIA;
   vi) Restated Standalone Statement of Unsecured Borrowings as enclosed in Annexure VIII;
   vii) Restated Standalone Statement of Principal Terms of Unsecured Borrowings as enclosed in Annexure VIIIA;
   viii) Restated Standalone Statement of Investments as enclosed in Annexure IX;

ix) Restated Standalone Statement of Trade Receivables as enclosed in Annexure X;
x) Restated Standalone Statement of Loans and Advances as enclosed in Annexure XI;
xi) Restated Standalone Statement of Other Income as enclosed in Annexure XII;
xii) Restated Standalone Statement of Accounting Ratios as enclosed in Annexure XIII;
xiii) Restated Standalone Statement of Capitalisation as enclosed in Annexure XIV;
xiv) Restated Standalone Statement of Tax Shelter as enclosed in Annexure XV.

10. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

Opinion

11. In our opinion:

(i) the Restated Standalone Financial Information of the Company, as attached to this report and as mentioned in paragraphs A and B above, read with basis of preparation and respective significant accounting policies have been prepared in accordance with the Act, the Rules and the SEBI Regulations;
(ii) there have been no changes in accounting policies of the Company (as disclosed in Annexure IV to this report);
(iii) the material adjustments relating to previous years have been adjusted in the year to which they relate;
(iv) there are no qualifications in the auditors' reports which require any adjustments; and
(v) there are no extra-ordinary items which need to be disclosed separately.

12. This report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by us or other auditors on the stand alone financial statements of the Company.

Other Matters

13. The restated standalone financial information of the Company have been examined and reported upon by another firm of chartered accountants for the years ended March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013, whose report has been furnished to us by the Management of the Company and our opinion on the Restated Standalone Financial Information to the extent they have been derived from such financial information is based solely on the report issued by them.

Restriction on Use

14. This report is addressed to and is provided to enable the Board of Directors of the Company to include this report in the DRHP, prepared in connection with the Issue, to be filed by the Company with the SEBI and the concerned stock exchanges.

For Price Waterhouse & Co. Chartered Accountants LLP
Firm Registration Number: 304026E/E-300009

Partha Ghosh
Partner
Membership Number: 55913

Mumbai
Date: September 25, 2017

Annexure I - Restated Standalone Statement of Assets and Liabilities of H.G. Infra Engineering Limited (Formerly known as H.G. Infra Engineering Private Limited)

(Amount in Rs. Millions)

Particulars	Annexures / Notes	As at				
		March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
EQUITY AND LIABILITIES						
Shareholders' funds						
Share capital	**Annexure V, Note 1**	180.20	180.20	152.50	152.50	152.50
Reserves and surplus	**Annexure V, Note 2**	1,578.68	1,045.34	691.84	645.46	536.47
Non-current liabilities						
Long-term borrowings	**Annexure VII, VIIA , VIII &VIIIA**	634.78	284.47	155.04	43.71	91.84
Other long-term liabilities	**Annexure V, Note 3**	295.37	88.45	87.10	14.50	23.78
Long-term provisions	**Annexure V, Note 4**	7.53	5.66	3.97	3.21	1.93
Deferred Tax Liability (Net)	**Annexure V, Note 5**	-	-	-	12.82	38.00
Current liabilities						
Short-term borrowings	**Annexure VII, VIIA , VIII &VIIIA**	932.89	589.87	399.93	573.50	522.26
Trade Payables	**Annexure V, Note 6**	632.37	460.15	198.41	259.58	235.23
Other current liabilities	**Annexure V, Note 7**	1,048.86	1,089.56	557.69	441.28	663.09
Short-term provisions	**Annexure V, Note 8**	69.50	10.22	3.18	1.54	0.89
Total		**5,380.18**	**3,753.92**	**2,249.66**	**2,148.10**	**2,265.99**
ASSETS						
Non-current assets						
Fixed assets						
Tangible assets	**Annexure V, Note 9**	2,041.34	1,160.85	835.79	857.72	979.15
Intangible assets	**Annexure V, Note 10**	2.48	0.83	0.54	0.25	0.31
Capital work-in-progress		6.86	48.34	-	-	-
Non-current investments	**Annexure IX**	3.96	3.82	0.93	0.82	-
Deferred Tax Assets (Net)	**Annexure V, Note 5**	20.06	8.24	1.46	-	-
Long-term loans and advances	**Annexure XI**	174.45	183.94	153.28	131.96	117.06
Other non-current assets	**Annexure V, Note 11**	60.73	72.04	98.56	82.60	26.22
Current assets						
Inventories	**Annexure V, Note 12**	488.93	432.76	217.86	204.99	186.89
Trade receivables	**Annexure X**	1,131.52	926.64	419.09	289.88	357.15
Cash and bank balances	**Annexure V, Note 13**	71.77	41.07	14.29	25.29	16.95
Short-term loans and advances	**Annexure XI**	782.45	547.91	261.70	289.21	317.61
Other current assets	**Annexure V, Note 14**	595.63	327.48	246.16	265.38	264.65
Total		**5,380.18**	**3,753.92**	**2,249.66**	**2,148.10**	**2,265.99**

The above statement should be read with the basis of preparation and significant Accounting Policies appearing in Annexure IV, Notes to the Restated Standalone Financial Information appearing in Annexure V and Statement of Adjustments to Audited Standalone Financial Statements appearing in Annexure VI.

Annexure II - Restated Standalone Statement of Profit and Loss of H.G. Infra Engineering Limited (Formerly known as H.G. Infra Engineering Private Limited)

(Amount in Rs. Millions)

Particulars	Annexures / Notes	Year ended				
		March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
REVENUE						
Revenue from Operations	Annexure V, Note 15	9,702.94	7,124.26	3,352.15	4,446.75	3,236.26
Other Income	Annexure XII	36.78	23.76	25.18	19.09	18.14
Total Revenue (A)		**9,739.72**	**7,148.02**	**3,377.33**	**4,465.84**	**3,254.40**
EXPENSES						
Cost of material consumed	Annexure V, Note 16	4,066.23	2,793.63	1,188.78	2,407.15	1,577.01
Contract and site expenses	Annexure V, Note 17	3,916.19	3,089.32	1,479.31	1,288.74	979.43
Employee benefits expense	Annexure V, Note 18	416.30	299.18	207.19	212.94	208.53
Finance costs	Annexure V, Note 19	192.66	159.90	158.21	133.74	127.22
Depreciation and amortisation expense	Annexure V, Note 20	256.02	183.37	171.46	133.86	141.66
Other expenses	Annexure V, Note 21	105.83	161.43	37.50	31.48	20.13
Total expenses (B)		**8,953.23**	**6,686.83**	**3,242.45**	**4,207.91**	**3,053.98**
Profit before tax and Material Adjustment (C = A-B)		**786.49**	**461.19**	**134.88**	**257.93**	**200.42**
Tax expense (D)						
Current tax		308.00	165.01	58.50	86.37	62.78
Deferred tax		(14.48)	(5.65)	(15.84)	(0.15)	2.74
Total (D)		**293.52**	**159.36**	**42.66**	**86.22**	**65.52**
Net Profit after taxation (C-D)		**492.97**	**301.83**	**92.22**	**171.71**	**134.90**
Net Profit before restatement adjustments		**492.97**	**301.83**	**92.22**	**171.71**	**134.90**
Restatement adjustments:						
Material restatement adjustments	**Annexure VI**	**55.26**	**68.58**	**(60.89)**	**(91.95)**	**28.99**
Less: Deferred tax on above adjustment	**Annexure VI**	**14.89**	**16.91**	**(15.05)**	**(29.23)**	**12.48**
Net Profit before the adjustments on account of changes in accounting policies		**533.34**	**353.50**	**46.38**	**108.99**	**151.41**
Adjustments on account of changes in accounting policies		-	-	-	-	-
Net Profit as restated		**533.34**	**353.50**	**46.38**	**108.99**	**151.41**

The above statement should be read with the basis of preparation and significant Accounting Policies appearing in Annexure IV, Notes to the Restated Standalone Financial Information appearing in Annexure V and Statement of Adjustments to Audited Standalone Financial Statements appearing in Annexure VI.

Annexure III - Restated Standalone Statement of Cash Flows of H G Infra Engineering Limited (Formerly known as H.G. Infra Engineering Private Limited)

(Amount in Rs. Millions)

	Particulars	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013
A)	**Cash Flow From Operating Activities**					
	Restated Net Profit before tax and after restatement adjustments	829.52	511.73	90.60	170.17	238.88
	Adjustments for:					
	Depreciation and amortisation expense	256.02	183.37	171.46	133.86	141.66
	Interest Income	(24.07)	(20.08)	(17.96)	(16.85)	(12.96)
	Profit from Jointly Controlled Entities	(3.79)	(7.13)	(9.54)	(6.67)	-
	Provision for doubtful debts	20.66	-	-	-	-
	Bad- debts written off	-	112.95	-	-	-
	Net loss on sale / disposal of fixed assets	2.79	0.34	1.90	0.01	-
	Finance costs	188.71	161.87	159.09	132.22	129.82
	Operating Profit before Working Capital Changes	**1,269.84**	**943.05**	**395.55**	**412.74**	**497.40**
	Changes in working capital:					
	(Increase) / decrease in trade receivables	(225.54)	(620.50)	(129.21)	67.27	(105.58)
	(Increase) in inventories	(56.17)	(214.90)	(12.87)	(18.10)	(111.06)
	(Decrease) / increase in trade payables	172.22	261.74	(61.17)	24.35	20.00
	(Decrease) / increase in other long term liabilities	206.92	1.35	72.60	(9.28)	23.78
	Increase in long term provision	1.87	1.69	0.76	1.28	1.93
	(Decrease) / increase in other current liabilities	(170.95)	381.81	30.72	(17.40)	81.89
	(Decrease) / increase in short term provision	(2.28)	1.35	1.64	0.65	0.89
	(Increase) / decrease in long term loans and advances	0.27	4.38	(1.35)	(11.72)	(29.13)
	(Increase) / decrease in short term loans and advances	(234.54)	(286.21)	27.51	28.40	(20.59)
	(Increase) / decrease in other assets	(171.07)	17.93	16.66	(20.45)	(116.25)
	Cash generated from operations	790.57	491.69	340.84	457.74	243.28
	Taxes paid (net of refunds)	(246.44)	(148.73)	(63.86)	(85.82)	(68.57)
	Net cash generated from Operating Activities	**544.13**	**342.96**	**276.98**	**371.92**	**174.71**
B)	**Cash Flow From Investing Activities**					
	Purchase of fixed assets	(1,151.12)	(626.37)	(208.80)	(30.65)	(177.89)
	Sale of fixed assets	65.46	17.14	34.03	16.05	14.74
	Fixed deposits placed / redemption of fixed deposits (net)	(75.23)	(72.73)	(13.40)	(36.66)	(38.20)
	Interest Income	23.65	20.08	17.96	16.85	12.96
	Investments in Jointly Controlled Entities	(0.08)	(105.30)	(7.16)	(16.67)	-
	Repayment from Jointly Controlled Entities	3.73	109.55	16.58	22.52	-
	Net Cash used in Investing Activities	**(1,133.59)**	**(657.63)**	**(160.79)**	**(28.56)**	**(188.39)**
C)	**Cash Flow From Financing Activities**					
	Proceeds / (Repayment) of short term borrowings	343.02	189.94	(173.57)	51.24	144.75
	Proceeds / (Repayment) from long-term borrowings	466.43	283.72	204.59	(250.88)	(108.89)
	Issued of Share Capital	-	27.70	-	-	30.00
	Finance cost paid	(189.29)	(159.91)	(158.21)	(135.38)	(125.57)
	Net Cash generated/ (used) in Financing Activities	**620.16**	**341.45**	**(127.19)**	**(335.02)**	**(59.71)**
	Net increase in cash and cash equivalents	**30.70**	**26.78**	**(11.00)**	**8.34**	**(73.39)**
	Cash and Cash Equivalents as at the beginning of the year	**41.07**	**14.29**	**25.29**	**16.95**	**90.34**
	Cash and cash equivalents at the end of the year (refer to Annexure V - Note 13)	**71.77**	**41.07**	**14.29**	**25.29**	**16.95**
	Cash and cash equivalents at the end of the year comprise of:					
	Cash on hand	3.70	6.39	6.16	9.79	11.45
	Balances with banks	68.07	34.68	8.13	15.50	5.50
		71.77	**41.07**	**14.29**	**25.29**	**16.95**

Notes:

1) The above Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard 3 (AS 3) 'Cash Flow Statements' as specified in Companies (Accounting Standards) Rules, 2006.

2) The above statement should be read with basis of preparation and Significant Accounting Policies, appearing in Annexure IV, Notes to the Restated Financial Information appearing in Annexure V and Statement of Adjustments to Audited Standalone Financial Statements appearing in Annexure VI.

3) Previous year figures have been regrouped /rearranged wherever considered necessary, to make them comparable.

1. The Company and nature of its operations

H. G. Infra Engineering Limited (Formerly known as H.G. Infra Engineering Private Limited) ("the Company") is a Limited Company domiciled in India. The Company was a Private Company until June 7, 2017. However from June 8, 2017 the company became a Public Limited Company. The Company is engaged in Engineering, Procurement & Construction (EPC), Maintenance of roads, bridges, flyovers and other infrastructure contract works.

2. (a) Basis of preparation

The Restated Standalone Statement of Assets and Liabilities of H. G. Infra Engineering Limited (Formerly known as H.G. Infra Engineering Private Limited) ('the Company') as at March 31, 2017, 2016, 2015, 2014 and 2013 and the Restated Standalone Statement of Profit and Loss and the Restated Standalone Statement of Cash flows, for the years ended March 31, 2017, 2016, 2015, 2014 and 2013 (together referred as 'Restated Standalone Financial Information') and other Standalone Financial Information have been extracted by the Management from the Audited Standalone Financial Statements of the Company for the respective years ("Audited Standalone Financial Statements").

The Audited Standalone Financial Statements were prepared to comply in all material respect with the generally applicable accounting principles in India under the historical cost convention on accrual basis. Pursuant to Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, till the Standards of Accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, the Audited Standalone Financial Statements for the years ended March 31, 2017, March 31, 2016 and March 31, 2015 have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) of the Companies Act, 1956 [Companies (Accounting Standards) Rules, 2006, as amended] and other relevant provisions of the Companies Act, 2013.

The Audited Standalone Financial Statements for the years ended March 31, 2014 and March 31, 2013 of the Company have been prepared to comply in all material respect with the generally applicable accounting principles in India under the historical cost convention on accrual basis, the applicable accounting standards under Section 211(3C) of the Companies Act, 1956 and the relevant provisions of the Companies Act, 1956.

The Restated Standalone Financial Information and other Standalone Financial Information have been prepared by the management in connection with the proposed listing of equity shares of the Company with BSE Limited and National Stock Exchange of India Limited (together 'the stock exchanges'), in accordance with the requirements of:

a) Section 26 read with applicable provisions within Rules 4 to 6 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 to the Companies Act, 2013; and

(b) The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 issued by the Securities and Exchange Board of India ("SEBI") on August 26, 2009, as amended from time to time read along with the SEBI circular SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 31, 2016 (together referred to as the "SEBI Regulations").

These Restated Standalone Financial Information and other Standalone Financial Information have been extracted by the Management from the Audited Standalone Financial Statements and:

- there were no audit qualifications on these financial statements,
- there were no changes in accounting policies during the years of these financial statements,
- material amounts relating to adjustments for previous years in arriving at profit/loss of the years to which they relate, have been appropriately adjusted,

- adjustments for reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the Audited Standalone Financial Statements of the Company as at and for the year ended March 31, 2017 and the requirements of the SEBI Regulations, and
- the resultant tax impact on above adjustments has been appropriately adjusted in deferred tax in the respective years to which they relate.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other prescribed criteria set out in the Schedule III to the Companies Act, 2013.

These Restated Standalone Financial Information and other Standalone Financial Information were approved by Board of Directors of the Company on September 25, 2017.

2 (b) Significant Accounting Policies

(i) Use of Estimates :

The preparation of financial statements in conformity with generally accepted accounting principles in India requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. Management believes that the estimates made in the preparation of the financial statements are prudent and reasonable. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

(ii) Investments :

Investments that are readily realisable and are 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 at cost or fair value, whichever is lower. Long-term investments are carried at cost. However, provision for diminution is made to recognise a decline, other than temporary, in the value of long-term investments, such reduction being determined and made for each investment individually.

(iii) Tangible assets:

Tangible assets are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises of the purchase price including import duties and non-refundable taxes, and directly attributable expenses incurred to bring the asset to the location and condition necessary for it to be capable of being operated in the manner intended by the management.

Subsequent costs related to an item of Tangible assets are recognised in the carrying amount of the item if the recognition criteria are met.

An item of Tangible assets is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising on derecognition is recognised in the Statement of Profit and Loss.

From April 1, 2014, depreciation is provided on a pro-rata basis on the written down value method over the estimated useful lives of the assets in the manner prescribed by Schedule II to the Companies Act, 2013, as against the past practice of computing depreciation at rates with reference to the life of assets subject to the minimum of rates provided by Schedule XIV to the Companies Act, 1956.

The estimated useful life of the assets based on technical evaluations done by management experts are lower or higher than the life stipulated in Schedule II to the Companies Act, 2013. The rate of depreciation for the tangible assets are as follows:

Asset	Rate of depreciation (%)
Building	4.86%
Plant and machinery	18.10%
Computers	63.16%
Furniture's and fixtures	25.89%
Vehicles	31.23%

Upto March 31, 2014, depreciation is provided on written down value basis at higher of the rates based on the useful life of the assets as estimated by the management or those stipulated in Schedule XIV to the Companies Act, 1956. The useful life of the following assets as estimated by the management are higher from the rates prescribed under Schedule XIV to the Companies Act, 1956.

The rate of depreciation for the tangible assets are as follows:

Asset	Rate of depreciation (%)
Building	5.00%
Plant and machinery	13.91%
Computers	40.00%
Furniture's and fixtures	18.90%
Vehicles	25.89%

(iv) Intangible assets :

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortised on a written down value basis over their estimated useful lives.

The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between net disposal proceeds and carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss. The estimated useful life of intangible asset from April 1, 2014 is as follows:

Asset	Rate of depreciation (%)
Software license	39.30%

Upto March 31, 2014, depreciation is provided on written down value basis as per the rates prescribed under Schedule XIV to the Companies Act, 1956.

The rate of depreciation for the intangible assets is as follows:

Asset	Rate of depreciation (%)
Software license	40%

(v) Impairments of assets :

Assessment is done at each Balance Sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. For the purpose of assessing impairment, the recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. The smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit (CGU). An asset or CGU whose carrying value exceeds its recoverable amount is considered impaired and is written down to its recoverable amount. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased. An impairment loss is reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised.

(vi) Borrowing costs:

Borrowing costs include interest, other costs incurred in connection with borrowing. General and specific borrowing costs directly attributable to the acquisition, construction, production or development of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in Statement of Profit and Loss in the period in which they are incurred.

(vii) Inventories:

Inventories are stated at lower of cost and net realizable value.

Stores and spare parts and construction materials cost includes cost of purchases and other cost incurred in bringing the inventories to the present location and condition.
Cost is determined using FIFO method.

(viii) Revenue Recognition :

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and can be reliably measured.

Construction contracts:

For EPC and construction contracts, contract prices are either fixed or subject to price escalation clauses. Contract revenue and contract cost associated with the construction of road are recognised as revenue and expenses respectively by reference to the stage of completion of the projects at the balance sheet date. The stage of completion of project is determined by the proportion that contract cost incurred for work performed upto the balance sheet date bear to the estimated total contract costs. Where the outcome of the construction cannot be estimated reliably, revenue is recognised to the extent of the construction costs incurred if it is probable that they will be recoverable. When the total contract cost is estimated to exceed total revenues from the contract, the loss is recognised immediately. Contract revenue earned in excess of billing has been reflected as 'Unbilled revenue in respect of unfinished contracts" and billing in excess of contract revenue has been reflected as "Billing in excess of costs and earnings in respect of unfinished contracts".

The estimates of contract cost and the revenue thereon are reviewed periodically by management and the cumulative effect of any changes in estimates in proportion to the cumulative revenue is recognised in the period in which such changes are determined.

Modifications to contracts involving technical aspects/ inputs are based on management assessment. Amounts due in respect of price escalation claims and/or variation in contract work are recognised as revenue only if the contract allows for such claims or variations and/or there is evidence that the customer has accepted it and are capable of being reliably measured.

Operation and maintenance contracts:

Revenue from maintenance contracts are recognised prorata over the period of the contract as and when services are rendered.

Revenue from Sales of Processed Aggregates:

Net Revenue from sale of goods is recognised in Statement of Profit and Loss when the significant risks and rewards in respect of ownership of goods has been transferred to the buyer as per the terms of the respective sales order, and the income can be measured reliably and is expected to be received.

Other Income:

Interest income is recognised on a time proportion basis taking into account the amount outstanding and applicable interest rate.

All other income is accounted on an accrual basis when no significant uncertainty exists regarding the amount that will be received.

Insurance claims:

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

Profit share from Jointly Controlled Entities:

Company's share in profit or losses of jointly controlled entities is accounted on determination of the profits or losses by the jointly controlled entities.

(ix) Employee Benefits :

Short term Employee Benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are charged off to the Statement of Profit and Loss.

Defined Contribution Plans:

Contributions to defined contribution schemes such as provident fund, superannuation, etc are charged to the Statement of Profit and Loss during the year in which the employee renders the related service.

Defined Benefit Plans:

The Company also provides employee benefits in the form of gratuity, the liability for which as at the year-end is determined by independent actuaries based on actuarial valuation using the projected unit credit method. Such defined benefits are charged to the Statement of Profit and Loss. Actuarial gain / losses are recognised in the year in which they arise.

Compensated Absences:

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

(x) Current and Deferred tax :

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

Minimum Alternate Tax ('MAT') under the provisions of the Income Tax Act, 1961 is recognised as current tax in the Statement of Profit and Loss. The credit available under the Act in respect of MAT paid will be recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal Income Tax during the period for which the MAT credit can be carried forward for set- off against the normal tax liability. Such asset is reviewed at each Balance Sheet date.

Deferred tax is recognised for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. In situations, where the Company has unabsorbed depreciation or carry forward losses under tax laws, all deferred tax assets are recognised only to the extent that there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits. At each Balance Sheet date, the Company re-assesses unrecognised deferred tax assets, if any.

(xi) Provisions and Contingent Liabilities :

Provisions:

Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation.

Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

Contingent liabilities:

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

(xii) Leases :

Operating lease: Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease.

(xiii) Earnings Per Share :

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year and for all years 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 year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

(xiv) Segment Reporting :

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company. Further, inter-segment revenue is accounted for based on the transaction price agreed to between segments which is primarily market based. Revenue and expenses is identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the Company as a whole and are not allocable to segments on a reasonable basis, are included under "Unallocated corporate expenses/income".

(xv) Cash and cash equivalents :

In the Cash Flow Statement, cash and cash equivalents include cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

1 Share capital (Amount in Rs. Millions)

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Authorised :					
Equity Shares of Rs. 10 each	200.00	200.00	160.00	160.00	160.00
As at March 31, 2017 and March 31, 2016 : 20,000,000 Equity Shares and March 31, 2015, March 31, 2014 and March 31, 2013 : 16,000,000,					
	200.00	200.00	160.00	160.00	160.00
Issued, Subscribed and Paid up					
Equity Shares of Rs. 10 each	180.20	180.20	152.50	152.50	152.50
As at March 31, 2017 and 2016 : 18,020,000 Equity Shares of Rs. 10 each fully paid up					
As at March 31, 2015, March 31, 2014 and March 31, 2013 : 15,250,000 Equity Shares of Rs. 10 each fully paid up					
Total	**180.20**	**180.20**	**152.50**	**152.50**	**152.50**

(Amount in Rs. Millions)

a)

Reconciliation of Number of Shares	As at									
	March 31, 2017		March 31, 2016		March 31, 2015		March 31, 2014		March 31, 2013	
	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
Balance as at the beginning of the year	18,020,000	180.20	15,250,000	152.50	15,250,000	152.50	15,250,000	152.50	12,250,000	122.50
Add: Shares issued during the year	-	-	2,770,000	27.70	-	-	-	-	3,000,000	30.00
Balance as at the end of the year	**18,020,000**	**180.20**	**18,020,000**	**180.20**	**15,250,000**	**152.50**	**15,250,000**	**152.50**	**15,250,000**	**152.50**

1) The shareholders of the Company on September 8, 2017 approved for an increase in the Authorized Share Capital from Rs. 200 million to Rs. 800 million divided into 80,000,000 equity shares of Re. 10 each by way of additional 60,000,000 equity shares of Re. 10 each.

2) On September 8, 2017, pursuant to the provisions of the Companies Act, 2013, the shareholders of the Company approved for issue and allotment of 2 Bonus Equity Shares of Rs. 10/- each for every equity share of Rs. 10/- each held by the members as on that date of this meeting and accordingly a sum of Rs. 360.40 million is capitalized out of the Company's Surplus in Statement of Profit and Loss outstanding as on March 31, 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 has increased from Rs.180.20 million to Rs.540.60 million and the balance in the Surplus in Statement of Profit and Loss is reduced by Rs. 360.40 million.

(b) Rights, preferences and restrictions attached to shares

The Company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(c) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Equity shares	As at									
	March 31, 2017		March 31, 2016		March 31, 2015		March 31, 2014		March 31, 2013	
	No of Shares	% holding	No of Shares	% holding	No of Shares	% holding	No of Shares	% holding	No of Shares	% holding
Shri Hodal Singh	3,057,692	16.97%	3,057,692	16.97%	2,557,692	16.77%	2,557,692	16.77%	2,557,692	16.77%
Shri Girishpal Singh	4,472,686	24.82%	4,472,686	24.82%	3,972,686	26.05%	3,972,686	26.05%	3,972,686	26.05%
Shri Vijendra Singh	4,241,200	23.54%	4,241,200	23.54%	3,541,200	23.22%	3,541,200	23.22%	3,541,200	23.22%
Shri Harendra Singh	5,117,172	28.40%	5,117,172	28.40%	4,267,172	27.98%	4,267,172	27.98%	4,267,172	27.98%

(d) There are no shares allotted as fully paid up pursuant to contracts without being received in cash since incorporation.

(e) 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.

2 Reserves and surplus **(Amount in Rs. Millions)**

Particulars	As at				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Surplus in Statement of Profit and Loss					
Balance as at the beginning of the year	1,045.34	691.84	645.46	536.47	385.06
Add: Profit for the year	533.34	353.50	46.38	108.99	151.41
Balance as at the end of the year	**1,578.68**	**1,045.34**	**691.84**	**645.46**	**536.47**

3 Other Long Term Liabilities **(Amount in Rs. Millions)**

Particulars	As at				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Retention money	295.37	88.45	87.10	14.50	23.78
Total	**295.37**	**88.45**	**87.10**	**14.50**	**23.78**

4 Long-term provisions **(Amount in Rs. Millions)**

Particulars	As at				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Provision for employee benefits					
Provision for gratuity (Refer Annexure V, Note 25)	7.18	5.44	3.79	3.04	1.81
Provision for compensated absences	0.35	0.22	0.18	0.17	0.12
Total	**7.53**	**5.66**	**3.97**	**3.21**	**1.93**

5 Deferred Tax **(Amount in Rs. Millions)**

a) Deferred Tax liability (Net)

Particulars	**As at**				
	March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Deferred Tax liability					
Timing difference between balance as per the Income Tax Act, 1961 and book balance for fixed assets	-	-	-	29.57	26.69
Deferred tax liability on Material adjustments (Refer Annexure VI)	-	-	-	-	12.48
Deferred Tax Assets					
Disallowance under section 43B of Income Tax Act, 1961	-	-	-	-	1.17
Deferred tax assets on Material adjustments (Refer Annexure VI)	-	-	-	16.75	-
Total	**-**	**-**	**-**	**12.82**	**38.00**

b) Deferred Tax assets (Net) **(Amount in Rs. Millions)**

Particulars	**As at**				
	March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Deferred Tax Assets					
Deferred tax assets on Material adjustments (Refer Annexure VI)	-	14.89	31.80	-	-
Disallowance under section 43B of Income Tax Act, 1961	4.97	2.14	1.21	-	-
Deferred Tax on account of Provision for doubtful debts	7.15	-	-	-	-
Deferred Tax on under section 40a(i) of Income Tax Act, 1961	12.57	-	-	-	-
Deferred Tax liability					
Timing difference between book balance and balance as per the Income Tax Act, 1961 for fixed assets	4.63	8.79	31.55	-	-
Total	**20.06**	**8.24**	**1.46**	**-**	**-**

6 Trade Payables **(Amount in Rs. Millions)**

Particulars	**As at**				
	March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
(a) Total outstanding dues of micro enterprises and small enterprises (Refer Annexure V, Note 26)	-	-	-	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	632.37	460.15	198.41	259.58	235.23
Total	**632.37**	**460.15**	**198.41**	**259.58**	**235.23**

7 Other Current Liabilities **(Amount in Rs. Millions)**

Particulars	As at				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Advances from customers (Refer Annexure V, Note 30)	245.03	463.35	205.21	92.08	217.88
Billing in excess of costs and earnings in respect to unfinished contracts (Refer Annexure V, Note 30)	126.82	90.99	62.74	97.42	51.04
Current maturities of long-term borrowings					
Secured					
Term Loan (Refer Annexure VII)					
Financial Institutions	238.78	196.00	102.27	63.98	230.09
Banks	217.49	125.93	61.68	26.25	71.94
Vehicle Loan (Refer Annexure VII)					
Financial Institutions	0.99	1.37	1.24	-	-
Banks	11.38	6.39	10.49	4.15	6.00
Unsecured Term Loan (Refer Annexure VIII)					
Financial Institutions	0.31	23.14	19.78	10.90	-
Banks	-	-	3.08	-	-
Interest accrued but not due on borrowings	3.37	3.94	1.97	1.10	4.25
Creditors for Capital Expenditure	17.77	3.07	9.28	17.72	16.20
Advance received against capital goods	4.06	-	-	-	-
Employee benefits payable	37.23	31.48	30.25	30.06	21.34
Statutory dues including provident fund and tax deducted at source	79.52	45.37	8.48	27.37	14.14
Retention money	55.19	96.54	40.29	68.84	25.47
Other payable	10.92	1.99	0.93	1.41	4.74
Total	**1,048.86**	**1,089.56**	**557.69**	**441.28**	**663.09**

8 Short-term provisions **(Amount in Rs. Millions)**

Particulars	As at				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Provision for employee benefits					
Provision for gratuity (Refer Annexure V, Note 25)	1.85	4.27	2.96	1.34	0.75
Provision for compensated absences	0.40	0.26	0.22	0.20	0.14
Provision for Income Tax (Net of Advance Tax March 31, 2017 - Rs. 614.02 Million, March 31, 2016 Rs. 367.58 Million)	67.25	5.69	-	-	-
Total	**69.50**	**10.22**	**3.18**	**1.54**	**0.89**

Fixed Assets

9 Tangible assets for March 31, 2017

(Amount in Rs. Millions)

Particulars	Gross block (at cost)					Depreciation				Net block
	As at April 1, 2016	Additions	Adjustment	Disposal	As at March 31, 2017	As at April 1, 2016	For the year	Disposal	As at March 31, 2017	As at March 31, 2017
Land	40.98	-	10.18	-	30.80	-	-	-	-	30.80
Building	23.86	81.31	-	-	105.17	4.32	2.54	-	6.86	98.31
Plant and Machinery	1,823.96	1,057.08	-	177.33	2,703.71	759.81	235.53	109.91	885.43	1,818.28
Vehicles	67.75	25.09	-	4.04	88.80	41.72	10.56	3.28	49.00	39.80
Computers	9.59	3.40	-	-	12.99	7.72	1.87	-	9.59	3.40
Furnitures and fixtures	18.18	47.52	-	-	65.70	9.90	5.05	-	14.95	50.75
Total	**1,984.32**	**1,214.40**	**10.18**	**181.37**	**3,007.17**	**823.47**	**255.55**	**113.19**	**965.83**	**2,041.34**

10 Intangible assets for March 31, 2017

(Amount in Rs. Millions)

Particulars	Gross block (at cost)					Amortisation				Net block
	As at April 1, 2016	Additions	Adjustment	Disposal	As at March 31, 2017	As at April 1, 2016	For the year	Disposal	As at March 31, 2017	As at March 31, 2017
Software Licence	1.72	2.12	-	-	3.84	0.89	0.47	-	1.36	2.48
Total	**1.72**	**2.12**	**-**	**-**	**3.84**	**0.89**	**0.47**	**-**	**1.36**	**2.48**

Fixed Assets

9 Tangible assets for March 31, 2016 **(Amount in Rs. Millions)**

Particulars	Gross block (at cost)				Depreciation				Net block
	As at April 1, 2015	Additions	Disposal	As at March 31, 2016	As at April 1, 2015	For the year	Disposal	As at March 31, 2016	As at March 31, 2016
Land	40.09	0.89	-	40.98	-	-	-	-	40.98
Building	23.86	-	-	23.86	3.32	1.00	-	4.32	19.54
Plant and Machinery	1,338.44	512.03	26.51	1,823.96	601.80	167.45	9.44	759.81	1,064.15
Vehicles	62.68	7.47	2.40	67.75	32.65	11.06	1.99	41.72	26.03
Computer	7.91	1.68	-	9.59	6.61	1.11	-	7.72	1.87
Furnitures and fixtures	14.62	3.56	-	18.18	7.43	2.47	-	9.90	8.28
Total	**1,487.60**	**525.63**	**28.91**	**1,984.32**	**651.81**	**183.09**	**11.43**	**823.47**	**1,160.85**

10 Intangible assets for March 31, 2016 **(Amount in Rs. Millions)**

Particulars	Gross block (at cost)				Amortisation				Net block
	As at April 1, 2015	Additions	Disposal	As at March 31, 2016	As at April 1, 2015	For the year	Disposal	As at March 31, 2016	As at March 31, 2016
Software Licence	1.15	0.57	-	1.72	0.61	0.28	-	0.89	0.83
Total	**1.15**	**0.57**	**-**	**1.72**	**0.61**	**0.28**	**-**	**0.89**	**0.83**

Fixed Assets

9 Tangible assets for March 31, 2015 **(Amount in Rs. Millions)**

Particulars	Gross block (at cost)				Depreciation				Net block
	As at April 1, 2014	Additions	Disposal	As at March 31, 2015	As at April 1, 2014	For the year	Disposal	As at March 31, 2015	As at March 31, 2015
Land	39.88	0.21	-	40.09	-	-	-	-	40.09
Building	23.86	-	-	23.86	2.27	1.05	-	3.32	20.54
Plant and Machinery	1,244.89	158.32	64.77	1,338.44	474.35	156.29	28.84	601.80	736.64
Vehicles	39.67	23.01	-	62.68	22.87	9.78	-	32.65	30.03
Computers	6.65	1.26	-	7.91	4.72	1.89	-	6.61	1.30
Furnitures and fixtures	12.12	2.50	-	14.62	5.14	2.29	-	7.43	7.19
Total	**1,367.07**	**185.30**	**64.77**	**1,487.60**	**509.35**	**171.30**	**28.84**	**651.81**	**835.79**

10 Intangible assets for March 31, 2015 **(Amount in Rs. Millions)**

Particulars	Gross block (at cost)				Amortisation				Net block
	As at April 1, 2014	Additions	Disposal	As at March 31, 2015	As at April 1, 2014	For the year	Disposal	As at March 31, 2015	As at March 31, 2015
Software Licence	0.70	0.45	-	1.15	0.45	0.16	-	0.61	0.54
Total	**0.70**	**0.45**	**-**	**1.15**	**0.45**	**0.16**	**-**	**0.61**	**0.54**

Fixed Assets

9 Tangible assets for March 31, 2014 **(Amount in Rs. Millions)**

Particulars	Gross block (at cost)				Depreciation				Net block
	As at April 1, 2013	Additions	Disposal	As at March 31, 2014	As at April 1, 2013	For the year	Disposal	As at March 31, 2014	As at March 31, 2014
Land	35.24	4.64	-	39.88	-	-	-	-	39.88
Building	23.86	-	-	23.86	1.13	1.14	-	2.27	21.59
Plant and Machinery	1,252.66	18.27	26.04	1,244.89	359.42	125.27	10.34	474.35	770.54
Vehicles	37.11	3.62	1.06	39.67	18.54	5.03	0.70	22.87	16.80
Computers	5.76	0.89	-	6.65	3.87	0.85	-	4.72	1.93
Furnitures and fixtures	11.21	0.91	-	12.12	3.73	1.41	-	5.14	6.98
Total	**1,365.84**	**28.33**	**27.10**	**1,367.07**	**386.69**	**133.70**	**11.04**	**509.35**	**857.72**

10 Intangible assets for March 31, 2014 **(Amount in Rs. Millions)**

Particulars	Gross block (at cost)				Amortisation				Net block
	As at April 1, 2013	Additions	Disposal	As at March 31, 2014	As at April 1, 2013	For the year	Disposal	As at March 31, 2014	As at March 31, 2014
Software Licence	0.60	0.10	-	0.70	0.29	0.16	-	0.45	0.25
Total	**0.60**	**0.10**	**-**	**0.70**	**0.29**	**0.16**	**-**	**0.45**	**0.25**

Fixed Assets

9 Tangible assets for March 31, 2013 **(Amount in Rs. Millions)**

Particulars	Gross block (at cost)				Depreciation				Net block
	As at April 1, 2012	Additions	Disposal	As at March 31, 2013	As at April 1, 2012	For the year	Disposal	As at March 31, 2013	As at March 31, 2013
Land	35.41	10.97	11.14	35.24	-	-	-	-	35.24
Building	11.53	12.33	-	23.86	0.58	0.55	-	1.13	22.73
Plant and Machinery	1,094.64	166.02	8.00	1,252.66	232.04	131.97	4.59	359.42	893.24
Vehicles	36.50	1.18	0.57	37.11	12.47	6.45	0.38	18.54	18.57
Computers	5.25	0.51	-	5.76	2.86	1.01	-	3.87	1.89
Furnitures and fixtures	9.73	1.48	-	11.21	2.22	1.51	-	3.73	7.48
Total	**1,193.06**	**192.49**	**19.71**	**1,365.84**	**250.17**	**141.49**	**4.97**	**386.69**	**979.15**

10 Intangible assets for March 31, 2013 **(Amount in Rs. Millions)**

Particulars	Gross block (at cost)				Amortisation				Net block
	As at April 1, 2012	Additions	Disposal	As at March 31, 2013	As at April 1, 2012	For the year	Disposal	As at March 31, 2013	As at March 31, 2013
Software Licence	0.45	0.15	-	0.60	0.12	0.17	-	0.29	0.31
Total	**0.45**	**0.15**	**-**	**0.60**	**0.12**	**0.17**	**-**	**0.29**	**0.31**

11 Other non-current assets **(Amount in Rs. Millions)**

Particulars	As at				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
- Unsecured, considered good (unless stated otherwise): Long Term deposits with bank with maturity period more than 12 months	60.73	72.04	98.56	82.60	26.22
Total	**60.73**	**72.04**	**98.56**	**82.60**	**26.22**

12 Inventories **(Amount in Rs. Millions)**

Particulars	As at				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Stores and Spares	56.16	24.50	32.73	35.37	26.97
Project materials	432.77	408.26	185.13	169.62	159.92
Total	**488.93**	**432.76**	**217.86**	**204.99**	**186.89**

13 Cash and bank balances **(Amount in Rs. Millions)**

Particulars	As at				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Cash and Cash Equivalents					
Cash on hand	3.70	6.39	6.16	9.79	11.45
Bank balances					
In current accounts	68.07	34.68	8.13	15.50	5.50
Total	**71.77**	**41.07**	**14.29**	**25.29**	**16.95**

14 Other current assets **(Amount in Rs. Millions)**

Particulars	As at				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Margin money deposit	311.91	225.37	126.12	128.68	148.40
Interest accrued but not recevied	0.42	-	-	-	-
Assets held for sale	10.12	-	-	-	-
Unbilled revenue in respect of unfinished contracts (Refer Annexure V, Note 30)	273.18	102.11	120.04	136.70	116.25
Total	**595.63**	**327.48**	**246.16**	**265.38**	**264.65**

15 Revenue from Operations **(Amount in Rs. Millions)**

Particulars	For the year ended				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Contract revenue (EPC andOperation and Maintenance revenue)	9,671.36	7,058.17	3,283.75	4,346.36	3,182.85
Other Operating Income					
Sale of material	27.79	58.96	58.86	93.72	53.41
Company's share in profit of Jointly Controlled Entities	3.79	7.13	9.54	6.67	-
Total	**9,702.94**	**7,124.26**	**3,352.15**	**4,446.75**	**3,236.26**

16 Cost of materials consumed **(Amount in Rs. Millions)**

Particulars	For the year ended				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Construction Material, Stores and Spares					
Opening Stock	432.76	217.86	204.99	186.89	75.83
Add: Purchases	4,122.40	3,008.53	1,201.65	2,425.25	1,688.07
	4,555.16	3,226.39	1,406.64	2,612.14	1,763.90
Less: Closing Stock	488.93	432.76	217.86	204.99	186.89
Total	**4,066.23**	**2,793.63**	**1,188.78**	**2,407.15**	**1,577.01**

17 Contract and site expenses **(Amount in Rs. Millions)**

Particulars	For the year ended				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Sub contracting expenses	3,249.36	2,523.65	993.28	893.64	554.06
Indirect Taxes (Work Contract Tax, Labour Cess and Road Tax Expenses etc.)	253.24	170.95	63.30	84.19	42.57
Insurance expenses	11.03	7.29	6.63	8.91	9.14
Contract expenses	180.09	267.33	267.88	95.08	59.74
Hire charges for machinery and others	136.77	53.31	91.90	162.71	228.00
Site and other direct expenses	43.24	39.65	40.09	30.44	70.35
Repairs and Maintenance	18.02	11.73	10.16	12.27	9.00
Technical consultancy	17.07	8.18	-	-	-
Transport Charges	7.37	7.23	6.07	1.50	6.57
Total	**3,916.19**	**3,089.32**	**1,479.31**	**1,288.74**	**979.43**

18 Employee benefits expense **(Amount in Rs. Millions)**

Particulars	For the year ended				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Salaries, Wages and Bonus	345.05	249.38	174.94	172.75	170.19
Contribution to provident and other funds*	4.61	4.84	2.87	1.94	2.41
Gratuity*	11.16	2.44	0.31	-	-
Compensated absences	0.74	-	-	-	-
Staff Welfare Expenses	54.74	42.52	29.07	38.25	35.93
Total	**416.30**	**299.18**	**207.19**	**212.94**	**208.53**

*Refer Annexure V, Note 25

19 Finance costs **(Amount in Rs. Millions)**

Particulars	For the year ended				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Interest on :					
Term loan	68.07	46.63	26.25	30.22	53.61
Working capital loan	79.38	67.90	75.27	78.34	54.24
Other borrowing cost	30.14	37.15	43.00	23.95	14.75
Bank Charges	0.88	1.30	1.92	0.57	4.62
Interest on late payment of statutory dues	14.19	6.92	11.77	0.66	-
Total	**192.66**	**159.90**	**158.21**	**133.74**	**127.22**

20 Depreciation and amortisation expense **(Amount in Rs. Millions)**

Particulars	For the year ended				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Depreciation on tangible assets (Refer Annexure V, Note 9)	255.55	183.09	171.30	133.70	141.49
Amortisation on intangible assets (Refer Annexure V, Note 10)	0.47	0.28	0.16	0.16	0.17
Total	**256.02**	**183.37**	**171.46**	**133.86**	**141.66**

21 Other expenses **(Amount in Rs. Millions)**

Particulars	For the year ended				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Repairs and Maintenance	6.78	5.16	2.77	2.96	2.29
Rates and Taxes	5.98	3.95	-	-	-
Travelling expenses	7.19	3.51	2.14	1.68	2.03
Lease rent (Refer Annexure V, Note 28)	6.46	4.07	2.69	5.57	5.41
Payment to auditors					
Audit Fees	2.45	0.20	0.30	0.30	0.25
Tax audit Fees	0.50	0.20	-	-	-
Expenditure towards Corporate Social Responsibility (CSR) activities (Refer Annexure V, Note 31)	12.42	1.72	0.40	-	-
Professional Fee	15.41	7.31	19.37	13.02	3.62
Printing and Stationery	3.52	3.02	2.06	2.07	2.47
Communication Expenses	5.62	4.13	3.11	2.44	3.00
Loss on Sale of Assets (net)	2.72	0.34	1.90	-	-
Bad- debts written off	-	112.95	-	-	-
Provision for doubtful debts	20.66	-	-	-	-
Miscellaneous Expenses	16.12	14.87	2.76	3.44	1.06
Total	**105.83**	**161.43**	**37.50**	**31.48**	**20.13**

22. Contingent liabilities and Commitments

(Amount in Rs. Millions)

Description	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Performance Bank Guarantees (Refer note below)	2,597.39	2,385.13	1,819.67	1,563.95	125.83
Claims against the Company not acknowledged as debt	6.05	3.07	1.87	1.87	1.57

Note: The Company has issued Performance bank guarantees in favor of various Contractees against the Contracts awarded to the Company.

23 Capital Commitments

(Amount in Rs. Millions)

Description	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Estimated value of contracts in capital account remaining to be executed	23.51	38.07	50.55	1.89	-

24 Related party disclosures:

As per Accounting Standard – 18 Related Party Disclosures, the Company's related parties and transactions are disclosed below:

i.) Jointly Controlled Entities:

a. HGIEPL – Colossal JV(With effect from January 10, 2014)
b. HGIEPL – Ranjit JV(With effect from May 15, 2015)
c. HGIEPL – MGCPL JV(With effect from August 30, 2014)
d. HGIEPL – RPS JV (With effect from May 31, 2013)
e. TPL – HGIEPL JV (With effect from November 11, 2016)

ii.) Key management personnel:

a. Mr. Hodal Singh - Director
b. Mr. Girishpal Singh - Director
c. Mr. Vijendra Singh - Director
d. Mr. Harendra Singh - Director

iii.) Relatives of Key Management Personnel

a. Mr. Vaibhav Choudhary - Son of Mr. Girishpal Singh
b. Mrs. Poonam Singh - Wife of Mr. Vijendra Singh
c. Mrs. Nisha Singh - Wife of Mr. Harendra Singh

iv.) Enterprise over which key management personnel and relative thereof are having control with whom transaction have taken place

a. HG Stone Crusher
b. Harendra Singh HUF
c. HG Traders
d. HG Luxury Hotels Private Limited
e. HG ADPL – VLPL JV
f. HG Foundation (Trust)

v.) **Details of transactions and balances with related parties**

(Amount in Rs. Millions)

Particulars	Transaction / Balances				
	2016-17	**2015-16**	**2014-15**	**2013-14**	**2012-13**
Sale of material					
HG Traders	6.16	1.20	0.96	2.17	-
Contract Revenue					
HGIEPL – MGCPL JV	23.72	-	-	-	-
Interest income					
HG Luxury Hotels Private Limited	1.17	-	-	-	-
HG ADPL – VLPL JV	6.93	-	-	-	-
Harendra Singh – HUF	0.04	-	-	-	-

(Amount in Rs. Millions)

Particulars	Transaction / Balances				
	2016-17	2015-16	2014-15	2013-14	2012-13
Purchase of aggregate					
HG Traders	0.25	0.82	-	-	-
HG Stone Crusher	10.35	11.98	5.95	5.56	5.41
Sub contracting expenses					
HG Traders	-	-	1.43	9.90	-
Corporate social Responsibility expenses					
HG Foundation	1.19	0.60	0.40	0.25	-
Remuneration paid					
Key management personnel:					
Mr. Hodal Singh	8.70	8.70	7.20	7.20	7.20
Mr. Girishpal Singh	12.00	8.70	7.20	7.20	7.20
Mr. Vijendra Singh	12.00	8.70	7.20	7.20	7.20
Mr. Harendra Singh	21.60	18.00	12.00	12.00	12.00
* The amount disclosed does not include Gratuity, as it has been provided on an overall basis based on actuarial valuation.					
Relatives of Key Management Personnel					
Mr. Vaibhav Choudhary	8.40	4.20	3.00	3.00	3.00
Insurance premium paid towards keyman term policy taken by Company					
Mr. Vijendra Singh	5.28	-	-	-	-
Mr. Harendra Singh	5.21	-	-	-	-
Mr. Vaibhav Choudhary	4.92	-	-	-	-

(Amount in Rs. Millions)

Particulars	Transaction / Balances				
	2016-17	**2015-16**	**2014-15**	**2013-14**	**2012-13**
Share of Profit from Jointly Controlled Entities					
HGIEPL – Colossal JV	1.09	1.81	0.59	-	-
HGIEPL – Ranjit JV	0.92	0.05	-	-	-
HGIEPL – MGCPL JV	1.08	-	-	-	-
HGIEPL – RPS JV	0.70	5.28	8.96	6.67	-
Loans and advances given					
HG Luxury Hotels Private Limited	24.00	-	0.30*	14.35*	16.10*
HG ADPL – VLPL JV	37.90	45.50*	-	-	-
Harendra Singh HUF	0.71	0.71*	0.50*	0.72*	0.70*
HGIEPL – RPS JV	-	-	22.00*	-	-
HG Grendioes Hotel	-	-	-	-	0.70*
HG Boarding House	-	-	-	-	0.40*
* The Interest amount was waived off by the board of directors in respective years.					
Increase in Investment in JV					
HGIEPL – RPS JV	0.08	105.30	4.21	16.67	-
HGIEPL – Colossal JV	-	-	2.95	-	-
Decrease in Investment in JV					
HGIEPL – RPS JV	1.00	109.55	14.00	22.52	-
HGIEPL – Colossal JV	2.73	-	2.58	-	-
Loans and advances repayment					
HG Luxury Hotels Private Limited	24.00	-	0.30	13.95	16.50
HG ADPL – VLPL JV	76.90	6.50	-	-	-
Harendra Singh HUF	0.71	0.89	0.71	0.70	0.70
HG Grendioes Hotel	-	-	-	-	0.70
HG Boarding House	-	-	-	-	0.40

(Amount in Rs. Millions)

Particulars	Transaction / Balances				
	2016-17	2015-16	2014-15	2013-14	2012-13
Loans taken from Key management personnel:					
Mr. Hodal Singh	5.20	6.50	0.50	9.06	9.78
Mr. Girishpal Singh	8.40	8.70	6.38	21.06	21.76
Mr. Vijendra Singh	13.50	15.73	28.40	12.78	23.01
Mr. Harendra Singh	14.85	25.00	53.66	45.33	83.18
Loans taken from Jointly Controlled Entities:					
HGIEPL – RPS JV	-	-	44.00	-	-
Loans taken from Relatives of Key Management Personnel					
Mr. Vaibhav Choudhary	2.00	1.26	-	2.15	0.55
Mrs. Poonam Singh Choudhary	1.00	-	-	-	-
Mrs. Nisha Singh	2.50	-	-	-	-
Repayment of Loan taken from Key management personnel:					
Mr. Hodal Singh	0.90	6.50	5.56	4.00	9.76
Mr. Girishpal Singh	4.25	8.79	9.45	19.47	20.14
Mr. Vijendra Singh	8.80	25.75	19.97	15.08	18.92
Mr. Harendra Singh	8.81	24.20	54.68	46.18	85.29
Repayment of Loan taken from Relatives of Key Management Personnel					
Mr. Vaibhav Choudhary	-	1.26	-	2.15	0.55
Repayment of Loan taken from Jointly Controlled Entities :					
HGIEPL – RPS JV	-	-	22.00	-	-
Closing Balances					
Other Short-term borrowings					
Key management personnel:					
Mr. Hodal Singh	4.30	-	-	5.06	-
Mr. Girishpal Singh	4.15	0.05	0.14	3.22	1.63
Mr. Vijendra Singh	4.70	0.19	10.21	1.78	4.09
Mr. Harendra Singh	6.04	1.34	0.54	1.58	2.42

(Amount in Rs. Millions)

Particulars	Transaction / Balances				
	2016-17	2015-16	2014-15	2013-14	2012-13
Relatives of Key Management Personnel					
Mr. Vaibhav Choudhary	2.00	-	-	-	-
Mrs. Poonam Singh Choudhary	1.00	-	-	-	-
Mrs. Nisha Singh	2.50	-	-	-	-
Jointly Controlled Entities					
HGIEPL – RPS JV	-	-	22.00	-	-
Other Current Liabilities					
Employee benefits payable					
Mr. Vaibhav Choudhary	0.05	-	0.31	-	-
Mr. Hodal Singh	0.03	-	-	0.09	0.63
Mr. Girishpal Singh	0.15	-	0.05	-	-
Mr. Vijendra Singh	0.03	-	-	-	-
Mr. Harendra Singh	0.07	-	0.67	1.43	1.83
Salary advance					
Mr. Vaibhav Choudhary	-	0.19	-	0.13	0.18
Mr. Hodal Singh	-	0.52	-	-	-
Mr. Girishpal Singh	-	3.06	-	2.68	0.65
Mr. Vijendra Singh	-	0.74	6.98	3.73	4.66
Mr. Harendra Singh	-	3.59	-	-	-
Non-current investment					
Investment in Jointly Controlled Entities					
HGIEPL – Colossal JV	1.11	2.74	0.93	-	-
HGIEPL – Ranjit JV	0.97	0.05	-	-	-
HGIEPL – MGCPL JV	1.08	-	-	-	-
HGIEPL – RPS JV	0.80	1.02	-	0.82	-
Trade Receivables					
HGIEPL – MGCPL JV	4.02	-	-	-	-

(Amount in Rs. Millions)

Particulars	Transaction / Balances				
	2016-17	2015-16	2014-15	2013-14	2012-13
Short-term loans and advances					
Other Advances					
HG Luxury Hotels Private Limited	1.05	-	-	-	0 .40
HG ADPL - VLPL JV	6.24	39.00	-	-	-
Harendra Singh HUF	0.04	-	0.19	0.02	-
Trade Payables					
HG Traders	-	0.91	1.34	1.52	-

25 Employee benefits:

The Company has adopted Accounting Standard 15 "Employee Benefits". The Company has classified various employee benefits as under:

(A) Defined contribution plans

- Provident fund
- Employers' contribution to employees' pension scheme 1995
- Employers' contribution to Employee State Insurance Corporation (ESIC)

The provident fund and pension scheme are operated by regional provident fund commissioner. Under the scheme, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits.

The Company has recognised the following amounts in the Statement of Profit and Loss:

(Amount in Rs. Millions)

Sr. No.	Particulars	Year ended March 31, 2017	Year ended March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
i.	Contribution to Provident Fund	2.86	3.24	1.67	1.10	1.38
ii.	Contribution to E.S.I.C	0.10	0.06	0.12	0.13	0.14
iii.	Contribution to Pension Fund	1.65	1.54	1.08	0.71	0.89
	Total	**4.61**	**4.84**	**2.87**	**1.94**	**2.41**

(B) Defined benefit plans :

The Company's liability is actuarially determined (using the Projected Credit Unit method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

Sr. No.	Particulars	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013
i	Discount rate (per annum)	6.85%	7.55%	7.90%	8.95%	8.05%
ii	Rate of increase in compensation levels	9.74%	9.74%	9.74%	9.74%	9.74%
iii	Rate of return on plan assets	7.50%	-	-	-	-
iv	Expected average remaining working lives of employees	32.02 years	31.34 years	30.16 years	27.63 years	27.85 years

(Amount in Rs. Millions)

Sr. No	Particulars	Gratuity Year ended				
		March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
i	**Present value of defined benefit obligation**					
	Balance at the beginning of the year	9.71	6.75	4.38	2.56	-
	Current service cost	2.20	1.61	1.23	0.91	2.56
	Interest cost	0.74	0.54	0.44	0.25	-
	Actuarial (gains) / loss	0.81	0.95	1.01	0.66	-
	Benefits paid	(0.56)	(0.14)	(0.31)	-	-
	Balance at the end of the year	12.90	9.71	6.75	4.38	2.56
ii	**Fair value of plan assets**					
	Balance at the beginning of the year	-	-	-	-	-
	Expected return on plan assets	-	-	-	-	-
	Actuarial gains / (losses)	-	-	-	-	-
	Contribution by the company	4.43	0.14	0.31	-	-
	Benefits paid	(0.56)	(0.14)	(0.31)	-	-
	Balance at the end of the year	3.87	-	-	-	-
iii	**Percentage of each category of plan assets to total fair value of plan assets as at year end**					
	Life Insurance Corporation Of India	100%	-	-	-	-

(Amount in Rs. Millions)

Sr. No	Particulars	Gratuity Year ended				
		March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
iv	**Assets and liabilities recognised in the Balance Sheet**					
	Present value of defined benefit obligation	12.91	9.71	6.75	4.38	2.56
	Fair value of plan assets	(3.88)	-	-	-	-
	Present Value of Unfunded Obligations	9.03	9.71	6.75	4.38	2.56
	Amount recognised as liability	9.03	9.71	6.75	4.38	2.56
	Long term provision	7.18	5.44	3.79	3.04	1.81
	Short term provision	1.85	4.27	2.96	1.34	0.75
	Total	**9.03**	**9.71**	**6.75**	**4.38**	**2.56**
v	**Expenses recognised in the Statement of Profit and Loss Account**					
	Current service cost	2.20	1.61	1.23	0.91	2.56
	Interest cost	0.74	0.54	0.44	0.25	-
	Actuarial losses	0.81	0.96	1.01	0.66	-
	Total	**3.75**	**3.11**	**2.68**	**1.82**	**2.56**
	Add (Less): Material restatement adjustments (Refer Annexure VI)	7.41	(0.67)	(2.37)	(1.82)	(2.56)
	Total	**11.16**	**2.44**	**0.31**	**-**	**-**
vi	**Amounts to be recognised in the current year and previous year**					
	Defined Benefit Obligation	12.91	9.71	6.75	4.38	2.56
	Plan Assets	(3.88)	-	-	-	-
	Deficit	9.03	9.71	6.75	4.38	2.56
	Experience adjustments on plan liabilities	0.61	0.88	0.86	0.76	-
vii	**Expected contribution to the funds in the next year**	**5.00**	**4.27**	**-**	**-**	**-**
viii	**Disclosure pursuant to para 120 (n) of AS – 15**					
	Gratuity	**2016-2017**	**2015-2016**	**2014-2015**	**2013-2014**	**2012-2013**
	Present value of defined benefit obligation	12.91	9.71	6.75	4.38	2.56
	Fair value of the plan assets	3.88	-	-	-	-
	Deficit of the plan	9.03	9.71	6.74	4.38	2.56
	Experience adjustments:					
	On the plan liabilities loss	0.61	0.88	0.86	0.76	-

26 Dues to micro and small enterprises

Disclosure of amounts payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act. 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act. There are no overdue principal amounts / interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payments made during the year or brought forward from previous years.

27 Segment Reporting

I. Information about primary business segment

In accordance with Accounting Standard – 17, "Segmental Reporting" issued by the Institute of Chartered Accountants of India, the Company's business segment is "Execution of Contract works" and it has no other primary reportable segments. Accordingly, the segment revenue, segment results, total carrying amount of segment assets and segment liabilities, total cost incurred to acquire segment assets and total amount of charge for depreciation / amortisation during the year, is as reflected in the Restated Standalone Financial Information as of and for the financial years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013.

II. Information about secondary geographical segment

The Company caters to the needs of the domestic market and hence there are no reportable geographical segments for the financial years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013.

28 Operating leases

(i) As a lessee:
Operating Lease
The Company has significant operating lease arrangements for land obtained for setting up of camp for construction project offices. These lease arrangements range for a period between 12 months and 36 months which are cancellable at the option of the Company. Most of the leases are renewable for further period on mutually agreeable terms and also include escalation clauses.

With respect to all operating leases:

(Amount in Rs. Millions)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
Lease payments recognised in the Statement of Profit and Loss during the year	6.46	4.07	2.69	5.57	5.41

29 Disclosures relating to Specified Bank Notes* (SBNs) held and transacted during the period from 8th November 2016 to 30th December 2016

(Amount in Rs. Millions)

Particulars	SBNs*	Other Denomination notes	Total
Closing cash in hand as on November 8, 2016	4.58	2.29	6.87
(+) Permitted receipts	-	4.80	4.80
(-) Permitted payments	(4.47)	(5.74)	(10.21)
(-) Amount deposited in Banks	(0.11)	-	(0.11)
Closing cash in hand as on December 30, 2016	-	1.35	1.35

* Specified Bank Notes (SBNs) mean the bank notes of denominations of the existing series of the value of five hundred rupees and one thousand rupees as defined under the notification of the Government of India, in the Ministry of Finance Department of Economic Affairs no. S.O. 3407(E), dated the 8th November. 2016.

30 Disclosure in terms of Accounting Standard 7- Construction Contracts

(Amount in Rs. Millions)

Particulars	2016-17	2015-16	2014-15	2013-14	2012-13
Contract revenue recognized during the year	9,682.70	7,110.71	3,241.70	4,273.45	3,233.93
Aggregate cost incurred and recognized profits (less recognized losses) upto the reporting date for contracts in progress	15,492.49	9,823.25	7,404.19	7,396.08	3,284.79
Amount of customer advances outstanding for contracts in process	245.03	463.35	205.21	92.08	217.88
Retention money due from customers for contracts in progress	524.45	381.17	127.06	126.07	215.92
Gross amount due from customers for contracts works as an asset (unbilled portion)	273.18	102.11	120.04	136.70	116.25
Gross amount due to customers for contract works as a liability	126.82	90.99	62.74	97.42	51.04

Upto year ended March 31, 2016 the Company was determining stage of completion of work based on the work certified/billing done to the customer. With effect from April 1, 2016 the Company has changed its method of proportion of the contract cost incurred upto the reporting date to the estimated total contract cost. Accordingly, the revenue for the financial years ended on March 31, 2013, 2014, 2015 and 2016 have been appropriately restated in the respective years to recognize revenue using a consistent method.

31 Corporate Social Responsibility

The Company has constituted a Corporate Social Responsibility (CSR) Committee as per Section 135 and Schedule VII of the Companies Act. 2013 (the Act) read with the Companies (Corporate Social Responsibility Policy) Rules 2014.

(Amount in Rs. Millions)

Particulars	March 31, 2017	March 31, 2016	March 31, 2015
a. Gross amount required to be spent by the Company	5.69	3.95	4.80
b. Amount spent	12.42	1.72	0.40
c. Related party transactions in relation to Corporate Social Responsibility	1.19	0.60	0.40

32 Jointly Controlled Entities

The Company has following investments in jointly controlled entities:

Name of Jointly Controlled Entities	Country of Incorporation	Proportion of ownership interest				
		As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
HGIEPL – Colossal JV	India	70%	70%	70%	-	-
HGIEPL – Ranjit JV	India	30%	30%	-	-	-
HGIEPL– MGCPL JV	India	30%	30%	-	-	-
HGIEPL – RPS JV	India	51%	51%	51%	51%	-
TPL – HGIEPL JV	India	26%	-	-	-	-

The Company's share of each of the assets, liabilities, income and expenses in the Jointly Controlled Entities, based on their respective audited financial statements of the Jointly Controlled Entities are as follows:

(Amount in Rs. Millions)

Particulars	As at 31 March, 2017	As at 31 March, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
(a) Assets					
HGIEPL – MGCPL JV	180.37	12.00	-	-	-
HGIEPL – Ranjit JV	141.48	141.48	-	-	-
HGIEPL – Colossal JV	11.11	11.42	4.59	-	-
TPL – HGIEPL JV	-	-	-	-	-
HGIEPL – RPS JV	6.19	99.64	151.54	73.96	-
(b) Liabilities					
HGIEPL – MGCPL JV	179.30	12.00	-	-	-
HGIEPL – Ranjit JV	139.63	139.75	-	-	-
HGIEPL – Colossal JV	8.85	8.66	943.54	-	-
TPL – HGIEPL JV	-	-	-	-	-
HGIEPL – RPS JV	2.19	41.10	94.52	52.42	-
(c) Income					
HGIEPL – MGCPL JV	264.29	-	-	-	-
HGIEPL – Ranjit JV	571.93	38.32	-	-	-
HGIEPL – Colossal JV	31.50	52.16	20.13	-	-
TPL – HGIEPL JV	-	-	-	-	-
HGIEPL – RPS JV	77.97	187.84	272.65	222.33	-
(d) Expenses					
HGIEPL – MGCPL JV	262.72	-	-	-	-
HGIEPL – Ranjit JV	570.51	38.25	-	-	-
HGIEPL – Colossal JV	29.91	49.54	19.55	-	-
TPL – HGIEPL JV	-	-	-	-	-
HGIEPL – RPS JV	77.09	182.57	263.69	215.66	-

33. The Company has filed compounding application with Ministry of Company Affairs dated July 10, 2017 with respect to discrepancies related to:

(i) financial statement not signed by Company Secretary of the Company for the financial year 2011-12, 2012-13 and 2013-14 as per Section 215 of Companies Act 2013;

(ii) non attachment of Cash flow statement along with Annual Report of the Company filed with ROC which is required to be prepared as per Accounting Standard 3 specified by the Institute of Chartered Accountants of India for the financial year 2006-07 to 2013-14 as required under Section 211(3C) of the Companies Act. 1956;

(iii) Non disclosures in Board Report for certain matters as per Section 217 of Companies Act 1956 and section 134 of the Companies Act. 2013 read with Companies (Accounts) Rules. 2014 wherein year wise following was missing:

(a) Non Disclosures of amount of remuneration paid to Employee for financial year 2011-12, 2012-13 and 2013-14; (b) No Comments on Audit Observation etc. for financial year 2011-12, 2012-13, 2013-14 and 2014-15; (c) Information on Dividend for financial year 2011-12. 2012-13 and 2013-14; (d) Amount of Reserves transferred 2011-12, 2012-13 and 2013-14; (e) Non-Disclosure of Sexual Harassment Policy for financial year 2013-14; (f) The number of meetings of board was not accurate as it was actually held for financial year 2014-15 and 2015-16; (g) CSR information was not properly mentioned in directors report for financial year 2014-15; and (h) Company has not given details related to appointment of Company Secretary for financial year 2014-15.

For the above non-compliances the Company has made a provision of Rs. 5.02 Million during the financial year 2016-17.

Annexure VI - Statement of Adjustments to Standalone Financial Information of H.G. Infra Engineering Limited (Formerly known as H.G. Infra Engineering Private Limited)

Summarized below are the restatement adjustments made to the audited financial statements for the year ended March 31, 2017, 2016, 2015, 2014 and 2013 and their impact on the profit of the Company:

(Amount in Rs. Millions)

Particulars	For the year ended				
	March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
A. Adjustments **Material Restatement Adjustments** **(Excluding those on account of changes in accounting policies):-** **(i) Audit Qualifications**	-	-	-	-	-
Total:	-	-	-	-	-
(ii) Other material adjustments					
(1) Change in the basis of estimating proportion of work completed - AS 7 Construction Contracts (Refer note (a) below)	11.34	52.54	(42.05)	(72.91)	51.08
(2) Actuarial valuation (Refer note (b) below) - Gratuity	7.41	(0.67)	(2.37)	(1.82)	(2.56)
(3) Actuarial valuation (Refer note (b) below) - Compensated absences	0.48	(0.08)	(0.03)	(0.11)	(0.26)
(4) Interest on term loan (Refer note (c) below)	3.94	(1.98)	(0.87)	1.51	(2.60)
(5) Indirect taxes adjustments (Refer note (d) below)	19.86	0.73	1.04	(14.43)	(7.20)
(6) Deferred tax (Refer note (e) below)	12.23	18.04	(16.61)	(4.19)	(9.47)
Total other material adjustments	**55.26**	**68.58**	**(60.89)**	**(91.95)**	**28.99**
Less: Deferred tax on above adjustments (Refer note (f) below)	14.89	16.91	(15.05)	(29.23)	12.48
Other material adjustments after deferred tax	40.37	51.67	(45.84)	(62.72)	16.51
B. Adjustments on account of change in accounting policies	-	-	-	-	-
Total:	**40.37**	**51.67**	**(45.84)**	**(62.72)**	**16.51**
Total impact of Adjustments (A+B)	**40.37**	**51.67**	**(45.84)**	**(62.72)**	**16.51**

(a) For the period April 1, 2012 to March 31, 2016, the Company was determining stage of completion of work based on the work certified/billing done to the customer. With effect from April 1, 2016, the Company has changed its method of determining stage of completion based on the proportion of the contract cost incurred upto the reporting date to the estimated total contract cost. The Restated Standalone Financial Information have been appropriately adjusted based on the change in method in the respective years to which they are related, for the purpose of this statements.

(b) During the financial year ended March 31, 2017, the Company has changed the basis of accounting for retirement benefits i.e. provision for gratuity and Compensated absences is made on the basis of actuarial valuation in compliance of the Accounting Standard - 15 (Revised) issued by the Institute of Chartered Accountants of India, which was earlier accounted for on actual basis. Accordingly, the provision for gratuity and Compensated absences has been recomputed on actuarial valuation basis for each preceding year and consequently, the adjustments have been made in the expenses for gratuity and Compensated absences for the respective years.

(c) During the financial year ended March 31, 2017, the Company has started making provision for accrued interest on term loan which was earlier accounted on actual basis. The Restated Standalone Financial Information of the Company have been appropriately adjusted in the respective years to which they are related, for the purpose of this statement.

(d) Appropriate adjustments have been made in the respective year with respect to indirect taxes based on intimations/ orders received from Sales tax authorities and also certain prepaid indirect taxes accounted on accrual basis which was earlier accounted on actual basis. The Restated Standalone Financial Information of the Company have been appropriately adjusted in the respective years to which they are related, for the purpose of this statement.

(e) During the financial year ended March 31, 2017, the Company has appropriately recomputed deferred tax for the year ended March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 . For the purpose of the Restated Standalone Financial Information, such items have been appropriately adjusted to the respective years to which they relate.

(f) The tax rate applicable for the respective years has been used to calculate the deferred tax impact on adjustments.

Annexure VI - Statement of Adjustments to Standalone Financial Information of H.G. Infra Engineering Limited (Formerly known as H.G. Infra Engineering Private Limited)

(A) Statutory Auditors have made the following comments in terms with the requirements of the Companies (Auditor's Report) Order, 2015, issued by the Central Government of India in terms of sub-section 11 of Section 143 of the Companies Act, 2013 of India for Financial Year 2016-17, 2015-16 and 2014-15 and in terms with the requirements of the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, issued by the Central Government of India in terms of sub-section 4A of Section 127 of the Companies Act, 1956 of India for Financial Year 2013-14 and 2012-13;

FY 2016-17 :

1. According to the information and explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, value added tax and cess have not been regularly deposited with the appropriate authorities and there have been delays in a large number of cases.

FY 2015-16 :

1. We have not reviewed the books of accounts and records maintained by the Company specified by the Central Government for the maintenance of cost records under section 148(1) of the Act.

FY 2014-15 :

1. The Company is not maintaining proper records of the inventory.
2. According to the information and explanations, given to us and the records of the company, examined by us, in our opinion, the company is not regular in depositing undisputed statutory dues including Provident Fund, Income Tax, Sales Tax, Wealth Tax, Custom Duty, Excise Duty, VAT, Cess and any other statutory dues as applicable with the appropriate authorities. According to the information and explanations given to us, there were no undisputed amounts payable in respect of Provident Fund, Income Tax, Vat Tax, Wealth Tax, Custom Duty, Excise Duty, VAT, Cess and other statutory dues outstanding as at 31st March, 2015, for a period of more than six months from the date they became payable.

FY 2013-14 :

1. The Company is not maintaining proper records of the inventory.
2. According to the information and explanations, given to us and the records of the company, examined by us, in our opinion, the company is generally regular in depositing undisputed statutory dues including Provident Fund, Income Tax, Sales Tax, Wealth Tax, Custom Duty, Excise Duty, Cess and other material statutory dues as applicable with the appropriate authorities except for delays in some cases.

FY 2012-13 :

1. The Company is not maintaining proper records of the inventory.

Annexure VII - Restated Standalone Statement of Secured Borrowings of H.G. Infra Engineering Limited (Formerly known as H.G. Infra Engineering Private Limited)

(Amount in Rs. Millions)

Particulars	As at				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Long-term borrowings					
Secured :					
Term Loan (Refer Annexure VII A)					
Financial Institutions	307.25	106.85	51.05	33.25	65.67
Banks	313.21	135.13	38.04	6.81	23.63
Vehicle Loan (Refer Annexure VII A)					
Financial Institutions	-	0.99	2.37	-	-
Banks	14.32	7.85	10.25	2.05	2.54
Sub-total (A)	**634.78**	**250.82**	**101.71**	**42.11**	**91.84**
Current maturities of long-term borrowings, included in Other Current Liabilities (Refer Annexure V, Note 7) and (Refer Annexure VII A)					
Secured					
Term Loan					
Financial Institutions	238.78	196.00	102.27	63.98	230.09
Banks	217.49	125.93	61.68	26.25	71.94
Vehicle Loan					
Financial Institutions	0.99	1.37	1.24	-	-
Banks	11.38	6.39	10.49	4.15	6.00
Sub-total (B)	**468.64**	**329.69**	**175.68**	**94.38**	**308.03**
Secured (Refer Annexure VII A)					
Working Capital loans repayable on demand from banks	857.51	589.87	367.04	561.86	514.12
Sub-total (C)	**857.51**	**589.87**	**367.04**	**561.86**	**514.12**
Total (A+B+C)	**1,960.93**	**1,170.38**	**644.43**	**698.35**	**913.99**

Annexure VII A - Restated Standalone Statement of Principal Terms of Secured Borrowings of H.G. Infra Engineering Limited (Formerly known as H.G. Infra Engineering Private Limited)

Secured - Term Loan from banks

The details of rate of interest and repayment term loans are as under :

S.No.	Particulars	Number of Loans outstanding as at March 31, 2017	Outstanding as at March 31, 2017 (in Millions)	Interest Range % per annum	Balance Number of Installments as at March 31, 2017	Frequency of Installments	Commencing From - To
1	HDFC Bank Limited	131	211.76	6.78% to 14.75%	12 to 35	Monthly	July 2013 to Jan 2020
2	ICICI Bank Limited	19	1.98	11.75% to 12%	1	Monthly	Sep 2015 to April 2017
3	Axis Bank Limited	96	211.48	8.3% to 14%	3 to 36	Monthly	July 2014 to May 2020
4	Yes Bank Limited	11	105.48	7.84% to 9.6%	31 to 35	Monthly	Nov 2016 to Feb 2020
	Total		**530.70**				

Secured - Term Loans From Financial Institution:

The details of rate of interest and repayment term loans are as under :

S.No.	Particulars	Number of Loans outstanding as at March 31, 2017	Outstanding as at March 31, 2017 (in Millions)	Interest Range % per annum	Balance Number of Installments as at March 31, 2017	Frequency of Installments	Commencing From - To
1	SREI Equipment Finance Limited	12	127.89	4.63% to 12.75%	19 to 35	Monthly	May 2014 to Feb 2020
2	Tata Capital Finance Limited	34	196.73	3.16% to 12.9%	1 to 35	Monthly	Sep 2013 to Feb 2020
3	TATA Motors Limited	91	170.60	8.22% to 10.33%	13 to 30	Monthly	April 2016 to Nov 2019
4	Sundram Finance Limited	7	50.37	6.85% to 8.10%	26 to 33	Monthly	June 2016 to Feb 2020
5	Mahindra Finance Limited	1	0.44	14.50%	41	Monthly	March 2017 to Jan 2021
	Total		**546.03**				

Secured Term Loans from Banks and Financial institution

a) All term loans are Secured by hypothecation of specific assets purchased out of loan, comprising Plant and Machinery and Constructions equipment.

Motor Car Vehicles loans - From Banks and Financial Institution :

The details of rate of interest and repayment term loans are as under :

S.No.	Particulars	Number of Loans outstanding as at March 31, 2017	Outstanding as at March 31, 2017 (in Millions)	Interest Range % per annum	Balance Number of Installments as at March 31, 2017	Frequency of Installments	Commencing From - To
1	HDFC Bank Limited	12	12.17	9.5% to 10.25%	6 to 42	Monthly	Nov 2013 to Sep 2020
2	Axis Bank Limited	22	13.53	8.30% to 10.25%	7 to 39	Monthly	Nov 2014 to April 2020
3	BMW Finance Service Limited	1	0.99	9.86%	8	Monthly	Dec 2014 to Nov 2017
	Total		**26.69**				

Vehicle Loans from Banks and Financial Institutions

a) All motor car vehicles loans are Secured by hypothecation of specific vehicles financed though the loan arrangements.

Working Capital Demand Loans and Cash Credit facilities availed from banks are secured by :

(I) Nature of Security

Cash Credit and Working Capital from all Banks secured by:

a) First Pari Passu charge in favour of the Bank by way of Hypothecation of the Company's entire stocks of raw materials, work in progress, consumable stores spares including book debts.
b) All the bank are secured by exclusive charge on the entire movable and immovable assets of the Company (Present and Future) save and excepts assets exclusively financed by other lenders.
c) All the bank loans are secured by equitable mortgage of land and equipments mentioned in the property as per the collateral agreement.
d) All the bank loans are collaterally secured by unconditional and irrevocable personal gurantees of all the Directors.
e) Cash Credit Loans from all the bank are charged as uniform margin of 25% against all components of inventory.
f) Cash credit from all the banks are secured by entire book debts for the cover period upto 90 days.

Annexure VII A - Restated Standalone Statement of Principal Terms of Secured Borrowings of H.G. Infra Engineering Limited (Formerly known as H.G. Infra Engineering Private Limited)

Secured - Term Loan from banks

The details of rate of interest and repayment term loans are as under :

S.No.	Particulars	Number of Loans outstanding as at March 31, 2016	Outstanding as at March 31, 2016 (in Millions)	Interest Range % per annum	Balance Number of Installments as at March 31, 2016	Frequency of Installments	Commencing From - To
1	HDFC Bank Limited	82	158.86	4.14% to 14%	2 to 35	Monthly	May 2013 to March 2019
2	ICICI Bank Limited	35	36.56	2.87% to 12%	10 to 13	Monthly	July 2014 to April 2017
3	Axis Bank Limited	16	61.94	9.65% to 10.75%	14 to 36	Monthly	June 2012 to Sep 2019
4	ING Vyasa Bank Limited	11	3.70	11.75% to 12%	7 to 9	Monthly	Dec 2014 to Dec 2016
	Total		**261.06**				

Secured - Term Loans From Financial Institution:

The details of rate of interest and repayment term loans are as under :

S.No.	Particulars	Number of Loans outstanding as at March 31, 2016	Outstanding as at March 31, 2016 (in Millions)	Interest Range % per annum	Balance Number of Installments as at March 31, 2016	Frequency of Installments	Commencing From - To
1	SREI Equipment Finance Limited	8	99.10	4.63% to 12.75%	7 to 32	Monthly	April 2013 to Oct 2018
2	Tata Capital Finance Limited	42	151.31	2.45% to 12.9%	4 to 29	Monthly	May 2014 to Aug 2018
3	HDB Finance Service Limited	15	12.16	12.25% to 12.51%	3	Monthly	Sept 2014 to Aug 2016
4	TATA Motors Limited	19	40.28	8.22% to 9.2%	27	Monthly	April 2016 to July 2019
	Total		**302.85**				

Secured Term Loans from Banks and Financial institiution

a) All term loans are Secured by hypothecation of specific assets purchased out of loan, comprising Plant and Machinery and Constructions equipment.

Motor Car Vehicles loans - From Banks and Financial Institution :

The details of rate of interest and repayment term loans are as under :

S.No.	Particulars	Number of Loans outstanding as at March 31, 2016	Outstanding as at March 31, 2016 (in Millions)	Interest Range % per annum	Balance Number of Installments as at March 31, 2016	Frequency of Installments	Commencing From - To
1	HDFC Bank Limited	10	11.62	9% to 11.50%	7 to 36	Monthly	May 2010 to July 2019
2	Kotak Mahindra Bank Limited	1	0.19	10.25%	8	Monthly	Dec 2013 to Nov 2016
3	Axis Bank Limited	5	2.42	8.30% to 10.25%	20	Monthly	Nov 2014 to Nov 2017
4	BMW Finance Service Limited	1	2.37	9.86%	20	Monthly	Dec 2014 to July 2016
	Total		**16.60**				

Vehicle Loans from Banks and Financial Institutions

a) All motor car vehicles loans are Secured by hypothecation of specific vehicles financed though the loan arrangements.

Working Capital Demand Loans and Cash Credit facilities availed from banks are secured by :

(I) Nature of Security

Cash Credit and Working Capital from all Banks secured by:

a) First Pari Passu charge in favour of the Bank by way of Hypothecation of the Company's entire stocks of raw materials, work in progress, consumable stores spares including book debts.

b) All the bank are secured by exclusive charge on the entire movable and immovable assets of the Company (Present and Future) save and excepts assets exclusively financed by other lenders.

c) All the bank loans are secured by equitable mortgage of land and equipments mentioned in the property as per the collateral agreement.

d) All the bank loans are collaterally secured by unconditional and irrevocable personal gurantees of all the Directors.

e) Cash Credit Loans from all the bank are charged as uniform margin of 25% against all components of inventory.

f) Cash credit from all the banks are secured by entire book debts for the cover period upto 90 days.

Annexure VII A - Restated Standalone Statement of Principal Terms of Secured Borrowings of H.G. Infra Engineering Limited (Formerly known as H.G. Infra Engineering Private Limited)

Secured - Term Loan from banks

The details of rate of interest and repayment term loans are as under :

S.No.	Particulars	Number of Loans outstanding as at March 31, 2015	Outstanding as at March 31, 2015 (in Rupees)	Interest Range % per annum	Balance Number of Installments as at March 31, 2015	Frequency of Installments	Commencing From - To
1	HDFC Bank Limited	6	6.22	4.14% to 14%	11 to 35	Monthly	June 2011 to Feb 2018
2	ICICI Bank Limited	35	31.41	2.87% to 12%	8 to 12	Monthly	Jan 2017 March 2016
3	Axis Bank Limited	9	53.30	9.65% to 10.75%	1 to 35	Monthly	Sep 2012 to Feb 2018
4	ING Vyasa Bank Limited	11	8.79	11.75% to 12%	19 to 21	Monthly	Dec 2014 to Dec 2016
	Total		**99.72**				

Secured - Term Loans From Financial Institution:

The details of rate of interest and repayment term loans are as under :

S.No.	Particulars	Number of Loans outstanding as at March 31, 2015	Outstanding as at March 31, 2015 (in Rupees)	Interest Range % per annum	Balance Number of Installments as at March 31, 2015	Frequency of Installments	Commencing From - To
1	L&T Finance Limited	5	7.36	7.67% to 13.20%	4 to 8	Monthly	Dec 2011 to Nov 2015
2	SREI Equipment Finance Limited	3	7.70	4.63% to 12.75%	9 to 24	Monthly	July 2012 to March 2017
3	Bajaj Financial Services Limited	4	0.65	10.60% to 12.75%	5	Monthly	June 2012 to Aug 2015
4	Tata Capital Finance Limited	27	103.53	2.45% to 12.9%	16 to 29	Monthly	Nov 2012 to Aug 2017
5	HDB Finance Service Limited	15	34.08	12.25% to 12.51%	16 to 17	Monthly	Sept 2014 to Aug 2016
	Total		**153.32**				

Secured Term Loans from Banks and Financial institiution

a) All term loans are Secured by hypothecation of specific assets purchased out of loan, comprising Plant and Machinery and Constructions equipment.

Motor Car Vehicles loans - From Banks and Financial Institution :

The details of rate of interest and repayment term loans are as under :

S.No.	Particulars	Number of Loans outstanding as at March 31, 2015	Outstanding as at March 31, 2015 (in Rupees)	Interest Range % per annum	Balance Number of Installments as at March 31, 2015	Frequency of Installments	Commencing From - To
1	HDFC Bank Limited	10	11.34	9% to 11.50%	1 to 48	Monthly	May 2011 to March 2019
2	Kotak Mahindra Bank Limited	7	5.66	10.25%	2 to 20	Monthly	Nov 2013 to Nov 2016
3	Axis Bank Limited	5	3.74	8.30% to 10.25%	31 to 32	Monthly	Nov 2014 to Nov 2017
4	BMW Finance Service Limited	1	3.61	9.86%	16	Monthly	Dec 2014 to Nov 2017
	Total		**24.35**				

Vehicle Loans from Banks and Financial Institutions

a) All motor car vehicles loans are Secured by hypothecation of specific vehicles financed though the loan arrangements.

Working Capital Demand Loans and Cash Credit facilities availed from banks are secured by :

(I) Nature of Security

Cash Credit and Working Capital from all Banks secured by:

a) First Pari Passu charge in favour of the Bank by way of Hypothecation of the Company's entire stocks of raw materials, work in progress, consumable stores
b) All the bank are secured by exclusive charge on the entire movable and immovable assets of the Company (Present and Future) save and excepts assets
c) All the bank loans are secured by equitable mortgage of land and equipments mentioned in the property as per the collateral agreement.
d) All the bank loans are collaterally secured by unconditional and irrevocable personal gurantees of all the Directors.
e) Cash Credit Loans from all the bank are charged as uniform margin of 25% against all components of inventory.
f) Cash credit from all the banks are secured by entire book debts for the cover period upto 90 days.

Annexure VII A - Restated Standalone Statement of Principal Terms of Secured Borrowings of H.G. Infra Engineering Limited (Formerly known as H.G. Infra Engineering Private Limited)

Secured - Term Loan from banks

The details of rate of interest and repayment term loans are as under :

S.No.	Particulars	Number of Loans outstanding as at March 31, 2014	Outstanding as at March 31, 2014 (in Rupees)	Interest Range % per annum	Balance Number of Installments as at March 31, 2014	Frequency of Installments	Commencing From - To
1	HDFC Bank Limited	12	11.04	4.14% to 14%	1 to 26	Monthly	May 2010 to May 2016
2	ICICI Bank Limited	11	5.89	2.87% to 12%	2 to 8	Monthly	Dec 2011 to Nov 2014
3	Axis Bank Limited	3	16.13	9.65% to 10.75%	3 to 13	Monthly	April 2012 to April 2015
	Total		**33.06**				

Secured - Term Loans From Financial Institution:

The details of rate of interest and repayment term loans are as under :

S.No.	Particulars	Number of Loans outstanding as at March 31, 2014	Outstanding as at March 31, 2014 (in Rupees)	Interest Range % per annum	Balance Number of Installments as at March 31, 2014	Frequency of Installments	Commencing From - To
1	L&T Finance Limited	91	36.70	7.67% to 13.20%	1 to 20	Monthly	July 2010 to Nov 2015
2	SREI Equipment Finance Limited	3	16.28	4.63% to 12.75%	1 to 21	Monthly	July 2012 to Dec 2015
3	Bajaj Financial Services Limited	38	9.61	10.60% to 12.75%	1 to 17	Monthly	April 2011 to Aug 2015
4	Tata Capital Finance Limited	15	34.48	2.45% to 12.9%	6 to 28	Monthly	Aug 2012 to July 2016
5	Religare Finvest Limited	2	0.16	5.99% to 11.50%	2	Monthly	Jan 2011 to May 2014
	Total		**97.23**				

Secured Term Loans from Banks and Financial institiution

a) All term loans are Secured by hypothecation of specific assets purchased out of loan, comprising Plant and Machinery and Constructions equipment.

Motor Car Vehicles loans - From Banks and Financial Institution :

The details of rate of interest and repayment term loans are as under :

S.No.	Particulars	Number of Loans outstanding as at March 31, 2014	Outstanding as at March 31, 2014 (in Rupees)	Interest Range % per annum	Balance Number of Installments as at March 31, 2014	Frequency of Installments	Commencing From - To
1	HDFC Bank Limited	13	3.83	9% to 11.50%	1 to 32	Monthly	May 2010 to Nov 2016
2	Kotak Mahindra Bank Limited	6	2.37	10.25%	2 to 32	Monthly	July 2012 to Nov 2016
	Total		**6.20**				

Vehicle Loans from Banks and Financial Institutions

a) All motor car vehicles loans are Secured by hypothecation of specific vehicles financed though the loan arrangements.

Working Capital Demand Loans and Cash Credit facilities availed from banks are secured by :

(I) Nature of Security

Cash Credit and Working Capital from all Banks secured by:

a) First Pari Passu charge in favour of the Bank by way of Hypothecation of the Company's entire stocks of raw materials, work in progress, consumable stores
b) All the bank are secured by exclusive charge on the entire movable and immovable assets of the Company (Present and Future) save and excepts assets
c) All the bank loans are secured by equitable mortgage of land and equipments mentioned in the property as per the collateral agreement.
d) All the bank loans are collaterally secured by unconditional and irrevocable personal gurantees of all the Directors.
e) Cash Credit Loans from all the bank are charged as uniform margin of 25% against all components of inventory.
f) Cash credit from all the banks are secured by entire book debts for the cover period upto 90 days.

Annexure VII A - Restated Standalone Statement of Principal Terms of Secured Borrowings of H.G. Infra Engineering Limited (Formerly known as H.G. Infra Engineering Private Limited)

Secured - Term Loan from banks

The details of rate of interest and repayment term loans are as under :

S.No.	Particulars	Number of Loans outstanding as at March 31, 2013	Outstanding as at March 31, 2013 (in Rupees)	Interest Range % per annum	Balance Number of Installments as at March 31, 2013	Frequency of Installments	Commencing From - To
1	HDFC Bank Limited	44	17.73	4.14% to 14%	1 to 36	Monthly	May 2010 to May 2016
2	ICICI Bank Limited	47	39.98	2.87% to 12%	7 to 20	Monthly	Dec 2011 to Nov 2014
3	Kotak Mahindra Bank Limited	2	0.86	9.33% to 10.54%	6 to 7	Monthly	Nov 2011 to Oct 2013
4	Axis Bank Limited	5	37.00	9.65% to 10.75%	11 to 25	Monthly	April 2012 to April 2015
	Total		**95.57**				

Secured - Term Loans From Financial Institution:

The details of rate of interest and repayment term loans are as under :

S.No.	Particulars	Number of Loans outstanding as at March 31, 2013	Outstanding as at March 31, 2013 (in Rupees)	Interest Range % per annum	Balance Number of Installments as at March 31, 2013	Frequency of Installments	Commencing From - To
1	L&T Finance Limited	119	137.10	7.67% to 13.20%	2 to 32	Monthly	July 2010 to Nov 2015
2	SREI Equipment Finance Limited	3	57.28	4.63% to 12.75%	13 to 33	Monthly	July 2012 to Dec 2015
3	Bajaj Financial Services Limited	40	48.69	10.60% to 12.75%	11 to 29	Monthly	April 2011 to Aug 2015
4	Tata Capital Finance Limited	15	24.71	2.45% to 12.9%	3 to 19	Monthly	Aug 2012 to July 2016
5	Religare Finvest Limited	26	27.98	5.99% to 11.50%	8 to 14	Monthly	Jan 2011 to May 2014
	Total		**295.76**				

a) All term loans are Secured by hypothecation of specific assets purchased out of loan, comprising Plant and Machinery and Constructions equipment.

Motor Car Vehicles loans - From Banks and Financial Institution :

The details of rate of interest and repayment term loans are as under :

S.No.	Particulars	Number of Loans outstanding as at March 31, 2013	Outstanding as at March 31, 2013 (in Rupees)	Interest Range % per annum	Balance Number of Installments as at March 31, 2013	Frequency of Installments	Commencing From - To
1	HDFC Bank Limited	20	6.32	9% to 11.50%	1 to 34	Monthly	May 2010 to Nov 2016
2	Kotak Mahindra Bank Limited	7	2.22	10.25%	3 to 27	Monthly	July 2012 to Nov 2016
	Total		**8.54**				

Vehicle Loans from Banks and Financial Institutions

a) All motor car vehicles loans are Secured by hypothecation of specific vehicles financed though the loan arrangements.

Working Capital Demand Loans and Cash Credit facilities availed from banks are secured by :

(I) Nature of Security

Cash Credit and Working Capital from all Banks secured by:

a) First Pari Passu charge in favour of the Bank by way of Hypothecation of the Company's entire stocks of raw materials, work in progress, consumable stores
b) All the bank are secured by exclusive charge on the entire movable and immovable assets of the Company (Present and Future) save and excepts assets
c) All the bank loans are secured by equitable mortgage of land and equipments mentioned in the property as per the collateral agreement.
d) All the bank loans are collaterally secured by unconditional and irrevocable personal gurantees of all the Directors.
e) Cash Credit Loans from all the bank are charged as uniform margin of 25% against all components of inventory.
f) Cash credit from all the banks are secured by entire book debts for the cover period upto 90 days.

Annexure VIII - Restated Standalone Statement of Unsecured Borrowings of H.G. Infra Engineering Limited (Formerly known as H.G. Infra Engineering Private Limited)

(Amount in Rs. Millions)

Particulars	**As at**				
	March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Unsecured long term borrowings:					
Term Loan (Refer Annexure VIII A)					
Financial Institutions	-	33.65	53.33	1.60	-
Sub-total (A)	**-**	**33.65**	**53.33**	**1.60**	**-**
Current maturities of long-term borrowings, included in Other Current Liabilities					
(Refer Annexure V, Note 7) and (Refer Annexure VIII A)					
Unsecured Term Loan					
Financial Institutions	0.31	23.14	19.78	10.90	-
Banks	-	-	3.08	-	-
Sub-total (B)	**0.31**	**23.14**	**22.86**	**10.90**	**-**
Unsecured short term borrowings:					
Loan from bank (Refer Annexure VIII A)	50.69	-	-	-	-
From Directors and Relatives (Refer Annexure VIII A)	24.69	-	10.89	11.64	8.14
From Jointly Controlled Entities	-	-	22.00	-	-
Sub-total (C)	**75.38**	**-**	**32.89**	**11.64**	**8.14**
Total (A+B+C)	**75.69**	**56.79**	**109.08**	**24.14**	**8.14**

Annexure VIII A - Restated Standalone Statement of Principal Terms of Unsecured Borrowings of H.G. Infra Engineering Limited (Formerly known as H.G. Infra Engineering Private Limited)

Unsecured loan - From Financial Institution :

The details of rate of interest and repayment term loans are as under :

S.No.	Particulars	Number of Loans outstanding as at March 31, 2017	Outstanding as at March 31, 2017 (in Millions)	Interest Range % per annum	Balance Number of Installments as at March 31, 2017	Frequency of Installments	Commencing From - To
1	Capital First Limited	1	0.31	13.50%	2	Monthly	Feb 2015 to July 2017
	Total		**0.31**				

Unsecured short term borrowings from banks

The details of rate of interest and repayment term loans are as under :

S.No.	Particulars	Number of Loans outstanding as at March 31, 2017	Outstanding as at March 31, 2017 (in Millions)	Interest Range % per annum	Balance Number of Installments as at March 31, 2017	Frequency of Installments	Commencing From - To
1	Axis Bank Limited	1	50.69	9.75%	Repayable on demand		
	Total		**50.69**				

Unsecured short term borrowings from directors and relatives

S.No.	Particulars	Number of Loans outstanding as at March 31, 2017	Outstanding as at March 31, 2017 (in Millions)	Interest Range % per annum	Balance Number of Installments as at March 31, 2017	Frequency of Installments	Commencing From - To
1	Mr. Hodal Singh	1	4.30	0.00%	Repayable on demand		
2	Mr. Girishpal Singh	1	4.15	0.00%	Repayable on demand		
3	Mr. Vijendra Singh	1	4.70	0.00%	Repayable on demand		
4	Mr. Harendra Singh	1	6.04	0.00%	Repayable on demand		
5	Mr. Vaibhav Choudhary	1	2.00	0.00%	Repayable on demand		
6	Mrs. Poonam Singh Choudhary	1	1.00	0.00%	Repayable on demand		
7	Mrs. Nisha Singh	1	2.50	0.00%	Repayable on demand		
	Total		**24.69**				

Annexure VIII A - Restated Standalone Statement of Principal Terms of Unsecured Borrowings of H.G. Infra Engineering Limited (Formerly known as H.G. Infra Engineering Private Limited)

Unsecured - Term Loans from Financial Institution:

The details of rate of interest and repayment term loans are as under :

S.No.	Particulars	Number of Loans outstanding as at March 31, 2016	Outstanding as at March 31, 2016 (in Millions)	Interest Range % per annum	Balance Number of Installments as at March 31, 2016	Frequency of Installments	Commencing From - To
1	Magma Fincorp Limited	1	2.61	13.50% to 15%	10	Monthly	April 2014 to Jan 2017
2	Capital First Limited	2	4.18	13.50% to 15%	4 to 14	Monthly	Feb 2015 to May 2017
3	SIDBI	1	50.00	14.25% to 14.50%	36	Monthly	April 2016 to March 2019
	Total		**56.79**				

Annexure VIII A - Restated Standalone Statement of Principal Terms of Unsecured Borrowings of H.G. Infra Engineering Limited (Formerly known as H.G. Infra Engineering Private Limited)

Unsecured - Term Loans from Financial Institution:
The details of rate of interest and repayment term loans are as under :

S.No.	Particulars	Number of Loans outstanding as at March 31, 2015	Outstanding as at March 31, 2015 (in Rupees)	Interest Range % per annum	Balance Number of Installments as at March 31, 2015	Frequency of Installments	Commencing From - To
1	Magma Fincorp Limited	2	10.49	13.50% to 15%	6 to 22	Monthly	April 2014 to Jan 2017
2	Capital First Limited	1	4.21	13.50% to 15%	16	Monthly	April 2014 to july 2017
3	Religare Finvest Limited	1	3.02	17.00%	7	Monthly	Nov 2014 to Oct 2015
4	Edelwiese Limited	1	2.06	18.00%	10	Monthly	Aug 2014 to Jan 2016
5	Fulletron Limited	1	1.28	18.00%	6	Monthly	July 2014 to Sept 2015
6	Shriram Finance limited	1	1.00	12.00%	10	Monthly	Aug 2014 to Jan 2016
7	SIDBI	1	50.00	14.25% to 14.50%	36	Monthly	April 16 to March 2019
8	HDB Finance Limited	1	1.05	16.00%	4	Monthly	Aug 14 to July 2015
	Total		**73.11**				

Unsecured - Term Loans from Bank:
The details of rate of interest and repayment term loans are as under :

S.No.	Particulars	Number of Loans outstanding as at March 31, 2015	Outstanding as at March 31, 2015 (in Rupees)	Interest Range % per annum	Balance Number of Installments as at March 31, 2015	Frequency of Installments	Commencing From - To
1	Kotak Mahindra Bank Limited	2	1.40	16.00%	7	Monthly	Oct 2014 to Oct 2015
2	ICICI Bank Limited	1	1.68	16.50%	6	Monthly	Nov 2014 to Oct 2015
	Total		**3.08**				

Unsecured short term borrowings from directors and relatives

S.No.	Particulars	Number of Loans outstanding as at March 31, 2015	Outstanding as at March 31, 2015 (in Rupees)	Interest Range % per annum	Balance Number of Installments as at March 31, 2015	Frequency of Installments	Commencing From - To
1	Mr. Girishpal Singh	1	0.14	0.00%	Repayable on demand		
2	Mr. Vijendra Singh	1	10.21	0.00%	Repayable on demand		
3	Mr. Harendra Singh	1	0.54	0.00%	Repayable on demand		
	Total		**10.89**				

Unsecured short term borrowings from Jointly Controlled Entities

S.No.	Particulars	Number of Loans outstanding as at March 31, 2015	Outstanding as at March 31, 2015 (in Rupees)	Interest Range % per annum	Balance Number of Installments as at March 31, 2015	Frequency of Installments	Commencing From - To
1	HGIEPL - RPS JV	1	22.00	0.00%	Repayable on demand		

Annexure VIII A - Restated Standalone Statement of Principal Terms of Unsecured Borrowings of H.G. Infra Engineering Limited (Formerly known as H.G. Infra Engineering Private Limited)

Unsecured - Term Loans from Financial Institution:

The details of rate of interest and repayment term loans are as under :

S.No.	Particulars	Number of Loans outstanding as at March 31, 2014	Outstanding as at March 31, 2014 (in Rupees)	Interest Range % per annum	Balance Number of Installments as at March 31, 2014	Frequency of Installments	Commencing From - To
1	Magma Fincorp Limited	1	7.50	13.50% to 15%	18	Monthly	April 2014 to Sept 2015
2	Capital First Limited	1	5.00	13.50% to 15%	12	Monthly	April 2014 to March 2015
	Total		**12.50**				

Unsecured short term borrowings from directors and relatives

S.No.	Particulars	Number of Loans outstanding as at March 31, 2014	Outstanding as at March 31, 2014 (in Rupees)	Interest Range % per annum	Balance Number of Installments as at March 31, 2014	Frequency of Installments	Commencing From - To
1	Mr. Hodal Singh	1	5.06	0.00%	Repayable on demand		
2	Mr. Girishpal Singh	1	3.22	0.00%	Repayable on demand		
3	Mr. Vijendra Singh	1	1.78	0.00%	Repayable on demand		
4	Mr. Harendra Singh	1	1.58	0.00%	Repayable on demand		
	Total		**11.64**				

Unsecured short term borrowings from directors and relatives

S.No.	Particulars	Number of Loans outstanding as at March 31, 2013	Outstanding as at March 31, 2013 (in Rupees)	Interest Range % per annum	Balance Number of Installments as at March 31, 2013	Frequency of Installments	Commencing From - To
1	Mr. Hodal Singh	1	-	0.00%	Repayable on demand		
2	Mr. Girishpal Singh	1	1.63	0.00%	Repayable on demand		
3	Mr. Vijendra Singh	1	4.09	0.00%	Repayable on demand		
4	Mr. Harendra Singh	1	2.42	0.00%	Repayable on demand		
	Total		**8.14**				

Annexure IX - Restated Standalone Statement of Investments of H.G. Infra Engineering Limited (Formerly known as H.G. Infra Engineering Private Limited)

Non-current investment **(Amount in Rs. Millions)**

Particulars	**As at**				
	March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
<u>Investment in Jointly Controlled Entities</u>					
HGIEPL Colossal (JV)	1.11	2.74	0.93	-	-
HGIEPL RPS (JV)	0.80	1.03	-	0.82	-
HGIEPL Ranjit (JV)	0.97	0.05	-	-	-
HGIEPL MGCPL (JV)	1.08	-	-	-	-
Total	**3.96**	**3.82**	**0.93**	**0.82**	**-**

Annexure X - Restated Standalone Statement of Trade Receivables of H.G. Infra Engineering Limited (Formerly known as H.G. Infra Engineering Private Limited)

Trade receivables **(Amount in Rs. Millions)**

Particulars	**As at**				
	March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Unsecured, considered good					
Outstanding for a period exceeding 6 months from the date they are due for payment	306.41	30.35	135.04	52.24	17.24
Others*	825.11	896.29	284.05	237.64	339.91
	1,131.52	**926.64**	**419.09**	**289.88**	**357.15**
Unsecured, considered doubtful					
Outstanding for a period exceeding 6 months from the date they are due for payment	20.66	-	-	-	-
Less: Provision for doubtful debts	20.66	-	-	-	-
	-	-	-	-	-
Current trade receivables	**1,131.52**	**926.64**	**419.09**	**289.88**	**357.15**
* Includes amount receivables from Jointly Controlled Entities in which directors are interested (who are also part of promoters/promoter group). (Refer note 24 of Annexure V)	4.02	-	-	-	-

1.There are no amount recoverable from the promoters/directors or entity related to directors or the promoters of the company except as disclosed above.
2.The list of person/entity classified as “Promoters and Promoter group company” has been provided by the management and relied upon by the auditors.

Annexure XI - Restated Standalone Statement of Loans and Advances of H.G. Infra Engineering Limited (Formerly known as H.G. Infra Engineering Private Limited)

Long-term loans and advances **(Amount in Rs. Millions)**

Particulars	**As at**				
	March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Long-term loans and advances [A]					
Unsecured, considered good (unless otherwises stated:)					
Advance for capital assets	56.20	65.42	19.80	5.19	1.45
Other loans and advances					
Balances with Government Authorities	82.77	106.74	116.93	116.93	106.57
Advance Income Tax (Net of Provision for Tax March 31, 2015 Rs. 208.27 Million, March 31, 2014 Rs. 149.77 Million and March 31, 2013 Rs. 63.39 Million)	-	-	10.58	5.22	5.78
Deposit with Customers					
Security Deposit - Projects	28.66	5.60	1.65	0.89	0.20
Security Deposit - Others	6.82	6.18	4.32	3.73	3.06
Total (A)	**174.45**	**183.94**	**153.28**	**131.96**	**117.06**

Short-term loans and advances **(Amount in Rs. Millions)**

Particulars	**As at**				
	March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Short-term loans and advances [B]					
Unsecured and considered good (unless otherwise stated:)					
Other loan and advances					
Loan and advance to employee	2.60	2.88	2.30	1.23	1.39
Security Deposit - Projects	604.27	448.84	187.94	258.54	280.46
Advance to vendors	129.88	37.99	54.64	15.37	19.26
Prepaid expenses	34.37	12.22	9.65	7.64	10.80
Advance to Director	-	6.32	6.98	6.41	5.30
Other Advances *	11.33	39.66	0.19	0.02	0.40
Total (B)	**782.45**	**547.91**	**261.70**	**289.21**	**317.61**
Total (A+B)	**956.90**	**731.85**	**414.98**	**421.17**	**434.67**

* Includes loans / advances given to related parties and companies in which directors are interested. (who are also part of promoters/promoter group) (Refer note 24 of Annexure V)	**7.33**	**39.00**	**0.19**	**0.02**	**0.40**

1.There are no amount recoverable from the promoters/directors or entity related to directors or the promoters of the company except as disclosed above.

2.The list of person/entity classified as “Promoters and Promoter group company” has been provided by the management and relied upon the auditors.

Annexure XII - Restated Standalone Statement of Other Income of H.G. Infra Engineering Limited (Formerly known as H.G. Infra Engineering Private Limited)

(Amount in Rs. Millions)

Particulars	**Nature (Recurring / Non - recurring)**	**For the year ended**				
		March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Other Income:						
Interest income on bank deposits	Recurring	24.07	20.08	17.96	16.85	12.96
Miscellaneous Income	Recurring	12.71	3.68	7.22	2.24	5.18
Total		**36.78**	**23.76**	**25.18**	**19.09**	**18.14**
Add/(Less) Restatement adjustments		-	-	-	-	-
Total Restatement adjustments		**-**	**-**	**-**	**-**	**-**
Total Other Income net of restatement adjustments		**36.78**	**23.76**	**25.18**	**19.09**	**18.14**

Notes:
(1) The classification of income into recurring and non-recurring is based on the current operations and business activities of the Company.
(2) All items of other Income are from normal business activities.

Annexure XIII - Restated Standalone Statement of Accounting Ratios of H.G. Infra Engineering Limited (Formerly known as H.G. Infra Engineering Private Limited)

(Amount in Rs. Millions)

Sr No.	Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
1	Restated Profit / (Loss) after Tax (Rs. in million)	533.34	353.50	46.38	108.99	151.41
2	Net Profit / (Loss) available to Equity Shareholders (Rs. in million)	533.34	353.50	46.38	108.99	151.41
3	Weighted average number of Equity Shares outstanding during the year for Basic and Diluted EPS (Refer Note 4 below)	54,060,000	46,265,919	46,093,946	46,093,946	43,102,165
4	Number of Equity Shares outstanding at the end of the year (Refer Note 4 below)	54,060,000	46,265,919	46,093,946	46,093,946	46,093,946
5	Net Worth for Equity Shareholders (Rs. in million)	1,758.88	1,225.54	844.34	797.96	688.97
6	Accounting Ratios:					
	Basic and Diluted Earnings per Share (Rs.) (2)/(3)	9.87	7.64	1.01	2.36	3.51
	Return on Net Worth for Equity Shareholders(2)/(5)	30.32	28.84	5.49	13.66	21.98
	Net Asset Value Per Share (Rs.) (5)/(4)	32.54	26.49	18.32	17.31	14.95

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 Net worth for ratios mentioned in Sr. No. 5 is = Equity share capital + Reserves and surplus (including Surplus/ (Deficit))

3 The above ratios have been computed on the basis of the Restated Standalone Financial Information- Annexure I & Annexure II.

4 Subsequent to the year ended March 31, 2017, the Company has issued 36,040,000 bonus shares thereby increasing the number of equity shares to 54,060,000 shares. Accordingly, Basic and Diluted earning per share presented above has been adjusted in line with the Accounting Standard (AS) - 20 "Earnings per share".

Annexure XIV - Restated Standalone Statement of Capitalization of H.G. Infra Engineering Limited (Formerly known as H.G. Infra Engineering Private Limited)

(Amount in Rs. Millions)

Particulars	**Pre-Issue as at March 31, 2017**
Debt	
Long Term Borrowings	634.78
Short Term Borrowings	932.89
Current portion of long term borrowings included in other Current Liabilities	468.95
Total Debt (A)	**2,036.62**
Shareholders' Fund	
Share Capital	180.20
Reserves and Surplus as restated	1,578.68
Total Shareholder's Fund (B)	**1,758.88**
Total Debt/ Equity Ratio (A/B)	**1.16**
Long Term Term Debt/ Equity Ratio (Long Term Borrowings/ Equity Share Capital & Reserves and Surplus)	**0.36**

Notes:

1) The above has been computed on the basis of the Restated Standalone Financial Information - Annexure I & Annexure II.

2) Short term borrowings represent working capital loans and Short term loans.

3) The issue price and number of shares are being finalised and as such the post- capitalisation statement cannot be presented.

Annexure XV - Restated Standalone Statement of Tax Shelter of H G Infra Engineering Limited (Formerly known as H.G. Infra Engineering Private Limited)

(Amount in Rs. Millions)

Sr No.	Particulars	As at				
		March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
A	Profit before taxation and Restatement adjustments	786.49	461.19	134.88	257.93	200.42
B	Tax at applicable Rates	34.61%	34.61%	33.99%	33.99%	32.45%
C	Tax thereon at the above rate	272.19	159.60	45.85	87.67	65.03
	Adjustments:					
D	**Permanent differences**					
	Net Disallowances / (Allowances) under the Income Tax Act, 1961					
	Net Disallowances / (Allowances) under the Income Tax Act, 1961	28.87	0.39	(3.39)	5.94	-
	Donation	0.06	-	-	0.06	-
	Profit/(Loss) of Jointly Controlled Entities	(4.42)	(7.14)	(9.54)	(6.67)	-
	Total Permanent Differences	24.51	(6.75)	(12.93)	(0.67)	-
E	**Timing Differences**					
	Difference in depreciation as per Income Tax Act, 1961 and and book balance for fixed assets	(0.91)	16.34	46.60	0.46	(8.43)
	Provision for doubtful debts	20.66	-	-	-	-
	Deductions u/s 43B of the Income Tax Act, 1961	4.59	6.04	3.55	(3.61)	1.51
	Deductions u/s 40a(i) of the Income Tax Act, 1961	36.33	-	-	-	-
	Others	18.28	-	-	-	-
	Total Timing Differences	78.95	22.38	50.15	(3.15)	(6.92)
F	**Net Adjustments (D+E)**	103.46	15.63	37.22	(3.82)	(6.92)
G	**Tax Expenses / (Savings) thereon (FxB)**	35.81	5.41	12.65	(1.30)	(2.24)
H	**Tax Liability (C+G)**	308.00	165.01	58.50	86.37	62.78
I	Impact of Material Adjustments for Restatement in corresponding years	43.03	50.54	(44.28)	(87.76)	38.46

Annexure XV - Restated Standalone Statement of Tax Shelter of H G Infra Engineering Limited (Formerly known as H.G. Infra Engineering Private Limited)

(Amount in Rs. Millions)

Sr No.	Particulars	As at				
		March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
J	Current Tax Liability on Material Adjustments for restatement in corresponding years	-	-	-	-	-
K	Taxable Profit before Taxation and after adjustments as Restated (A+F+I, restricted to zero)	932.98	527.36	127.82	166.35	231.96
L	Total Tax Liability after Tax impact of adjustments (H+J)	308.00	165.01	58.50	86.37	62.78

To

The Board of Directors
H. G Infra Engineering Limited (formerly known as H. G. Infra Engineering Private Limited)
III Floor, Sheel Mohar Plaza
A-1, Tilak Marg
C-Scheme, Jaipur-302001
Rajasthan, India

Auditors' Report on Restated Consolidated Financial Information in connection with the Initial Public Offering of H. G Infra Engineering Limited (formerly known as H. G. Infra Engineering Private Limited)

Dear Sirs,

1. This report is issued in accordance with the terms of our agreement dated September 22, 2017.

2. The accompanying restated consolidated financial information, expressed in Indian Rupees in millions, of **H.G Infra Engineering Limited (the 'Company') [formerly known as H. G. Infra Engineering Private Limited]** and its jointly controlled entities (hereinafter together referred to as the "Group"), comprising Consolidated Financial Information in paragraph A below and Other Consolidated Financial Information in paragraph B below (hereinafter together referred to as "Restated Consolidated Financial Information"), has been prepared by the Management of the Company in accordance with the requirements of Section 26 of the Companies Act, 2013 (hereinafter referred to as the "Act") read with Rule 4 to Rule 6 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 (the "Rules") and item (IX) of Part A of Schedule VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended to date read along with the SEBI circular SEBI/HO/CFD/DIL/CIR/P/ 2016/47 dated March 31, 2016 (the "SEBI Regulations") issued by the Securities and Exchange Board of India (the "SEBI") in connection with the Proposed Initial Public Offering of Equity Shares of the Company (the "Issue") and has been approved by the Board of Directors of the Company and initialed by us for identification purposes only.

Management's Responsibility for the Restated Consolidated Financial Information

3. The preparation of the Restated Consolidated Financial Information, which is to be included in the Draft Red Herring Prospectus ("DRHP"), is the responsibility of the Management of the Company and has been approved by the Board of Directors of the Company, at its meeting held on September 25, 2017, for the purpose set out in paragraph 14 below. The Management's responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the Restated Consolidated Financial Information. The Management is also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities.

Auditors' Responsibilities

4. 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 Prospectuses (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 Regulations. Our 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.

A. Consolidated Financial Information as per audited consolidated financial statements:

5. We have examined the following consolidated financial statements of the Group contained in Restated Consolidated Financial Information of the Group:

   a) the "Restated Consolidated Statement of Assets and Liabilities " as at March 31, 2017, March

31, 2016, March 31, 2015 and March 31, 2014 (enclosed as Annexure I);

b) the "Restated Consolidated Statement of Profit and Loss" for the years ended March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 (enclosed as Annexure II) and

c) the "Restated Consolidated Statement of Cash Flows" for the years ended March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 (enclosed as Annexure III).

6. The Restated Consolidated Financial Information, expressed in Indian Rupees in millions, has been prepared by the Company's management from the audited consolidated financial statements of the Group as at and for each of the years ended March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014, all of which expressed in Indian Rupees, read with paragraphs 7, 13, 14 and 15 below, on which the respective auditors have expressed unmodified audit opinions vide their reports dated September 6, 2017, July 26, 2016 and September 1, 2017, respectively. Audit of the consolidated financial statements of the Group as at and for the year ended March 31, 2017 was done by us and audit of the consolidated financial statements of the Group as at and for the year ended March 31, 2016, March 31, 2015 and March 31, 2014 was done by another firm of chartered accountants.

7. We draw your attention that the Restated Consolidated Financial Information should be read in conjunction with the basis of preparation and significant accounting policies given in Annexure IV (as described in paragraph B).

8. We have not audited any consolidated financial statements of the Group as of any date or for any period subsequent to March 31, 2017. Accordingly, we do not express any opinion on the consolidated financial position, results or cash flows of the Group as of any date or for any period subsequent to March 31, 2017.

B. Other Consolidated Financial Information:

9. At the Company's request, we have also examined the following Other Consolidated Financial Information relating to the Group as at March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 and for the years ended March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014, proposed to be included in the DRHP, prepared by the Management of the Company and as approved by the Board of Directors of the Company and annexed to this report:

i) Basis of preparation and Significant Accounting Policies (as enclosed in Annexure IV);
ii) Notes to the Restated Consolidated Financial Information (as enclosed in Annexure V);
iii) Statement of Adjustments to Audited Consolidated Financial Statements (as enclosed in Annexure VI);
iv) Restated Consolidated Statement of Secured Borrowings as enclosed in Annexure VII;
v) Restated Consolidated Statement of Principal Terms of Secured Borrowings as enclosed in Annexure VIIA;
vi) Restated Consolidated Statement of Unsecured Borrowings as enclosed in Annexure VIII;
vii) Restated Consolidated Statement of Principal Terms of Unsecured Borrowings (as enclosed in Annexure VIIIA);
viii) Restated Consolidated Statement of Trade Receivables (as enclosed in Annexure IX);
ix) Restated Consolidated Statement of Loans and Advances (as enclosed in Annexure X);
x) Restated Consolidated Statement of Other Income (as enclosed in Annexure XI);
xi) Restated Consolidated Statement of Accounting Ratios (as enclosed in Annexure XII);
xii) Restated Consolidated Statement of Capitalisation (as enclosed in Annexure XIII);

10. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

Auditors' Report on Restated Consolidated Financial Information in connection with the Initial Public Offering of H.G. Infra Engineering Limited (formerly known as H.G. Infra Engineering Private Limited)

Opinion

11. In our opinion:

    (i) the Restated Consolidated Financial Information of the Group, as attached to this report and as mentioned in paragraphs A and B above, read with basis of preparation and respective significant accounting policies have been prepared in accordance with the Rules and the SEBI Regulations;
    (ii) there have been no changes in accounting policies of the Group (as disclosed in Annexure IV to this report);
    (iii) the material adjustments relating to previous years have been adjusted in the year to which they relate;
    (iv) there are no qualifications in the auditors' reports which require any adjustments; and
    (v) there are no extra-ordinary items which need to be disclosed separately.

12. This report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by us or other auditors on the consolidated financial statements of the Group.

Other matters

13. We did not audit the financial statements and other financial information of five jointly controlled entities, whose financial statements reflect the Group's share of total assets of Rs. 323.24 million and net assets of Rs. 3.96 million as at March 31, 2017, total revenues of Rs. 846.11 million, net profit of Rs. 3.79 million and net cash flows amounting to Rs. 96.10 million for the year ended on that date, as considered in the audited consolidated financial statements of the Group as of and for the year ended March 31, 2017. These financial statements and financial information have been audited by other auditors whose reports have been furnished to us by the Management of the Company, and our opinion on the audited consolidated financial statements as of and for the year ended March 31, 2017 insofar as it relates to the amounts and disclosures included in respect of these jointly controlled entities and our audit report insofar as it relates to the aforesaid jointly controlled entities, is based solely on the reports of the other auditors.

14. We have not examined the restated financial information of five jointly controlled entities, whose financial information reflect the Group's share of total assets of Rs. 323.24 million, Rs. 228.72 million, Rs. 138.88 million and Rs. 73.11 million and net assets of Rs. 3.96 million, Rs. 3.82 million, Rs. 13.30 million and Rs. 0.82 million as at March 31, 2017, 2016, 2015 and 2014, total revenues of Rs. 846.11 million, Rs. 284.86 million, Rs. 298.60 million and Rs. 263.70 million, net profit of Rs. 3.96 million, Rs. 3.82 million, Rs. 13.30 million and Rs. 0.82 million and net cash flows amounting to Rs. 96.10 million, Rs. (30.51) million, Rs. 28.44 million and Rs. 4.51 million for the years ended March 31, 2017, 2016, 2015 and 2014, respectively, as considered in the Restated Consolidated Financial Information. These financial information has been furnished to us by the Management and our opinion on the Restated Consolidated Financial Information insofar as it relates to the amounts and disclosures included in respect of these jointly controlled entities, is based solely on such unexamined financial information. The financial statements of jointly controlled entities as referred above for the years ended March 31, 2014, March 31, 2015, March 31, 2016 and March 31, 2017 have been audited by another firm of chartered accountants. In our opinion and according to the information and explanations given to us by the Management, these financial information are not material to the Group.

15. The restated consolidated financial information of the Group have been examined and reported upon by another firm of chartered accountants for the years ended March 31, 2016, March 31, 2015 and March 31, 2014, whose report has been furnished to us by the Management of the Company and our opinion on the Restated Consolidated Financial Information to the extent they have been derived from such financial information is based solely on the report issued by them.
    Our opinion is not qualified in respect of above matters.

Restriction on Use

16. This report is addressed to and is provided to enable the Board of Directors of the Company to include this report in the DRHP, prepared in connection with the Issue, to be filed by the Company with the SEBI and the concerned stock exchanges.

For Price Waterhouse & Co. Chartered Accountants LLP
Firm Registration Number: 304026E/E-300009
Chartered Accountants

Partha Ghosh
Partner
Membership Number: 55913

Mumbai
Date: September 25, 2017

Annexure I - Restated Consolidated Statement of Assets and Liabilities of H.G. Infra Engineering Limited (Formerly known as H.G. Infra Engineering Private Limited)

(Amount in Rs. Millions)

Particulars	Annexures / Notes	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
EQUITY AND LIABILITIES					
Shareholders' funds					
Share capital	**Annexure V, Note 1**	180.20	180.20	152.50	152.50
Reserves and surplus	**Annexure V, Note 2**	1,578.68	1,045.34	691.84	645.46
Non-current liabilities					
Long-term borrowings	**Annexure VII, VIIA, VIII & VIIIA**	634.78	284.47	155.04	43.71
Other long-term liabilities	**Annexure V, Note 3**	295.37	88.45	87.10	14.50
Long-term provisions	**Annexure V, Note 4**	7.53	5.66	3.97	3.21
Deferred Tax Liability (Net)	**Annexure V, Note 5**	-	-	-	12.82
Current liabilities					
Short-term borrowings	**Annexure VII, VIII & VIIIA**	932.89	589.87	377.93	573.50
Trade Payables	**Annexure V, Note 6**	744.88	512.25	286.37	305.38
Other current liabilities	**Annexure V, Note 7**	1,266.98	1,271.87	630.61	468.59
Short-term provisions	**Annexure V, Note 8**	62.11	4.53	3.18	1.54
Total		**5,703.42**	**3,982.64**	**2,388.54**	**2,221.21**
ASSETS					
Non-current assets					
Fixed assets					
Tangible assets	**Annexure V, Note 9**	2,041.34	1,160.85	835.79	857.72
Intangible assets	**Annexure V, Note 10**	2.48	0.83	0.54	0.25
Capital work-in-progress		6.86	48.34	-	-
Deferred Tax Assets (Net)	**Annexure V, Note 5**	20.06	8.24	1.47	-
Long-term loans and advances	**Annexure X**	180.85	191.92	163.33	136.39
Other non-current assets	**Annexure V, Note 11**	60.73	72.04	98.56	82.60
Current assets					
Inventories	**Annexure V, Note 12**	492.04	435.32	217.86	204.99
Trade receivables	**Annexure IX**	1,127.83	926.64	420.91	289.88
Cash and bank balances	**Annexure V, Note 13**	170.31	43.51	47.24	29.80
Short-term loans and advances	**Annexure X**	991.57	684.47	293.26	306.15
Other current assets	**Annexure V, Note 14**	609.35	410.48	309.58	313.43
Total		**5,703.42**	**3,982.64**	**2,388.54**	**2,221.21**

The above statement should be read with the basis of preparation and significant Accounting Policies appearing in Annexure IV, Notes to the Restated Consolidated Financial Information appearing in Annexure V and Statement of Adjustments to Audited Consolidated Financial Statements appearing in Annexure VI.

Annexure II - Restated Consolidated Statement of Profit and Loss of H.G. Infra Engineering Limited (Formerly known as H.G. Infra Engineering Private Limited)

(Amount in Rs. Millions)

Particulars	Annexures / Notes	Year ended			
		March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
REVENUE					
Revenue from Operations	Annexure V, Note 15	10,548.94	7,408.84	3,650.75	4,710.45
Other Income	Annexure XI	36.89	24.04	25.18	19.09
Total Revenue (A)		**10,585.83**	**7,432.88**	**3,675.93**	**4,729.54**
EXPENSES					
Cost of material consumed	Annexure V, Note 16	4,088.67	2,830.89	1,196.68	2,437.45
Contract and site expenses	Annexure V, Note 17	4,735.64	3,335.11	1,768.29	1,519.71
Employee benefits expense	Annexure V, Note 18	416.62	299.60	207.32	212.95
Finance costs	Annexure V, Note 19	192.70	159.92	158.22	135.62
Depreciation and Amortisation expense	Annexure V, Note 20	256.02	183.37	171.46	133.86
Other expenses	Annexure V, Note 21	106.26	161.96	38.82	32.02
Total expenses (B)		**9,795.91**	**6,970.85**	**3,540.79**	**4,471.61**
Profit before tax and Material Adjustment (C=A-B)		**789.92**	**462.03**	**135.14**	**257.93**
Tax expense (D)					
Current tax		311.43	165.85	58.76	86.37
Deferred tax		(14.48)	(5.65)	(15.84)	(0.15)
Total (D)		**296.95**	**160.20**	**42.92**	**86.22**
Net Profit after taxation (C-D)		**492.97**	**301.83**	**92.22**	**171.71**
Net Profit before restatement adjustments		**492.97**	**301.83**	**92.22**	**171.71**
Restatement adjustments:					
Material restatement adjustments	**Annexure VI**	**55.26**	**68.58**	**(60.89)**	**(91.95)**
Less: Deferred tax on above adjustment	**Annexure VI**	**14.89**	**16.91**	**(15.05)**	**(29.23)**
Net Profit before the adjustments on account of changes in accounting policies		**533.34**	**353.50**	**46.38**	**108.99**
Adjustments on account of changes in accounting policies					
Net Profit as restated		**533.34**	**353.50**	**46.38**	**108.99**

The above statement should be read with the basis of preparation and significant Accounting Policies appearing in Annexure IV, Notes to the Restated Consolidated Financial Information appearing in Annexure V and Statement of Adjustments to Audited Consolidated Financial Statements appearing in Annexure VI.

Annexure III - Restated Consolidated Statement of Cash Flows of H. G. Infra Engineering Limited (Formerly known as H. G. Infra Engineering Private Limited)

- **(Amount in Rs. Millions)**

Particulars	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014
A) Cash Flow From Operating Activities				
Net Profit before tax and after restatement adjustment	832.95	512.57	90.86	170.17
Adjustments for:				
Depreciation and Amortisation expense	256.02	183.37	171.46	133.86
Interest Income	(24.07)	(20.08)	(17.96)	(16.85)
Provision for doubtful debts	20.66	-	-	-
Net loss on sale / disposal of fixed assets	2.79	0.34	1.90	0.01
Finance costs	188.76	161.90	159.09	134.11
Operating Profit before Working Capital Changes	1,277.11	838.10	405.35	421.30
Changes in working capital:				
(Increase) / decrease in trade receivables	(221.85)	(505.73)	(131.03)	67.27
(Increase) in inventories	(56.72)	(217.46)	(12.87)	(18.10)
(Decrease) / increase in trade payables	232.63	225.88	(19.01)	70.16
(Decrease) / increase in other long term liabilities	206.92	1.35	72.60	(9.28)
Increase in long term provision	1.87	1.69	0.76	1.29
(Decrease) / increase in other current liabilities	(135.16)	491.19	76.34	9.86
(Decrease) / increase in short term provision	(2.28)	1.35	1.64	0.65
(Increase) / decrease in long term loans and advances	(4.95)	3.20	(1.37)	(11.70)
(Increase) / decrease in short term loans and advances	(307.10)	(391.21)	12.89	11.46
(Increase) / decrease in other assets	(101.80)	(1.64)	1.29	(68.50)
Cash generated from operations	888.67	446.72	406.59	474.41
Taxes paid (net of refunds)	(244.77)	(152.01)	(69.74)	(90.25)
Net cash generated from Operating Activities	**643.90**	**294.71**	**336.85**	**384.16**
B) Cash Flow From Investing Activities				
Purchase of fixed assets	(1,151.12)	(626.37)	(208.80)	(30.65)
Sale of fixed assets	65.46	17.14	34.03	16.06
Fixed deposits placed / redemption of fixed deposits (net)	(75.22)	(72.73)	(13.40)	(36.66)
Interest Income	23.65	20.08	17.96	16.85
Net Cash used in Investing Activities	**(1,137.24)**	**(661.88)**	**(170.21)**	**(34.40)**
C) Cash Flow From Financing Activities				
Proceeds / (Repayment) of short term borrowings	343.02	211.94	(195.57)	51.24
Proceeds / (Repayment) from long-term borrowings	466.44	283.72	204.59	(250.88)
Proceeds from issue of Equity Share Capital	-	27.70	-	-
Payment of finance cost	(189.32)	(159.92)	(158.22)	(137.27)
Net Cash generated / (used) in Financing Activities	**620.14**	**363.44**	**(149.20)**	**(336.91)**
Net increase / (decrease) in cash and cash equivalents	**126.80**	**(3.73)**	**17.44**	**12.85**
Cash and Cash Equivalents as at the beginning of the year	43.51	47.24	29.80	16.95
Cash and cash equivalents at the end of the year (refer to Annexure V- Note 13)	170.31	43.51	47.24	29.80
Cash and cash equivalents at the end of the year comprise of:				
Cash on hand	4.53	7.37	6.36	11.84
Balances with banks	165.78	36.14	40.88	17.96
	170.31	**43.51**	**47.24**	**29.80**

Notes:

1) The above Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard 3 (AS 3) 'Cash Flow Statements' as specified in Companies (Accounting Standards) Rules, 2006.

2) The above statement should be read with basis of preparation and Significant Accounting Policies, appearing in Annexure IV, Notes to the Restated Consolidated Financial Information appearing in Annexure V and Statement of Adjustments to Audited Consolidated Financial Statements appearing in Annexure VI.

3) Previous year figures have been regrouped /rearranged wherever considered necessary, to make them comparable.

1. The Company and nature of its operations

H. G. Infra Engineering Limited (Formerly known as H.G. Infra Engineering Private Limited) ("the Company or the Holding Company") is a Limited Company domiciled in India. The Company was a Private Company until June 7, 2017. However from June 8, 2017 the company became a Public Limited Company. The Company and its jointly controlled entities are engaged in Engineering, Procurement & Construction (EPC), Maintenance of roads, bridges, flyovers and other infrastructure contract works.

2. Basis of preparation

The Restated Consolidated Statement of Assets and Liabilities of the Holding Company and its jointly controlled entities as at March 31, 2017, 2016, 2015 and 2014 and the Restated Consolidated Statement of Profit and Loss and the Restated Consolidated Statement of Cash flows, for the years ended March 31, 2017, 2016, 2015 and 2014 (together referred as 'Restated Consolidated Financial Information') and other Consolidated Financial Information have been extracted by the management from the Audited Consolidated Financial Statements of the Holding Company for the respective years ("Audited Consolidated Financial Statements").

The Audited Consolidated Financial Statements were prepared to comply in all material respect with the generally applicable accounting principles in India under the historical cost convention on accrual basis. Pursuant to Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, till the Standards of Accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, the Audited Consolidated Financial Statements for the years ended March 31, 2017 and March 31, 2016 had been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) of the Companies Act, 1956 [Companies (Accounting Standards) Rules, 2006, as amended] and other relevant provisions of the Companies Act, 2013.

The Audited Consolidated Financial Statements for the year ended March 31, 2015 and March 31, 2014 had been prepared to comply in all material respect with the generally applicable accounting principles in India under the historical cost convention on accrual basis and comply in all material aspects with the accounting standards issued by The Institute of Chartered Accountants of India, in particular Accounting Standard 27 on 'Financial Reporting of Interest in Joint Venture', to the extent considered relevant by it for the purpose for which the Audited Consolidated Financial Statements have been prepared. These Audited Consolidated Financial Statements are not the statutory financial statements of the Holding Company and its jointly controlled entities.

The Restated Consolidated Financial Information and other Consolidated Financial Information have been prepared by the management in connection with the proposed listing of equity shares of the Company with BSE Limited and National Stock Exchange of India Limited (together 'the stock exchanges'), in accordance with the requirements of:

(a) Section 26 read with applicable provisions within Rules 4 to 6 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 to the Companies Act, 2013; and

(b) The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 issued by the Securities and Exchange Board of India ("SEBI") on August 26, 2009, as amended from time to time read along with the SEBI circular SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 31, 2016 (together referred to as the "SEBI Regulations").

These Restated Consolidated Financial Information and other financial information have been extracted by the Management from the Audited Consolidated Financial Statements and:

- there were no audit qualifications on these financial statements,
- there were no changes in accounting policies during the years of these financial statements,

- material amounts relating to adjustments for previous years in arriving at profit/loss of the years to which they relate, have been appropriately adjusted,
- adjustments for reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the Audited Consolidated Financial Statements of the Holding Company and its jointly controlled entities as at and for the year ended March 31, 2017 and the requirements of the SEBI Regulations, and
- the resultant tax impact on above adjustments has been appropriately adjusted in deferred tax in the respective years.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other prescribed criteria set out in the Schedule III to the Companies Act, 2013.

These Restated Consolidated Financial Information and other Consolidated Financial Information were approved by the Board of Directors of the Company on September 25, 2017.

3. Significant Accounting Policies

(i) Principles of Consolidation

A. The Consolidated Financial Statements relate to the Holding Company and its jointly controlled entities (hereinafter collectively referred to as the "Group").

The Consolidated Financial Statements have been prepared on the following basis.

(i) The financial statements of the Company and its Jointly Controlled Entities are proportionately consolidated on a line-by-line basis, by adding together the book values of like items of assets, liabilities, incomes and expenses after as far as possible eliminating intra group balances and intra group transactions resulting in unrealised profits or losses in accordance with the Accounting Standard ("AS") 27 on 'Financial Reporting of Interest in Joint Venture' as referred to in the Companies (Accounting Standards) Rules, 2006 ("Accounting Standard Rules").

(ii) Investments in Jointly Controlled Entities are eliminated and differences between the cost of investments over the net assets on the date of investments or on the date of the financial statements immediately preceding the date of investments in Jointly Controlled Entities are recognised as Goodwill or Capital Reserve, as the case may be.

(iii) As far as possible, the Consolidated Financial Statements are prepared using uniform Accounting Policies for like transactions and other events in similar circumstances and are presented in the same manner as the standalone financial statements of the Company.

B. Particulars of Jointly Controlled Entities are as under:

Sr. No.	Jointly Controlled Entities	Country of the Incorporation	Proportion of Ownership Interest			
			As at March, 31 2017	As at March, 31 2016	As at March 31, 2015	As at March 31, 2014
A.	HGIEPL-Colossal JV	India	70%	70%	70%	-
B.	HGIEPL-Ranjit JV	India	30%	30%	-	-
C.	HGIEPL-MGCPL JV	India	30%	30%	-	-
D.	HGIEPL-RPS JV	India	51%	51%	51%	51%
E.	TPL – HGIEPL JV	India	26%	-	-	-

(ii) Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles in India requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. Management believes that the estimates made in the preparation of the financial statements are prudent and reasonable. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

(iii) Investments :

Investments that are readily realisable and are 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 at cost or fair value, whichever is lower. Long-term investments are carried at cost. However, provision for diminution is made to recognise a decline, other than temporary, in the value of long-term investments, such reduction being determined and made for each investment individually.

(iv) Tangible assets:

Tangible assets are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises of the purchase price including import duties and non-refundable taxes, and directly attributable expenses incurred to bring the asset to the location and condition necessary for it to be capable of being operated in the manner intended by the management.

Subsequent costs related to an item of Tangible Assets are recognised in the carrying amount of the item if the recognition criteria are met.

An item of Tangible Assets are derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising on derecognition is recognised in the Statement of Profit and Loss.

From April 1, 2014, depreciation is provided on a pro-rata basis on the written down value method over the estimated useful lives of the assets in the manner prescribed by Schedule II to the Companies Act, 2013, as against the past practice of computing depreciation at rates with reference to the life of assets subject to the minimum of rates provided by Schedule XIV to the Companies Act, 1956.

The estimated useful life of the assets based on technical evaluations done by management experts are lower or higher than the life stipulated in Schedule II to the Companies Act, 2013. The rate of depreciation for the tangible assets as follows:

Asset	Rate of depreciation (%)
Building	4.86%
Plant and machinery	18.10%
Computers	63.16%
Furniture's and fixtures	25.89%
Vehicles	31.23%

Upto March 31, 2014, depreciation is provided on written down value basis at higher of the rates based on the useful life of the assets as estimated by the management or those stipulated in Schedule XIV to the Companies Act, 1956. The useful life of the following assets as estimated by the management are higher from the rates prescribed under Schedule XIV to the Companies Act, 1956.

The rate of depreciation for the tangible assets is as follows:

Asset	Rate of depreciation (%)
Building	5.00%
Plant and machinery	13.91%
Computers	40.00%
Furniture's and fixtures	18.90%
Vehicles	25.89%

(v) Intangible assets

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortised on a written down value basis over their estimated useful lives.

The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between net disposal proceeds and carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss. The estimated useful life of intangible asset from April 1, 2014 is as follows:

Asset	Rate of depreciation (%)
Software license	39.30%

Upto March 31, 2014, depreciation is provided on written down value basis as per the rates prescribed under Schedule XIV to the Companies Act, 1956.

The rate of depreciation for the intangible assets is as follows:

Asset	Rate of depreciation (%)
Software license	40%

(vi) Impairments of assets :

Assessment is done at each Balance Sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. For the purpose of assessing impairment, the recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. The smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit (CGU). An asset or CGU whose carrying value exceeds its recoverable amount is considered impaired and is written down to its recoverable amount. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased. An impairment loss is reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised.

(vii) Borrowing costs:

Borrowing costs include interest, other costs incurred in connection with borrowing. General and specific borrowing costs directly attributable to the acquisition, construction, production or development of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in Statement of Profit and Loss in the period in which they are incurred.

(viii) Inventories:

Inventories are stated at lower of cost and net realisable value.

Stores and spare parts and construction materials cost includes cost of purchases and other cost incurred in bringing the inventories to the present location and condition.
Cost is determined using FIFO method.

(ix) Revenue Recognition:

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and can be reliably measured.

Construction contracts:

For EPC and construction contracts, contract prices are either fixed or subject to price escalation clauses. Contract revenue and contract cost associated with the construction of road are recognised as revenue and expenses respectively by reference to the stage of completion of the projects at the balance sheet date. The stage of completion of project is determined by the proportion that contract cost incurred for work performed upto the balance sheet date bear to the estimated total contract costs. Where the outcome of the construction cannot be estimated reliably, revenue is recognised to the extent of the construction costs incurred if it is probable that they will be recoverable. When the total contract cost is estimated to exceed total revenues from the contract, the loss is recognised immediately. Contract revenue earned in excess of billing has been reflected as ‘Unbilled revenue in respect of unfinished contracts” and billing in excess of contract revenue has been reflected as “Billing in excess of costs and earnings in respect of unfinished contracts”.

The estimates of contract cost and the revenue thereon are reviewed periodically by management and the cumulative effect of any changes in estimates in proportion to the cumulative revenue is recognised in the period in which such changes are determined.

Modifications to contracts involving technical aspects/ inputs are based on management assessment. Amounts due in respect of price escalation claims and/or variation in contract work are recognised as revenue only if the contract allows for such claims or variations and/or there is evidence that the customer has accepted it and are capable of being reliably measured.

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Operation and maintenance contracts:

Revenue from maintenance contracts are recognised prorata over the period of the contract as and when services are rendered.

Revenue from Sales of Processed Aggregates:

Net Revenue from sale of goods is recognised in Statement of Profit and Loss when the significant risks and rewards in respect of ownership of goods has been transferred to the buyer as per the terms of the respective sales order, and the income can be measured reliably and is expected to be received.

Other Income:

Interest income is recognised on a time proportion basis taking into account the amount outstanding and applicable interest rate.

All other income is accounted on an accrual basis when no significant uncertainty exists regarding the amount that will be received.

Insurance claims:

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

(x) Employee Benefits:

Short term Employee Benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are charged off to the Statement of Profit and Loss.

Defined Contribution Plans:

Contributions to defined contribution schemes such as provident fund, superannuation, etc are charged off to the Statement of Profit and Loss during the year in which the employee renders the related service.

Defined Benefit Plans:

The Company also provides employee benefits in the form of gratuity, the liability for which as at the year-end is determined by independent actuaries based on actuarial valuation using the projected unit credit method. Such defined benefits are charged off to the Statement of Profit and Loss. Actuarial gain / losses are recognised in the year in which they arise.

Compensated Absences:

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

(xi) Current and Deferred tax:

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

Minimum Alternate Tax ('MAT') under the provisions of the Income Tax Act, 1961 is recognised as current tax in the Statement of Profit and Loss. The credit available under the Act in respect of MAT paid will be recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal Income Tax during the period for which the MAT credit can be carried forward for set- off against the normal tax liability. Such asset is reviewed at each Balance Sheet date.

Deferred tax is recognised for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the

Balance Sheet date. In situations, where the Company has unabsorbed depreciation or carry forward losses under tax laws, all deferred tax assets are recognised only to the extent that there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits. At each Balance Sheet date, the Company re-assesses unrecognized deferred tax assets, if any.

(xii) Provisions and Contingent Liabilities

Provisions:

Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation.

Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

Contingent liabilities:

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

(xiii) Leases :

Operating lease: Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease.

(xiv) Earnings Per Share :

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year and for all years 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 year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

(xv) Segment Reporting:

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company. Further, inter-segment revenue is accounted for based on the transaction price agreed to between segments which is primarily market based. Revenue and expenses is identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the Company as a whole and are not allocable to segments on a reasonable basis are included under “Unallocated corporate expenses/income”.

(xvi) Cash and cash equivalents:

In the Cash Flow Statement, cash and cash equivalents include cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

1 Share capital

(Amount in Rs. Millions)

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Authorised : Equity Shares of Rs. 10 each As at March 31, 2017 and March 31, 2016 : 20,000,000 Equity Shares and March 31, 2015 and March 31, 2014 : 16,000,000	200.00	200.00	160.00	160.00
	200.00	200.00	160.00	160.00
Issued, Subscribed and Paid up Equity Shares of Rs. 10 each As at March 31, 2017 and 2016 : 18,020,000 Equity Shares of Rs. 10 each fully paid up As at March 31, 2015 and March 31, 2014 : 15,250,000 Equity Shares of Rs. 10 each fully paid up	180.20	180.20	152.50	152.50
Total	**180.20**	**180.20**	**152.50**	**152.50**

(Amount in Rs. Millions)

a)

Reconciliation of Number of Shares	March 31, 2017		March 31, 2016		March 31, 2015		March 31, 2014	
	No of Shares	Amount	No of Shares	Amount	No of Shares	Amount	No of Shares	Amount
Balance as at the beginning of the year	18,020,000	180.20	15,250,000	152.50	15,250,000	152.50	15,250,000	152.50
Add: Shares issued during the year	-	-	2,770,000	27.70	-	-	-	-
Balance as at the end of the year	**18,020,000**	**180.20**	**18,020,000**	**180.20**	**15,250,000**	**152.50**	**15,250,000**	**152.50**

1) The shareholders of the Company on September 8, 2017 approved for an increase in the Authorized Share Capital from Rs. 200 million to Rs. 800 million divided into 80,000,000 equity shares of Re. 10 each by way of additional 60,000,000 equity shares of Re. 10 each.

2) On September 8, 2017, pursuant to the provisions of the Companies Act, 2013, the shareholders of the Company approved for issue and allotment of 2 Bonus Equity Shares of Rs. 10/- each for every equity share of Rs. 10/- each held by the members as on that date of this meeting and accordingly a sum of Rs. 360.40 million is capitalized out of the Company's Surplus in Statement of Profit and Loss outstanding as on March 31, 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 has increased from Rs.180.20 million to Rs.540.60 million and the balance in the Surplus in Statement of Profit and Loss is reduced by Rs. 360.40 million.

(b) Rights, preferences and restrictions attached to shares

The Company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining ass after distribution of all preferential amounts, in proportion to their shareholding.

(c) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company:

Name of Equity shareholders	March 31, 2017		March 31, 2016		March 31, 2015		March 31, 2014	
	No of Shares	% holding	No of Shares	% holding	No of Shares	% holding	No of Shares	% holding
Shri Hodal Singh	3,057,692	16.97%	3,057,692	16.97%	2,557,692	16.77%	2,557,692	16.77%
Shri Girishpal Singh	4,472,686	24.82%	4,472,686	24.82%	3,972,686	26.05%	3,972,686	26.05%
Shri Vijendra Singh	4,241,200	23.54%	4,241,200	23.54%	3,541,200	23.22%	3,541,200	23.22%
Shri Harendra Singh	5,117,172	28.40%	5,117,172	28.40%	4,267,172	27.98%	4,267,172	27.98%

(d) There are no shares allotted as fully paid up pursuant to contracts without being received in cash since incorporation.

(e) 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.

2 Reserves and surplus **(Amount in Rs. Millions)**

Particulars	As at			
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
Surplus in Statement of Profit and Loss				
Balance as at the beginning of the year	1,045.34	691.84	645.46	536.47
Add: Profit for the year	533.34	353.50	46.38	108.99
Balance as at the end of the year	**1,578.68**	**1,045.34**	**691.84**	**645.46**

3 Other Long Term Liabilities **(Amount in Rs. Millions)**

Particulars	As at			
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
Retention Money	295.37	88.45	87.10	14.50
Total	**295.37**	**88.45**	**87.10**	**14.50**

4 Long-term provisions **(Amount in Rs. Millions)**

Particulars	As at			
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
Provision for employee benefits				
Provision for gratuity (Refer Annexure V, Note 25)	7.18	5.44	3.79	3.04
Provision for compensated absences	0.35	0.22	0.18	0.17
Total	**7.53**	**5.66**	**3.97**	**3.21**

5 Deferred Tax

a) Deferred Tax liability (Net) **(Amount in Rs. Millions)**

Particulars	As at			
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
Deferred Tax liability				
Timing difference between balance as per the Income Tax Act,1961 and book balance for fixed assets	-	-	-	29.57
Deferred Tax Assets				
Deferred tax assets on Material adjustments (Refer Annexure VI)	-	-	-	16.75
Total	**-**	**-**	**-**	**12.82**

b) Deferred Tax assets (Net) **(Amount in Rs. Millions)**

Particulars	As at			
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
Deferred Tax Assets				
Deferred tax liability on Material adjustments (Refer Annexure VI)	-	14.89	31.81	-
Disallowance under section 43B of Income Tax Act, 1961	4.97	2.14	1.21	-
Deferred Tax on account of Provision for doubtful debts	7.15	-	-	-
Deferred Tax on under section 40a(i) of Income Tax Act, 1961	12.57	-	-	-
Deferred Tax liability				
Timing difference between book balance and balance as per the income tax act,1961 for fixed assets	4.63	8.79	31.55	-
Total	**20.06**	**8.24**	**1.47**	**-**

6 Trade Payables **(Amount in Rs. Millions)**

Particulars	As at			
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
Trade payable	744.88	512.25	286.37	305.38
Total	**744.88**	**512.25**	**286.37**	**305.38**

7 Other Current Liabilities

(Amount in Rs. Millions)

Particulars	As at			
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
Advances from customers (Refer Annexure V, Note 30)	376.85	588.21	214.31	97.18
Billing in excess of costs and earnings in respect to unfinished contracts (Refer Annexure V, Note 30)	126.82	90.99	62.74	97.42
Current maturities of long-term borrowings				
Secured				
Term Loan (Refer Annexure VII)				
Financial Institutions	238.78	196.00	102.27	63.98
Banks	217.49	125.93	61.68	26.25
Vehicle Loan (Refer Annexure VII)				
Financial Institutions	0.99	1.37	1.24	-
Banks	11.38	6.39	10.49	4.15
Unsecured Term Loan (Refer Annexure VIII)				
Financial Institutions	0.31	23.14	19.78	10.90
Banks	-	-	3.08	-
Interest accrued but not due on borrowings	3.37	3.94	1.97	1.10
Excess Contribution from JV Partner	5.23	44.88	62.41	20.72
Creditors for Capital Expenditure	17.77	3.07	9.28	17.72
Advance recevied against capital goods	4.06	-	-	-
Employee benefits payable	37.23	31.48	30.25	30.06
Statutory dues including provident fund and tax deducted at source	82.48	46.84	9.76	28.88
Retention Money	124.59	101.57	40.29	68.84
Other payable	19.63	8.06	1.06	1.39
Total	**1,266.98**	**1,271.87**	**630.61**	**468.59**

8 Short-term provisions

(Amount in Rs. Millions)

Particulars	As at			
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
Provision for employee benefits				
Provision for gratuity (Refer Annexure V, Note 25)	1.85	4.27	2.96	1.34
Provision for compensated absences	0.40	0.26	0.22	0.20
Provision for Income Tax (Net of Advance Tax March 31, 2017 Rs. 627.44 Million)	59.86	-	-	-
Total	**62.11**	**4.53**	**3.18**	**1.54**

Fixed Assets

9 Tangible assets for March 31, 2017 **(Amount in Rs. Millions)**

Particulars	Gross block (at cost)					Depreciation				Net block
	As at April 1, 2016	Additions	Adjustment	Disposal	As at March 31, 2017	As at April 1, 2016	For the year	Disposal	As at March 31, 2017	As at March 31, 2017
Land	40.98	-	10.18	-	30.80	-	-	-	-	30.80
Building	23.86	81.31	-	-	105.17	4.32	2.54	-	6.86	98.31
Plant and Machinery	1,823.96	1,057.08	-	177.33	2,703.71	759.81	235.53	109.91	885.43	1,818.28
Vehicles	67.75	25.09	-	4.04	88.80	41.72	10.56	3.28	49.00	39.80
Computers	9.59	3.40	-	-	12.99	7.72	1.87	-	9.59	3.40
Furnitures and fixtures	18.18	47.52	-	-	65.70	9.90	5.05	-	14.95	50.75
Total	**1,984.32**	**1,214.40**	**10.18**	**181.37**	**3,007.17**	**823.47**	**255.55**	**113.19**	**965.83**	**2,041.34**

10 Intangible assets for March 31, 2017 **(Amount in Rs. Millions)**

Particulars	Gross block (at cost)					Amortisation				Net block
	As at April 1, 2016	Additions	Adjustment	Disposal	As at March 31, 2017	As at April 1, 2016	For the year	Disposal	As at March 31, 2017	As at March 31, 2017
Software Licence	1.72	2.12	-	-	3.84	0.89	0.47	-	1.36	2.48
Total	**1.72**	**2.12**	**-**	**-**	**3.84**	**0.89**	**0.47**	**-**	**1.36**	**2.48**

Fixed Assets

9 Tangible assets for March 31, 2016 **(Amount in Rs. Millions)**

Particulars	Gross block (at cost)				Depreciation				Net block
	As at April 1, 2015	Additions	Disposal	As at March 31, 2016	As at April 1, 2015	For the year	Disposal	As at March 31, 2016	As at March 31, 2016
Land	40.09	0.89	-	40.98	-	-	-	-	40.98
Building	23.86	-	-	23.86	3.32	1.00	-	4.32	19.54
Plant and Machinery	1,338.44	512.03	26.51	1,823.96	601.80	167.45	9.44	759.81	1,064.15
Vehicles	62.68	7.47	2.40	67.75	32.65	11.06	1.99	41.72	26.03
Computer	7.91	1.68	-	9.59	6.61	1.11	-	7.72	1.87
Furnitures and fixtures	14.62	3.56	-	18.18	7.43	2.47	-	9.90	8.28
Total	**1,487.60**	**525.63**	**28.91**	**1,984.32**	**651.81**	**183.09**	**11.43**	**823.47**	**1,160.85**

10 Intangible assets for March 31, 2016 **(Amount in Rs. Millions)**

Particulars	Gross block (at cost)				Amortisation				Net block
	As at April 1, 2015	Additions	Disposal	As at March 31, 2016	As at April 1, 2015	For the year	Disposal	As at March 31, 2016	As at March 31, 2016
Software Licence	1.15	0.57	-	1.72	0.61	0.28	-	0.89	0.83
Total	**1.15**	**0.57**	**-**	**1.72**	**0.61**	**0.28**	**-**	**0.89**	**0.83**

Fixed Assets

9 Tangible assets for March 31, 2015 **(Amount in Rs. Millions)**

Particulars	Gross block (at cost)				Depreciation				Net block
	As at April 1, 2014	Additions	Disposal	As at March 31, 2015	As at April 1, 2014	For the year	Disposal	As at March 31, 2015	As at March 31, 2015
Land	39.88	0.21	-	40.09	-	-	-	-	40.09
Building	23.86	-	-	23.86	2.27	1.05	-	3.32	20.54
Plant and Machinery	1,244.89	158.32	64.77	1,338.44	474.35	156.29	28.84	601.80	736.64
Vehicles	39.67	23.01	-	62.68	22.87	9.78	-	32.65	30.03
Computers	6.65	1.26	-	7.91	4.72	1.89	-	6.61	1.30
Furnitures and fixtures	12.12	2.50	-	14.62	5.14	2.29	-	7.43	7.19
Total	**1,367.07**	**185.30**	**64.77**	**1,487.60**	**509.35**	**171.30**	**28.84**	**651.81**	**835.79**

10 Intangible assets for March 31, 2015 **(Amount in Rs. Millions)**

Particulars	Gross block (at cost)				Amortisation				Net block
	As at April 1, 2014	Additions	Disposal	As at March 31, 2015	As at April 1, 2014	For the year	Disposal	As at March 31, 2015	As at March 31, 2015
Software Licence	0.70	0.45	-	1.15	0.45	0.16	-	0.61	0.54
Total	**0.70**	**0.45**	**-**	**1.15**	**0.45**	**0.16**	**-**	**0.61**	**0.54**

Fixed Assets

9 Tangible assets for March 31, 2014 **(Amount in Rs. Millions)**

Particulars	Gross block (at cost)				Depreciation				Net block
	As at April 1, 2013	Additions	Disposal	As at March 31, 2014	As at April 1, 2013	For the year	Disposal	As at March 31, 2014	As at March 31, 2014
Land	35.24	4.64	-	39.88	-	-	-	-	39.88
Building	23.86	-	-	23.86	1.13	1.14	-	2.27	21.59
Plant and Machinery	1,252.66	18.27	26.04	1,244.89	359.42	125.27	10.34	474.35	770.54
Vehicles	37.11	3.62	1.06	39.67	18.54	5.03	0.70	22.87	16.80
Computers	5.76	0.89	-	6.65	3.87	0.85	-	4.72	1.93
Furnitures and fixtures	11.21	0.91	-	12.12	3.73	1.41	-	5.14	6.98
Total	**1,365.84**	**28.33**	**27.10**	**1,367.07**	**386.69**	**133.70**	**11.04**	**509.35**	**857.72**

10 Intangible assets for March 31, 2014 **(Amount in Rs. Millions)**

Particulars	Gross block (at cost)				Amortisation				Net block
	As at April 1, 2013	Additions	Disposal	As at March 31, 2014	As at April 1, 2013	For the year	Disposal	As at March 31, 2014	As at March 31, 2014
Software Licence	0.60	0.10	-	0.70	0.29	0.16	-	0.45	0.25
Total	**0.60**	**0.10**	**-**	**0.70**	**0.29**	**0.16**	**-**	**0.45**	**0.25**

11 Other non-current assets **(Amount in Rs. Millions)**

Particulars	As at			
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
Unsecured, considered good (unless stated otherwise):				
Long Term deposits with bank with maturity period more than 12 months	60.73	72.04	98.56	82.60
Total	**60.73**	**72.04**	**98.56**	**82.60**

12 Inventories **(Amount in Rs. Millions)**

Particulars	As at			
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
Stores and Spares	56.16	24.51	32.73	35.37
Project materials	435.88	410.81	185.13	169.62
Total	**492.04**	**435.32**	**217.86**	**204.99**

13 Cash and bank balances **(Amount in Rs. Millions)**

Particulars	As at			
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
Cash and Cash Equivalents				
Cash on hand	4.53	7.37	6.36	11.84
Bank balances				
In current accounts	165.78	36.14	40.88	17.96
Total	**170.31**	**43.51**	**47.24**	**29.80**

14 Other current assets **(Amount in Rs. Millions)**

Particulars	As at			
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
Margin money deposit	311.91	225.38	126.12	128.68
Interest accured but not recevied	0.42	-	-	-
Assets held for sale	10.12	-	-	-
Unbilled revenue in respect of unfinished contracts (Refer Annexure V, Note 30)	286.90	185.10	183.46	184.75
Total	**609.35**	**410.48**	**309.58**	**313.43**

15 Revenue from Operations (Amount in Rs. Millions)

Particulars	For the year ended			
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
Contract revenue (EPC and Operation and Maintenance revenue)	10,521.16	7,349.88	3,591.89	4,616.74
Other Operating Income				
Sale of material	27.78	58.96	58.86	93.71
Total	**10,548.94**	**7,408.84**	**3,650.75**	**4,710.45**

16 Cost of materials consumed (Amount in Rs. Millions)

Particulars	For the year ended			
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
Construction Material, Stores and Spares				
Opening Stock	435.32	217.86	204.99	186.89
Add: Purchases	4,145.39	3,048.35	1,209.55	2,455.55
	4,580.71	3,266.21	1,414.54	2,642.44
Less: Closing Stock	492.04	435.32	217.86	204.99
Total	**4,088.67**	**2,830.89**	**1,196.68**	**2,437.45**

17 Contract and site Expenses (Amount in Rs. Millions)

Particulars	For the year ended			
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
Sub contracting expenses	4,060.71	2,764.97	1,276.43	1,120.11
Indirect Taxes (Work Contract Tax, Labour Cess and Road Tax Expenses, etc.)	261.34	175.42	69.10	88.63
Insurance expenses	11.03	7.29	6.63	8.97
Contract expenses	180.08	267.33	267.88	95.08
Hire charges for machinery and others	136.77	53.31	91.90	162.71
Site and other direct expenses	43.24	39.65	40.12	30.44
Repairs and Maintenance	18.03	11.73	10.16	12.27
Technical consultancy	17.07	8.18	-	-
Transport Charges	7.37	7.23	6.07	1.50
Total	**4,735.64**	**3,335.11**	**1,768.29**	**1,519.71**

18 Employee benefits expense **(Amount in Rs. Millions)**

Particulars	For the year ended March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
Salaries, Wages and Bonus	345.37	249.80	175.07	172.75
Contribution to provident and other funds*	4.61	4.84	2.87	1.94
Gratuity*	11.16	2.44	0.31	-
Compensated absences	0.74	-	-	-
Staff Welfare Expenses	54.74	42.52	29.07	38.26
Total	**416.62**	**299.60**	**207.32**	**212.95**

*Refer Annexure V, Note 25

19 Finance costs **(Amount in Rs. Millions)**

Particulars	For the year ended March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
Interest on :				
Term loan	68.07	46.63	26.25	30.22
Working capital loan	79.38	67.90	75.27	78.34
Other borrowing cost	30.13	37.15	43.00	23.95
Bank Charges	0.89	1.30	1.93	0.58
Interest on late payment of statutory dues	14.23	6.94	11.77	2.53
Total	**192.70**	**159.92**	**158.22**	**135.62**

20 Depreciation and Amortisation expense **(Amount in Rs. Millions)**

Particulars	For the year ended March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
Depreciation on Tangible assets (Refer Annexure V, Note 9)	255.55	183.09	171.30	133.70
Amortisation on Intangible assets (Refer Annexure V, Note 10)	0.47	0.28	0.16	0.16
Total	**256.02**	**183.37**	**171.46**	**133.86**

21 Other expenses **(Amount in Rs. Millions)**

Particulars	For the year ended			
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
Repairs and Maintenance	6.78	5.16	2.77	2.96
Rates and Taxes	5.98	3.95	-	-
Travelling expenses	7.28	3.71	2.37	1.68
Lease rent (Refer Annexure V, Note 28)	6.46	4.07	2.69	5.57
Payment to auditors				
Audit Fees	2.49	0.24	0.31	0.31
Tax audit Fees	0.50	0.20	-	-
Expenditure towards Corporate Social Responsibility (CSR) activities (Refer Annexure V, Note 31)	12.42	1.72	0.40	-
Professional Fee	15.45	7.32	19.37	13.02
Printing and Stationery	3.52	3.02	2.07	2.07
Communication Expenses	5.62	4.13	3.11	2.44
Loss on Sale of Assets	2.72	0.34	1.90	0.01
Bad- debts written off	-	112.95	-	-
Provision for doubtful debts	20.66	-	-	-
Miscellaneous Expenses	16.38	15.15	3.83	3.96
Total	**106.26**	**161.96**	**38.82**	**32.02**

22 Contingent liabilities and Commitments

(Amount in Rs. Millions)

Description	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Performance Bank Guarantees (Refer note below)				
- Issued by the Holding Company	2,597.39	2,385.13	1,819.67	1,563.95
- Share of Holding Company in Jointly Controlled Entities	173.77	173.77	28.41	28.41
Claims against the Company not acknowledged as debt	6.05	3.07	1.87	1.87

Note: The Holding Company and its jointly controlled entities have issued Performance bank guarantees in favor of various Contractees against the Contracts awarded to them.

23 Capital Commitments

(Amount in Rs. Millions)

Description	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Estimated value of contracts in capital account remaining to be executed	23.51	38.07	50.55	1.89

24 Related party disclosures:

As per Accounting Standard – 18 Related Party Disclosures, the Company's related parties and transactions are disclosed below:

i.) Key management personnel:

a. Mr. Hodal Singh - Director
b. Mr. Girishpal Singh - Director
c. Mr. Vijendra Singh - Director
d. Mr. Harendra Singh - Director

ii.) Relatives of Key Management Personnel Details of transactions and balances with related parties:

a. Mr. Vaibhav Choudhary - Son of Mr. Girishpal Singh
b. Mrs. Poonam Singh - Wife of Mr. Vijendra Singh
c. Mrs. Nisha Singh - Wife of Mr. Harendra Singh

iii.) Enterprise over which key management personnel and relative thereof are having control with whom transaction have taken place:

a. HG Stone Crusher
b. Harendra Singh HUF
c. HG Traders
d. HG Luxury Hotels Private Limited
e. HG ADPL – VLPL JV
f. HG Foundation (Trust)

iv.) Details of transactions and balances with related parties:

(Amount in Rs. Millions)

Particulars	Transaction / Balances			
	2016-17	**2015-16**	**2014-15**	**2013-14**
Sale of material				
HG Traders	6.16	1.20	0.96	2.17
Interest income				
HG Luxury Hotels Private Limited	1.17	-	-	-
HG ADPL – VLPL JV	6.93	-	-	-
Harendra Singh – HUF	0.04	-	-	-
Purchase of aggregate				
HG Traders	0.25	0.82	-	-
HG Stone Crusher	10.35	11.98	5.95	5.56
Sub contracting expenses				
HG Traders	-	-	1.43	9.90
Corporate social Responsibility expenses				
HG Foundation	1.19	0.60	0.40	0.25

(Amount in Rs. Millions)

Particulars	Transaction / Balances			
	2016-17	2015-16	2014-15	2013-14
Remuneration paid				
Key management personnel				
Mr. Hodal Singh	8.70	8.70	7.20	7.20
Mr. Girishpal Singh	12.00	8.70	7.20	7.20
Mr. Vijendra Singh	12.00	8.70	7.20	7.20
Mr. Harendra Singh	21.60	18.00	12.00	12.00
* The amount disclosed does not include Gratuity, as it has been provided on an overall basis based on actuarial valuation.				
Relatives of Key Management Personnel				
Mr. Vaibhav Choudhary	8.40	4.20	3.00	3.00
Insurance premium paid towards keyman term policy taken by the Company				
Mr. Vijendra Singh	5.28	-	-	-
Mr. Harendra Singh	5.21	-	-	-
Mr. Vaibhav Choudhary	4.92	-	-	-
Loans and advances given				
HG Luxury Hotels Private Limited	24.00	-	0.30*	14.35*
HG ADPL – VLPL JV	37.90	45.50*	-	-
Harendra Singh HUF	0.71	0.71*	0.50*	0.72*
* The Interest amount was waived off by the board of directors in respective years				
Loans and advances repayment				
HG Luxury Hotels Private Limited	24.00	-	0.30	13.95
HG ADPL – VLPL JV	76.90	6.50	-	-
Harendra Singh HUF	0.71	0.89	0.71	0.70

(Amount in Rs. Millions)

Particulars	Transaction / Balances			
	2016-17	2015-16	2014-15	2013-14
Loans taken from Key management personnel				
Mr. Hodal Singh	5.20	6.50	0.50	9.06
Mr. Girishpal Singh	8.40	8.70	6.38	21.06
Mr. Vijendra Singh	13.50	15.73	28.40	12.78
Mr. Harendra Singh	14.85	25.00	53.66	45.33
Loans taken from Relatives of Key Management Personnel				
Mr. Vaibhav Choudhary	2.00	1.26	-	2.15
Mrs. Poonam Singh Choudhary	1.00	-	-	-
Mrs. Nisha Singh	2.50	-	-	-
Repayment of Loan taken from Key management personnel				
Mr. Hodal Singh	0.90	6.50	5.56	4.00
Mr. Girishpal Singh	4.25	8.79	9.45	19.47
Mr. Vijendra Singh	8.80	25.75	19.97	15.08
Mr. Harendra Singh	8.81	24.20	54.68	46.18
Repayment of Loan taken from Relatives of Key Management Personnel				
Mr. Vaibhav Choudhary	-	1.26	-	2.15
Closing Balances				
Other Short-term borrowings				
Key management personnel:				
Mr. Hodal Singh	4.30	-	-	5.06
Mr. Girishpal Singh	4.15	0.05	0.14	3.22
Mr. Vijendra Singh	4.70	0.19	10.21	1.78
Mr. Harendra Singh	6.04	1.34	0.54	1.58

(Amount in Rs. Millions)

Particulars	Transaction / Balances			
	2016-17	**2015-16**	**2014-15**	**2013-14**
Relatives of Key Management Personnel				
Mr. Vaibhav Choudhary	2.00	-	-	-
Mrs. Poonam Singh Choudhary	1.00	-	-	-
Mrs. Nisha Singh	2.50	-	-	-
Other Current Liabilities				
Employee benefits payable				
Mr. Vaibhav Choudhary	0.05	-	0.31	-
Mr. Hodal Singh	0.03	-	-	0.09
Mr. Girishpal Singh	0.15	-	0.05	-
Mr. Vijendra Singh	0.03	-	-	-
Mr. Harendra Singh	0.07	-	0.67	1.43
Salary advance				
Mr. Vaibhav Choudhary	-	0.19	-	0.13
Mr. Hodal Singh	-	0.52	-	-
Mr. Girishpal Singh	-	3.06	-	2.68
Mr. Vijendra Singh	-	0.74	6.98	3.73
Mr. Harendra Singh	-	3.59	-	-
Trade Payables				
HG Traders	-	0.91	1.34	1.52
Short-term loans and advances				
Other Advances				
HG Luxury Hotels Private Limited	1.05	-	-	-
HG ADPL - VLPL JV	6.24	39.00	-	-
Harendra Singh HUF	0.04	-	0.19	0.02

25 Employee benefits:

The Company has adopted Accounting Standard 15 “Employee Benefits”. The Company has classified various employee benefits as under:

(A) Defined contribution plans

- Provident fund
- Employers’ contribution to employees’ pension scheme 1995
- Employers’ contribution to Employee State Insurance Corporation (ESIC)

The provident fund and pension scheme are operated by regional provident fund commissioner. Under the scheme, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits.

The Company has recognized the following amounts in the Statement of Profit and Loss:

(Amount in Rs. Millions)

Sr. No.	Particulars	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014
i.	Contribution to Provident Fund	2.86	3.24	1.67	1.10
ii.	Contribution to E.S.I.C	0.10	0.06	0.12	0.13
iii.	Contribution to Pension Fund	1.65	1.54	1.08	0.71
	Total	**4.61**	**4.84**	**2.87**	**1.94**

(B) Defined benefit plans :

The Company’s liability is actuarially determined (using the Projected Credit Unit method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

Sr. No.	Particulars	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014
i	Discount rate (per annum)	6.85%	7.55%	7.90%	8.95%
ii	Rate of increase in compensation levels	9.74%	9.74%	9.74%	9.74%
iii	Rate of return on plan assets	7.50%	-	-	-
iv	Expected average remaining working lives of employees	32.02 years	31.34 years	30.16 years	27.63 years

(Amount in Rs. Millions)

Sr. No	Particulars	Gratuity for the year ended			
		March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**
i	**Present value of defined benefit obligation**				
	Balance at the beginning of the year	9.71	6.75	4.38	2.56
	Current service cost	2.20	1.61	1.23	0.91
	Interest cost	0.74	0.54	0.44	0.25
	Actuarial (gains) / loss	0.81	0.95	1.01	0.66
	Benefits paid	(0.56)	(0.14)	(0.31)	-
	Balance at the end of the year	12.90	9.71	6.75	4.38
ii	**Fair value of plan assets**				
	Balance at the beginning of the year	-	-	-	-
	Expected return on plan assets	-	-	-	-
	Actuarial gains / (losses)	-	-	-	-
	Contribution by the company	4.43	0.14	0.31	-
	Benefits paid	(0.56)	(0.14)	(0.31)	-
	Balance at the end of the year	3.87	**-**	**-**	**-**
iii	**Percentage of each category of plan assets to total fair value of plan assets as at year end**				
	Life Insurance Corporation Of India	100%	-	-	-
iv	**Assets and liabilities recognised in the Balance Sheet**				
	Present value of defined benefit obligation	12.91	9.71	6.75	4.38
	Fair value of plan assets	(3.88)	-	-	-
	Present Value of Unfunded Obligations	9.03	9.71	6.75	4.38
	Amount recognised as liability	9.03	9.71	6.75	4.38
	Long term provision	7.18	5.44	3.79	3.04
	Short term provision	1.85	4.27	2.96	1.34
	Total	**9.03**	**9.71**	**6.75**	**4.38**
v	**Expenses recognised in the Statement of Profit and Loss Account**				
	Current service cost	2.20	1.61	1.23	0.91
	Interest cost	0.74	0.54	0.44	0.25
	Actuarial losses	0.81	0.96	1.01	0.66
	Total	**3.75**	**3.11**	**2.68**	**1.82**
	Add / (Less): Material restatement adjustments (Refer Annexure VI)	7.41	(0.67)	(2.37)	(1.82)
	Total	**11.16**	**2.44**	**0.31**	**-**

(Amount in Rs. Millions)

Sr. No	Particulars	Gratuity for the year ended			
		March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**
vi	**Amounts to be recognised in the current year and previous year**				
	Defined Benefit Obligation	12.91	9.71	6.75	4.38
	Plan Assets	(3.88)	-	-	-
	Deficit	9.03	9.71	6.75	4.38
	Experience adjustments on plan liabilities	0.61	0.88	0.86	0.76
vii	**Expected contribution to the funds in the next year**	**5.00**	**4.27**	**-**	**-**
viii	**Disclosure pursuant to para 120(n) of AS – 15**				
	Gratuity	**2016-2017**	**2015-2016**	**2014-2015**	**2013-2014**
	Present value of defined benefit obligation	12.91	9.71	6.75	4.38
	Fair value of the plan assets	3.88	-	-	-
	Deficit of the plan	9.03	9.71	6.75	4.38
	Experience adjustments:				
	On the plan liabilities loss	0.61	0.88	0.86	0.76

26 Segment Reporting

I. Information about primary business segment

In accordance with Accounting Standard – 17, "Segmental Reporting" issued by the Institute of Chartered Accountants of India, the Company's business segment is "Execution of Contract works" and it has no other primary reportable segments. Accordingly, the segment revenue, segment results, total carrying amount of segment assets and segment liabilities, total cost incurred to acquire segment assets and total amount of charge for depreciation/ amortisation during the year, is as reflected in the Restated Consolidated Financial Information as of and for the financial year ended March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014.

II. Information about secondary geographical segment

The Company caters to the needs of the domestic market and hence there are no reportable geographical segments for the financial year ended March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014.

27 Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Jointly Controlled Entities

(Amount in Rs. Millions)

Name of Entity	Net Assets (Total Assets minus Total Liabilities)		Share in Profit (Loss)		Net Assets (Total Assets minus Total Liabilities)		Share in Profit (Loss)	
	As a % of Consolidated Net Assets	Amount	As a % of Consolidated Profit or (Loss)	Amount	As a % of Consolidated Net Assets	Amount	As a % of Consolidated Profit or (Loss)	Amount
	As at March, 31 2017	As at March, 31 2017	As at March, 31 2017	As at March, 31 2017	As at March, 31 2016	As at March, 31 2016	As at March, 31 2016	As at March, 31 2016
Parent								
H.G. Infra Engineering Limited	100.00%	1,758.89	100.00%	494.72	100.00%	1,225.56	100.00%	301.83
Jointly Controlled Entities (As per proportionate consolidation) -Indian								
HGIEPL - RPS JV	0.05%	0.80	0.14%	0.70	0.08%	1.03	1.75%	5.28
HGIEPL - Ranjit JV	0.06%	0.97	0.19%	0.92	0.00%	0.05	0.02%	0.05
HGIEPL - MGCPL JV	0.06%	1.08	0.22%	1.08	0.00%	-	-	-
HGIEPL - Colossal JV	0.06%	1.11	0.22%	1.09	0.22%	2.74	0.60%	1.81
TPL HEIEPL JV	-	-	-	-	-	-	-	-
Intercompany elimination and other consolidated adjustments	-0.23%	(3.96)	-0.77%	(3.79)	-0.31%	(3.82)	-2.37%	(7.14)
Total	**100.00%**	**1,758.89**	**100.00%**	**494.72**	**100.00%**	**1,225.56**	**100.00%**	**301.83**
		-		-				

Name of Entity	Net Assets (Total Assets minus Total Liabilities)		Share in Profit (Loss)		Net Assets (Total Assets minus Total Liabilities)		Share in Profit (Loss)	
	As a % of Consolidated Net Assets	Amount	As a % of Consolidated Profit or (Loss)	Amount	As a % of Consolidated Net Assets	Amount	As a % of Consolidated Profit or (Loss)	Amount
	As at March, 31 2015	As at March, 31 2015	As at March, 31 2015	As at March, 31 2015	As at March, 31 2014	As at March, 31 2014	As at March, 31 2014	As at March, 31 2014
Parent								
H.G. Infra Engineering Limited	100.00%	844.37	100.00%	92.23	100.00%	797.97	100.00%	171.71
Jointly Controlled Entities (As per proportionate consolidation) -Indian								
HGIEPL - RPS JV	1.26%	10.64	9.72%	8.96	0.10%	0.82	3.89%	6.67
HGIEPL - Ranjit JV	0.20%	1.73	0.00%	-	0.00%		0.00%	-
HGIEPL - MGCPL JV	0.00%	-	0.00%	-	0.00%		0.00%	-
HGIEPL - Colossal JV	0.11%	0.93	0.63%	0.58	0.00%		0.00%	-
TPL HEIEPL JV	0.00%	-	0.00%	-	0.00%		0.00%	-
Intercompany elimination and other consolidated adjustments	-1.57%	(13.30)	-10.34%	(9.54)	-0.10%	(0.82)	-3.89%	(6.67)
Total	**100.00%**	**844.37**	**100.01%**	**92.23**	100.00%	**797.97**	**100.01%**	**171.71**

28 Operating leases

(i) As a lessee:
Operating Lease
The Company has significant operating lease arrangements with respect to land obtained for project site for temporary purpose for site offices. These lease arrangements range for a period between 12 months and 36 months, which are cancellable at the option of the Company. Most of the leases are renewable for further period on mutually agreeable terms and also include escalation clauses.

With respect to all operating leases:

(Amount in Rs. Millions)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014
Lease payments recognized in the Statement of Profit and Loss during the year	6.46	4.07	2.69	5.57

29 Disclosures relating to Specified Bank Notes* (SBNs) held and transacted during the period from November 8, 2016 to December 30, 2016

(Amount in Rs. Millions)

Particulars	SBNs*	Other Denomination notes	Total
Closing cash in hand as on November 8, 2016	4.58	2.29	6.87
(+) Permitted receipts	-	4.80	4.80
(-) Permitted payments	(4.47)	(5.74)	(10.21)
(-) Amount deposited in Banks	(0.11)	-	(0.11)
Closing cash in hand as on December 30, 2016	-	1.35	1.35

* Specified Bank Notes (SBNs) mean the bank notes of denominations of the existing series of the value of five hundred rupees and one thousand rupees as defined under the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs no. S.O. 3407(E), dated the 8th November, 2016.

30 Disclosure in terms of Accounting Standard 7- Construction Contracts

(Amount in Rs. Millions)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014
Contract revenue recognized during the year	10,532.50	7,402.42	3,549.84	4,543.83
Aggregate cost incurred and recognized profits (less recognized losses) up to the reporting date for contracts in progress	17,234.92	10,693.48	7,982.71	7,666.46
Amount of customer advances outstanding for contracts in process	376.85	588.21	214.31	97.18
Retention money due from customers for contracts in progress	579.36	387.68	152.74	138.75
Gross amount due from customers for contracts works as an asset (unbilled portion)	286.90	185.10	183.46	184.75
Gross amount due to customers for contract works as a liability	126.82	90.99	62.74	97.42

Upto year ended March 31, 2016, the Company was determining stage of completion of work based on the work certified/billing done to the customer. With effect from April 1, 2016 the Company has changed its method of proportion of the contract cost incurred upto the reporting date to the estimated total contract cost. Accordingly, the revenue for the financial years ended on March 31, 2016, March 31, 2015 and March 31, 2014 have been appropriately restated in the respective years to recognize revenue using a consistent method.

31 Corporate Social Responsibility

The Company has constituted a Corporate Social Responsibility (CSR) Committee as per Section 135 and Schedule VII of the Companies Act, 2013 (the Act) read with the Companies (Corporate Social Responsibility Policy) Rules 2014.

(Amount in Rs. Millions)

Particulars	March 31, 2017	March 31, 2016	March 31, 2015
a. Gross amount required to be spent by the Company	5.69	3.95	4.80
b. Amount spent	12.42	1.72	0.40
c. Related party transactions in relation to Corporate Social Responsibility	1.19	0.60	0.40

32 Jointly Controlled Entities

The Company has following investments in a jointly controlled entities:

Name of Jointly Controlled Entities	Country of Incorporation	Proportion of ownership interest			
		As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
HGIEPL – Colossal JV	India	70%	70%	70%	-
HGIEPL – Ranjit JV	India	30%	30%	-	-
HGIEPL– MGCPL JV	India	30%	30%	-	-
HGIEPL – RPS JV	India	51%	51%	51%	51%
TPL – HGIEPL JV	India	26%	-	-	-

The Company's share of each of the assets, liabilities, income and expenses in the Jointly Controlled Entities, based on their respective audited financial statements of the jointly controlled entities are as follows:

(Amount in Rs. Millions)

Particulars	As at 31 March, 2017	As at 31 March, 2016	As at March 31, 2015	As at March 31, 2014
(a) Assets				
HGIEPL – MGCPL JV	180.37	12.00	-	-
HGIEPL – Ranjit JV	141.48	141.48	-	-
HGIEPL – Colossal JV	11.11	11.42	4.59	-
HGIEPL – RPS JV	6.19	99.64	151.54	73.96
TPL – HGIEPL JV	-	-	-	-
(b) Liabilities				
HGIEPL – MGCPL JV	179.30	12.00	-	-
HGIEPL – Ranjit JV	139.63	139.75	-	-
HGIEPL – Colossal JV	8.85	8.66	943.54	-
HGIEPL – RPS JV	2.19	41.10	94.52	52.42
TPL – HGIEPL JV	-	-	-	-
(c) Income				
HGIEPL – MGCPL JV	264.29	-	-	-
HGIEPL – Ranjit JV	571.93	38.32	-	-
HGIEPL – Colossal JV	31.50	52.16	20.13	-
HGIEPL – RPS JV	77.97	187.84	272.65	222.33
TPL – HGIEPL JV	-	-	-	-
(d) Expenses				
HGIEPL – MGCPL JV	262.72	-	-	-
HGIEPL – Ranjit JV	570.51	38.25	-	-
HGIEPL – Colossal JV	29.91	49.54	19.55	-
HGIEPL – RPS JV	77.09	182.57	263.69	215.66
TPL – HGIEPL JV	-	-	-	-

33 The Company has filed compounding application with Ministry of Company Affairs dated July 10, 2017 with respect to discrepancies related to:

(i) financial statement not signed by Company Secretary of the Company for the financial year 2011-12, 2012-13 and 2013-14 as per Section 215 of Companies Act 2013;

(ii) non attachment of Cash flow statement along with Annual Report of the Company filed with ROC which is required to be prepared as per Accounting Standard 3 specified by the Institute of Chartered Accountants of India for the financial year 2006-07 to 2013-14 as required under Section 211(3C) of the Companies Act, 1956;

(iii) Non disclosures in Board Report for certain matters as per Section 217 of Companies Act 1956 and section 134 of the Companies Act. 2013 read with Companies (Accounts) Rules, 2014 wherein year wise following was missing:

(a) Non Disclosures of amount of remuneration paid to Employee for financial year 2011-12, 2012-13 and 2013-14; (b) No Comments on Audit Observation etc. for financial year 2011-12, 2012-13, 2013-14 and 2014-15; (c) Information on Dividend for financial year 2011-12. 2012-13 and 2013-14; (d) Amount of Reserves transferred 2011-12, 2012-13 and 2013-14; (e) Non-Disclosure of Sexual Harassment Policy for financial year 2013-14; (f) The number of meetings of board was not accurate as it was actually held for financial year 2014-15 and 2015-16; (g) CSR information was not properly mentioned in directors report for financial year 2014-15; and (h) Company has not given details related to appointment of Company Secretary for financial year 2014-15.

For the above non-compliances the Company has made a provision of Rs 5.02 Million during the financial year 2016-17.

34. The Restated Consolidated Financial Information is prepared only for 4 year as there was no investments in any of the Jointly Controlled Entities for the financial year 2012-13.

Annexure VI - Statement of Adjustments to Consolidated Financial Information of H.G. Infra Engineering Limited (Formerly known as H.G. Infra Engineering Private Limited)

Summarized below are the restatement adjustments made to the audited consolidated financial statements for the year ended March 31, 2017, 2016, 2015 and 2014 and their impact on the consolidated profit of the Holding Company:

(Amount in Rs. Millions)

Particulars	For the year ended			
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
A. Adjustments **Material Restatement Adjustments** **(Excluding those on account of changes in accounting policies):-** **(i) Audit Qualifications**	-	-	-	-
Total:	-	-	-	-
(ii) Other material adjustments				
(1) Change in basis of estimating proportion of work completed - AS 7 Construction Contracts (Refer note (a) below)	11.34	52.54	(42.05)	(72.91)
(2) Actuarial valuation (Refer note (b) below) - Gratuity	7.41	(0.67)	(2.37)	(1.82)
(3) Actuarial valuation (Refer note (b) below) - Compensated absences	0.48	(0.08)	(0.03)	(0.11)
(4) Interest on term loan (Refer note (c) below)	3.94	(1.98)	(0.87)	1.51
(5) Indirect taxes adjustments (Refer note (d) below)	19.86	0.73	1.04	(14.43)
(6) Deferred tax (Refer note (e) below)	12.23	18.04	(16.61)	(4.19)
Total other material adjustments	**55.26**	**68.58**	**(60.89)**	**(91.95)**
Less: Deferred tax on above adjustments (Refer note (f) below)	14.89	16.91	(15.05)	(29.23)
Other material adjustments after deferred tax	40.37	51.67	(45.84)	(62.72)
B. Adjustments on account of change in accounting policies	-	-	-	-
Total:	**40.37**	**51.67**	**(45.84)**	**(62.72)**
Total impact of Adjustment (A+B)	**40.37**	**51.67**	**(45.84)**	**(62.72)**

Annexure VI - Statement of Adjustments to Consolidated Financial Information of H.G. Infra Engineering Limited (Formerly known as H.G. Infra Engineering Private Limited)

(a) For the period April 1, 2012 to March 31, 2016, the Company was determining stage of completion of work based on the work certified/billing done to the customer. With effect from April 1, 2016, the Company has changed its method of determining stage of completion based on the proportion of the contract cost incurred upto the reporting date to the estimated total contract cost. The Restated Consolidated Financial Information have been appropriately adjusted based on the change in method in the respective years to which they are related, for the purpose of these financial statements.

(b) During the financial year ended March 31, 2017, the Company has changed the basis of accounting for retirement benefits i.e. provision for gratuity and Compensated absences is made on the basis of actuarial valuation in compliance of the Accounting Standard - 15 (Revised) issued by the Institute of Chartered Accountants of India, which was earlier accounted for on actual basis. Accordingly, the provision for gratuity and Compensated absences has been recomputed on actuarial valuation basis for each preceding year and consequently, the adjustments have been made in the expenses for gratuity and Compensated absences for the respective years.

(c) During the financial year ended March 31, 2017, the Company has started making provision for accrued interest on term loan which was earlier accounted on actual basis. The Restated Consolidated Financial Information of the Company have been appropriately adjusted in the respective years to which they are related, for the purpose of this statement.

(d) Appropriate adjustments have been made in the respective year with respect to indirect taxes based on intimations/ orders received from Sales tax authorities and also certain prepaid indirect taxes accounted on accrual basis which was earlier accounted on actual basis. The Restated Consolidated Financial Information of the Company have been appropriately adjusted in the respective years to which they are related, for the purpose of this statement.

(e) During the financial year ended March 31, 2017, the Company has appropriately recomputed deferred tax for the year ended March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 . For the purpose of the Restated Consolidated Financial Information, such items have been appropriately adjusted to the respective years to which they relate.

(f) The tax rate applicable for the respective years has been used to calculate the deferred tax impact on adjustments.

(g) **Opening Reserve Reconciliation**

(Amount in Rs. Millions)

Surplus in statement of Profit and Loss, as per the audited Consolidated Financial Statements as at April 01, 2013	519.96
Adjustments on account of restatements:	
(1) Change in basis of estimation completion - AS 7 Construction Contracts (Refer note (a) above)	51.08
(2) Actuarial valuation (Refer note (b) above) - Gratuity	(2.56)
(3) Actuarial valuation (Refer note (b) above) - Compensated absences	(0.26)
(4) Interest on term loan (Refer note (c) above)	(2.60)
(5) Indirect taxes adjustments(Refer note (d) above)	(7.20)
(6) Deferred tax (Refer note (e) above)	(9.47)
Total adjustments:	28.99
Less: Deferred tax on above adjustments (Refer note (f) above)	12.48
Surplus as per Restated Consolidated Financial Information as at April 01, 2013	**536.47**

Annexure VI - Statement of Adjustments to Consolidated Financial Information of H.G. Infra Engineering Limited (Formerly known as H.G. Infra Engineering Private Limited)

(A) Statutory Auditors have made the following comments in Standalone Financial Statement in terms with the requirements of the Companies (Auditor's Report) Order, 2015, issued by the Central Government of India in terms of sub-section 11 of Section 143 of the Companies Act, 2013 of India for Financial Year 2016-17, 2015-16 and 2014-15 and in terms with the requirements of the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, issued by the Central Government of India in terms of sub-section 4A of Section 127 of the Companies Act, 1956 of India for Financial Year 2013-14;

FY 2016-17 :

1 According to the information and explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, value added tax and cess have not been regularly deposited with the appropriate authorities and there have been delays in a large number of cases.

FY 2015-16 :

1 We have not reviewed the books of accounts and records maintained by the Company specified by the Central Government for the maintenance of cost records under section 148(1) of the Act.

FY 2014-15 :

1 The Company is not maintaining proper records of the inventory.

2 According to the information and explanations, given to us and the records of the company, examined by us, in our opinion, the company is not regular in depositing undisputed statutory dues including Provident Fund, Income Tax, Sales Tax, Wealth Tax, Custom Duty, Excise Duty, VAT, Cess and any other statutory dues as applicable with the appropriate authorities. According to the information and explanations given to us, there were no undisputed amounts payable in respect of Provident Fund, Income Tax, Vat Tax, Wealth Tax, Custom Duty, Excise Duty, VAT, Cess and other statutory dues outstanding as at 31st March, 2015, for a period of more than six months from the date they became payable.

FY 2013-14 :

1 The Company is not maintaining proper records of the inventory.

2 According to the information and explanations, given to us and the records of the company, examined by us, in our opinion, the company is generally regular in depositing undisputed statutory dues including Provident Fund, Income Tax, Sales Tax, Wealth Tax, Custom Duty, Excise Duty, Cess and other material statutory dues as applicable with the appropriate authorities except for delays in some cases.

Annexure VII - Restated Consolidated Statement of Secured Borrowings of H.G. Infra Engineering Limited (Formerly known as H.G. Infra Engineering Private Limited)

(Amount in Rs. Millions)

Particulars	**As at**			
	March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**
Long-term borrowings				
Secured :				
Term Loan (Refer Annexure VII A)				
Financial Institutions	307.25	106.85	51.05	33.25
Banks	313.21	135.13	38.04	6.81
Vehicle Loan (Refer Annexure VII A)				
Financial Institutions	-	0.99	2.37	-
Banks	14.32	7.85	10.25	2.05
Sub-total (A)	**634.78**	**250.82**	**101.71**	**42.11**
Current maturities of long-term borrowings, included in Other Current Liabilities				
(Refer Annexure V, Note 7) and (Refer Annexure VII A)				
Secured				
Term Loan (Refer Annexure VII A)				
Financial Institutions	238.78	196.00	102.27	63.98
Banks	217.49	125.93	61.68	26.25
Vehicle Loan (Refer Annexure VII A)				
Financial Institutions	0.99	1.37	1.24	-
Banks	11.38	6.39	10.49	4.15
Sub-total (B)	**468.64**	**329.69**	**175.68**	**94.38**
Secured short term borwoings:				
Working Capital loans repayable on demand from banks (Refer Annexure VIIA)	857.51	589.87	367.04	561.86
Sub-total (C)	**857.51**	**589.87**	**367.04**	**561.86**
Total (A+B+C)	**1,960.93**	**1,170.38**	**644.43**	**698.35**

Annexure VII A - Restated Consolidated Statement of Principal Terms of Secured Borrowings of H.G. Infra Engineering Limited (Formerly known as H.G. Infra Engineering Private Limited)

Secured - Term Loan from banks

The details of rate of interest and repayment term loans are as under :

S.No.	Particulars	Number of Loans outstanding as at March 31, 2017	Outstanding as at March 31, 2017 (in Millions)	Interest Range % per annum	Balance Number of Installments as at March 31, 2017	Frequency of Installments	Commencing From - To
1	HDFC Bank Limited	131	211.76	6.78% to 14.75%	12 to 35	Monthly	July 2013 to Jan 2020
2	ICICI Bank Limited	19	1.98	11.75% to 12%	1	Monthly	Sep 2015 to April 2017
3	Axis Bank Limited	96	211.48	8.3% to 14%	3 to 36	Monthly	July 2014 to May 2020
4	Yes Bank Limited	11	105.48	7.84% to 9.6%	31 to 35	Monthly	Nov 2016 to Feb 2020
	Total		**530.70**				

Secured - Term Loans From Financial Institution:

The details of rate of interest and repayment term loans are as under :

S.No.	Particulars	Number of Loans outstanding as at March 31, 2017	Outstanding as at March 31, 2017 (in Millions)	Interest Range % per annum	Balance Number of Installments as at March 31, 2017	Frequency of Installments	Commencing From - To
1	SREI Equipment Finance Limited	12	127.89	4.63% to 12.75%	19 to 35	Monthly	May 2014 to Feb 2020
2	Tata Capital Finance Limited	34	196.73	3.16% to 12.9%	1 to 35	Monthly	Sep 2013 to Feb 2020
3	TATA Motors Limited	91	170.60	8.22% to 10.33%	13 to 30	Monthly	April 2016 to Nov 2019
4	Sundram Finance Limited	7	50.37	6.85% to 8.10%	26 to 33	Monthly	June 2016 to Feb 2020
5	Mahindra Finance Limited	1	0.44	14.50%	41	Monthly	March 2017 to Jan 2021
	Total		**546.03**				

Secured Term Loans from Banks and Financial institution

a) All term loans are Secured by hypothecation of specific assets purchased out of loan, comprising Plant and Machinery and Constructions equipment.

Motor Car Vehicles loans - From Banks and Financial Institution :

The details of rate of interest and repayment term loans are as under :

S.No.	Particulars	Number of Loans outstanding as at March 31, 2017	Outstanding as at March 31, 2017 (in Millions)	Interest Range % per annum	Balance Number of Installments as at March 31, 2017	Frequency of Installments	Commencing From - To
1	HDFC Bank Limited	12	12.17	9.5% to 10.25%	6 to 42	Monthly	Nov 2013 to Sep 2020
2	Axis Bank Limited	22	13.53	8.30% to 10.25%	7 to 39	Monthly	Nov 2014 to April 2020
3	BMW Finance Service Limited	1	0.99	9.86%	8	Monthly	Dec 2014 to Nov 2017
	Total		**26.69**				

Vehicle Loans from Banks and Financial Institutions

a) All motor car vehicles loans are Secured by hypothecation of specific vehicles financed though the loan arrangements.

Annexure VII A - Restated Consolidated Statement of Principal Terms of Secured Borrowings of H.G. Infra Engineering Limited (Formerly known as H.G. Infra Engineering Private Limited)

Working Capital Demand Loans and Cash Credit facilities availed from banks are secured by :

(I) <u>Nature of Security</u>

Cash Credit and Working Capital from all Banks secured by:

a) First Pari Passu charge in favour of the Bank by way of Hypothecation of the Company's entire stocks of raw materials, work in progress, consumable stores spares including book debts.

b) All the bank are secured by exclusive charge on the entire movable and immovable assets of the Company (Present and Future) save and excepts assets exclusively financed by other lenders.

c) All the bank loans are secured by equitable mortgage of land and equipments mentioned in the property as per the collateral agreement.

d) All the bank loans are collaterally secured by unconditional and irrevocable personal gurantees of all the Directors.

e) Cash Credit Loans from all the bank are charged as uniform margin of 25% against all components of inventory.

f) Cash credit from all the banks are secured by entire book debts for the cover period upto 90 days.

Annexure VII A - Restated Consolidated Statement of Principal Terms of Secured Borrowings of H.G. Infra Engineering Limited (Formerly known as H.G. Infra Engineering Private Limited)

Secured - Term Loan from banks

The details of rate of interest and repayment term loans are as under :

S.No.	Particulars	Number of Loans outstanding as at March 31, 2016	Outstanding as at March 31, 2016 (in Millions)	Interest Range % per annum	Balance Number of Installments as at March 31, 2016	Frequency of Installments	Commencing From - To
1	HDFC Bank Limited	82	158.86	4.14% to 14%	2 to 35	Monthly	May 2013 to March 2019
2	ICICI Bank Limited	35	36.56	2.87% to 12%	10 to 13	Monthly	July 2014 to April 2017
3	Axis Bank Limited	16	61.94	9.65% to 10.75%	14 to 36	Monthly	June 2012 to Sep 2019
4	ING Vyasa Bank Limited	11	3.70	11.75% to 12%	7 to 9	Monthly	Dec 2014 to Dec 2016
	Total		**261.06**				

Secured - Term Loans From Financial Institution:

The details of rate of interest and repayment term loans are as under :

S.No.	Particulars	Number of Loans outstanding as at March 31, 2016	Outstanding as at March 31, 2016 (in Millions)	Interest Range % per annum	Balance Number of Installments as at March 31, 2016	Frequency of Installments	Commencing From - To
1	SREI Equipment Finance Limited	8	99.10	4.63% to 12.75%	7 to 32	Monthly	April 2013 to Oct 2018
2	Tata Capital Finance Limited	42	151.31	2.45% to 12.9%	4 to 29	Monthly	May 2014 to Aug 2018
3	HDB Finance Service Limited	15	12.16	12.25% to 12.51%	3	Monthly	Sept 2014 to Aug 2016
4	TATA Motors Limited	19	40.28	8.22% to 9.2%	27	Monthly	April 2016 to July 2019
	Total		**302.85**				

Secured Term Loans from Banks and Financial institiution

a) All term loans are Secured by hypothecation of specific assets purchased out of loan, comprising Plant and Machinery and Constructions equipment.

Motor Car Vehicles loans - From Banks and Financial Institution :

The details of rate of interest and repayment term loans are as under :

S.No.	Particulars	Number of Loans outstanding as at March 31, 2016	Outstanding as at March 31, 2016 (in Millions)	Interest Range % per annum	Balance Number of Installments as at March 31, 2016	Frequency of Installments	Commencing From - To
1	HDFC Bank Limited	10	11.62	9% to 11.50%	7 to 36	Monthly	May 2010 to July 2019
2	Kotak Mahindra Bank Limited	1	0.19	10.25%	8	Monthly	Dec 2013 to Nov 2016
3	Axis Bank Limited	5	2.42	8.30% to 10.25%	20	Monthly	Nov 2014 to Nov 2017
4	BMW Finance Service Limited	1	2.37	9.86%	20	Monthly	Dec 2014 to July 2016
	Total		**16.60**				

Vehicle Loans from Banks and Financial Institutions

Annexure VII A - Restated Consolidated Statement of Principal Terms of Secured Borrowings of H.G. Infra Engineering Limited (Formerly known as H.G. Infra Engineering Private Limited)

a) All motor car vehicles loans are Secured by hypothecation of specific vehicles financed though the loan arrangements.

Working Capital Demand Loans and Cash Credit facilities availed from banks are secured by :

(I) <u>Nature of Security</u>

Cash Credit and Working Capital from all Banks secured by:

a) First Pari Passu charge in favour of the Bank by way of Hypothecation of the Company's entire stocks of raw materials, work in progress, consumable stores spares including book debts.
b) All the bank are secured by exclusive charge on the entire movable and immovable assets of the Company (Present and Future) save and excepts assets exclusively financed by other lenders.
c) All the bank loans are secured by equitable mortgage of land and equipments mentioned in the property as per the collateral agreement.
d) All the bank loans are collaterally secured by unconditional and irrevocable personal gurantees of all the Directors.
e) Cash Credit Loans from all the bank are charged as uniform margin of 25% against all components of inventory.
f) Cash credit from all the banks are secured by entire book debts for the cover period upto 90 days.

Annexure VII A - Restated Consolidated Statement of Principal Terms of Secured Borrowings of H.G. Infra Engineering Limited (Formerly known as H.G. Infra Engineering Private Limited)

Secured - Term Loan from banks

The details of rate of interest and repayment term loans are as under :

S.No.	Particulars	Number of Loans outstanding as at March 31, 2015	Outstanding as at March 31, 2015 (in Rupees)	Interest Range % per annum	Balance Number of Installments as at March 31, 2015	Frequency of Installments	Commencing From - To
1	HDFC Bank Limited	6	6.22	4.14% to 14%	11 to 35	Monthly	June 2011 to Feb 2018
2	ICICI Bank Limited	35	31.41	2.87% to 12%	8 to 12	Monthly	Jan 2017 March 2016
3	Axis Bank Limited	9	53.30	9.65% to 10.75%	1 to 35	Monthly	Sep 2012 to Feb 2018
4	ING Vyasa Bank Limited	11	8.79	11.75% to 12%	19 to 21	Monthly	Dec 2014 to Dec 2016
	Total		**99.72**				

Secured - Term Loans From Financial Institution:

The details of rate of interest and repayment term loans are as under :

S.No.	Particulars	Number of Loans outstanding as at March 31, 2015	Outstanding as at March 31, 2015 (in Rupees)	Interest Range % per annum	Balance Number of Installments as at March 31, 2015	Frequency of Installments	Commencing From - To
1	L&T Finance Limited	5	7.36	7.67% to 13.20%	4 to 8	Monthly	Dec 2011 to Nov 2015
2	SREI Equipment Finance Limited	3	7.70	4.63% to 12.75%	9 to 24	Monthly	July 2012 to March 2017
3	Bajaj Financial Services Limited	4	0.65	10.60% to 12.75%	5	Monthly	June 2012 to Aug 2015
4	Tata Capital Finance Limited	27	103.53	2.45% to 12.9%	16 to 29	Monthly	Nov 2012 to Aug 2017
5	HDB Finance Service Limited	15	34.08	12.25% to 12.51%	16 to 17	Monthly	Sept 2014 to Aug 2016
	Total		**153.32**				

Secured Term Loans from Banks and Financial institiution

a) All term loans are Secured by hypothecation of specific assets purchased out of loan, comprising Plant and Machinery and Constructions equipment.

Motor Car Vehicles loans - From Banks and Financial Institution :

The details of rate of interest and repayment term loans are as under :

S.No.	Particulars	Number of Loans outstanding as at March 31, 2015	Outstanding as at March 31, 2015 (in Rupees)	Interest Range % per annum	Balance Number of Installments as at March 31, 2015	Frequency of Installments	Commencing From - To
1	HDFC Bank Limited	10	11.34	9% to 11.50%	1 to 48	Monthly	May 2011 to March 2019
2	Kotak Mahindra Bank Limited	7	5.66	10.25%	2 to 20	Monthly	Nov 2013 to Nov 2016
3	Axis Bank Limited	5	3.74	8.30% to 10.25%	31 to 32	Monthly	Nov 2014 to Nov 2017
4	BMW Finance Service Limited	1	3.61	9.86%	16	Monthly	Dec 2014 to Nov 2017
	Total		**24.35**				

Annexure VII A - Restated Consolidated Statement of Principal Terms of Secured Borrowings of H.G. Infra Engineering Limited (Formerly known as H.G. Infra Engineering Private Limited)

Vehicle Loans from Banks and Financial Institutions

a) All motor car vehicles loans are Secured by hypothecation of specific vehicles financed though the loan arrangements.

Working Capital Demand Loans and Cash Credit facilities availed from banks are secured by :

(I) <u>Nature of Security</u>

Cash Credit and Working Capital from all Banks secured by:

a) First Pari Passu charge in favour of the Bank by way of Hypothecation of the Company's entire stocks of raw materials, work in progress, consumable stores
b) All the bank are secured by exclusive charge on the entire movable and immovable assets of the Company (Present and Future) save and excepts assets
c) All the bank loans are secured by equitable mortgage of land and equipments mentioned in the property as per the collateral agreement.
d) All the bank loans are collaterally secured by unconditional and irrevocable personal gurantees of all the Directors.
e) Cash Credit Loans from all the bank are charged as uniform margin of 25% against all components of inventory.
f) Cash credit from all the banks are secured by entire book debts for the cover period upto 90 days.

Annexure VII A - Restated Consolidated Statement of Principal Terms of Secured Borrowings of H.G. Infra Engineering Limited (Formerly known as H.G. Infra Engineering Private Limited)

Secured - Term Loan from banks

The details of rate of interest and repayment term loans are as under :

S.No.	Particulars	Number of Loans outstanding as at March 31, 2014	Outstanding as at March 31, 2014 (in Rupees)	Interest Range % per annum	Balance Number of Installments as at March 31, 2014	Frequency of Installments	Commencing From - To
1	HDFC Bank Limited	12	11.04	4.14% to 14%	1 to 26	Monthly	May 2010 to May 2016
2	ICICI Bank Limited	11	5.89	2.87% to 12%	2 to 8	Monthly	Dec 2011 to Nov 2014
3	Axis Bank Limited	3	16.13	9.65% to 10.75%	3 to 13	Monthly	April 2012 to April 2015
	Total		**33.06**				

Secured - Term Loans From Financial Institution:

The details of rate of interest and repayment term loans are as under :

S.No.	Particulars	Number of Loans outstanding as at March 31, 2014	Outstanding as at March 31, 2014 (in Rupees)	Interest Range % per annum	Balance Number of Installments as at March 31, 2014	Frequency of Installments	Commencing From - To
1	L&T Finance Limited	91	36.70	7.67% to 13.20%	1 to 20	Monthly	July 2010 to Nov 2015
2	SREI Equipment Finance Limited	3	16.28	4.63% to 12.75%	1 to 21	Monthly	July 2012 to Dec 2015
3	Bajaj Financial Services Limited	38	9.61	10.60% to 12.75%	1 to 17	Monthly	April 2011 to Aug 2015
4	Tata Capital Finance Limited	15	34.48	2.45% to 12.9%	6 to 28	Monthly	Aug 2012 to July 2016
5	Religare Finvest Limited	2	0.16	5.99% to 11.50%	2	Monthly	Jan 2011 to May 2014
	Total		**97.23**				

Secured Term Loans from Banks and Financial institiution

a) All term loans are Secured by hypothecation of specific assets purchased out of loan, comprising Plant and Machinery and Constructions equipment.

Motor Car Vehicles loans - From Banks and Financial Institution :

The details of rate of interest and repayment term loans are as under :

S.No.	Particulars	Number of Loans outstanding as at March 31, 2014	Outstanding as at March 31, 2014 (in Rupees)	Interest Range % per annum	Balance Number of Installments as at March 31, 2014	Frequency of Installments	Commencing From - To
1	HDFC Bank Limited	13	3.83	9% to 11.50%	1 to 32	Monthly	May 2010 to Nov 2016
2	Kotak Mahindra Bank Limited	6	2.37	10.25%	2 to 32	Monthly	July 2012 to Nov 2016
	Total		**6.20**				

Vehicle Loans from Banks and Financial Institutions

a) All motor car vehicles loans are Secured by hypothecation of specific vehicles financed though the loan arrangements.

Annexure VII A - Restated Consolidated Statement of Principal Terms of Secured Borrowings of H.G. Infra Engineering Limited (Formerly known as H.G. Infra Engineering Private Limited)

Working Capital Demand Loans and Cash Credit facilities availed from banks are secured by :

(I) <u>Nature of Security</u>

Cash Credit and Working Capital from all Banks secured by:

a) First Pari Passu charge in favour of the Bank by way of Hypothecation of the Company's entire stocks of raw materials, work in progress, consumable stores
b) All the bank are secured by exclusive charge on the entire movable and immovable assets of the Company (Present and Future) save and excepts assets
c) All the bank loans are secured by equitable mortgage of land and equipments mentioned in the property as per the collateral agreement.
d) All the bank loans are collaterally secured by unconditional and irrevocable personal gurantees of all the Directors.
e) Cash Credit Loans from all the bank are charged as uniform margin of 25% against all components of inventory.
f) Cash credit from all the banks are secured by entire book debts for the cover period upto 90 days.

Annexure VIII - Restated Consolidated Statement of Unsecured Borrowings of H.G. Infra Engineering Limited (Formerly known as H.G. Infra Engineering Private Limited)

(Amount in Rs. Millions)

Particulars	**As at**			
	March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**
Unsecured long term borwoings:				
Term Loan (Refer Annexure VIII A)				
Financial Institutions	-	33.65	53.33	1.60
Sub-total (A)	**-**	**33.65**	**53.33**	**1.60**
Current maturities of long-term borrowings, included in Other Current Liabilities				
(Refer Annexure V, Note 7) and (Refer Annexure VIII A)				
Unsecured				
Financial Institutions	0.31	23.14	19.78	10.90
Banks	-	-	3.08	-
Sub-total (B)	**0.31**	**23.14**	**22.86**	**10.90**
Unsecured short term borwoings:				
Loan from bank (Refer Annexure VIII A)	50.69	-	-	-
From Related Parties (Refer Annexure VIII A)	24.69	-	10.89	11.64
Sub-total (C)	**75.38**	**-**	**10.89**	**11.64**
Total (A+B+C)	**75.69**	**56.79**	**87.08**	**24.14**

Annexure VIII A - Restated Consolidated Statement of Principal Terms of Unsecured Borrowings of H.G. Infra Engineering Limited (Formerly known as H.G. Infra Engineering Private Limited)

Unsecured loan - From Financial Institution :

The details of rate of interest and repayment term loans are as under :

S.No.	Particulars	Number of Loans outstanding as at March 31, 2017	Outstanding as at March 31, 2017 (in Millions)	Interest Range % per annum	Balance Number of Installments as at March 31, 2017	Frequency of Installments	Commencing From - To
1	Capital First Limited	1	0.31	13.50%	2	Monthly	Feb 2015 to July 2017
	Total		**0.31**				

Unsecured short term borrowings from banks

The details of rate of interest and repayment term loans are as under :

S.No.	Particulars	Number of Loans outstanding as at March 31, 2017	Outstanding as at March 31, 2017 (in Millions)	Interest Range % per annum	Balance Number of Installments as at March 31, 2017	Frequency of Installments	Commencing From - To
1	Axis Bank Limited	1	50.69	9.75%	Repayable on demand		
	Total		**50.69**				

Unsecured short term borrowings from directors and relatives

S.No.	Particulars	Number of Loans outstanding as at March 31, 2017	Outstanding as at March 31, 2017 (in Millions)	Interest Range % per annum	Balance Number of Installments as at March 31, 2017	Frequency of Installments	Commencing From - To
1	Mr. Hodal Singh	1	4.30	0.00%	Repayable on demand		
2	Mr. Girishpal Singh	1	4.15	0.00%	Repayable on demand		
3	Mr. Vijendra Singh	1	4.70	0.00%	Repayable on demand		
4	Mr. Harendra Singh	1	6.04	0.00%	Repayable on demand		
5	Mr. Vaibhav Choudhary	1	2.00	0.00%	Repayable on demand		
6	Mrs. Poonam Singh Choudhary	1	1.00	0.00%	Repayable on demand		
7	Mrs. Nisha Singh	1	2.50	0.00%	Repayable on demand		
	Total		**24.69**				

Unsecured - Term Loans from Financial Institution:

The details of rate of interest and repayment term loans are as under :

S.No.	Particulars	Number of Loans outstanding as at March 31, 2016	Outstanding as at March 31, 2016 (in Millions)	Interest Range % per annum	Balance Number of Installments as at March 31, 2016	Frequency of Installments	Commencing From - To
1	Magma Fincorp Limited	1	2.61	13.50% to 15%	10	Monthly	April 2014 to Jan 2017
2	Capital First Limited	2	4.18	13.50% to 15%	4 to 14	Monthly	Feb 2015 to May 2017
3	SIDBI	1	50.00	14.25% to 14.50%	36	Monthly	April 2016 to March 2019
	Total		**56.79**				

Annexure VIII A - Restated Consolidated Statement of Principal Terms of Unsecured Borrowings of H.G. Infra Engineering Limited (Formerly known as H.G. Infra Engineering Private Limited)

Unsecured - Term Loans from Financial Institution:
The details of rate of interest and repayment term loans are as under :

S.No.	Particulars	Number of Loans outstanding as at March 31, 2015	Outstanding as at March 31, 2015 (in Rupees)	Interest Range % per annum	Balance Number of Installments as at March 31, 2015	Frequency of Installments	Commencing From - To
1	Magma Fincorp Limited	2	10.49	13.50% to 15%	6 to 22	Monthly	April 2014 to Jan 2017
2	Capital First Limited	1	4.21	13.50% to 15%	16	Monthly	April 2014 to july 2017
3	Religare Finvest Limited	1	3.02	17.00%	7	Monthly	Nov 2014 to Oct 2015
4	Edelwiese Limited	1	2.06	18.00%	10	Monthly	Aug 2014 to Jan 2016
5	Fulletron Limited	1	1.28	18.00%	6	Monthly	July 2014 to Sept 2015
6	Shriram Finance limited	1	1.00	12.00%	10	Monthly	Aug 2014 to Jan 2016
7	SIDBI	1	50.00	14.25% to 14.50%	36	Monthly	April 16 to March 2019
8	HDB Finance Limited	1	1.05	16.00%	4	Monthly	Aug 14 to July 2015
	Total		**73.11**				

Unsecured - Term Loans from Bank:
The details of rate of interest and repayment term loans are as under :

S.No.	Particulars	Number of Loans outstanding as at March 31, 2015	Outstanding as at March 31, 2015 (in Rupees)	Interest Range % per annum	Balance Number of Installments as at March 31, 2015	Frequency of Installments	Commencing From - To
1	Kotak Mahindra Bank Limited	2	1.40	16.00%	7	Monthly	Oct 2014 to Oct 2015
2	ICICI Bank Limited	1	1.68	16.50%	6	Monthly	Nov 2014 to Oct 2015
	Total		**3.08**				

Unsecured short term borrowings from directors and relatives

S.No.	Particulars	Number of Loans outstanding as at March 31, 2015	Outstanding as at March 31, 2015 (in Rupees)	Interest Range % per annum	Balance Number of Installments as at March 31, 2015	Frequency of Installments	Commencing From - To
1	Mr. Girishpal Singh	1	0.14	0.00%	Repayable on demand		
2	Mr. Vijendra Singh	1	10.21	0.00%	Repayable on demand		
3	Mr. Harendra Singh	1	0.54	0.00%	Repayable on demand		
	Total		**10.89**				

Annexure VIII A - Restated Consolidated Statement of Principal Terms of Unsecured Borrowings of H.G. Infra Engineering Limited (Formerly known as H.G. Infra Engineering Private Limited)

Unsecured - Term Loans from Financial Institution:
The details of rate of interest and repayment term loans are as under :

S.No.	Particulars	Number of Loans outstanding as at March 31, 2014	Outstanding as at March 31, 2014 (in Rupees)	Interest Range % per annum	Balance Number of Installments as at March 31, 2014	Frequency of Installments	Commencing From - To
1	Magma Fincorp Limited	1	7.50	13.50% to 15%	18	Monthly	April 2014 to Sept 2015
2	Capital First Limited	1	5.00	13.50% to 15%	12	Monthly	April 2014 to March 2015
	Total		**12.50**				

<u>Unsecured short term borrowings from directors and relatives</u>

S.No.	Particulars	Number of Loans outstanding as at March 31, 2014	Outstanding as at March 31, 2014 (in Rupees)	Interest Range % per annum	Balance Number of Installments as at March 31, 2014	Frequency of Installments	Commencing From - To
1	Mr. Hodal Singh	1	5.06	0.00%	Repayable on demand		
2	Mr. Girishpal Singh	1	3.22	0.00%	Repayable on demand		
3	Mr. Vijendra Singh	1	1.78	0.00%	Repayable on demand		
4	Mr. Harendra Singh	1	1.58	0.00%	Repayable on demand		
	Total		**11.64**				

<u>Unsecured short term borrowings from directors and relatives</u>

S.No.	Particulars	Number of Loans outstanding as at March 31, 2013	Outstanding as at March 31, 2013 (in Rupees)	Interest Range % per annum	Balance Number of Installments as at March 31, 2013	Frequency of Installments	Commencing From - To
1	Mr. Hodal Singh	1	-	0.00%	Repayable on demand		
2	Mr. Girishpal Singh	1	1.63	0.00%	Repayable on demand		
3	Mr. Vijendra Singh	1	4.09	0.00%	Repayable on demand		
4	Mr. Harendra Singh	1	2.42	0.00%	Repayable on demand		
	Total		**8.14**				

Annexure IX - Restated Consolidated Statement of Trade Receivables of H.G. Infra Engineering Limited (Formerly known as H.G. Infra Engineering

Trade receivables **(Amount in Rs. Millions)**

Particulars	As at			
	March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**
Unsecured, considered good				
Outstanding for a period exceeding 6 months from the date they are due for	306.41	30.35	135.04	52.24
Others	821.42	896.29	285.87	237.64
	1,127.83	**926.64**	**420.91**	**289.88**
Unsecured, considered doubtful				
Outstanding for a period exceeding 6 months from the date they are due for	20.66	-	-	-
Less: Provision for doubtful debts	20.66	-	-	-
	-	-	-	-
Total	**1,127.83**	**926.64**	**420.91**	**289.88**

1.There are no amount recoverable from the promoters/directors or entity related to directors or the promoters of the company except as disclosed above.
2.The list of person/entity classified as “Promoters and Promoter group company” has been provided by the management and relied upon by the auditors.

Annexure X - Restated Consolidated Statement of Loans and Advances of H.G. Infra Engineering Limited (Formerly known as H.G. Infra Engineering Private Limited)

Long-term loans and advances **(Amount in Rs. Millions)**

Particulars	As at			
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
Long-term loans and advances [A]				
Unsecured, considered good (unless otherwise stated)				
Advance for capital assets	56.20	65.42	19.80	5.19
Other loans and advances				
Balances with Government Authorities	89.19	107.91	116.93	116.93
Advance Income Tax (Net of Provision for Tax March 31, 2016 Rs. 375.87 Million, March 31, 2015 Rs. 210.02 Million and March 31, 2014 Rs. 151.25 Million)	-	6.81	20.64	9.66
Deposit with Customers				
Security Deposit - Projects	28.66	5.60	1.65	0.89
Security Deposit - Others	6.80	6.18	4.31	3.72
Total (A)	**180.85**	**191.92**	**163.33**	**136.39**

Short-term loans and advances **(Amount in Rs. Millions)**

Particulars	As at			
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
	Total	Total	Total	Total
Short-term loans and advances [B]				
Unsecured and considered good (unless otherwise stated):				
Other loan and advances				
Loan and advance to employee	2.60	2.88	2.30	1.23
Security Deposit - Projects	681.36	458.63	219.20	275.47
Advance to vendors	261.91	164.76	54.94	15.40
Prepaid expenses	34.37	12.22	9.65	7.64
Advance to Director	-	6.32	6.98	6.41
Other Advances *	11.33	39.66	0.19	-
Total (B)	**991.57**	**684.47**	**293.26**	**306.15**
Total (A+B)	**1,172.42**	**876.39**	**456.59**	**442.54**

* Includes loans / advances given to related parties and companies in which directors are interested. (who are also part of promoters/promoter group) (Refer note 24 of Annexure V)	7.33	39.00	0.19	0.02

1.There are no amount recoverable from the promoters/directors or entity related to directors or the promoters of the company except as disclosed above.
2.The list of person/entity classified as “Promoters and Promoter group company” has been provided by the management and relied upon by the auditors.

Annexure XI - Restated Consolidated Statement of Other Income of H.G. Infra Engineering Limited (Formerly known as H.G. Infra Engineering Private Limited)

Other Income **(Amount in Rs. Millions)**

Particulars	Nature (Recurring / Non - recurring)	For the year ended			
		March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
Other Income:					
Interest income on bank deposits	Recurring	24.07	20.08	17.96	16.85
Miscellaneous Income	Recurring	12.82	3.96	7.22	2.24
Total		**36.89**	**24.04**	**25.18**	**19.09**
Add/(Less) Restatement adjustments		-	-	-	-
Total Restatement adjustments		-	-	-	-
Total Other Income net of restatement adjustments		**36.89**	**24.04**	**25.18**	**19.09**

Notes:

(1) The classification of income into recurring and non-recurring is based on the current operations and business activities of the Company.

(2) All items of other Income are from normal business activities.

Annexure XII - Restated Consolidated Statement of Accounting Ratios of H.G. Infra Engineering Limited (Formerly known as H.G. Infra Engineering Private Limited)

(Amount in Rs. Millions)

Sr No.	Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014
1	Restated Profit / (Loss) after Tax (Rs. in million)	533.34	353.50	46.38	108.99
2	Net Profit / (Loss) available to Equity Shareholders (Rs. in million)	533.34	353.50	46.38	108.99
3	Weighted average number of Equity Shares outstanding during the year for Basic and Diluted EPS (Refer Note 4 below)	54,060,000	46,265,919	46,093,946	46,093,946
4	Number of Equity Shares outstanding at the end of the year (Refer Note 4 below)	54,060,000	46,265,919	46,093,946	46,093,946
5	Net Worth for Equity Shareholders (Rs. in million)	1,758.88	1,225.54	844.34	797.96
6	Accounting Ratios:				
	Basic and Diluted Earnings per Share (Rs.) (2)/(3)	9.87	7.64	1.01	2.36
	Return on Net Worth for Equity Shareholders(2)/(5)	30.32%	28.84%	5.49%	13.66%
	Net Asset Value Per Share (Rs.) (5)/(4)	32.54	26.49	18.32	17.31

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 Net worth for ratios mentioned in Sr. No. 5 is = Equity share capital + Reserves and surplus (including Surplus/ (Deficit))

3 The above ratios have been computed on the basis of the Restated Consolidated Financial Information- Annexure I & Annexure II.

4 Subsequent to the year ended March 31, 2017, the Company has issued 36,040,000 bonus shares thereby increasing the number of equity shares to 54,060,000 shares. Accordingly, Basic and Diluted earning per share presented above has been adjusted in line with the Accounting Standard (AS) - 20 "Earnings per share".

Annexure XIII - Restated Consolidated Statement of Capitalization of H.G. Infra Engineering Limited (Formerly known as H.G. Infra Engineering Private Limited)

(Amount in Rs. Millions)

Particulars	**Pre-Issue as at March 31, 2017**
Debt	
Long Term Borrowings	634.78
Short Term Borrowings	932.89
Current portion of long term borrowings included in other Current Liabilities	468.95
Total Debt (A)	2,036.62
Shareholders' Fund	
Share Capital	180.20
Reserves & Surplus as restated	1,578.68
Total Shareholder's Fund (B)	1,758.88
Total Debt/ Equity Ratio (A/B)	1.16
Long Term Term Debt/ Equity Ratio (Long Term Borrowings/ Equity Share Capital & Reserves and Surplus)	**0.36**

Notes:

1) The above has been computed on the basis of the Restated Consolidated Financial Information - Annexure I & Annexure II.

2) Short term borrowings represent working capital loans and Short term loans.

3) The issue price and number of shares are being finalised and as such the post - capitalisation statement cannot be presented.

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 2017, 2016, 2015, 2014 and 2013, including the notes thereto and the report thereon, which appear elsewhere in this Draft Red Herring Prospectus. You should also read the section titled "**Risk Factors**" on page 16, 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 the section titled "**Certain Conventions, Use of Financial, Industry and Market Data and Currency of Presentation**" on page 12.*

*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 the sections titled, "**Forward-Looking Statements**", "**Risk Factors**" and "**Our Business**" on pages 15, 16 and 118, respectively.*

OVERVIEW

We are an infrastructure construction, development and management company with extensive experience in our focus area of road projects, including highways, bridges and flyovers. Our main business operations include (i) providing engineering, procurement and construction ("**EPC**") services on a fixed-sum turnkey basis and (ii) undertaking civil construction and related infrastructure projects on item rate and lump sum basis, primarily in the roads and highway sector. We have also forayed into executing water pipeline projects and are currently undertaking two water supply projects in Rajasthan on turnkey basis which includes the designing, construction, operation and maintenance of the project.

We have executed or are executing projects across various states in India covering Rajasthan, Uttar Pradesh Haryana, Uttarakhand, Maharashtra and Arunachal Pradesh. During the last five years, our Company has completed 12 projects above the contract value of ₹ 400.00 million in the roads and highways sector aggregating to a total contract value of ₹ 16,281.94 million, which included construction, improving, widening, strengthening of two and four lane highways, construction of high level bridge and construction of earthen embankment, culverts and cart track underpasses. As on July 31, 2017, our Company has 29 ongoing projects in the roads and highways sector which includes construction, improving, widening, strengthening, upgradation and rehabilitation of two, four and six lane highways, construction of high level bridge and construction of road network. Our Order Book for these ongoing projects in the roads and highways sector amounted to ₹ 38,114.90 million as on July 31, 2017, accounting for 96.52% of our total Order Book.

As of July 31, 2017, we had a total Order Book of ₹ 39,488.43 million, consisting of 29 projects in the roads and highways sector, six civil construction projects and two water supply projects.

We are pre-qualified to bid independently on an annual basis for bids by NHAI and MoRTH for contract values of up to ₹ 8,066.60 million based on our Company's technical and financial capacity as on March 31, 2017. While we independently execute the projects where we are pre-qualified to bid on an independent basis, we also form project specific joint ventures and consortiums with other infrastructure and construction companies, in particular, where we are not pre-qualified to bid independently or when a project requires us to meet specific eligibility requirements in relation to certain large projects, including requirements relating to particular types of experience and financial resources.

We have a track record in executing projects of different sizes particularly in the roads and highways sector. We believe that over the years, our Company has become an established construction developer in the roads and highways sector with strong execution capabilities and with a reputation of delivering quality projects. For instance, we have received a letter of appreciation in the year 2012 from Larsen and Toubro Limited for being the most quality consciousness sub-contractor. We have also received a bonus from the Chief Engineer, National Highways, PWD Lucknow for early completion of widening and strengthening of NH-96 Faizabad-Allahabad Road (from 0.00 kilometers to 46.470 kilometers) in Uttar Pradesh.

Between Fiscal 2018 and Fiscal 2022, CRISIL Research expects an investment of ₹ 4.10 trillion in national highways, up 2.8 times in the next five years compared with the past five years. Notably, the government will account for more than half of the investment. (*CRISIL Research, Roads Sector in India, September, 2017*). Execution of projects from our public sector clients accounted for approximately 73.02%, 57.87% and 54.23% of our total revenue for the Fiscals 2017, 2016 and 2015, respectively. Our public sector clients include NHAI, PWD, MES and Jaipur Development Authority. We have also executed road construction contracts as a sub-contractor for our private sector clients such as Tata Projects Limited and IRB-Modern Road Makers Private Limited. We believe that our quality of work and project execution skills have allowed us to enhance our relationships with existing clients and to secure projects from new clients. For instance, we have been recently awarded 7 EPC contracts in Maharashtra for an aggregate contract value of ₹ 19,045.94 million by MoRTH.

While our principal business of civil construction comprises of projects in the roads and highways sector, we were engaged in the year 2013 as the sub-contractor to execute two water supply projects in Rajasthan on a single responsibility turnkey basis, which includes the responsibility of designing, building and maintaining the projects. We have billed an aggregate revenue of ₹ 1,794.86 million from these water supply projects until Fiscal 2017. Our Order Book for these projects amounted to ₹ 579.90 million as of July 31, 2017, accounting for 1.47% of our total Order Book.

Over the years, we have gradually added a fleet of modern construction equipment and employed manpower to supplement the growth of our construction business. As on July 31, 2017, our equipment base comprised of 867 construction equipment.

We enjoy accreditations, such as the ISO 9001:2015, ISO 14001:2004, OHSAS 18001:2007 certification for quality management systems, environment management systems, and health and safety management systems, respectively, issued by LMS Assessment Services Private Limited.

Our Promoters have an experience of more than two decades in the construction industry. Prior to the incorporation of our Company, our Promoters were associated with M/s Hodal Singh Giriraj Singh & Co., Jodhpur, a partnership firm involved in the construction business which was taken over by our Company in 2003. For further information, see "***History and Certain Corporate Matters***" on page 137.

In Fiscal 2017, 2016, 2015 and 2014 our total revenue, as restated, on a consolidated basis were ₹ 10,585.83 million, ₹ 7,432.88 million, ₹ 3,675.93 million and ₹ 4,729.54 million, respectively, and in Fiscal 2013 our total revenue, as restated, on a standalone basis was ₹ 3,254.40 million. In Fiscal 2017, 2016, 2015 and 2014 our profit after tax, as restated, on a consolidated basis was ₹ 533.34 million, ₹ 353.50 million, ₹ 46.38 million and ₹ 108.99 million, respectively, and our profit after tax, as restated on a standalone basis was ₹ 151.41 million. We have been able to increase our total revenue from Fiscal 2013 to Fiscal 2017 at a CAGR of 34.30 % and our profit after tax has increased at a CAGR of 37.00% 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:

Government policies, budgetary allocations for investments in road infrastructure and general macro-economic and business conditions

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 73.02%, 57.87% and 54.23% of our total revenue for the Fiscals 2017, 2016 and 2015, respectively. CRISIL Research expects investment in road projects to double to ₹ 10.70 trillion over next five years. CRISIL Research also expects an investment of ₹ 4.10 trillion in national highways, up 2.8 times in the next five years compared with the past five years. Notably, the government will account for more than half of the investment. (*CRISIL Research, Roads Sector in India, September, 2017*). The government's focus on and sustained increase in budgetary allocation for infrastructure 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 in infrastructure projects in India have resulted in, and are expected to result in the development of large infrastructure projects in India. More recently, in order to boost private participation, the government has introduced the hybrid annuity model wherein 40% of the total project cost is funded by the government and the remaining by the private developer and the private developer is not exposed to traffic, inflation and interest rate risk. Our ability to benefit from such investments proposed in the infrastructure sector is, therefore, key to our results of operations. Further, any change in government policy with respect to its focus or development of infrastructure projects in India would have a material adverse effect on our financial condition and 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.

Macroeconomic 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.

Our bidding and execution capability

In our EPC business, our ability to bid for infrastructure projects is based on our pre-qualification credentials based on our technical capability and performance, reputation for quality, safety record, financial strength and experience in similar projects undertaken in the past. 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. Further, the ability to win projects is also dependent on our ability to partner and collaborate with other joint venture partners and maintain a continuing relationship with authorities such as NHAI, MoRTH and state PWDs. We are pre-qualified to bid independently on an annual basis for bids by NHAI and MoRTH for contract values of up to ₹ 8,066.60 million based on our Company's 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 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, co-ordination between project sites and the head office. Our managers also utilize management information systems to plan and monitor progress of project execution in terms of time, cost, quality, efficiency, manpower resources and deployment of plant and equipment. 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 and project portfolio mix

Our Order Book and the new orders that we receive have a significant effect on our future revenue. 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 and services based on a number of factors such as the 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 these 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. Some of our EPC projects are relatively large size contracts and our results of operations may vary from fiscal to fiscal depending on the project implementation schedule. Such 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.

Competition

We compete against various infrastructure and engineering and construction companies.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 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.

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. 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. Additionally, executing projects in high altitude areas and hilly terrains may restrict our ability to transport manpower and machinery in a timely manner.

Cost of raw materials, labor 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 38.62%, 38.09% and 32.55% of our total expenses for Fiscals 2017, 2016 and 2015, 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, labor 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, labor 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.

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. In certain cases, we are contractually obligated to our clients to fund the working capital requirements of our projects. We have typically financed our capital requirements through bank borrowings, issuance of securities and internal accruals. 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.

Significant Accounting Policies

Principles of Consolidation

The Restated Consolidated Financial Information relate to our Company and its Jointly Controlled Entities (hereinafter collectively referred to as the "**Group**") have been prepared on the following basis.

(i) The financial statements of our Company and its Jointly Controlled Entities are proportionately consolidated on a line-by-line basis, by adding together the book values of like items of assets, liabilities, incomes and expenses after as far as possible eliminating intra group balances and intra group transactions resulting in unrealised profits or losses in accordance with the Accounting Standard ("AS") 27 on 'Financial Reporting of Interest in Joint Venture' as referred to in the Companies (Accounting Standards) Rules, 2006 ("Accounting Standard Rules").

(ii) Investments in the Jointly Controlled Entities are eliminated and differences between the cost of investments over the net assets on the date of investments or on the date of the financial information immediately preceding the date of investments in the Jointly Controlled Entities are recognised as goodwill or capital reserve, as the case may be.

(iii) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the standalone financial statements of the Company.

(iv) The list of the Jointly Controlled Entities which are included in the consolidation and our Company's holdings therein are as under:

Sr. No.	Jointly Controlled Entities	Country of the Incorporation	Proportion of Ownership Interest			
			As at March, 31 2017	As at March, 31 2016	As at March 31, 2015	As at March 31, 2014
A.	HGIEPL-Colossal JV	India	70%	70%	70%	-
B.	HGIEPL-Ranjit JV	India	30%	30%	-	-
C.	HGIEPL-MGCPL JV	India	30%	30%	-	-
D.	HGIEPL-RPS JV	India	51%	51%	51%	51%
E.	TPL – HGIEPL JV	India	26%	-	-	-

Use of Estimates

The preparation of financial information in conformity with generally accepted accounting principles in India requires our management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. Our management believes that the estimates made in the preparation of the financial statements are prudent and reasonable. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

Investments

Investments that are readily realisable and are 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 at cost or fair value, whichever is lower. Long-term investments are carried at cost. However, provision for diminution is made to recognise a decline, other than temporary, in the value of long-term investments, such reduction being determined and made for each investment individually.

Tangible assets

Tangible assets are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises of the purchase price including import duties and non-refundable taxes, and directly attributable expenses incurred to bring the asset to the location and condition necessary for it to be capable of being operated in the manner intended by the management.

Subsequent costs related to an item of Tangible Assets are recognised in the carrying amount of the item if the recognition criteria are met.

An item of Tangible Assets are derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising on derecognition is recognised in the Statement of Profit and Loss.

From April 1, 2014, depreciation is provided on a pro-rata basis on the written down value method over the estimated useful lives of the assets in the manner prescribed by Schedule II to the Companies Act, 2013, as against the past practice of computing depreciation at rates with reference to the life of assets subject to the minimum of rates provided by Schedule XIV to the Companies Act, 1956.

Intangible assets

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortised on a written down value basis over their estimated useful lives.

The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

Impairments of assets

Assessment is done at each balance sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. For the purpose of assessing impairment, the recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. The smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit (CGU). An asset or CGU whose carrying value exceeds its recoverable amount is considered impaired and is written down to its recoverable amount. Assessment is also done at each balance sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased. An impairment loss is reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised.

Borrowing costs

Borrowing costs include interest, other costs incurred in connection with borrowing. General and specific borrowing costs directly attributable to the acquisition, construction, production or development of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in statement of profit and loss in the period in which they are incurred.

Inventories

Inventories are stated at lower of cost and net realisable value. Stores and spare parts and construction materials cost includes cost of purchases and other cost incurred in bringing the inventories to the present location and condition. Cost is determined using first in first out method.

Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to our Company and can be reliably measured.

Construction contracts:

For EPC and construction contracts, contract prices are either fixed or subject to price escalation clauses. Contract revenue and contract cost associated with the construction of road are recognised as revenue and expenses respectively by reference to the stage of completion of the projects at the balance sheet date. The stage of completion of project is determined by the proportion that contract cost incurred for work performed upto the balance sheet date bear to the estimated total contract costs. Where the outcome of the construction cannot be estimated reliably, revenue is recognised to the extent of the construction costs incurred if it is probable that they will be recoverable. When the total contract cost is estimated to exceed total revenues from the contract, the loss is recognised immediately. Contract revenue earned in excess of billing has been reflected as 'Unbilled revenue in respect of unfinished contracts" and billing in excess of contract revenue has been reflected as "Billing in excess of costs and earnings in respect of unfinished contracts".

The estimates of contract cost and the revenue thereon are reviewed periodically by our management and the cumulative effect of any changes in estimates in proportion to the cumulative revenue is recognised in the period in which such changes are determined.

Modifications to contracts involving technical aspects/ inputs are based on our management's assessment. Amounts due in respect of price escalation claims and/or variation in contract work are recognised as revenue only if the contract allows for such claims or variations and/or there is evidence that the customer has accepted it and are capable of being reliably measured.

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Operation and maintenance contracts

Revenue from maintenance contracts are recognised pro-rata over the period of the contract as and when services are rendered.

Revenue from Sales Processed Aggregates

Net Revenue from sale of goods is recognised when the significant risks and rewards in respect of ownership of goods has been transferred to the buyer as per the terms of the respective sales order, and the income can be measured reliably and is expected to be received.

Other Income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and applicable interest rate.

All other income is accounted on an accrual basis when no significant uncertainty exists regarding the amount that will be received.

Insurance claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

Employee Benefits

Short term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are charged to the statement of profit and loss.

Defined Contribution Plans

Contributions to defined contribution schemes such as provident fund, superannuation, etc are charged to the statement of profit and loss during the year in which the employee renders the related service.

Defined Benefit Plans

Our Company also provides employee benefits in the form of gratuity, the liability for which as at the year-end is determined by independent actuaries based on actuarial valuation using the projected unit credit method. Such defined benefits are charged to the statement of profit and loss. Actuarial gain / losses are recognised in the year in which they arise.

Compensated Absences

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Current and Deferred tax

Tax expense comprising of current tax and deferred tax, are included in the determination of the net profit or loss for the year. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

Minimum Alternate Tax (‘MAT’) under the provisions of the Income Tax Act, 1961 is recognised as current tax in the statement of profit and loss. The credit available under the Act in respect of MAT paid will be recognised as an asset only when and to the extent there is convincing evidence that we will pay normal Income Tax during the period for which the MAT credit can be carried forward for set- off against the normal tax liability. Such asset is reviewed at each Balance Sheet date.

Deferred tax is recognised for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. In situations, where we have unabsorbed depreciation or carry forward losses under tax laws, all deferred tax assets are recognised only to the extent that there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits. At each Balance Sheet date, the Company re-assesses unrecognized deferred tax assets, if any.

Provisions and Contingent Liabilities

Provisions

Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation.

Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the balance sheet date and are not discounted to its present value.

Contingent liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Leases

Operating lease:

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the statement of profit and loss on a straight-line basis over the period of the lease.

Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year and for all years 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 year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

Segment reporting

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company. Further, inter-segment revenue is accounted for based on the transaction price agreed to between segments which is primarily market based. Revenue and expenses is identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the Company as a whole and are not allocable to segments on a reasonable basis are included under "Unallocated corporate expenses/income".

Cash and cash equivalents

In the Cash Flow Statement, cash and cash equivalents include cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

Results of Operations

Revenue

The following table sets out select financial data from our consolidated restated statements of profit and loss for the Fiscals 2017, 2016 and 2015, the components of which are also expressed in absolute terms and as a percentage of total revenue for such periods:

	Fiscal 2017		**Fiscal 2016**		**Fiscal 2015**	
Particulars	**Amount (in ₹ million)**	**Percentage of total revenue (%)**	**Amount (in ₹ million)**	**Percentage of total revenue (%)**	**Amount (in ₹ million)**	**Percentage of total revenue (%)**
Revenue:						
Contract Revenue (EPC and Operation and Maintenance Revenue)	10,521.16	99.39	7,349.88	98.88	3,591.89	97.71
Other Operating Income (Sale of Material)	27.78	0.26	58.96	0.80	58.86	1.61
Revenue from operations	**10,548.94**	**99.65**	**7,408.84**	**99.68**	**3,650.75**	**99.32**

Particulars	Fiscal 2017		Fiscal 2016		Fiscal 2015	
	Amount (in ₹ million)	Percentage of total revenue (%)	Amount (in ₹ million)	Percentage of total revenue (%)	Amount (in ₹ million)	Percentage of total revenue (%)
Other income	36.89	0.35	24.04	0.32	25.18	0.68
Total Revenue	**10,585.83**	**100.00**	**7,432.88**	**100.00**	**3,675.93**	**100.00**
Expenses:						
Cost of materials consumed	4,088.67	38.62	2,830.89	38.09	1,196.68	32.55
Contract and site expenses	4,735.64	44.74	3,335.11	44.87	1,768.29	48.10
Employee benefits expense	416.62	3.94	299.60	4.03	207.32	5.64
Finance costs	192.70	1.82	159.92	2.15	158.22	4.30
Depreciation and amortisation expense	256.02	2.42	183.37	2.47	171.46	4.66
Other expenses	106.26	1.00	161.96	2.18	38.82	1.07
Total expenses	**9,795.91**	**92.54**	**6,970.85**	**93.79**	**3,540.79**	**96.32**
Profit before tax	**789.92**	**7.46**	**462.03**	**6.21**	**135.14**	**3.68**
Tax expense	**296.95**	**2.81**	**160.20**	**2.15**	**42.92**	**1.17**
Current tax	311.43	2.94	165.85	2.23	58.76	1.60
Deferred tax	(14.48)	(0.14)	(5.65)	(0.08)	(15.84)	(0.43)
Profit after tax	**492.97**	**4.65**	**301.83**	**4.06**	**92.22**	**2.51**

Description of Income and Expenditure Items

Total Revenue

Our total revenue consists of our revenue from operations and other income.

Revenue from operations

Contract revenue

Our contract revenue accounted for 99.39%, 98.88% and 97.71% of our total revenue for Fiscals 2017, 2016 and 2015, respectively. Our contract revenue primarily consists of revenue generated from execution of EPC contracts and execution of contracts on item rate and lump sum basis.

Other operating income

Our revenue from other operating income accounted for 0.26%, 0.80% and 1.61% of our total revenue for Fiscals 2017, 2016 and 2015, respectively. Our other operating income primarily consists of the revenue generated from proceeds from sale of construction material (sale of processed aggregate used for construction) and any sale of scrap.

Other Income

Our other income primarily includes interest income from banks and miscellaneous income and accounted for 0.35%, 0.32% and 0.68% of our total revenue for Fiscals 2017, 2016 and 2015, 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 38.62%, 38.09% and 32.55% of our total revenue for Fiscals 2017, 2016 and 2015, respectively and indicates the difference between the opening and closing inventory, as adjusted for raw materials purchased during the period.

Contract and site expense

This expense comprises sub-contracting expenses, indirect taxes (including work contract tax, labour cess and road tax expenses etc.), insurance expenses, contract expenses, hire charges for machinery and others, site and other direct expenses, repairs and maintenance, technical consultancy and transport charges. Contract and site expenses accounted for 44.74%, 44.87% and 48.10% of our total revenue for Fiscals 2017, 2016 and 2015, respectively.

Employee benefits expense

Our employee benefits expense comprises salaries, wages and bonus, staff welfare expenses, contribution to the employees' provident fund and other funds and compensated absences. Employee benefits expense accounted for 3.94%, 4.03% and 5.64% of our total revenue for Fiscals 2017, 2016 and 2015, respectively.

Finance costs

Our finance costs primarily comprise interest on term loans and working capital loans, other borrowing cost, banks charges and interest on late payment of statutory dues. Our finance costs accounted for 1.82%, 2.15% and 4.30% of our total revenue for Fiscals 2017, 2016 and 2015, respectively.

Depreciation and amortization expense

Our depreciation and amortisation expenses include (i) amortisation of intangible assets, which includes software license and (ii) depreciation of tangible assets such as building, plant and machinery, vehicles, computers and furniture and fixtures. Our depreciation and amortisation expenses accounted for 2.42%, 2.47% and 4.66% of our total revenue for Fiscals 2017, 2016 and 2015, respectively.

Other expenses

Other expenses accounted for 1.00%, 2.18% and 1.07% of our total revenue for Fiscals 2017, 2016 and 2015, respectively. Our other expenses primarily comprise of repairs and maintenance, rates and taxes, travelling expense, lease rent, payment of audit fee to the auditors, expense towards CSR, professional fee, printing and stationary, communication expenses, loss on sale of assets, provision for doubtful debt and miscellaneous expenses.

Fiscal 2017 compared with fiscal 2016

Total revenue

Our total revenue increased by ₹ 3,152.95 million, or 42.42%, from ₹ 7,432.88 million in Fiscal 2016 to ₹ 10,585.83 million in Fiscal 2017. This increase was largely due to increase in revenue from operations, which was a result of ₹ 3,171.28 million increase in contract revenues. Such increase in revenue was partially offset by ₹ 31.18 million decrease in revenue from sale of material.

Contract revenue

Our contract revenue increased by ₹ 3,171.28 million, or 43.15% from ₹ 7,349.88 million in Fiscal 2016 to ₹ 10,521.16 million in Fiscal 2017. This increase was primarily attributable to the increase in revenue recognized from our major ongoing construction projects.

Other operating income

Our other operating income decreased by ₹ 31.18 million, or -52.88%, from ₹ 58.96 million in Fiscal 2016 to ₹ 27.78 million in Fiscal 2017. This decrease was primarily driven by reduction in sale of construction material (sale of aggregate used for construction), because of the increased captive consumption in our construction activities in Fiscal 2017.

Other Income

Our other income increased by ₹ 12.85 million, or 53.45%, from ₹ 24.04 million in Fiscal 2016 to ₹ 36.89 million in Fiscal 2017. This increase was primarily on account of (i) interest income from loans aggregating to ₹ 61.90 million to our associates, H.G. Luxury Hotels Private Limited and HG ADPL-VPVL JV, in Fiscal 2017; and (ii) an increase in the interest income on bank deposits from ₹ 20.08 million in Fiscal 2016 to ₹ 24.07 million in Fiscal 2017.

Expenses

Our total expenses increased by ₹ 2,825.0 million, or 40.53%, from ₹ 6,970.85 million in Fiscal 2016 to ₹ 9,795.91 million in Fiscal 2017. This increase was principally due to ₹ 1,257.78 million increase in cost of materials consumed, ₹ 1,400.53million increase in contract and site expenses, ₹ 117.02 million increase in employee benefits expense, ₹ 32.78 million increase finance costs and ₹ 72.65 million increase in depreciation and amortization. These increases were partially offset by ₹ 55.70 million decrease in other expenses.

Cost of materials consumed

Our cost of materials consumed increased by ₹ 1,257.78 million, or 44.43 %, from ₹ 2,830.89 million in Fiscal 2016 to ₹ 4,088.67 million in Fiscal 2017. This increase was primarily due to higher purchase of raw materials on account of corresponding increase in our construction activity with respect to our ongoing projects in Fiscal 2017.

Contract and site expense

Our contract and site expenses increased by ₹ 1,400.53 million, or 41.99 %, from ₹ 3,335.11 million in Fiscal 2016 to ₹ 4,735.64 million in Fiscal 2017. This increase was primarily on account of increase in (i) sub-contracting expenses of ₹ 1,295.74 million; (ii) indirect tax (including work contract tax, labour cess and road tax expenses) of ₹ 85.92 million; and (iii) hire charges for machinery of ₹ 83.46 million. These increase was partially offset by ₹ 87.25 million decrease in contract expenses.

Employee benefits expense

Our employee benefits expenses increased by ₹ 117.02 million, or 39.06%, from ₹ 299.60 million in Fiscal 2016 to ₹ 416.62 million in Fiscal 2017. This increase was primarily attributable to an increase in salaries, wages and bonus of ₹ 95.57 million as a result of an increase in the number of our employees to 1,497 as of March 31, 2017 compared to 1,070 as of March 31, 2016.

Finance costs

Our finance costs increased by ₹ 32.78 million, or 20.50%, from ₹ 159.92 million in Fiscal 2016 to ₹ 192.70 million in Fiscal 2017. This increase was primarily attributable to increase in interest payment on term loans and working capital loans of ₹ 32.92 million. Our interest payment on loans increased because we had higher amount of borrowings outstanding due to loans availed for additional equipment and machinery purchased during Fiscal 2017 and our increased working capital requirements.This was partially offset by decrease in other borrowing costs of ₹ 7.02 million.

Depreciation and amortization

Our depreciation and amortization expenses increased by ₹ 72.65million, or 39.62%, from ₹ 183.37 million in Fiscal 2016 to ₹ 256.02 million in Fiscal 2017. This increase was primarily attributable to increases in depreciation on tangible assets of ₹ 72.46 million and amortization of intangible assets of ₹ 0.19 million.

Other expenses

Our other expenses decreased by ₹ 55.70 million, or 34.39%, from ₹ 161.96 million in Fiscal 2016 to ₹ 106.26 million in Fiscal 2017. This was primarily due to higher other expenses in Fiscal 2016 primarily on account of ₹ 112.95 million written off as bad debts in that year. This decrease was partially offset by increase of (i) professional fees of ₹ 8.13 million; (ii) expenditure towards CSR of ₹ 10.70 million and (iii) ₹ 20.66 million of provision for doubtful debts .

Profit before tax

Primarily on account of the reasons described above, our profit before tax increased by ₹ 327.89 million, or 70.97%, from ₹ 462.03 million in Fiscal 2016 to ₹ 789.92 million in Fiscal 2017.

Tax expense

Due to an increase in our profit before tax, our current tax increased by ₹ 145.58 million, from ₹ 165.85 million in Fiscal 2016 to ₹ 311.43 million in Fiscal 2017 and our deferred tax expense was ₹ (14.48) million in Fiscal 2017, as compared to ₹ (5.65) million in Fiscal 2016.

Net profit

Our PAT, increased by ₹ 191.14 million, or 63.33%, from ₹ 301.83 million in Fiscal 2016 to ₹ 492.97 million in Fiscal 2017, as a result of the factors described above.

Fiscal 2016 compared with fiscal 2015

Total revenue

Our total revenue increased by ₹ 3,756.95 million, or 102.20%, from ₹ 3,675.93 million in Fiscal 2015 to ₹ 7,432.88 million in Fiscal 2016. This increase was largely due to increase in revenue from operations, which was a result of ₹ 3,758.09 million increase in contract revenues. Such increase in revenue was partially offset by ₹ 1.14 million decrease in other income.

Contract revenue

Our contract revenue increased by ₹ 3,757.99 million, or 104.68% from ₹ 3,591.89 million in Fiscal 2015 to ₹ 7,349.88 million in Fiscal 2016. This increase was primarily attributable to the increase in revenue recognized from completion of our major projects.

Other operating income

Our other operating income increased by ₹ 0.10 million, or 0.17%, from ₹ 58.86 million in Fiscal 2015 to ₹ 58.96 million in Fiscal 2016. This increase was primarily driven by marginal increase in the sale of construction material (sale of aggregate used for construction).

Other Income

Our other income decreased by ₹ 1.14 million, or 4.53 %, from ₹ 25.18 million in Fiscal 2015 to ₹ 24.04 million in Fiscal 2016. This decrease was primarily attributable to decrease in miscellaneous income of ₹ 3.26 million due to reduction in the sale of scrap. This decrease was partially offset by an increase in the interest income on bank deposits of ₹ 2.12 million.

Expenses

Our total expenses increased by ₹ 3,430.06 million, or 96.87%, from ₹ 3,540.79 million in Fiscal 2015 to ₹ 6,970.85 million in Fiscal 2016. This increase was principally due to ₹ 1,634.21 million increase in cost of materials consumed, ₹ 1,566.82 million increase in contract and site expenses, ₹ 92.28 million increase in employee benefits expense, ₹ 1.70 million increase in finance costs, ₹ 11.91 million increase in depreciation and amortization and ₹ 123.14 million increase in other expenses.

Cost of materials consumed

Our cost of materials consumed increased by ₹ 1,634.21 million, or 136.56 %, from ₹ 1,196.68 million in Fiscal 2015 to ₹ 2,830.89 million in Fiscal 2016. This increase was primarily due to higher utilization of raw materials due to increase in construction activity as a result of completion of our major projects.

Contract and site expense

Our contract and site expenses increased by ₹ 1,566.82 million, or 88.61%, from ₹ 1,768.29 million in Fiscal 2015 to ₹ 3,335.11 million in Fiscal 2016. This increase was primarily on account of increase in (i) sub-contracting expenses of ₹ 1,488.54 million; and (ii) indirect tax (including work contract tax, labour cess and road tax expenses) of ₹ 106.32 million. These increases were partially offset by decrease in hire charges for machinery of ₹ 38.59 million and a marginal decrease in contract expenses of ₹ 0.55 million.

Employee benefits expense

Our employee benefits expenses increased by ₹ 92.28 million, or 44.51 %, from ₹ 207.32 million in Fiscal 2015 to ₹ 299.60 million in Fiscal 2016. This increase was primarily attributable to an increase in salaries, wages and bonus of ₹ 74.73 million as a result of an increase in the number of our employees to 1,070 as of March 31, 2016 compared to 690 as of March 31, 2015.

Finance costs

Our finance costs increased by ₹ 1.70 million, or 1.07%, from ₹ 158.22 million in Fiscal 2015 to ₹ 159.92 million in Fiscal 2016. This increase was primarily attributable to increase in interest payment on term loans and working capital loans of ₹ 13.01 million, the increase in interest payment was as a result of the increase in average total principal amount of indebtedness outstanding.This was partially offset by decrease in (i) other borrowing costs of ₹ 5.85 million; and (ii) interest on late payment of statutory dues of ₹ 4.83 million.

Depreciation and amortization

Our depreciation and amortization expenses increased by ₹ 11.91 million, or 6.95%, from ₹ 171.46 million in Fiscal 2015 to ₹ 183.37 million in Fiscal 2016. This increase was primarily attributable to increases in depreciation on tangible assets of ₹ 11.79 million as a result in an increase in equipment and machinery and amortization of intangible assets of ₹ 0.12 million.

Other expenses

Our other expenses increased by ₹ 123.14 million, or 317.21%, from ₹ 38.82 million in Fiscal 2015 to ₹ 161.96 million in Fiscal 2016.This increase was primarily on account primarily on account of ₹ 112.95 million written off as bad debts in Fiscal 2016. This increase was partially offset by decrease of professional fees of ₹ 12.05 million.

Profit before tax

Primarily on account of the reasons described above, our profit before tax increased by ₹ 326.89 million, or 241.89%, from ₹ 135.14 million in Fiscal 2015 to ₹ 462.03 million in Fiscal 2016.

Tax expense

Due to an increase in our profit before tax, our current tax increased by ₹ 107.09 million, from ₹ 58.76 million in Fiscal 2015 to ₹ 165.85 million in Fiscal 2016 and our deferred tax expense was ₹ (5.65) million in Fiscal 2016, as compared to ₹ 15.84 million in Fiscal 2015.

Net profit

Our PAT, increased by ₹ 209.61 million, or 227.30%, from ₹ 92.22 million in Fiscal 2015 to ₹ 301.83 million in Fiscal 2016, as a result of the factors described above.

Liquidity and Capital Resources

As of March 31, 2017, we had cash and cash equivalents of ₹ 170.31 million. Cash and cash equivalents consist of cash in hand and bank balances. Our primary liquidity requirements have been towards our working capital requirements. We have met these requirements from cash flows from cash flow from operations and bank borrowings. Our business requires a significant amount of working capital. We expect to meet our working capital requirements for the next 12 months primarily from internal accruals and borrowings.

Cash Flows

Set forth below is a table of selected information from our statements of cash flows for the Fiscals 2017, 2016 and 2015.

(₹ in million)

Particulars	Fiscal 2017	Fiscal 2016	Fiscal 2015
Net cash generated from/(used in) operating activities	643.90	294.71	336.85
Net cash generated from/(used in) investing activities	(1,137.24)	(661.88)	(170.21)
Net cash generated from/(used in) financing activities	620.14	363.44	(149.20)
Net increase in cash and cash equivalents	126.80	(3.73)	17.44
Opening cash and cash equivalents	43.51	47.24	29.80
Closing cash and cash equivalents	170.31	43.51	47.24

Net cash generated from/ (used in) operating activities

Net cash generated from operating activities in Fiscal 2017 was ₹ 643.90 million and our operating profit before working capital changes for that period was ₹ 1,277.11 million, as adjusted primarily for depreciation and amortisation expense of ₹ 256.02 million and finance costs of ₹ 188.76 million.

Net cash generated from operating activities in Fiscal 2016 was ₹ 294.71 million and our operating profit before working capital changes for that period was ₹ 838.10million, as adjusted primarily for depreciation and amortisation expense of ₹ 183.37 million and finance costs of ₹ 161.90 million.

Net cash generated from operating activities in Fiscal 2015 was ₹ 336.85 million and our operating profit before working capital changes for that period was ₹ 405.35million, as adjusted primarily for depreciation and amortisation expense of ₹ 171.46 million and finance costs of ₹ 159.09 million.

Net cash used in investing activities

In Fiscal 2017, our net cash used in investing activities was ₹ 1,137.24 million. This reflected the payments of ₹ 1,151.12 million towards the purchase of fixed assets and fixed deposits of ₹ 75.22 million. These payments were partially offset by ₹ 65.46 million received from sale of fixed assets and ₹ 23.65 million received as interest income.

In Fiscal 2016, our net cash used in investing activities was ₹ 661.88 million. This reflected the payments of ₹ 626.37 million towards the purchase of fixed assets and fixed deposits of ₹ 72.73 million. These payments were partially offset by ₹ 17.14 million received from sale of fixed assets and ₹ 20.08 million received as interest income.

In Fiscal 2015, our net cash used in investing activities was ₹ 170.21 million. This reflected the payments of ₹ 208.80 million towards the purchase of fixed assets and fixed deposits of ₹ 13.40 million. These payments were partially offset by ₹ 34.03 million received from sale of fixed assets and ₹ 17.96 million received as interest income.

Net cash generated from financing activities

In Fiscal 2017, our net cash generated from financing activities was ₹ 620.14 million. This reflected ₹ 343.02 million received as short term borrowing and ₹ 466.44 million received as long term borrowing. These cash flows were partially offset by ₹ 189.32 million paid towards finance cost.

In Fiscal 2016, our net cash generated from financing activities was ₹ 363.44million. This reflected ₹ 211.94 million received from short term borrowing, ₹ 283.72 million received as long term borrowing and ₹ 27.20 million received from proceeds of issue of share capital. These cash flows were partially offset by ₹ 159.92 million paid towards finance costs.

In Fiscal 2015, our net cash used in financing activities was ₹ 149.20 million. This reflected ₹ 195.57 million used for repayment of short term borrowing and ₹ 158.22 used in payment of finance costs. These cash flows were partially offset by ₹ 204.59 million received as long term borrowing.

Capital Expenditure

For Fiscal 2017, 2016 and 2015, our capital expenditure was ₹ 1,175.04 million, ₹ 574.54 million and ₹ 185.75 million, respectively. This primarily consists of plant and machinery.

Indebtedness

The following table sets forth our secured and unsecured debt position as at March 31, 2017.

(Amount in ₹ million)

Particulars	As at March 31, 2017
Secured term loan from banks	530.70
Secured term loan from financial institutions	546.03
Motor car vehicle loans from financial institutions and banks	26.69

For more information regarding our indebtedness, see "***Financial Indebtedness***" on page 306.

Contingent liabilities

As of March 31, 2017, the following contingent liabilities have not been provided for in our financial information on a consolidated basis:

(Amount in ₹ million)

Contingent liabilities	As at March 31, 2017
Performance Bank Guarantees [(1)]	
- Issued by the Holding Company	2,597.39
- Share of Holding Company in Jointly Controlled Entities	173.77
Claims against the Company not acknowledged as debt	6.05

(1) Our Company and its Jointly Controlled Entities have issued performance bank guarantees in favor of various Contractees against the Contracts awarded to them.

(Amount in ₹ million)

Capital Commitments	As at March 31, 2017
Estimated value of contracts in capital account remaining to be executed	23.51

Quantitative and qualitative disclosure about market risk

Interest Rate Risk

We are exposed to interest rate risk resulting from fluctuations in interest rates. While all of our long term borrowings from banks and financial institutions are on fixed rate basis, our project specific borrowings primarily consist of floating rate obligations linked to the applicable benchmark rates, which may typically be adjusted at certain intervals in accordance with prevailing interest rates. Increases in interest rates would increase interest expenses relating to our outstanding floating rate borrowings and increase the cost of new debt. In addition, an increase in interest rates may adversely affect our ability to service long-term debt and to finance development of new projects, all of which in turn may adversely affect our results of operations.

Commodity price risk

We are exposed to market risk with respect to the prices of the materials used for our construction business. These commodities include high speed diesel and fuel oil, bitumen, stone, grit, sand, steel and crushed boulder. The costs for these materials are based on commodity prices and subject to fluctuations. The costs of components sourced from outside manufacturers may also fluctuate based on their availability from suppliers.

Inflation

In recent years, India has experienced relatively high rates of inflation. While we believe inflation has not had any material impact on our business and results of operations, inflation generally impacts the overall economy and business environment and hence could affect us.

Competitive Conditions

We operate in a competitive atmosphere with a number of infrastructure and EPC companies. For further information, see "***Our Business – Competition***" on page 131.

Unusual or Infrequent Events or Transactions

Except as described in "***Risk Factors***" and "***Our Business***", on pages 16 and 118, respectively, there have been no events or transactions to our knowledge which may be described as "unusual" or "infrequent".

Known Trends or Uncertainties

Our business has been impacted and we expect will continue to be impacted by the trends identified above under 'Factors Affecting our Results of Operations' and the uncertainties described in "***Risk Factors***" on page 16. To our knowledge, except as we have described in this Draft Red Herring Prospectus, there are no known factors, which are expected to have a material adverse impact on our revenues or income from continuing operations.

Future Relationships between Costs and Income

Other than as described in the sections "***Risk Factors***", "***Our Business***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on pages 16, 118 and 284, respectively, to our knowledge, no future relationship between expenditure and income is expected to have a material adverse impact on our operations and finances.

Significant Developments after March 31, 2017

(i) Pursuant to a resolution passed by the shareholders of the Company on September 8, 2017, the authorized share capital of our Company was increased from ₹ 200,000,000 divided into 20,000,000 Equity Shares of ₹ 10 each to ₹ 800,000,000 divided into 80,000,000 Equity Shares of ₹ 10 each. For further details, please see "***Capital Structure***" on page 72.

(ii) On September 11, 2017, our Company allotted 36,040,000 Equity Shares pursuant to a bonus issue of 2 (two) Equity Shares for every 1(one) Equity Share held by the shareholders of the Company. For further details, please see "***Capital Structure***" on page 72.

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 Offer. 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.

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<table>
<tr><th>Ind AS No.</th><th>Particulars</th><th>Treatment as per Indian GAAP</th><th>Treatment as per Ind AS</th></tr>
<tr><td>Ind AS 1</td><td>Presentation of Financial Statements</td><td>Other Comprehensive Income:

There is no concept of “other comprehensive income” under Indian GAAP.</td><td>Other Comprehensive Income:

Ind AS-1 requires the presentation of other comprehensive income as part of the financial statements.

Other comprehensive income comprises items of incomes and expenses (including reclassification adjustments) that are not recognised in profit or loss as required or permitted by other Ind ASs.

Among other items, the components of other comprehensive income includes:

1. Changes in revaluation surplus;
2. Foreign exchange translation differences;
3. Re-measurements of defined benefit plans;
4. Gains or losses arising on fair valuation of financial assets measured at fair value through other comprehensive income;
5. Gains and losses from investments in equity instruments designated at fair value through other comprehensive income;
6. For particular liabilities designated as at fair value through profit or loss, the amount of the change in fair value that is attributable to changes in the liability’s credit risk;

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.</td></tr>
<tr><td></td><td>Presentation of Financial Statements</td><td>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.</td><td>Statement of Change in Equity:

Ind AS 1 requires presentation of all transactions with equity holders in their capacity as equity holders in the statement of changes in equity (“SOCIE”)</td></tr>
<tr><td></td><td>Presentation of Financial Statements</td><td>Other disclosures:

There are no specific disclosure requirements under Indian GAAP for:

(a) Critical judgments made by the management in applying accounting policies;

(b) Key sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year; and

(c) Information that enables users of its financial statements to evaluate the entity’s objectives, policies and processes for managing capital.</td><td>Other disclosures:

Ind AS-1 requires disclosure of:

(a) Critical judgments made by the management in applying accounting policies;

(b) Key sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year; and

(c) Information that enables users of its financial statements to evaluate the entity’s objectives, policies and processes for managing capital.</td></tr>
</table>

	Presentation of Financial Statements	**Components of financial statements** Financial statements in relation to a company, includes: 1. Balance sheet as at the end of the financial year; 2. Profit or loss account for the financial year; 3. Cash flow statement for the financial year; 4. Explanatory notes annexed to, or forming part of, any document referred to above	**Components of financial statements** A complete set of financial statements under Ind AS comprises: 1. a balance sheet as at the end of the period; 2. a statement of profit and loss for the period; 3. Statement of changes in equity for the period; 4. a statement of cash flows for the period; 5. notes, comprising a summary of significant accounting policies and other explanatory information; 6. comparative information in respect of the preceding period; and 7. a balance sheet as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements.
	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 Flows	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.	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 Estimates and Error	**Change in Accounting Policies:** Under Indian GAAP, Changes in accounting policies should be made only if it is required by statute, for compliance with an 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.	**Change in Accounting Policies:** Ind AS-8 requires retrospective application of changes in accounting policies by adjusting the opening balance of each 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.
Ind AS 11	Construction Receipt	Under Indian GAAP, revenue from Construction contract is recognized with reference to stage of completion of the contract activity at the reporting date when outcome of the construction contract is estimated reliably. All expected losses are immediately recognized as expenses in statement of Profit & Loss.	Revenue from Construction contracts is recognized in similar manner as in Indian GAAP. Only difference is that Ind AS requires consideration to be measured at fair value.

Ind AS 12	Income Taxes and Deferred Taxes	Deferred tax is generally recognised for all timing differences. Timing differences are the differences between taxable income and accounting income for a period that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the enacted or the substantially enacted tax rate. A deferred tax asset should be recognised and carried forward only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets on unabsorbed depreciation and carried forward losses under tax laws should be recognised only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets and liabilities should be disclosed under a separate heading in the balance sheet of the enterprise, separately from current assets and current liabilities.	Deferred income taxes are recognised for all taxable temporary differences between accounting and tax base of assets and liabilities except to the extent they arise from (a) initial recognition of goodwill or (b) the initial recognition of asset or liability in a transaction which is not a business combination; and at the time of the transaction, affects neither the accounting nor the tax profit. Deferred tax asset is recognised for carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and tax credits can be utilised. Current tax and deferred tax is recognised outside profit or loss if the tax relates to items that are recognised in the same or a different period, outside profit or loss. Therefore the tax on items recognised in other comprehensive income, or directly in equity, is also recorded in other comprehensive income or in equity, as appropriate.
Ind AS 17	Operating Lease Rentals	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 to compensate for the lessor's expected inflationary cost increases.
Ind AS 19	Employee Benefits - Treatment for actuarial gains or losses on retirement benefits	Actuarial gains/ losses for net defined benefit liability (asset) are recognised in profit and loss	Employee Benefits requires the impact of re-measurement in net defined benefit liability (asset) to be recognized in other comprehensive income (OCI). Re-measurement of net defined benefit liability (asset) comprises actuarial gains or losses, return on plan assets (excluding interest on net asset/liability). Further, the amount recognised in OCI is not reclassified to the Statement of Profit and Loss.
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 101	First-time Adoption of Indian Accounting Standards	There is no specific standard. Full retrospective application would be required.	Ind AS 101 gives guidance on preparation of first Ind AS financial statement. Ind AS grants limited mandatory and voluntary exemptions from full retrospective application.
Ind AS 108	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	Fair valuation of rental deposits	Rental deposits are generally accounted as assets at cost.	Under Ind AS 109, rental deposits are initially recognised at fair value and subsequently carried at amortised cost.
	Investments	Under Indian GAAP, current investments are measured at lower of cost or market value. Accordingly unrealised increase in the value is not recognised in Income statement, only the unrealised diminution in the value is recognized. Long term investments are measured at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the long term investments	Under Ind AS 109, all financial assets are initially measured at fair value plus, in case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Subsequently, investments can be classified in the following three categories based on the conditions mentioned under Ind AS 109 and accounted for accordingly: 1. Amortised cost; 2. Fair value through profit or loss; 3. Fair value through other comprehensive income
	Borrowings	Under Indian GAAP, borrowings are carried at their transaction values. Subsequently they are measured at principal less repayments, if any. Transaction costs incurred in connection with long term borrowings are charged to statement of profit and loss as no future economic benefits are envisaged.	All financial liabilities are initially measured at fair value minus, in case of a financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the issue of the financial asset or financial liability. An entity shall classify all financial liabilities as subsequently measured at amortised cost except that an entity may, at initial recognition, irrevocably designate a financial liability as measured at fair value through profit or loss if certain criteria is met. The transaction costs are amortised to profit or loss using the effective interest method.

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 May 15, 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 ₹ 15,000 million over and above the aggregate of the paid-up share capital and free reserves of our Company.

Our Company avails loans in the ordinary course of our businesses and for funding working capital and capital expenditure requirements. Accordingly, our Company has entered into several types of borrowing facilities of varying terms and tenures from lenders. We have sought to obtain the relevant loan documentation for undertaking activities, such as change in its capital structure, change in its shareholding pattern or change in management setup of our Company, 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 certain of our lenders. Our Company proposes to obtain such consents prior to filing the Red Herring Prospectus with the RoC. For more information, see "***Risk Factors***" on page 16.

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 July 31, 2017 on a consolidated basis.

(*₹ in million*)

Category of borrowing	Sanctioned Amount	Outstanding amount as on July 31, 2017
Term loans		
Secured	2,328.00	1,776.69
Unsecured	12.50	12.50
Vehicle Loans	76.17	53.92
Working Capital Facilities		
Working capital demand loans	370.00	370.00
Cash credit	650.00	515.93
Bank Guarantee	3,430.00	3,369.08
Total	**6,866.67**	**6,098.12**

Note: Our Joint Ventures have not availed any loan facilities as on the date of this Draft Red Herring Prospectus.

Principal terms of the borrowings availed by us:

Interest

In terms of the loans availed by us, the interest rate is typically linked to the base rate of a specified lender and margin of the specified lender. The spread varies between different loans.

Tenure

The tenure of the term loans availed by us typically ranges from 23 to 48 months.

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 the 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, bill whether documentary or clean, outstanding monies, receivables, both present and future in a form satisfactory to the lender;
iii. Create equitable mortgage of certain properties and equipment of the Company;
iv. Provide personal guarantees of our Promoters and certain members of our Promoter Group; and
v. Create security by way of hypothecation of specific assets purchased out of loan, comprising plant and machinery and constructions equipment.

This is an indicative list and there may be additional requirements for creation of security under the various borrowing arrangements entered into by us.

Re-payment

The cash credit capital facilities are typically repayable on demand. The term loans are typically repayable within a period of 23 months to 48 months.

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 made by our Company to the lender, found by the lender to be false or misleading;
iv. proceedings relating to winding up/ liquidation/ bankruptcy being initiated against our Company;
v. appointment of a receiver over any of our Company's properties;
vi. failure of the Company to pay insurance premium or to pay tax, duty or other imposition or comply with any other formalities in respect of the hypothecated assets;
vii. use of the hypothecated assets for illegal uses;
viii. default by our Company on amounts due to/ facilities extended by any other lender;
ix. 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;
x. our Company ceasing or threatening to cease to carry on its business; or
xi. 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. diluting majority shareholding of the Promoters;
ii. effecting any change in the capital structure of the 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. borrowing from any person until the facilities have been paid in full;
viii. entering into any scheme of merger, amalgamation, compromise or reconstruction;
ix. amending the constitutional documents of our Company;
x. pre-paying any indebtedness incurred by our Company;
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. making any payments or loans to its group companies;
xiii. revalue the assets of our Company;
xiv. implement any scheme of expansion/diversification/modernization other than incurring routine capital expenditure;
xv. undertake guarantee obligations on behalf of any third party or any other company; and

xvi. make any material modifications to the project which is detrimental to the interest of the lender.

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 the financial indebtedness of our Company, see "***Financial Statements***" on page 162.

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, Directors or Group Company; (ii) outstanding actions taken by statutory or regulatory authorities involving our Company, Promoters, Directors or Group Company; (iii) outstanding claims involving our Company, Promoters, Directors or Group Company for any direct and indirect tax liabilities; (iv) inquiries, inspections or investigations initiated or conducted under the Companies Act against our Company pending or taken, during the last five years immediately preceding the year of filing of this Draft Red Herring Prospectus; (v) prosecutions filed (whether pending or not) involving our Company; (vi) fines imposed against or compounding of offences under the Companies Act by our Company 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 and other creditors; and (xii) outstanding litigation involving 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.

Pursuant to the SEBI ICDR Regulations and the Materiality Policy for the purposes of disclosure, all pending litigation involving our Company, Promoters, Directors and Group Company, other than criminal proceedings, statutory or regulatory actions and taxation matters, would be considered 'material' if the monetary amount of claim by or against the entity or person in any such pending matter is in excess of 1% of our Company's net profit as restated as per the restated consolidated financial information for Fiscal 2017 amounting to ₹ 5.33 million or any such litigation which is material from the perspective of the 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 no outstanding criminal proceedings initiated against 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.

Our Company filed an petition dated February 27, 2015 before the Magistrates Court, Jaipur against SR Contractors and Engineers, under sections 138 and 141 of the Negotiable Instruments Act in relation to dishonour of cheque no. 113066 amounting to ₹ 4.00 million issued to our Company. Our Company has sought recovery of ₹ 4.00 million along with a compensation of ₹ 4.00 million as damages from SR Contractors and Engineers. This matter is currently pending.

B. Pending action by statutory or regulatory authorities against our Company

As on the date of this Draft Red Herring Prospectus, there is no pending action by any statutory or regulatory authority against our Company.

C. Tax proceedings against our Company

Direct tax proceedings

There is one direct tax proceeding pending against our Company in respect of the assessment year 2014-2015 and the aggregate amount involved under such proceeding (to the extent ascertainable) pursuant to the claims therein is ₹ 10.19 million. The nature of this proceeding pertains to alleged incorrect computations of income by our Company for the assessment year 2014-2015. The matter is currently pending before the Commissioner of Income tax (Appeals).

Indirect Tax Proceedings

As on the date of this Draft Red Herring Prospectus, there are no indirect tax proceedings against our Company.

D. 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.

E. 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.

F. Default and non – payment of statutory dues

Except as disclosed below, 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 as on July 31, 2017. Further, as on July 31, 2017, our Company has not received any notice or been subject to any action from any regulatory authority in respect of such outstanding dues.

Sr. No.	Particulars	Amount outstanding (in ₹)	Due Date*
1.	**Service Tax**		
	For the month of April 2017	15,567	May 06, 2017
	For the month of May 2017	162,508	June 06, 2017
	For the month of June 2017	4,165,861	July 06, 2017
2.	**Entry Tax**		
	For the month of January 2017	3,271,227	February 14, 2017
	For the month of February 2017	2,526,500	March 14, 2017
	For the month of March 2017	30,532,578	April 14, 2017
	For the month of April 2017	13,272,454	May 14, 2017
	For the month of May 2017	9,886,542	June 14, 2017
	For the month of June 2017	9,100,605	July 14, 2017
3.	**Tax Deducted at Source**		
	For the month of April 2017	945,337	May 07, 2017
	For the month of May 2017	1,357,686	June 07, 2017
	For the month of June 2017	11,293,200	July 07, 2017
	For the month of July 2017	4,337,718	August 07, 2017
4.	**Professional Tax**		
	For the month of July 2017	60,325	August 30, 2017
	Total dues	**90,928,108**	

** On account of the introduction of GST with effect from July 01, 2017, service tax, works contract tax and entry tax have been discontinued with effect from July 31, 2017. Further, as a part of transition to GST, the date of payment of service tax, works contract tax and entry tax due in the month of July, 2017, has been extended by the Government of India and accordingly, no liability is due upon Company in this regard.*

Note: The information in the table above has been certified by Tibrewal Chand & Co, Chartered Accountants by its certificate dated September 25, 2017.

G. 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.

H. 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.

I. Outstanding dues to small scale undertakings or any other creditors

As of March 31, 2017, we had 1,330 creditors. The aggregate amount outstanding to such creditors as on March 31, 2017 was ₹ 650.14 million. For further details, see http://www.hginfra.com/.

As per the Materiality Policy, creditors to whom an amount exceeding ₹ 7.45 million, which is 1% of our total consolidated trade payables for the period ending March 31, 2017, was outstanding, were considered ‘material’ creditors. Based on the above, there are 11 material creditors of the Company as on March 31, 2017, to whom an aggregate amount of ₹ 268.42 million or more was outstanding on such date.

Based on information available with the 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 March 31, 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.hginfra.com/, would be doing so at their own risk.

II. LITIGATION INVOLVING OUR DIRECTORS

A. Outstanding criminal litigation involving our Directors

As on the date of this Draft Red Herring Prospectus, there are no criminal proceedings 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 actions by any statutory or regulatory authorities 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 involving our Directors.

D. Other material outstanding litigation involving our Directors

As on the date of this Draft Red Herring Prospectus, there are no material outstanding litigation initiated by or against our Directors.

III. LITIGATION INVOLVING OUR PROMOTERS

A. Outstanding criminal litigation involving our Promoters

As on the date of this Draft Red Herring Prospectus, there are no criminal proceedings initiated by or against 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 actions by any statutory or regulatory authorities 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 involving our Promoters.

D. Other material outstanding litigation involving our Promoters

Other material outstanding litigation against our Promoters

As on the date of this Draft Red Herring Prospectus, there are no material outstanding litigation initiated by or against our Promoters.

IV. 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 criminal proceedings initiated by or against 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 actions by any statutory or regulatory authorities 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 tax proceedings involving our Group Company.

D. Other material outstanding litigation involving our Group Company

As on the date of this Draft Red Herring Prospectus, there are no material outstanding litigation initiated by or against our Group Company.

V. 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.

VI. PAST CASES OF NON-COMPLIANCE AND COMPOUNDING

Compounding

Our Executive Directors, Mr. Harendra Singh and Mr. Vijendra Singh, on behalf of our Company, filed a compounding application dated July 8, 2017 with the Regional Director, Ministry of Corporate Affairs, Ahmedabad. Our Company had inadvertently missed attaching the cash flow statement in our Annual Report for the Fiscals 2007 to 2014, filed with the RoC as required under Accounting Standard 3 specified by the Institute of Chartered Accountant of India. Accordingly, a compounding application was filed in good faith and it was prayed that such non-compliance be compounded by levying of compounding fees, as deemed adequate. The compounding application is still pending**.**

Our Company and our Executive Directors, Mr. Harendra Singh and Mr. Vijendra Singh further filed two more compounding applications, each dated July 8, 2017 with the Regional Director, Ministry of Corporate Affairs, Ahmedabad for compounding of certain non-compliances mentioned hereunder. The compounding applications are still pending**.**

S. No.	Relevant Corporate Action	Particulars
1.	Approval of financial statements for Fiscal 2012, 2013 and 2014	The financial statements for the Fiscals ended March 31, 2012, 2013 and 2014 were not signed by the Company Secretary
2.	Approval of Board Report for Fiscal 2012	(i) Description related to amount of remuneration paid to employees of the Company was not provided. (ii) Comments on the auditors' qualifications and observations by the Board was not provided. (iii) Disclosure regarding information of dividend was not made. (iv) Disclosure regarding amount of reserve transferred was not made.
3.	Approval of Board Report for Fiscal 2013	(i) Description related to amount of remuneration paid to employees of the Company was not provided. (ii) Comments on the auditors' qualifications and observations by the Board was not provided. (iii) Disclosure regarding information of dividend was not made. (iv) Disclosure regarding amount of reserve transferred was not made.
4.	Approval of Board Report for Fiscal 2014	(i) Description related to amount of remuneration paid to employees of the Company was not provided. (ii) Comments on the auditors' qualifications and observations by the Board was not provided. (iii) Disclosure regarding information of dividend was not made. (iv) Disclosure regarding amount of reserve transferred was not made. (v) Disclosure regarding sexual harassment policy as per The Sexual Harassment of Woman at Workplace (Prevention, Prohibition & Redressal) Act, 2013 was not made.
5.	Approval of Board Report for Fiscal 2015	(i) Disclosure regarding number of meeting of the Board was inaccurate. (ii) Comments on the auditors' qualifications and observations by the Board was not provided. (iii) Disclosure regarding Corporate Social Responsibility was not adequately made. (iv) Disclosure regarding the appointment of Company Secretary was not made.
6.	Approval of Board Report for Fiscal 2016	(i) Disclosure regarding number of meeting of the Board was inaccurate.

Our Company has made a provision of ₹ 5.02 million in respect of these compounding applications, in anticipation of any possible penalty to be imposed by the MCA.

Condonation of delay

Our Company filed applications dated July 7, 2017 with the Secretary, Ministry of Corporate Affairs, Government of India for condonation of delay in relation to certain filings by the Company stated hereunder. These applications are currently pending.

S. No.	Relevant Corporate Action	Particulars
1.	Consent to avail credit facilities from Tata Capital Financial Services Limited amounting to ₹ 36.29 million	Delay in filing Form MGT-14 along with the resolution passed by the Board of Directors on March 10, 2015
2.	Consent to authorize Directors of the Board to (a) borrow funds; and (b) make investments, to grant loans to give guarantee or provide security in respect of loans	Delay in filing Form MGT-14 along with the resolution passed by the Board of Directors on April 20, 2014

Further, our Company had filed two applications for condonation of delay, each dated July 7, 2017 with the Secretary, Ministry of Corporate Affairs, Government of India, which applications were approved on September 25, 2017. One of these applications was filed on account of a delay by our Company in filing of form MGT-14 along with the Board resolution dated November 3, 2014 in relation to the approval of the appointment of our Whole-time Company Secretary. The other application was filed on account of a delay by our Company in filing of form MGT-14 along with a Shareholders resolution dated April 4, 2016 in relation to the approval of the intention of our Company to make a preferential issue of its Equity

Shares to Yes Bank Limited upon the conversion of the working capital loan. As on the date of filing of the Draft Red Herring Prospectus, no Equity Shares have ever been allotted to Yes Bank Limited. Further, Yes Bank Limited has, pursuant to a letter dated September 13, 2017, waived-off its right to convert debt into Equity Shares.

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 March 31, 2017***" on page 300, no circumstances have arisen since March 31, 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 carrying out mining related activities, registration under the Shops and Establishments Act, 1948, registration of contract labour employed at our project sites, registration of employees, establishments under the Employees State Insurance Act, 1948, environment related registrations including the 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 tax related approvals. There are certain additional consents, licenses, registrations, permissions and approvals that we obtain for carrying out our business, which include, 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, the type of the project and the contractual obligations of the parties to obtain statutory approvals in the project undertaken. Further, as the obligation to obtain such approvals arises at various stages in our projects and related assets, applications for approvals 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 January 21, 2003 issued to our Company by the RoC in the name of 'H.G. Infra Engineering Private Limited'.

2. Certificate of incorporation dated June 8, 2017 issued to our Company by the RoC in the name of 'H.G. Infra Engineering Limited'.

For details of corporate and other approvals in relation to the Offer, see "***Other Regulatory and Statutory Disclosures – Authority for the Offer - Corporate Approvals***" on page 318.

II. Approvals in relation to operations of our Company

We require various approvals to carry on our business in India. Some of these may expire in the ordinary course of business and applications for renewal of these approvals are submitted in accordance with applicable procedures and requirements. We have received the following Government and other approvals pertaining to our business:

A. Approvals for the business of our Company

(i) Our Company has obtained the ISO 9001:2015 dated October 21, 2016 for quality management systems, issued LMS Assessment Services Private Limited.

(ii) We have obtained the ISO 14001:2004 dated May 09, 2016 for environment management systems, issued LMS Assessment Services Private Limited.

(iii) We have obtained the OHSAS 18001:2007 dated May 09, 2016 for health and safety management systems, issued LMS Assessment Services Private Limited.

(iv) We have obtained the permanent certification for 'AA' category for civil woks dated August 18, 2017 issued by, Executive Engineer, Public Works Development, Jaipur.

(v) We have obtained certification of 'SS' class contractor for certain civil engineering works and electrical engineering works dated April 29, 2016 valid from January 01 2016 to December 31, 2020, issued by director of contract management, Military Engineer Services.

B. Tax related approvals

(i) The permanent account number of our Company is AABCH2668B.

(ii) The tax deduction account number of our Company is JDHH00659B.

(iii) The goods and service tax registration number of our Company is 08AABCH2668B2ZT.

(iv) Registered as a dealer under the Uttarakhand Value Added Tax Act, 2005 with effect from October 15, 2014

(v) Registered as a dealer under the Central Sales Tax Act, 1956 in the state of Haryana with effect from March 2, 2015.

(vi) Registered under the Rajasthan Value Added Tax Act, 2003 for sale and purchase of certain goods with effect from April 1, 2006.

(vii) Registered as a dealer under the Uttar Pradesh Value Added Tax Act, 2007, with effect from January 9, 2007.

(viii) Registered as a dealer under the Maharashtra Value Added Tax Act, 2002, with effect from May 4, 2017.

C. Labour related approvals

(i) Under the provisions of the EPF Act, our Company has been allotted EPF code number RJJOD0010597000.

(ii) Under the Employee State Insurance Act, our Company has been allotted the ESI registration number 15-27-060035-001-1099.

D. Intellectual Property related approvals

Trademarks India:

Details of pending applications in respect of trademarks are set forth below.

(i) Application under Class 37 dated June 22, 2017 (application number: 3576852) made by our Company for registration of 'H.G. Infra Engg. Ltd. We Make People Move' as a trademark in respect of building construction; repair; installation services; and construction of road, highways and bridges.

III. Approvals applied for but not received

Our Company has either obtained or made an application to obtain material consents, licenses, registrations, and approvals that are required for undertaking its business. Our Company in the ordinary course of business makes applications to the relevant Central or State government authorities for obtaining or renewing of such consents, licenses, registrations and approvals. Some of the material consents, licenses, registrations, permissions and approvals for which applications have been made by our Company include:

A. Consent under the Air (Prevention and Control of Pollution) Act, 1981 (the "Air Act") and Water Prevention and Control of Pollution) Act, 1974 (the "Water Act")

(i) Application dated April 05, 2017 made by our Company to the State Pollution Control Board for obtaining consent under the Air Act and the Water Act for the Tonk – Swaimadhopur section of NH-116 project.

(ii) Application dated April 11, 2017 made by our Company to the State Pollution Control Board for renewal of the consent under the Air Act and the Water Act for the Chittorgarh-Udaipur Section of NH-76 project.

(iii) Application dated April 15, 2017 made by our Company to the State Pollution Control Board for renewal of the consent under the Air Act and the Water Act for the Gulabpura-Chittorgarh section project.

B. Approval under the Shops and Establishment Act

(i) Application dated September 1, 2017 by our Company to the Labour Department, Government of Rajasthan for approval of Shops and Establishment license for the office of the company situated at Jodhpur, Rajasthan.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

Corporate Approvals

- Our Board has authorized the Offer pursuant to a resolution dated September 6, 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 September 8, 2017 under Section 62(1)(c) of the Companies Act 2013, authorized the Offer.
- Our Board has taken on record the Offer for Sale by the Selling Shareholders by each of their letters dated September 25, 2017, and the Board has approved this Draft Red Herring Prospectus pursuant to its resolution dated September 27, 2017.

Approvals from the Selling Shareholders

The Selling Shareholders have specifically confirmed and approved the transfer of the Equity Shares pursuant to the Offer for Sale as set out below:

Sr. No.	Name of the Selling Shareholder	Date of Consent Letter	Number of Equity Shares offered for sale
1.	Mr. Hodal Singh	September 25, 2017	3,000,000
2.	Mr. Harendra Singh	September 25, 2017	1,000,000
3.	Mr. Vijendra Singh	September 25, 2017	1,000,000
4.	Mr. Girish Pal Singh	September 25, 2017	1,000,000

Each Selling Shareholder specifically confirms that, as required under Regulation 26(6) of the SEBI ICDR Regulations, it has held the Equity Shares proposed to be offered and sold by it in the Offer for a period of at least one year prior to the date of filing of this Draft Red Herring Prospectus and, to the extent that the Equity Shares being offered by such Selling Shareholder in the Offer have not been held by it for a period of at least one year prior to the filing of this Draft Red Herring Prospectus and have resulted from a bonus issue, such bonus issue has been on Equity Shares held for a period of at least one year prior to the filing of this Draft Red Herring Prospectus. Further, in this regard, the Company confirms that the bonus shares have been issued by capitalizing the free reserves of the Company (and not by utilization of revaluation reserves or unrealized profits of the Company). Therefore, the Equity Shares offered by the Selling Shareholder in the Offer are eligible to be offered for sale in the Offer.

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, 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 the 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 the 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.

Each Selling Shareholder, severally and not jointly, specifically confirms that it has not been prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority. Further, each Selling Shareholder, severally and not jointly, specifically confirms that it has not been declared as a wilful defaulter, as defined under the SEBI ICDR

Regulations. There are no violations of securities laws committed by any of the Selling Shareholders in the past or are currently pending against any of them.

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.

Except as disclosed below, none of our Directors are in any manner associated with the securities market, including securities market related business:

Name of the Director	Mr. Ashok Kumar Thakur
Name of the entity	Choice Equity Broking Private Limited*
SEBI Registration No.	INB011377331
Category of registration	Trading Member
Date of expiry of registration	It shall be valid till it is suspended or cancelled in accordance with the regulations
If registration has expired, reasons for non-renewal	Not applicable
Details of any enquiry/ investigation conducted by SEBI at any time	Nil
Penalty imposed by SEBI, if any	Nil
Outstanding fees payable to SEBI, if any	Not applicable

**Associated as a non-executive director*

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, nor the Selling Shareholders are or have been declared as wilful defaulters, as defined by the SEBI ICDR Regulations.

Eligibility for the Offer

Our Company is eligible for the Offer 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)	1,758.88	1,225.54	844.34	797.96	688.97
Net tangible assets (2)	5,377.70	3,753.09	2,249.12	2,147.85	2,265.68
Monetary assets (3)	71.77	41.07	14.29	25.29	16.95
Monetary assets as a % of net tangible assets (3/2)	1.33%	1.09%	0.64%	1.18%	0.75%

Notes:

(1) 'Net worth' has been defined as the aggregate of the paid up share capital and reserves and surplus (excluding revaluation reserve) as reduced by the aggregate of the miscellaneous expenditure (to the extent not adjusted or written-off) as per Restated Standalone Financial Information.

(2) Net tangible assets' means the sum of all tangible assets of the 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 include cash in hand and bank balances in current accounts.

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 and March 31, 2014 included in this Draft Red Herring Prospectus.

(*₹ in million except as indicated*)

Particulars	Fiscal 2017	Fiscal 2016	Fiscal 2015	Fiscal 2014
Net worth (1)	1,758.88	1,225.54	844.34	797.96
Net tangible assets (2)	5,700.94	3,981.81	2,388.00	2,220.96
Monetary assets (3)	170.31	43.51	47.24	29.80
Monetary assets as a % of net tangible assets (3/2)	2.99%	1.09%	1.98%	1.34%

Notes:

(1) 'Net worth' has been defined as the aggregate of the paid up share capital and reserves and surplus (excluding revaluation reserve) as reduced by the aggregate of the miscellaneous expenditure (to the extent not adjusted or written-off) as per Restated Consolidated Financial Information.

(2) Net tangible assets' means the sum of all tangible assets of the 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 include cash in hand and bank balances in current accounts.

Our average pre-tax operating profit calculated on a restated standalone basis, during the three most profitable years being years ended on March 31, 2017, March 31, 2016 and March 31, 2013 out of the immediately preceding five years is ₹ 660.41 million. Set forth hereunder are details of the pre-tax operating profits of our Company, as derived from our Restated Standalone Financial Information as at March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013.

(*₹ in million*)

Particulars	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013
Pre-tax operating profit (1)	985.40	647.87	223.63	284.82	347.96

(1) Pre-tax operating profit is profit before tax, material adjustment as per restated financials and material restatement adjustments as reduced by deferred tax forming part of material restated adjustments and other income and adjusted for finance cost.

Our average pre-tax operating profit calculated on a restated consolidated basis, during the three most profitable years being years ended on March 31, 2017, March 31, 2016 and March 31, 2014 out of the immediately preceding four years is ₹ 641.30 million. Set forth hereunder are details of the pre-tax operating profits of our Company, as derived from our Restated Consolidated Financial Information, as at March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014.

(₹ *in million*)

Particulars	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014
Pre-tax operating profit (1)	988.76	648.45	223.90	286.70

(1) Pre-tax operating profit is profit before tax, material adjustment as per restated financials and material restatement adjustments as reduced by deferred tax forming part of material restated adjustments and other income and adjusted for finance cost.

Hence, we are eligible for the Offer 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 Offer 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 Offer within six Working Days from the Bid/Offer 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 Offer will, in accordance with applicable law, be borne by our Company and the Selling Shareholders in proportion to the Equity Shares being offered by each of our Company and the Selling Shareholders in this Offer.

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 SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY THE SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER 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 HDFC BANK 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 OFFER.

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 HDFC BANK LIMITED, HAVE FURNISHED TO THE SEBI A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 27, 2017 WHICH READS AS FOLLOWS:

WE, THE BOOK RUNNING LEAD MANAGERS TO THE ABOVE MENTIONED FORTHCOMING OFFER, 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 OFFER;**

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 OFFER, 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 OFFER;**

   B. **ALL THE LEGAL REQUIREMENTS RELATING TO THE OFFER 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 OFFER 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.**

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 – <u>NOTED FOR COMPLIANCE</u>;**

5. **WE CERTIFY THAT WRITTEN CONSENT FROM THE PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR 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 THE SEBI UNTIL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT RED HERRING PROSPECTUS;**

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 – <u>COMPLIED WITH AND NOTED FOR COMPLIANCE</u>;**

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 OFFER. 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 OFFER – <u>NOT APPLICABLE</u>;**

8. **WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE COMPANY FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT OFFER 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 OFFER 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 OFFER, THE COMPANY AND THE SELLING SHAREHOLDERS SPECIFICALLY CONTAINS THIS CONDITION – NOTED FOR COMPLIANCE. ALL MONIES RECEIVED FROM THE OFFER 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 OFFER 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;**

12. **WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS:**

    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 OFFER - 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 OFFER)', 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 TIBREWAL CHAND & CO, CHARTERED ACCOUNTANTS, BY WAY OF CERTIFICATE DATED SEPTEMBER 25, 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). – NOT APPLICABLE.

The filing of this Draft Red Herring Prospectus does not, however, absolve any person who has authorized the issue of this Draft Red Herring Prospectus 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 Offer. 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.

All legal requirements pertaining to the Offer 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 Offer 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 (₹ 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.	Cochin Shipyard Limited	14,429.30	432.00	August 11, 2017	435.00	+30.24% [+2.14%]	NA	NA
2.	Security and Intelligence Services (India) Limited	7,795.80	815.00	August 10, 2017	879.80	-3.29% [+1.17%]	NA	NA
3.	Central Depository Services (India) Limited	5,239.91	149.00	June 30, 2017	250.00	+127.99% [+5.84%]	NA	NA
4.	Housing and Urban Development Corporation Limited	12,095.70	60.00	May 19, 2017	73.45	+13.08% [+2.78%]	+34.58% [+4.29%]	NA
5.	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%]
6.	BSE Limited	12,434.32	806.00	February 03, 2017	1085.00	+17.52% [+2.55%]	+24.41% [+6.53%]	+1.29% [+15.72%]
7.	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%]
8.	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%]
9.	ICICI Prudential Life Insurance Company Limited	60,567.91	334.00	September 29, 2016	330.00	-7.60%, [+0.54%]	-11.54% [-6.50%]	+12.31% [+5.28%]
10.	L&T Technology Services Limited	8,944.00	860.00	September 23, 2016	920.00	-0.85% [-1.57%]	-8.54% [-8.72%]	-9.55% [+3.28%]

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.

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%
2017-2018	4	39,560.71	-	-	1	1	1	1	-	-	-	-	-	-
2016-2017	7	129,691.00	-	-	3	1	1	2	-	1	1	2	1	2
2015-2016*	4	18,163.78	-	-	1	-	-	3	-	-	2	1	-	1

** Based on issue closure date*

HDFC Bank Limited

1. *Price information of past issues (during the current financial year and two financial years preceding the current financial year) handled by HDFC Bank 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	AU Small Finance Bank Limited	19,125.14	358	July 10, 2017	525.00	+58.76% [+2.12%]	-	-
2	Shankara Building Products Limited	3,450.01	460	April 5, 2017	555.05	+51.04% [+1.02%]	+80.91% [+3.78%]	-
3	Avenue Supermarts Limited	18,700.00	299	March 21, 2017	600.00	+145.08% [-0.20%]	+166.35% [+5.88%]	+264.38% [+11.31%]
4	RBL Bank Limited	12,129.67	225	August 31, 2016	274.20	+27.07% [-2.22%]	+56.98% [-7.50%]	+107.91% [+1.26%]
5	Precision Camshafts Limited	4,101.90	186	February 8, 2016	165.00	-14.57% [+1.33%]	-20.32% [+6.48%]	-20.11% [+17.54%]

Source: www.nseindia.com for price information and prospectus for issue details

1. *Opening price information as disclosed on the website of NSE*
2. *Change in closing price over the issue/offer price as disclosed on NSE*
3. *Change in closing price over the closing price as on the listing date for benchmark index i.e. NIFTY 50*
4. *In case of reporting dates falling on a trading holiday, values for the trading day immediately after the trading holiday have been considered*
5. *30th calendar day has been taken as listing date plus 29 calendar days; 90th calendar day has been taken as listing date plus 89 calendar days; 180th calendar day has been taken as listing date plus 179 calendar days*

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 HDFC Bank 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^	2	22,575.15	-	-	-	2	-	-	-	-	-	-	-	-
2016-2017	2	30,829.67	-	-	-	1	1	-	-	-	-	2	-	-
2015-2016	1	4,101.90	-	-	1	-	-	-	-	-	1	-	-	-

^The information is as on the date of this Draft Red Herring Prospectus

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
HDFC Bank Limited	http://www.hdfcbank.com

Caution – Disclaimer from our Company, our Directors, the Selling Shareholders, 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.hginfra.com, or any website of any of the members of our Promoter Group, Group Company or any affiliate of our Company or the Selling Shareholders, would be doing so at his or her own risk. Each Selling Shareholder and their affiliates accept no responsibility for any statements made or undertakings provided other than those made by the respective Selling Shareholders, and only in relation to them and/or to the Equity Shares offered by such Selling Shareholder through the Offer for Sale.

The BRLMs accept no responsibility, save to the limited extent as provided in the Offer Agreement entered into among the BRLMs the Selling Shareholders and our Company dated September 25, 2017, and the Underwriting Agreement to be entered into among the Underwriters, the Selling Shareholders and our Company.

All information shall be made available by our Company, the Selling Shareholders, 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, the Selling Shareholders 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, the Selling Shareholders and our respective affiliates or associates in the ordinary course of business, and have engaged, or may in the future engage in commercial banking and investment banking transactions with our Company or the Selling Shareholders or their respective affiliates or associates for which they have received, and may in future receive compensation.

Bidders that bid in the Offer will be required to confirm, and will be deemed to have represented to our Company, the Selling Shareholders, 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 Selling Shareholders, 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 Offer is being made in India to persons resident in India (including Indian nationals resident in India, Hindu Undivided Families ("**HUFs**"), companies, other corporate bodies and societies registered under the applicable laws in India and authorized to invest in equity shares, Indian Mutual Funds registered with the SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to permission from the RBI), 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 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 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 Offer will be subject to the jurisdiction of appropriate court(s) at Jaipur, 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 or in the affairs of the Selling Shareholders from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. 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. 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 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 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, 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.

The Registrar of Companies, Rajasthan, Jaipur
Corporate Bhawan
G/6-7, Second Floor, Residency Area
Civil Lines, Jaipur 302 001
Rajasthan, India

Listing

Application has been made to the Stock Exchanges for obtaining permission for listing and trading of the Equity Shares being offered and sold in the Offer and [●] is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Offer.

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. 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/Offer Closing Date. If our Company does not allot Equity Shares pursuant to the Offer within six Working Days from the Bid/Offer 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.

The Selling Shareholders undertake to provide such reasonable support and extend reasonable cooperation as may be requested by our Company, to the extent such support and cooperation is required from such party to facilitate the process of listing and commencement of trading of the Equity Shares on the Stock Exchanges within six working days from the Bid/Offer Closing Date.

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) the Selling Shareholders, our Directors, the Chief Financial Officer, the Company Secretary and Compliance Officer, the Auditors, the legal counsel, the Bankers to our Company, lenders (where such consent is required), Advisors to the Offer, CRISIL Research for including their report titled "Roads sector in India" dated September, 2017, the BRLMs and Registrar to the Offer have been obtained; and (b) the Syndicate Members, Bankers to the Offer/ Escrow Collection Bank, Refund Bank and the Public Offer 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, Price Waterhouse & Co. Chartered Accountants LLP 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 September 25, 2017, on the Restated Standalone Financial Information and Restated Consolidated Financial Information of our Company, 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. A written consent under the provisions of the Companies Act, 2013 is different from a consent filed with the U.S. Securities and Exchange Commission under Section 7 of the U.S. Securities Act which is applicable only to transactions involving securities registered under the U.S. Securities Act. As the Equity Shares are proposed to be offered as a part of an initial public offering in India and the Equity Shares have not been and will not be registered under the U.S. Securities Act, the Statutory Auditors have not given consent under Section 7 of the U.S. Securities Act. In this regard, the Statutory Auditors have given consent to be referred to as experts in this Draft Red Herring Prospectus in accordance with the requirements of the Companies Act, 2013. The term experts as used in this Draft Red Herring Prospectus is different from those defined under the U.S. Securities Act which is applicable only to transactions involving securities registered under the U.S. Securities Act. The reference to the Statutory Auditors as experts in this Draft Red Herring Prospectus is not made in the context of the U.S. Securities Act but solely in the context of this initial public offering in India.

Expert Opinion

Our Company has received written consent from the Statutory Auditors, Price Waterhouse & Co. Chartered Accountants LLP 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 September 25, 2017, on the Restated Standalone Financial Information and Restated Consolidated Financial Information of our Company, 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. A written consent under the provisions of the Companies Act, 2013 is different from a consent filed with the U.S. Securities and Exchange Commission under Section 7 of the U.S. Securities Act which is applicable only to transactions involving securities registered under the U.S. Securities Act. As the Equity Shares are proposed to be offered as a part of an initial public offering in India and the Equity Shares have not been and will not be registered under the U.S. Securities Act, the Statutory Auditors have not given consent under Section 7 of the U.S. Securities Act. In this regard, the Statutory Auditors have given consent to be referred to as experts in this Draft Red Herring Prospectus in accordance with the requirements of the Companies Act, 2013. The term experts as used in this Draft Red Herring Prospectus is different from those defined under the U.S. Securities Act which is applicable only to transactions involving securities registered under the U.S. Securities Act. The reference to the Statutory Auditors as experts in this Draft Red Herring Prospectus is not made in the context of the U.S. Securities Act but solely in the context of this initial public offering in India.

Further, Tibrewal Chand & Co, Chartered Accountants has given its consent dated September 25, 2017 to include its name as an expert in respect of the Statement of Tax Benefits dated September 25, 2017 provided by it which has been included in this Draft Red Herring Prospectus on page 95.

Except as stated hereinabove, our Company has not obtained any expert opinion.

Offer Expenses

The total expenses of the Offer are estimated to be approximately ₹ [●] million. The expenses of this Offer 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 Offer, Bankers to the Offer, 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 Offer expenses are as follows:

S. No.	Activity	Estimated amount* (₹ in million)	As a % of total estimated Offer Expenses*	As a % of Offer 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 Offer	[●]	[●]	[●]
5.	Listing fees, SEBI filing fees, book building software fees and other regulatory expenses, printing and stationery expenses, advertising and marketing expenses for the Offer and fees payable to the legal counsel	[●]	[●]	[●]
6.	Other Advisors to the Offer	[●]	[●]	[●]
7.	Miscellaneous	[●]	[●]	[●]
	Total Estimated Offer Expenses	[●]	[●]	[●]

* *To be incorporated in the Prospectus after finalization of the Offer 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 and the Selling Shareholders 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 and Selling Shareholders before the opening of the Offer.

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 and the Selling Shareholders 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 Offer shall be shared among our Company and the Selling Shareholders on a pro-rata basis, in proportion to the number of Equity Shares issued and Allotted by our Company through the Fresh Issue and sold by each of the Selling Shareholders through the Offer for Sale. Upon completion of the Offer, the Selling Shareholders shall reimburse our Company, on a pro-rata basis, in proportion to the respective Offered Shares sold pursuant to the Offer, for any expenses (other than listing fees) incurred by our Company on behalf of the Selling Shareholders. All such amounts payable by the Selling Shareholders in relation to the Offered Shares shall be deducted from the proceeds of the Offer prior to such funds being transferred to the Selling Shareholders.

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, the Selling Shareholders and the members of the Syndicate, copies of which shall be available for inspection at our Registered Office 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/Offer Closing Date.

Fees Payable to the Registrar to the Offer

The fees payable to the Registrar to the Offer, 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 September 25, 2017 signed among our Company, the Selling Shareholders and the Registrar to the Offer, a copy of which shall be made available for inspection at our Registered Office.

Particulars regarding Public or Rights Issues during the Last Five Years

Other than as disclosed in "***Capital Structure***" on page 72, 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 72, 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 72, 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 72, 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 September 25, 2017 between the Registrar to the Offer, the Selling Shareholders and our Company, provides for retention of records with the Registrar to the Offer 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 Offer for redressal of their grievances.

Investors may contact the BRLMs for any complaint pertaining to the Offer. All grievances, other than by Anchor Investors, may be addressed to the Registrar to the Offer, 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 Offer, 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 Offer 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 Ms. Ankita Mehra, Company Secretary, as the Compliance Officer and she may be contacted in case of any pre-Offer or post-Offer related problems, at the address set forth hereunder.

Ms. Ankita Mehra
IIIrd Floor, Sheel Mohar Plaza
A-1, Tilak Marg, C-Scheme
Jaipur 302 001, Rajasthan
India
Telephone: +91 141 4106040

Facsimile: +91 141 4106044
E-mail: cs@hginfra.com

The Selling Shareholders have authorized the Compliance Officer of our Company and the Registrar to the Offer to redress any complaints received from Bidders in respect of the Offer for Sale.

Further, our Board has constituted a Stakeholders Relationship Committee comprising our Directors, Mr. Girish Pal Singh, Mr. Vijendra Singh and Mr. Harendra Singh, which is responsible for redressal of grievances of the security holders of our Company. For more information, see "***Our Management***" on page 143.

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
B.K. Arora & Associates, Chartered Accountants	May 10, 2017	Resignation
Price Waterhouse & Co Chartered Accountants LLP, Chartered Accountants	May 15, 2017	Appointment in casual vacancy

Capitalization of Reserves or Profits

Except as disclosed in "***Capital Structure***" in page 72, 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 – OFFER RELATED INFORMATION
OFFER STRUCTURE

The Offer is of up to [●] Equity Shares of face value of ₹ 10 each, at an Offer Price of ₹ [●] per Equity Share for cash, including a premium of ₹ [●] per Equity Share, aggregating up to ₹ [●] million and is being made through the Book Building Process. The Offer comprises a Fresh Issue of [●] Equity Shares by our Company aggregating up to ₹ 3,000 million and an Offer for Sale of up to 6,000,000 Equity Shares aggregating to ₹ [●] by the Selling Shareholders, In terms of Rule 19(2)(b)(i) of the SCRR, the Offer will constitute at least [●]% of the post-Offer paid up Equity Share capital of our Company.

The Offer 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 Offer less allocation to QIB Bidders and Retail Individual Investors shall be available for allocation	Not less than [●] Equity Shares or the Offer less allocation to QIB Bidders and Non Institutional Investors shall be available for allocation
Percentage of Offer size available for allocation	Not more than 50% of the Offer 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	Not less than 15% of the Offer or Offer less allocation to QIB Bidders and Retail Individual Investors	Not less than 35% of the Offer or Offer 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 Offer 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

	QIBs[1]	Non-Institutional Investors	Retail Individual Investors
			proportionate basis to 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 Offer 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 Offer subject to applicable limits to the Bidder	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Offer 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	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
	up by the Government of India, 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 and the Selling Shareholders 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 "**Offer Procedure**" on page* 341.

(2) *Subject to valid Bids being received at or above the Offer Price. The Offer is being made in accordance with Rule 19(2)(b)(i) of the SCRR and under Regulation 26(1) of the SEBI ICDR Regulations. The Offer is being made through the Book Building Process wherein 50% of the Offer shall be available for allocation on a proportionate basis to QIBs, provided that our Company and the Selling Shareholders 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 Offer Price. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Offer 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 Offer Price.*

Subject to valid Bids being received at or above the Offer 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 and the Selling Shareholders, 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 Offer shall constitute at least 25% of the fully diluted post-Offer paid up equity share capital of our Company. In the event of under-subscription in the Offer, subject to receiving minimum subscription for 90% of the Fresh Issue and compliance with Rule 19(2)(b)(i) of the SCRR, Allotment will be first made towards the Fresh 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 Offer Price, the balance amount shall be payable as per the pay-in-date mentioned in the revised CAN. In case the Offer Price is lower than the Anchor Investor Allocation Price, the amount in excess of the Offer Price paid by the Anchor Investors shall not be refunded to them. For details of terms of payment applicable to Anchor Investors, see "**Offer Procedure – Allotment Procedure and Basis of Allotment**" on page 376.*

Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, 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 Offer

Our Company and the Selling Shareholders in consultation with the BRLMs, reserve the right to not proceed with the Offer at any time after the Bid/Offer Opening Date but before Allotment. If our Company and the Selling Shareholders withdraw the Offer, our Company will issue a public notice within two days from the Bid/Offer Closing Date or such time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. The BRLMs, through the Registrar to the Offer, 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-Offer advertisements have appeared and the Stock Exchanges will also be informed promptly.

If the Company and the Selling Shareholders, in consultation with the BRLMs, withdraw the Offer after the

Bid/Offer 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 Offer 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/Offer 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/Offer Period at the Bidding Centers, except that on the Bid/Offer Closing Date (which for QIBs may be a day prior to the Bid/Offer 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/Offer 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/Offer Closing Date, Bidders are advised to submit Bids one day prior to the Bid/Offer Closing Date and, in any case, no later than 1.00 p.m. (Indian Standard Time) on the Bid/Offer Closing Date. If a large number of Bids are received on the Bid/Offer 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 Offer. 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, the Selling Shareholders 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 and the Selling Shareholders, in consultation with the BRLMs, reserve the right to revise the Price Band during the Bid/Offer 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/Offer Period will be extended for at least three additional Working Days after revision of Price Band subject to the Bid/Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Offer 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 discrepancy in 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 OFFER

The Equity Shares offered and Allotted in the Offer 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 Offer. 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, FIPB 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 Offer.

Ranking of Equity Shares

The Equity Shares being offered and allotted in the Offer 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 "***Main Provisions of the Articles of Association***" on page 387.

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 (including pursuant to the transfer of Equity Shares from the Offer for Sale) in this Offer, 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 161 and 387 of this Draft Red Herring Prospectus, respectively.

Face Value and Price Band

The face value of each Equity Share is ₹ 10. 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 and the Selling Shareholders, in consultation with the BRLMs and published at least five Working Days prior to the Bid/Offer Opening Date, in [●] edition of [●] (a widely circulated English national daily newspaper) and [●] edition of [●] (a widely circulated Hindi national daily newspaper, Hindi also being the regional language in the place where our Registered 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 Shareholder

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 387.

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 Offer will be only in dematerialized form in multiples of one Equity Share. For the method of Basis of Allotment, see "***Offer Procedure***" on page 341.

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 Offer 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/Offer Period

BID/OFFER OPENS ON*	[●]
BID/OFFER 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 and the Selling Shareholders, 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/Offer Opening Date.*
*** Our Company and the Selling Shareholders, may in consultation with the BRLMs, decide to close the Bid/ Offer Period for QIBs one Working Day prior to the Bid/ Offer Closing Date.*

This timetable, is indicative in nature and does not constitute any obligation or liability on our Company, the Selling Shareholders 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/Offer Closing Date, the timetable may be subject to change for various reasons, including extension of Bid/Offer 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. Each Selling Shareholder confirms that it shall extend reasonable cooperation required by our Company and the BRLMs for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within six Working Days from the Bid/Offer Closing Date.

Minimum Subscription

If our Company does not receive the minimum subscription of 90% of the Fresh 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)(i) 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 Offer will be not less than 1,000. In the event of under-subscription in the Offer, subject to receiving minimum subscription for 90% of the Fresh Issue and compliance with Rule 19(2)(b)(i) of the SCRR, Allotment will be first made towards the Fresh Issue from the valid Bids.

Any expense incurred by our Company on behalf of the Selling Shareholders with regard to refunds, interest for delays etc. for the Equity Shares being offered in the Offer will be reimbursed by the Selling Shareholders in relation to their respective proportion of the Offered Shares to our Company in proportion to the Equity Shares being offered for sale by the Selling Shareholders in the Offer.

The requirement for minimum subscription is not applicable to the Offer for Sale in accordance with SEBI ICDR Regulations.

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-Offer equity shareholding, Minimum Promoters' Contribution and Anchor Investor lock-in in the Offer, as detailed in *"**Capital Structure**"* on page 72 and as provided in our Articles as detailed in "***Main Provisions of the Articles of Association***" on page 387, 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.

OFFER 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 Offer. All Designated Intermediaries in relation to the Offer 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, the Selling Shareholders 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 Offer is being made through the Book Building Process in accordance with Regulation 26(1) of the SEBI ICDR Regulations wherein 50% of the Offer will be available for allocation to QIBs on a proportionate basis, provided that our Company and the Selling Shareholders, 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 Offer 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 Offer Price. Further, not less than 15% of the Offer will be available for allocation on a proportionate basis to Non-Institutional Investors subject to valid Bids being received at or above the Offer Price. Further, not less than 35% of the Offer 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 Offer 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 and the Selling Shareholders, 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 and at our Registered Office and our 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/Offer 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 Offer. Anchor Investors are not permitted to participate in this Offer 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 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 354, 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 Offer 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 Offer, 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 Offer 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, the Company and the Selling Shareholders reserve 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 Securities and Exchange Board of India (Foreign Portfolio Investor) Regulations 2014 ("**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-Offer Equity Share capital.

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 Offer are advised to use the Bid cum Application Form for Non-Residents (blue in colour).

Bids by SEBI registered Venture Capital Funds, Alternative Investment Funds and Foreign Venture Capital Investors

The FVCI Regulations and the SEBI AIF Regulations *inter-alia* 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 1/3rd 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.

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 Offer 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, the Company and the Selling Shareholders 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 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 and with the Selling Shareholders reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company and the Selling Shareholders, in consultation with the BRLMs, in their absolute discretion, reserve 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 and the Selling Shareholders, 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 "***Offer Procedure – Part B – General Information Document for Investing in Public Issues***" on page 351.

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, the Selling Shareholders 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 Offer.

Pre-Offer Advertisement

Subject to Section 30 of the Companies Act 2013, our Company will, after registering the Red Herring Prospectus with the RoC, publish a pre-Offer advertisement, in the form prescribed by the SEBI ICDR Regulations, in [●] edition of [●] (a widely circulated English national daily newspaper) and [●] edition of [●] (a widely circulated Hindi national daily newspaper, Hindi also being the regional language in the place where our Registered Office is located). Our Company shall, in the pre- Offer advertisement state the Bid/Offer Opening Date, the Bid/Offer Closing Date and the QIB Bid/Offer 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 and the Selling Shareholders intend to enter into an Underwriting Agreement with the Underwriters on or immediately after the finalisation of the Offer Price. After signing the Underwriting Agreement, the Company will file the Prospectus with the RoC. The Prospectus would have details of the Offer Price, Anchor Investor Offer Price, Offer 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/ Offer Period and withdraw their Bid(s) until Bid/ Offer 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 Offer.

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 Offer/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 Offer/Issue Closing Date;
12. If you are a QIB, do not submit your Bid after 3.00 p.m. on the QIB Bid/Offer 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 Offer
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 and the Selling Shareholders, 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 Offer 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 Offer 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 the Company, the respective Depositories and the Registrar to the Offer:

- Agreement dated July 14, 2017 among NSDL, the Company and the Registrar to the Offer.
- Agreement dated June 30, 2017 among CDSL, the Company and Registrar to the Offer.

Undertakings by our Company

Our Company undertakes the following:

(i) That the complaints received in respect of the Offer 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/Offer 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/Offer 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 Offer by the 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/ Offer 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 or the Selling Shareholders do not proceed with the Offer after the Bid/Offer Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Bid/Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer 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 and the Selling Shareholders withdraw the Offer after the Bid/Offer Closing Date, our Company shall be required to file a fresh offer document with the SEBI, in the event our Company or the Selling Shareholders subsequently decides to proceed with the Offer;

(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 Offer Opening Date and the balance, if any, shall be brought in pro rata basis before the calls are made on public.

Undertakings by the Selling Shareholders

Each Selling Shareholder, severally and not jointly, specifically confirms and undertakes the following in respect of itself and the Equity Shares being offered by it pursuant to the Offer for Sale:

(i) The Equity Shares offered pursuant to the Offer for Sale are free and clear of any pre-emptive rights, liens, mortgages, charges, pledges or encumbrances and have been held by the Selling Shareholders for a period of at least one year prior to the date of this Draft Red Herring Prospectus, provided that, to the extent that the Equity Shares being offered have resulted from a bonus issue, the bonus issue has been on Equity Shares held for a period of at least one year prior to the filing of the DRHP;

(ii) The Selling Shareholders are the legal and beneficial owners of and have full title to their respective Equity Shares being offered through the Offer for Sale.

(iii) The Selling Shareholders will not have recourse to the proceeds of the Offer for Sale, until approval for trading of the Equity Shares from all Stock Exchanges where listing is sought has been received;

(iv) The Selling Shareholder will deposit the Equity Shares offered by it in the Offer in an escrow account opened with the Registrar to the Offer at least two Working Days days prior to filing of the Red Herring Prospectus with the RoC;

(v) The Selling Shareholder shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid in the Offer, and shall not make any payment, direct or indirect, in the nature of discounts, commission, allowance or otherwise to any person who makes a Bid in the Offer;

(vi) The Selling Shareholder will provide such reasonable support and extend such reasonable cooperation as may be required by our Company and the BRLMs in redressal of such investor grievances that pertain to the Equity Shares held by it and being offered pursuant to the Offer; and

(vii) The Selling Shareholders will take all such steps as may be required to ensure that the Equity Shares being sold by them in the Offer for Sale are available for transfer in the Offer for Sale.

The Selling Shareholders have authorized the Compliance Officer of our Company and the Registrar to the Offer to redress any complaints received from Bidders in respect of the Offer for Sale.

Utilization of Net Proceeds

Our Board certifies that:

(i) details of all monies utilised out of the Fresh 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 Fresh 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 and the Selling Shareholders, respectively, specifically confirm and declare that all monies received from the Fresh Issue and the Offer for Sale 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 Offer. For taking an investment decision, the Bidders/Applicants should rely on their own examination of the Issuer and the Offer, and should carefully read the Red Herring Prospectus/Prospectus before investing in the Offer.

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 Offers. 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 Offer 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 Offer and the relevant information about the Issuer undertaking the Offer 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 Offer. 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 Offer 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 *inter-alia* 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 *inter-alia* 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 Offer Price through the Book Building Process ("**Book Built Issue**") or undertake a Fixed Price Offer ("**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/Offer Opening Date, in case of an IPO and at least one Working Day before the Bid/Offer Opening Date, in case of an FPO.

The Floor Price or the Offer price cannot be lesser than the face value of the securities.

Bidders/Applicants should refer to the RHP/Prospectus or Offer advertisements to check whether the Offer is a Book Built Issue or a Fixed Price Issue.

2.5 OFFER PERIOD

The Offer 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/Offer Period. Details of Bid/Offer Period are also available on the website of the Stock Exchange(s).

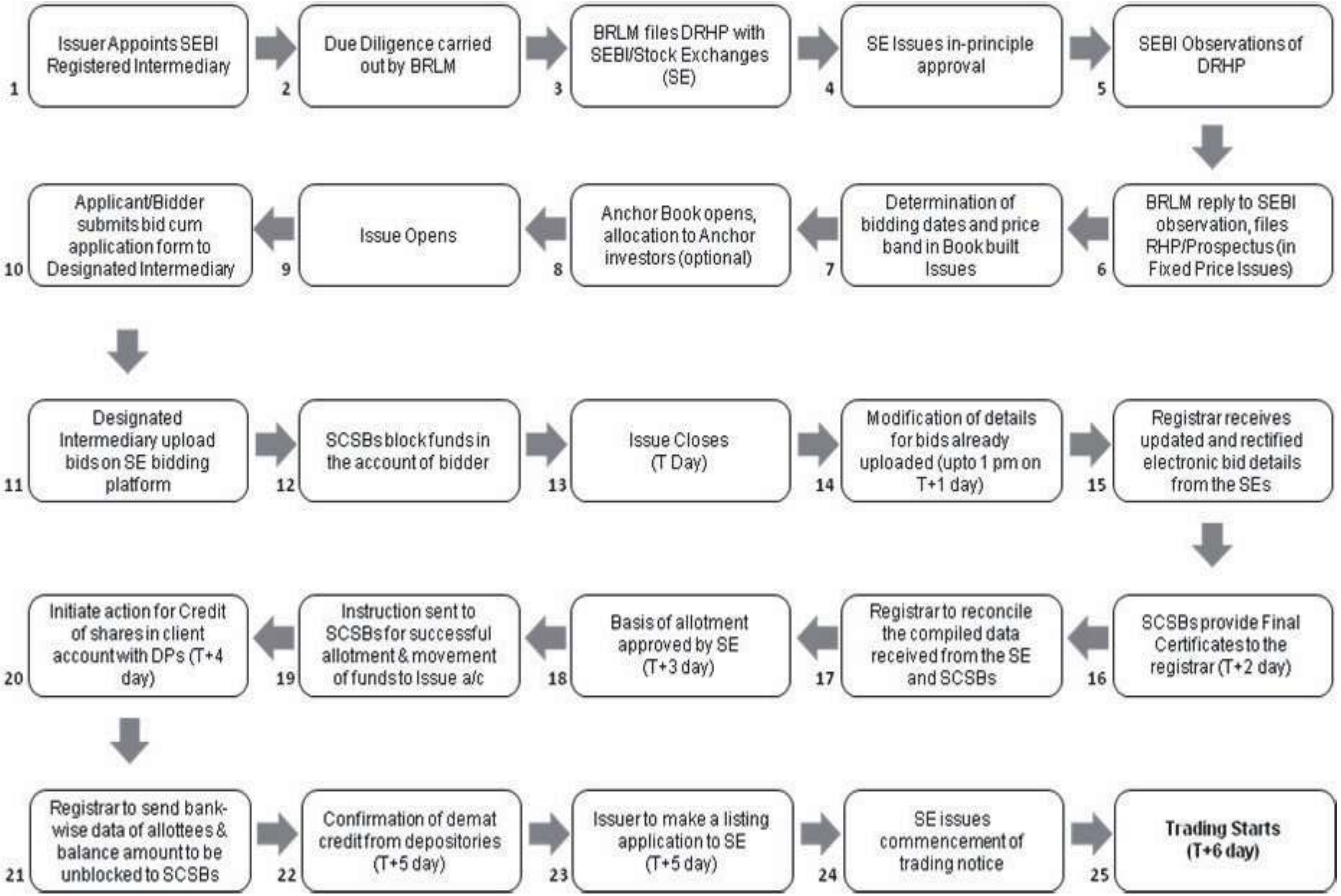
In case of a Book Built Issue, the Issuer may close the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date if disclosures to that effect are made in the RHP. In case of revision of the Floor Price or Price Band in Book Built Issues the Bid/Offer Period may be extended by at least three Working Days, subject to the total Bid/Offer 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 Offer 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 Offer 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 Offer 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 Offer.

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/Offer 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:

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)			
	8 | 7 | 6 | 5 | 4 | 3 | 2 | 1	Bid Price 3 | 2 | 1	Retail Discount 3 | 2 | 1	Net Price 3 | 2 | 1	"Cut-off" (Please ✓ tick)
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)	

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 (₹)			

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.

TEAR HERE

PLEASE FILL IN BLOCK LETTERS

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)			
	8 7 6 5 4 3 2 1	Bid Price 3 2 1	Retail Discount 3 2 1	Net Price 3 2 1	"Cut-off" (Please ✓ tick)
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.

PAN of Sole / First Bidder

DPID / CLID

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 - 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.

TEAR HERE

PLEASE FILL IN BLOCK LETTERS

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 Offer only for correspondence(s) related to an Offer 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 Offer, 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 Offer.

(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/Offer Opening Date in case of an IPO, and at least one Working Day before Bid/Offer 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 Offer 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 Rs. 10,000 to Rs.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 Rs. 200,000.

In case the Bid Amount exceeds Rs. 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 Rs. 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 Rs. 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/Offer 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 Rs. 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 Rs.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/Offer Period and are required to pay the Bid Amount at the time of submission of the Bid. In case the Anchor Investor Offer Price is lower than the Offer Price, the balance amount shall be payable as per the pay-in-date mentioned in the revised CAN. In case the Offer Price is lower than the Anchor Investor Offer Price, the amount in excess of the Offer Price paid by the Anchor Investors shall not be refunded to them.

(g) A Bid cannot be submitted for more than the Offer 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 Offer Price, the number of Equity Shares Bid for by a Bidder at or above the Offer 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 Offer 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 Offer 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 Offer 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 Offer 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 Offer, 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 Offer depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Offer 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 Offer 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 Offer 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 Offer, 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 Offer 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 OfferAccount, 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 Offer 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 Offer 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 Offer 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 Offer Account, for each Bid, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Offer 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 Offer 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 Offer may give instructions to the SCSB to unblock the Bid Amount in the relevant ASBA Account within six Working Days of the Bid/Offer 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 Offer 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 Offer 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

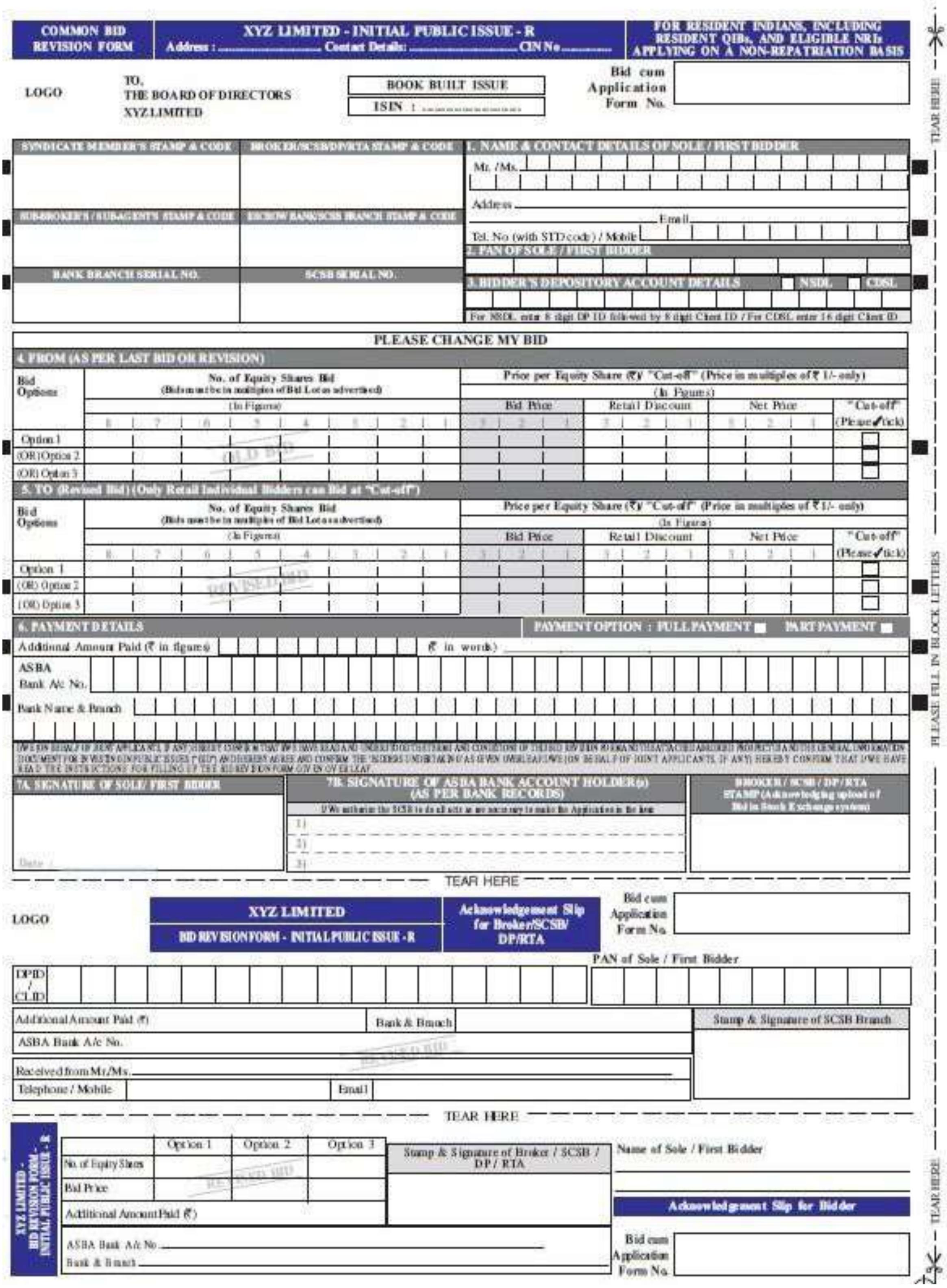
(a) During the Bid/Offer Period, any Bidder/Applicant (other than QIBs and NIIs, who can only revise their bid upwards) who has registered his or her interest in the Equity Shares at a particular price level is free to revise his or her Bid within the Price Band using the Revision Form, which is a part of the Bid cum Application Form.

(b) RII may revise their Bids or withdraw their bids until Bid/Offer 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/ Offer 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					
(OR) Option 2	OLD BID				
(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					
(OR) Option 2	REVISED BID				
(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

Bid cum Application Form No.

ASBA Bank A/c No.
Bank & Branch

TEAR HERE — PLEASE FILL IN BLOCK LETTERS — TEAR HERE

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 Rs. 200,000. In case the Bid Amount exceeds Rs. 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 Offer 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 Rs. 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 Offer 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 Offer 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 Rs. 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 Offer 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 Offer (LM) may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of Rs. 10,000 to Rs.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 Rs. 200,000.

(d) Applications by other investors must be for such minimum number of shares such that the application amount exceeds Rs. 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 Offer 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 Offer 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 Offer 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 Offer 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 Offer, 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 Offer depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Offer 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 Offer

(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 Offer 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 Offer 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 Offer 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 Offer 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 Offer Account, for each Application, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Offer 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 Offer, the SCSBs may transfer the requisite amount against each successful Application to the Public Offer 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 Offer may give instructions to the SCSB to unblock the Application Amount in the relevant ASBA Account within six Working Days of the Offer 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 Offer 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 Offer 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 Offer, refers to the process of collection of Bids within the Price Band or above the Floor Price and determining the Offer Price based on the Bids received as detailed in Schedule XI of SEBI ICDR Regulations. The Offer Price is finalised after the Bid/Offer Closing Date. Valid Bids received at or above the Offer 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/Offer 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/Offer 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/Offer Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period after which the Stock Exchange(s) send the bid information to the Registrar to the Offer 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/Offer 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/Offer Period.

5.4 WITHDRAWAL OF BIDS

(a) RIIs can withdraw their Bids until Bid/Offer 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 Offer 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, inter-alia, 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/Offer 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 Offer;

(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 Offer depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Offer 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 Rs. 20 to Rs. 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 (Rs.)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%

Bid Quantity	Bid Amount (Rs.)	Cumulative Quantity	Subscription
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 Offer the desired number of equity shares is the price at which the book cuts off, i.e., Rs. 22.00 in the above example. The issuer, in consultation with the book running lead managers, may finalise the Offer Price at or below such cut-off price, i.e., at or below Rs. 22.00. All bids at or above this Offer 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/Offer 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 Offer 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/Offer 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 Offer (excluding any Offer for Sale of specified securities). However, in case the Offer is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

7.1 ALLOTMENT TO RIIs

Bids received from the RIIs at or above the Offer 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 Offer 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 Offer 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 Offer 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 Offer 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 Offer 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 Offer Price. If the aggregate demand in this category is less than or equal to the Non-Institutional Category at or above the Offer 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 Offer 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 Offer 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 Offer 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 Offer 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 Offer 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 Offer 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 Rs.10 crores;
- a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than Rs. 10 crores and up to Rs. 250 crores subject to minimum allotment of Rs. 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 Rs. 250 crores and an additional 10 Anchor Investors for every additional Rs. 250 crores or part thereof, subject to minimum allotment of Rs. 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 Offer Price is higher than the Anchor Investor Offer 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 Offer Price and the Anchor Investor Offer 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 Offer Price is lower than the Anchor Investor Offer 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 Offer 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 Offer Account with the Bankers to the Offer. The balance amount after transfer to the Public Offer 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 Offer shall instruct the SCSBs to transfer funds represented by allocation of Equity Shares from ASBA Accounts into the Public Offer 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 Offer.**

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 Offer.

(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/ Offer 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/Offer 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/Offer Closing Date. The Registrar to the Offer 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/Offer 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 Rs. 5 lakhs but which may extend to Rs. 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 Rs. 50,000 but which may extend to Rs. 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 Offer (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/ Offer 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. In case the Offer is in the nature of Offer for Sale only, then minimum subscription may not be applicable. In case of under-subscription in the Offer, the Equity Shares in the Fresh Issue will be issued prior to the sale of Equity Shares in the Offer for Sale.

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 Offer under Regulation 26(2) of SEBI (ICDR) Regulations but fails to Allot at least 75% of the Offer 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/Offer Closing Date, the Registrar to the Offer 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/Offer Closing Date, the Registrar to the Offer may dispatch the refund orders for all amounts payable to unsuccessful Anchor Investors.

3. In case of Anchor Investors, the Registrar to the Offer 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 Offer, 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/Offer Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 15 days from the Bid/ Offer 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 Offer 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 Offer/ Escrow Collection Bank(s)/Collecting Banker	The banks which are clearing members and registered with SEBI as Banker to the Offer 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/Offer Period by a prospective Bidder pursuant to submission of Bid cum Application Form or during the Anchor Investor Bid/ Offer 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/Offer 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 Offer, 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/Offer Closing Date
Bid/Offer 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/Offer Opening Date

Term	Description
Bid/Offer Period	Except in the case of Anchor Investors (if applicable), the period between the Bid/ Offer Opening Date and the Bid/Offer 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/ Offer Period for QIBs one working day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations. Applicants/Bidders may refer to the RHP/Prospectus for the Bid/Offer 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 Offer 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 Offer 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 Offer Price and the Anchor Investor Offer 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	Offer 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 Offer 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 Fresh Issue may give delivery instructions for the transfer of the Equity Shares constituting the Offer for Sale
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 Offer
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 Offer 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 Offer, 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 Offer
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 Offer is being made
Floor Price	The lower end of the Price Band, at or above which the Offer Price and the Anchor Investor Offer 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 Offer 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 Offer	The Offer 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 Offer 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
Offer	Public issue of Equity Shares of the Issuer including the Offer for Sale if applicable
Offer for Sale	Public offer of such number of Equity Shares as disclosed in the RHP/Prospectus through an offer for sale by the Selling Shareholder
Offer 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 Offer Price The Offer 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 Offer 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/Offer 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 Offer 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 Offer Price, the size of the Offer and certain other information
Public Offer Account	An account opened with the Banker to the Offer to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date
QIB Category	The portion of the Offer 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/ Offer 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 Offer/RTO	The Registrar to the Offer 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 Offer 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 Offer 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 Offer 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/Offer 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.

The following regulations comprised in these Articles of Association were adopted pursuant to members' resolution passed at the Extra Ordinary General Meeting held on 15th day of May, 2017 in substitution for and to the entire exclusion of, the regulations contained in the existing Articles of Association of the Company.

ARTICLES OF ASSOCIATION

OF

H.G. INFRA ENGINEERING LIMITED

PRELIMINARY

1. No regulation contained in Table F contained in the First Schedule to the Companies Act, 2013, shall apply to this Company, but the regulations for the management of the Company and for the observance of the Members thereof and their representatives shall, subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of, or addition thereto, by special resolution, as prescribed by the said Act, be such as are contained in these Articles.

INTERPRETATION

2. In the interpretation of Part A of these Articles, unless repugnant to the subject or context:-

"The Company" or "this Company" means **H.G. Infra Engineering Limited.**

"The Act" means the Companies Act, 1956 and the Companies Act, 2013, or any statutory modification or re-enactment thereof, for the time being, in force.

"Annual General Meeting" means a general meeting of the members held as such, in accordance with the provisions of the Act.

"Beneficial Owner" means a person as defined by section 2(1)(a) of the Depositories Act, 1996.

"Board" shall mean the collective body of the directors of the Company.

"Capital" means the Share capital, for the time being, raised or authorised to be raised, for purposes of the Company.

"Debenture" includes debenture stock, bonds or any other instrument of the Company evidencing the debts whether constituting the charge on the assets of the Company or not.

"Depositories Act 1996" means The Depositories Act, 1996 and includes any statutory modification or re-enactment thereof the time being in force.

"Depository" means and includes a Company as defined in section 2(1)(e) of "The Depositories Act, 1996.

"Directors" means a director appointed to the Board of Company board.

"Dividend" includes interim dividend.

"Extra-ordinary General Meeting" means an extraordinary general meeting of the members, duly called and constituted, and any adjourned holding thereof.

"In writing" or "written" include printing, lithography and other modes of representing or reproducing words in a visible form.

"Member" means member as defined under section 2(55) of the Companies Act, 2013

"Meeting" or "General meeting" means a meeting of members.

"Month" means a period of 30 (Thirty) days and a "Calendar Month" means an English calendar month.

"Office" means the registered office, for the time being, of the Company.

"Paid-up" means paid up capital as defined under section 2(64) of the Companies Act, 2013.

"Participant" means individual / institutions as defined under Section 2(1)(g) of the Depositories Act, 1996.

"Persons" include corporations and firms as well as individuals.

"Register of Members" means the Register of Members to be kept pursuant to the Act, and includes index of beneficial owners mentioned by a Depository.

"The Registrar" means, Registrar as defined under section 2(75) of the Companies Act, 2013.

"Secretary" means a Company Secretary, within the meaning of clause (c) of sub section (1) of section 2 of Company Secretaries Act, 1980, who is appointed by the Company to perform the functions of the Company Secretary under this Act

"Seal" means the common seal, for the time being, of the Company.

"Share" means a Share in the capital of the Company, and includes stock, except where a distinction between Stock and Shares is express or implied.

Words importing the singular number include, where the context admits or requires, the plural number and vice versa.

"Ordinary resolution" and "special resolution" shall have the same meaning assigned thereto by the Act.

"Year" means a calendar year and "financial year" shall have the same meaning as assigned thereto by or under the Companies Act, 2013.

Words importing the masculine gender also include the feminine gender.

The margin notes, if used or incorporated, or, after being used, removed, at any time thereafter, in these Articles shall not affect the construction hereof.

Save as aforesaid, any words or expressions defined in the Act shall, if not inconsistent with the subject or context, bear the same meaning so far as these Articles are concerned.

The Section number, with relation to the Act, referred to anywhere in these presents, may be deemed to have been replaced by such other number or numbers, as may, after the amendments or modifications effected in the Act or repeal of the Act and introduction of the new Act as such in its place, contain the relevant provisions, in the context or circumstances of that respective Article, as may be proper and justifiable and shall be interpreted in its true intention.

CAPITAL AND INCREASE AND REDUCTION THEREOF

3. The Authorised Share Capital of the Company is such amount, as stated, for the time being, or may be varied, from time to time, under the provisions of the Act, in the Clause V of the Memorandum of

Association of the Company, divided into such number, classes and descriptions of Shares and into such denominations, as stated therein, and further with such powers to increase the same or otherwise as stated therein. The paid-up Share Capital of the Company shall be, at any time, an amount of not less than Rs.5,00,000/- (Rupees Five Lakhs Only) or such other amount, as may, from time to time, be prescribed under the Act.

4. The Company, in general meeting, may, from time to time, increase the capital by the creation of new shares. Such increase in the capital shall be of such aggregate amount and to be divided into such number of Shares of such respective amounts, as the resolution, so passed in that respect, shall prescribe. Subject to the provisions of the Act, any Shares of the original or increased capital shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the general meeting, resolving upon the creation thereof, shall direct, and, if no direction be given, as the Directors shall determine, and, in particular, such Shares may be issued with a preferential, restricted or qualified right to dividends, and in the distribution of assets of the Company, on winding up, and with or without a right of voting at general meetings of the Company, in conformity with and only in the manner prescribed by the provisions of the Act. Whenever capital of the Company has been increased under the provisions of this Article, the Directors shall comply with the applicable provisions of the Act.

5. Except so far as otherwise provided by the conditions of issue or by these presents, any capital raised by the creation of new shares shall be considered as part of the existing capital and shall be subject to the provisions contained herein with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting or otherwise.

6. Subject to the provisions of Section 55 of the Act and the rules made thereunder, the Company shall have the power to issue preference shares, which are liable to be redeemed and the resolution authorising such issue shall prescribe the manner, terms and conditions of redemption.

7. On the issue of Redeemable Preference Shares under the provisions of the preceding Article, the following provisions shall take effect :-

(a) No such Shares shall be redeemed except out of the profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of Shares made for the purpose of the redemption.

(b) No such shares shall be redeemed unless they are fully paid;

(c) The premium, if any, payable on redemption, must have been provided for, out of the profits of the Company or the Share Premium Account of the Company before, the Shares are redeemed; and

(d) Where any such Shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall, out of profits which would otherwise have been available for dividend, be transferred to a reserve fund to be called “Capital Redemption Reserve Account”, a sum equal to the nominal amount of the Shares redeemed and the provisions of the Act, relating to the reduction of the Share Capital of the Company, shall, except as provided in Section 80 of the Act, apply as if “Capital Redemption Reserve Account” were paid up Share capital of the Company.

8. Subject to Section 100 of the Companies Act, 1956 and Section 66 of the Companies Act, 2013 as and when notified the Company may by special resolution, reduce its capital and any Capital Redemption Reserve Account or Other Premium Account, for the time being, in any manner, authorised by law, and, in particular, without prejudice to the generality of the foregoing powers, the capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power, the Company would have, if it were omitted.

9. Subject to the applicable provisions of the Act, the Company, in general meeting, may, from time to time, sub-divide, reclassify or consolidate its Shares or any of them, and the resolution whereby any Share is sub-divided, may determine that, as between the holders of the Shares resulting from such sub-division, one or more of such Shares shall have some preference or special advantage as regards dividend, capital or otherwise over or as compared with the other or others. Subject as aforesaid, the Company, in general meeting, may also cancel shares, which have not been taken or agreed to be taken by any person, and diminish the amount of its Share capital by the amount of the Shares so cancelled.

10. Whenever the capital, by reason of the issue of Preference Shares or otherwise, is divided into different classes of shares, all or any of the rights and privileges attached to each class may, subject to the applicable provisions of the Act, be modified, commuted, affected or abrogated, or dealt with by an agreement between the Company and any person purporting to contract on behalf of that class, provided such agreement is ratified, in writing, by holders of at least three-fourths in nominal value of the issued Shares of the class or is confirmed by a special resolution passed at a separate general meeting of the holders of Shares of that class and all the provisions hereinafter contained as to general meetings, shall, mutatis mutandis, apply to every such meeting.

SHARES AND CERTIFICATES

11. The Company shall keep or cause to be kept a Register and Index of Members, in accordance with the applicable Sections of the Act. The Company shall be entitled to keep, in any State or Country outside India, a Branch Register of Members, in respect of those residents in that State or Country.

12. The Shares, in the capital, shall be numbered progressively according to their several classes and denominations, and, except in the manner hereinabove mentioned, no Share shall be sub-divided. Every forfeited or surrendered Share may continue to bear the number by which the same was originally distinguished with, or as may be otherwise, as may be decided by the Board of Directors or required by any other authority, as may be, for the time being, in force.

FURTHER ISSUE OF SHARES

13. (1) Where at any time, it is proposed to increase the subscribed capital of the Company by allotment of further Shares either out of the unissued or out of the increased Share capital then such Shares shall be offered -

(a) 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 paid up Share capital on those Shares by sending a letter of offer subject to the following conditions, namely:

(i) the offer shall be made by a notice specifying the number of Shares offered and limiting a time not less than fifteen (15) days and not exceeding thirty (30) days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined;

(ii) the offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the Shares offered to him or any of them in favour of any other person; and the notice referred to in clause (i) hereof shall contain a statement of this right; provided that the 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.

(iii) after the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the Shares offered, the Board of Directors may dispose of them in such manner which is not disadvantageous to the Shareholders and the Company.

(b) to employees under a scheme of employees' stock option, subject to special resolution passed by the Company and subject to such conditions as prescribed in the Act and the rules thereunder; or

(c) to any persons, if its authorised by a special resolution, whether or not those persons include the persons referred to in clause (A) or clause (B) either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions prescribed in the Act and the rules thereunder.

(2). The notice referred to in sub-clause i. of clause (A) of sub-article (1) shall be dispatched through registered post or speed post or through electronic mode to all the existing Shareholders at least 3 (three) days before the opening of the issue.

(3). Nothing in this Article shall apply to the increase of the subscribed capital of a Company caused by the exercise of an option attached to the debentures issued or loan raised by the Company to convert such debentures or loans into shares in the Company (whether such option is conferred in these Articles or otherwise);

Provided that the terms of issue of such debentures or the terms of such loans containing such option have been approved before the issue of such debentures or the raising of loan by a special resolution passed by the Company in general meeting.

(4). Notwithstanding anything contained in sub-clause (3) above, where any debentures have been issued or loan has been obtained from any Government by the Company, and if that Government considers it necessary in the public interest so to do, it may, by order, direct that such debentures or loans or any part thereof shall be converted into shares in the Company on such terms and conditions as appear to the Government to be reasonable in the circumstances of the case even if terms of the issue of such debentures or the raising of such loans do not include a term for providing for an option for such conversion.

Provided that where the terms and conditions of such conversion are not acceptable to the Company, it may, within sixty days from the date of communication of such order, appeal to the Tribunal which shall after hearing the company and the Government pass such order as it deems fit.

(5). In determining the terms and conditions of conversion under sub-clause (4), the Government shall have due regard to the financial position of the Company, the terms of issue of debentures or loans, as the case may be, the rate of interest payable on such debentures or loans and such other matters as it may consider necessary.

(6). Where the Government has, by an order made under sub-clause (4), directed that any debenture or loan or any part thereof shall be converted into shares in the Company and where no appeal has been preferred to the Tribunal under sub-clause (4) or where such appeal has been dismissed, the Memorandum of the Company shall, where such order has the effect of increasing the authorized share capital of the Company, be altered and the authorized share capital of the Company shall stand increased by an amount equal to the amount of the value of shares which such debentures or loans or part thereof has been converted into.

SHARES AT THE DISPOSAL OF DIRECTORS

14. Subject to the provisions of Section 62 of the Companies Act, 2013 and the rules made thereunder and these Articles of the Company for the time being shares shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of Section 53 of the Companies Act, 2013) at a discount and at such time as they may from time to time think fit and with the sanction of the Company in the General Meeting to give 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 Directors 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 on Shares shall not be given to any person or persons without the sanction of the Company in the General Meeting. The Board shall cause to be filed the returns as to allotment as may be prescribed from time to time.

15. In addition to and without derogating from the powers for that purpose conferred on the Board under the preceding two Articles, the Company, in general meeting, may determine that any Shares, whether forming part of the original capital or of any increased capital of the Company, shall be offered to such persons, whether or not the members of the Company, in such proportion and on such terms and conditions and, subject to compliance with the provisions of applicable provisions of the Act, either at a premium or at par, as such general meeting shall determine and with full power to give any person, whether a member or not, the option to call for or be allotted Shares of any class of the Company either, subject to compliance with the applicable provision of the Act, at a premium or at par, such option being exercisable at such

times and for such consideration as may be directed by such general meeting, or the Company in general meeting may make any other provision whatsoever for the issue, allotment or disposal of any Shares.

16. Any application signed by or on behalf of an applicant for subscription for Shares in the Company, followed by an allotment of any Shares therein, shall be an acceptance of Shares within the meaning of these Articles, and every person, who, thus or otherwise, accepts any Shares and whose name is entered on the Registered shall, for the purpose of these Articles, be a member.

17. The money, if any, which the Board shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any Shares allotted by them, shall immediately on the insertion of the name of the allottee in the Register of Members as the name of the holder of such Shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly, in the manner prescribed by the Board.

18. Every member or his heirs, executors or administrators, shall pay to the Company the portion of the capital represented by his Share or Shares which may, for the time being, remain unpaid thereon, in such amounts, at such time or times, and in such manner as the Board shall, from time to time, in accordance with the Regulations of the Company, require or fix for the payment thereof.

19. (a) Every Member shall be entitled, without payment, to receive one or more certificates in marketable lots, for all the Shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as the 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 (2) months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one (1) 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. 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 directors may prescribe or approve, provided that in respect of a Share or Shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate of Shares to one of several joint holders shall be sufficient delivery to all such Shareholders. Every such certificate shall be issued under the seal of the Company, which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under a power of attorney and the Secretary or some other person appointed by the Board for the purpose, and such two Directors or their attorneys, and the Secretary or other person shall sign the Share Certificates, provided that, if the composition of the Board permits, provided that, of it, at least one of the aforesaid two Directors shall be a person other than Managing Director or a Wholetime Director. Particulars of every Share certificates issued shall be entered in the Register of Members against the name of the person, to whom it has been issued, indicating the date of issue.

(b) Any two or more joint allottees, in respect of a Share, shall, for the purpose of this Article, be treated as a single member, and the certificate of any Share, which may be subject of joint ownership, may be delivered to the person named first in the order or otherwise even to any one of such joint owners, on behalf of all of them. For any further certificate, the Board shall be entitled but shall not be bound to prescribe a charge not exceeding Rupee 50(fifty) per such certificate. In this respect, the Company shall comply with the applicable provisions, for the time being, in force, of the Act.

(c) A director may sign a Share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp provided that the Directors shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.

20. (a) The Directors may, if they think fit, subject to the provisions of Section 50 of the Act, agree to receive from any member willing to advance the same, all or any part of the amount of his Shares beyond the sums actually called up and upon the monies so paid in advance or upon so much thereof as from time to time exceeds the amount of the calls then made upon the Shares in respect of which such advances has been made, the Company may pay interest at such rate, as the member paying such sum in advance and the Directors agree upon provided that money paid in advance of

calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced.

The member shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable.

The Provisions of these Articles shall mutatis mutandis apply to the calls on Debentures of the Company.

(b) When a new Share certificate has been issued in pursuance of the preceding clause of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is "Issued in lieu of Share Certificate No.......... sub-divided/replaced/on consolidation of Shares".

(c) Subject to provisions of the Act and the Companies (Share Capital and Debentures) Rules, 2014, if any certificate be worn out, defaced, mutilated, or torn or if there be no further space on the back thereof 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 lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, being given, and a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificates under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs. 50/- (Fifty) for each certificate) as the Directors 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 Directors shall comply with such Rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable in this behalf. The provision of this sub clause (c) shall mutatis mutandis apply to debentures, if any, of the Company.

(d) When a new Share certificate has been issued in pursuance of the preceding clause of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is "DUPLICATE. Issued in lieu of Share Certificate No. ...." The word "DUPLICATE" shall be stamped or punched in bold letters across the face of the Share certificate.

(e) Where a new Share certificate has been issued in pursuance of clause (a) or clause (c) of this Article, particulars of every such Share certificate shall be entered in a Register of Renewed and Duplicate Share Certificates, indicating against the names of the person or persons to whom the certificate is issued, the number and date of issue of the Share certificate, in lieu of which the new certificate is issued, and the necessary changes indicated in the Register of Members by suitable cross reference in the "Remarks" column.

(f) All blank forms to be issued for issue of Share certificates shall be printed and the printing shall be done only on the authority of a resolution of the Board. The blank forms shall be consecutively numbered, whether by machine, hand or otherwise, and the forms and the blocks, engravings, facsimiles and hues relating to the printing of such forms shall be kept in the custody of the Secretary, where there is no Secretary, the Managing Director or Whole time Director, and where there is no such director, the Chairman of the Board, for the time being, or otherwise of such other person, as the Board may appoint for the purpose, and the Secretary, such director, Chairman or such other person shall be responsible for rendering an account of these forms to the Board.

(g) The Managing Director of the Company, for the time being, or, if the Company has no Managing Director, every director of the Company shall be severally responsible for the maintenance, preservation and safe custody of all books and documents relating to the issue of Share certificates except the blank forms of Share certificates referred to in Clause (f) of this Article.

(h) All books referred to in clause (g) of this Article shall be preserved in good order permanently, or for such period as may be prescribed by the Act or the Rules made thereunder.

21. If any Share stands in the names of two or more persons, the person first named, in the Register, shall, as regards receipt of dividends or bonus or service of notices and all or any matter connected with the Company, except voting at meetings and the transfer of the Shares, be deemed the sole holder thereof but the joint holders of a Share shall be severally as well as jointly liable for the payment of all installments of calls due in respect of such Share and for all incidents otherwise.

22. Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognize any equitable, contingent, future or partial interest in any Share, or, except only as is, by these presents, otherwise expressly provided, any right in respect of a Share other than an absolute right thereto, in accordance with these Articles, in the person, from time to time, registered as the holder thereof, but the Board shall be, at liberty, at their sole discretion, to register any Share in the joint names of any two or more persons or the survivor or survivors of them.

23. Subject to the provisions of Sections 68 to 70 of the Act 2013 and the rules thereunder, the Company may purchase its own Shares or other specified securities out of free reserves, the securities premium account or the proceeds of issue of any Share or specified securities.

24. Subject to the provisions contained in sections 68 to 70 and all applicable provisions of the Act and subject to such approvals, permissions, consents and sanctions from the concerned authorities and departments, including the Securities and Exchange Board of India and the Reserve Bank of India, if any, the Company may, by passing a special resolution at a general meeting, purchase its own Shares or other specified securities (hereinafter referred to as 'buy-back') from its existing Shareholders on a proportionate basis and/or from the open market and/or from the lots smaller than market lots of the securities (odd lots), and/or the securities issued to the employees of the Company pursuant to a scheme of stock options or sweat Equity, from out of its free reserves or out of the securities premium account of the Company or out of the proceeds of any issue made by the Company specifically for the purpose, on such terms, conditions and in such manner as may be prescribed by law from time to time; provided that the aggregate of the securities so bought back shall not exceed such number as may be prescribed under the Act or Rules made from time to time.

COMMISSION AND BROKERAGE

25. Subject to the provisions of Section 40 of the Act 2013 and the rules thereof , the Company may, at any time, pay a commission to any person in consideration of his subscribing or agreeing to subscribe, whether absolutely or conditionally, for any Shares in or Debentures of the Company or procuring or agreeing to procure the subscribers, whether absolutely or conditional, for any Shares in or Debentures of the Company, but so that the commission shall not exceed, in the case of Shares, five per cent of the price at which the Shares are issued and, in the case of Debentures two and half per cent of the price at which the Debentures are issued, and such commission may be satisfied in any such manner, including the allotment of the Shares or Debentures, as the case may be, as the Board thinks fit and proper.

26. Subject to the provisions of the Act, the Company may pay a reasonable sum for brokerage.

CALLS

27. The Board may, from time to time, subject to the terms on which any Shares may have been issued and subject to the conditions of allotment, by a resolution passed only at a duly constituted meeting of the Board, make such call, as it thinks fit, upon the members in respect of all moneys unpaid on the Shares held by them respectively and each member shall pay the amount of every call so made on him to the person or persons and at the times and places appointed by the Board. A call may be made payable by installments.

28. At least fifteen days' notice, in writing, of any call, shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call be paid.

29. A call shall be deemed to have been made at the time when the resolution authorising such call was passed at a meeting of the Board.

30. The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call, and may extend such time as to all or any of the members whom owing to their residence at a distance or other

cause, the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension, save as a matter of grace and favour.

31. A call may be revoked or postponed at the discretion of Board.

32. The joint holders of a Share shall be jointly and severally liable to pay all calls in respect thereof.

33. If any members fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall, from time to time, be fixed by the Board, but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member.

34. 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 Articles, be deemed to be a call duly made and payable on the date on which, by the terms of issue, the same becomes payable, and, in the case of non-payment, all the relevant provisions of these Articles 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.

35. On the trial or hearing of any action or suit brought by the Company against any member or his representative for the recovery of any money claimed to be due to the Company in respect of his Shares, it shall be sufficient to prove that the name of the member, in respect of whose Shares the money is sought to be recovered, appears or is entered on the Register of Members as the holder, at or subsequent to the date at which the money is sought to be recovered, is alleged to have become due on the Shares in respect of which money is sought to be recovered, and that the resolution making the call is duly recorded in the minute book, and that notice, of which call, was duly given to the member or his representatives and used in pursuance of these Articles, and it shall not be necessary to prove the appointment of the Directors who made such call, and not that a quorum of Directors was present at the meeting of the Board at which any call was made, and nor that the meeting, at which any call was made, has duly been convened or constituted nor any other matter whatsoever, but the proof of the matters aforesaid shall be conclusive of the debt.

36. Neither the receipt by the Company of a portion of any money which shall, from time to time, be due from any member to the Company in respect of his Shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such Shares as hereinafter provided.

37. (a) The Board may, if it thinks fit, subject to the provisions of Section 50 of the Companies Act, 2013, agree to and receive from any member willing to advance the same, whole or any part of the moneys due upon the Shares held by him beyond the sums actually called up and upon the amount so paid or satisfied in advance, or upon so much thereof, from time to time, and, at any time thereafter, as exceeds the amount of the calls then made upon and due in respect of the Shares on account of which such advances are made, the Company may pay or allow interest at such rate, as the member paying the sum in advance and the Board agrees upon, subject to the provisions of the Companies Act, 2013. The Board may agree to repay, at any time, the amount so advanced, provided that moneys paid, in advance of calls, on any Shares may carry interest but shall not confer a right to dividend or to participate in profits.

(b) No member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him, until the same would, but for such payment, become presently payable.

(c) The provisions of this Article shall apply mutatis mutandis apply to call on debenture of the Company.

LIEN

38. The Company shall have a first and paramount lien upon all the Shares/Debentures (other than fully paid-up Shares/Debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all monies (whether presently payable or not) called or payable at a fixed time in respect of such Shares/Debentures and no equitable interest in any Shares shall be created

except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in all 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 Directors may at any time declare any Shares/Debentures wholly or in part to be exempt from the provisions of this clause. Fully paid-up Share shall be free from all lien and in the case of partly paid-up Shares the Company's lien shall be restricted to moneys called or payable at a fix time in respect of such Shares.

39. For the purpose of enforcing such lien, the Board may sell the Shares, subject thereto, in such manner, as it shall think fit, and, for that purpose, may cause to be issued a duplicate certificate in respect of such Shares, and may authorise one of their members to execute a transfer thereof, on behalf of and in the name of such manner. No sale shall be made until such period, as aforesaid, shall have arrived and until notice, in writing, of the intention to sell, shall have been served on such member or his representatives and the default, whether express or implied, shall have been made by him or them in payment, fulfilment or discharge of such debts, liabilities or engagements, for such further days allowed, after the service of such notice, and stated therein.

40. The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount, in respect of which the lien exists, as is presently payable, and the residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the Shares before the sale, be paid to the persons entitled to the Shares at the date of the sale.

FORFEITURE OF SHARES

41. If any member fails to pay any call or installment of a call on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Board may, at any time thereafter, during such time as the call or installment remains unpaid, give notice to him requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

42. The notice shall name a day, not being less than 14 (Fourteen) days from the date of the notice, and a place or places on and at which such call or installment and such interest and expenses as aforesaid are to be paid. The notice shall also state, that, in the event of the non-payment at or before the time and at the place appointed, the Shares, in respect of which the call was made or instalment is payable, will be liable to be forfeited.

43. If the requirements of any such notice, as aforesaid, shall not be complied with, every or any Share, in respect of which such notice has been given, may, at any time thereafter, before payment of all calls or instalments, interest and expenses, as may be due in respect thereof, be forfeited by a resolution of the Board to that effect. Subject to the provisions of the Act, such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited Shares and not actually paid before the forfeiture.

44. When any Share shall have been so forfeited, notice of the forfeiture shall be given to the member, in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture with the date thereof, shall, forthwith, be made in the Register of Members. But no forfeiture shall be, in any manner, invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.

45. Any Share, so forfeited, shall be deemed to be the property of the Company, and may be sold, reallotted or otherwise disposed off, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board shall think fit.

46. Any member, whose Shares have been forfeited, shall, notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand, all calls, installments, interest and expenses owing upon or in respect of such Shares at the time of the forfeiture together with interest thereof, until payment, at such rate, as the Board may determine, and the Board may enforce the payment thereof, if it thinks fit.

47. The forfeiture of a Share shall involve extinction, at the time of the forfeiture, of all interests in and all claims and demands against the Company, in respect of such Share and all other rights, incidental to the Share, except only such of those rights as by these presents are expressly saved.

48. A declaration, in writing, that the declarant is a director or Secretary of the Company and that a Share in the Company has duly been forfeited in accordance with these Articles, 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 Shares.

49. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the Shares sold, and cause the purchaser's name to be entered in the Register, in respect of the Shares sold, and the purchaser shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and, after his name has been entered in the Register, in respect of such Shares, the validity of the sale shall not be impeached by any person, and the remedy of any person aggrieved by the sale shall be in damages only and exclusively against the Company and no one else.

50. Upon any sale, reallotment or other disposal under the provisions of the preceding Article, the certificate or certificates originally issued, in respect of the relative Shares, shall, unless the same shall, on demand by the Company, have been previously surrendered to it by the defaulting member, stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate certificate or certificates, in respect of the said Shares, to the person or persons entitled thereto.

TRANSFER AND TRANSMISSION OF SHARES

51. The Company shall keep the "Register of Transfers" and therein shall fairly and distinctly enter particulars of every transfer or transmission of any Share.

52. A common form of transfer shall be used. No transfer shall be registered, unless a proper instrument of transfer has been delivered to the Company. Every instrument of transfer shall be duly stamped, under the relevant provisions of the Law, for the time being, in force, and shall be signed by or on behalf of the transferor and the transferee, and in the case of a Share held by two or more holders or to be transferred to the joint names of two or more transferees by all such joint holders or by all such joint transferees, as the case may be, and the transferor or the transferors, as the case may be, shall be deemed to remain the holder or holders of such Share, until the name or names of the transferee or the transferees, as the case may be, is or are entered in the Register of Members in respect thereof. Several executors or administrators of a deceased member, proposing to transfer the Share registered in the name of such deceased member, or the nominee or nominees earlier appointed by the said deceased holder of Shares, in pursuance of the Article 73, shall also sign the instrument of transfer in respect of the Share, as if they were the joint holders of the Share.

53. Shares in the Company may be transferred by an instrument, in writing, in the form, as shall, from time to time, be approved by the Directors provided that, if so required by the provisions of the Companies Act, 2013, such instrument of Transfer shall be in the form prescribed thereunder, and shall be duly stamped and delivered to the Company within the prescribed period. All the provisions of Section56of the Companies Act, 2013 shall be duly complied with in respect of all transfers of Shares and registration thereof.

54. The Board shall have power, on giving 7 (Seven) days' previous notice, by advertisement in some newspaper circulating in the district in which the Registered Office of the Company is, for the time being, situated, to close the transfer books, the Register of Members of Register of Debenture holders, at such time or times and for such periods, not exceeding thirty days at a time and not exceeding in the aggregate forty-five days in each year, as it may seem expedient.

55. Subject to the provisions of Section 58 and 59 of the Companies Act 2013, these Articles, Section 22A of the Securities Contract (Regulation) Act, 1956 and any other applicable provisions of the Act or any other law for the time being in force, the Board 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 member in, or Debentures of the Company.The Company shall within one month 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 to the transferee and transferor or to the person giving intimation of such transmission, as the case may be, notice of the refusal to register such transfer, giving reasons for such refusal provided that registration of 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 when the Company has a lien on the Shares. Transfer of Shares/Debentures in whatever lot shall not be refused.

56. An application for the registration of a transfer of Shares in the Company may be made either by the transferor or the transferee. Where such application is made by a transferor and relates to partly paid Shares, the Company shall give notice of the application to the transferee. The transferee may, within two weeks from the date of the receipt of the notice and not later, object to the proposed transfer. The notice to the transferee shall be deemed to have been duly given, if despatched by prepaid registered post to the transferee at the address given in the instrument of transfer and shall be deemed to have been delivered at the time when it would have been delivered in the ordinary course of post.

57. In the case of the death of any one or more of the persons named in the Register of Members as the joint holders of any Share, the survivor or survivors shall be the only persons recognised by the Company as having any title to or interest in such Share, but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on Shares held by him jointly with any other person.

58. Subject to the provisions of Article 72 hereunder, the executors or administrators or holders of a such Succession Certificate or the legal representative of a deceased member, not being one of two or more joint holders, shall be the only persons recognised by the Company as having any title to the Shares registered in the name of such member, and the Company shall not be bound to recognise such executors or administrators or holders of a Succession Certificate or the legal representatives, unless such executors or administrators or legal representatives shall have first obtained Probate or Letters of Administration or Succession Certificate, as the case may be, from a duly constituted Court in the Union of India, provided that, in cases, the Board may dispense with production of probate or letters of Administration or Succession Certificate upon such terms as to indemnify or otherwise, as the Board, in its absolute discretion, may think necessary, in the circumstances thereof, and, in pursuance of the Article 61 hereinunder, register the name of any person, who claims to be absolutely entitled to the Shares standing in the name of a deceased member, as a member.

59. No Share shall, in any circumstances, be transferred to any infant, insolvent or person of unsound mind, and that no Share, partly paid up, be issued, allotted or transferred to any minor, whether alone or along with other transferees or allottees, as the case may be.

60. So long as the director having unlimited liability has not discharged all liabilities, whether present or future, in respect of the period for which he is and continues to be, so long, liable, he shall not be entitled to transfer the Shares held by him or cease to be a member of the Stock Exchange(s) to the end and intent that he shall continue to hold such minimum number of Shares as were held by him prior to his becoming a director with unlimited liability.

61. Subject to the provisions of Articles 57, 58 and 72 hereof, any person becoming entitled to Shares in consequences of the death, lunacy, bankruptcy or insolvency or any member, or the marriage of any female member or by any lawful means other than by a transfer in accordance with these presents, may, with the consent of the Board, which it shall not be under any obligation to give, upon producing such evidence that he sustains the character in respect of which he proposes to act under the Article or of his title, as the Board thinks sufficient, either be registered himself as the holder of the Share or elect to have some person, nominated by him and approved by the Board, registered as such person, provided, nevertheless, that if such person shall elect to have his nominee registered, he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein to in these Articles as "The Transmission Article".

62. Subject to the provisions of the Act, a person entitled to a Share by transmission shall, subject to the right of the Directors to retain such dividend or money as hereinafter provided, be entitled to receive and may be given a discharge for, any dividends or other moneys payable in respect of the Share.

63. No fees shall be charged for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar document.

64. The Company shall incur no liability or responsibility whatever in consequence of its registering or giving effect to any transfer of Shares made or purporting to be made by any apparent legal owner thereof, as shown or appearing in the Register of Members, to the prejudice of persons having or claiming any

equitable right, title or interest to or in the said Shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting of such transfer, and may have entered such notice, referred thereto, in any book of the Company, and the Company shall not be bound or required to regard or attend or give effect any notice which may be given to it of any equitable right, title or interest, or be under any liability whatsoever refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company, but the Company shall nevertheless be at liberty to regard and attend to any such notice, and give effect thereto if the Board shall so think fit.

64A. Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its Securities and to offer Securities in a dematerialized form pursuant to the Depositories Act, 1996.

64B. Every holder of or subscriber to Securities of the Company shall have the option to receive Security certificates 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 Security in the manner provided by the Depositories Act, 1996 and the Company shall in the manner and within the time prescribed, issued to the beneficial owner the required Certificates for the Securities. If a person opts to hold its Security with a Depository, the Company shall intimate such Depository the details of allotment of the Security.

64C. All Securities of the Company held by the Depository shall be dematerialized and be in fungible form. Nothing contained in Sections 89 and 186 of the Act 2013 shall apply to a Depository in respect of the Securities of the Company held by it on behalf of the beneficial owners.

64D. (i) Notwithstanding anything to the contrary contained in the Act, a Depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of Security of the Company on behalf of the beneficial owner.

(ii) Save as otherwise provided in (i) above, 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 in the record of the Depository shall be deemed to be a member of the Company. The beneficial owner of Securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his Securities which are held by a Depository.

CONVERSION OF SHARES INTO STOCK AND RECONVERSION

65. The Company, by resolution in general meeting, may convert any paid up Shares into stock, or may, at any time, reconvert any stock into paid up Shares of any denomination. When any Shares shall have been converted into stock, the several holders of such stock may thenceforth transfer their respective interests therein, or any part of such interest, in the same manner and, subject to the same regulations as to which Shares in the Company may be transferred or as near thereto as circumstances will admit. But the Directors may, from time to time, if they think fit, fix the minimum amount of stock transferable, and restrict or forbid the transfer of fractions of that minimum, but with full power nevertheless, at their discretion, to waive such rules in any particular case. The notice of such conversion of Shares into stock or reconversion of stock into Shares shall be filed with the Registrar of Companies as provided in the Act.

66. The Stock shall confer on the holders thereof respectively the same privileges and advantages, as regards participation in profits and voting at meetings of the Company and, for other purposes, as would have been conferred by Shares of equal amount in the capital of the Company of the same class as the Shares from which such stock was converted but no such privilege or advantage, except the participation in profits of the Company, or in the assets of the Company on a winding up, shall be conferred by any such aliquot part or, consolidated stock as would not, if existing in Shares, have conferred such privileges or advantages. No such conversion shall affect or prejudice any preference or other special privilege attached to the Shares so converted. Save as aforesaid, all the provisions herein contained shall, so far as circumstances will admit, apply to stock as well as to Shares and the words “Share” and “Shareholder” in these presents shall include “stock” and “stock-holder”.

67. The Company may issue Share warrants in the manner provided by the said Act and accordingly the Directors may, in their discretion, with respect to any fully paid up Share or stock, on application, in writing, signed by the person or all persons registered as holder or holders of the Share or stock, and authenticated by such evidence, if any, as the Directors may, from time to time, require as to the identity of the person or persons signing the application, and on receiving the certificate, if any, of the Share or stock and the amount of the stamp duty on the warrant and such fee as the Directors may, from time to time, prescribe, issue, under the Seal of the Company, a warrant, duly stamped, stating that the bearer of the warrant is entitled to the Shares or stock therein specified, and may provide by coupons or otherwise for the payment of future dividends, or other moneys, on the Shares or stock included in the warrant. On the issue of a Share warrant the names of the persons then entered in the Register of Members as the holder of the Shares or stock specified in the warrant shall be struck off the Register of Members and the following particulars shall be entered therein.

(i) fact of the issue of the warrant.

(ii) a statement of the Shares or stock included in the warrant distinguishing each Share by its number, and

(iii) the date of the issue of the warrant.

68. A Share warrant shall entitle the bearer to the Shares or stock included in it, and, notwithstanding anything contained in these articles, the Shares or stock shall be transferred by the delivery of the Share-warrant, and the provisions of the regulations of the Company with respect to transfer and transmission of Shares shall not apply thereto.

69. The bearer of a Share-warrant shall, on surrender of the warrant to the Company for cancellation, and on payment of such fees, as the Directors may, from time to time, prescribe, be entitled, subject to the discretion of the Directors, to have his name entered as a member in the Register of Members in respect of the Shares or stock included in the warrant.

70. The bearer of a Share-warrant shall not be considered to be a member of the Company and accordingly save as herein otherwise expressly provided, no person shall, as the bearer of Share-warrant, sign a requisition for calling a meeting of the Company, or attend or vote or exercise any other privileges of a member at a meeting of the Company, or be entitled to receive any notice from the Company of meetings or otherwise, or qualified in respect of the Shares or stock specified in the warrant for being a director of the Company, or have or exercise any other rights of a member of the Company.

71. The Directors may, from time to time, make rules as to the terms on which, if they shall think fit, a new Share warrant or coupon may be issued by way of renewal in case of defacement, loss, or destruction.

NOMINATION BY SECURITY HOLDER

72 (1) Every holder of Securities in the Company may, at any time, nominate, in the prescribed manner, a person to whom his Securities in the Company, shall vest in the event of his death.

(2) Where the Securities in the Company are held by more than one person jointly, the joint-holders may together nominate, in the prescribed manner, a person to whom all the rights in the Securities in the Company shall vest in the event of death of all joint holders.

(3) Notwithstanding anything contained in these Articles or any other law, for the time being, in force, or in any disposition, whether testamentary or otherwise, in respect of such Securities in the Company, where a nomination made in the prescribed manner purports to confer on any person the right to vest the Securities in the Company, the nominee shall, on the death of the Shareholders of the Company or, as the case may be, on the death of the joint holders, become entitled to all the rights in the Securities of the Company or, as the case may be, all the joint holders, in relation to such securities in the Company, to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner.

(4) In the case of fully paid up Securities in the Company, where the nominee is a minor, it shall be lawful for the holder of the Securities, to make the nomination to appoint in the prescribed manner

any person, being a guardian, to become entitled to Securities in the Company, in the event of his death, during the minority.

73. (1) Any person who becomes a nominee by virtue of the provisions of the preceding Article, upon the production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either -

(a) to be registered himself as holder of the Share(s); or

(b) to make such transfer of the Share(s) as the deceased Shareholder could have made.

(2) If the person being a nominee, so becoming entitled, elects to be registered as holder of the Share(s), himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased shareholder.

(3) All the limitations, restrictions and provisions of the Act relating to the right to transfer and the registration of transfers of Securities shall be applicable to any such notice or transfer as aforesaid as if the death of the member had not occurred and the notice or transfer has been signed by that Shareholder.

74. A person, being a nominee, becoming entitled to a Share by reason of the death of the holder, shall be entitled to the same dividends and other advantages which he would be entitled if he were the registered holder of the Share except that he shall not, before being registered a member in respect of his 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(s) and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Share(s) or until the requirements of the notice have been complied with.

MEETING OF MEMBERS

75. The Company shall, in each year, hold a general meeting as its Annual General Meeting. Any meeting, other than Annual General Meeting, shall be called Extra-ordinary General Meeting.

Not more than 15 (Fifteen) months or such other period, as may be prescribed, from time to time, under the Act, shall lapse between the date of one Annual General Meeting and that of the next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of the Act to extend time within which any Annual General Meeting may be held.

Every Annual General Meeting shall be called for a time during business hours i.e., between 9 a.m. and 6 p.m., on a day that is not a National Holiday, and shall be held at the Office of the Company or at some other place within the city, in which the Office of the Company is situated, as the Board may think fit and determine and the notices calling the Meeting shall specify it as the Annual General Meeting.

Every member of the Company shall be entitled to attend, either in person or by proxy, and by way of a postal ballot whenever and in the manner as may permitted or prescribed under the provisions of the Act, and the Auditors to the Company, who shall have a right to attend and to be heard, at any general meeting which he attends, on any part of the business, which concerns him as the Auditors to the Company, further, the Directors, for the time being, of the Company shall have a right to attend and to be heard, at any general meeting, on any part of the business, which concerns them as the Directors of the Company or generally the management of the Company.

At every Annual General Meeting of the Company, there shall be laid, on the table, the Directors' Report and Audited Statements of Account, Auditors' Report, the proxy Register with forms of proxies, as received by the Company, and the Register of Directors' Share holdings, which Register shall remain open and accessible during the continuance of the meeting, and therefore in terms of the provisions of Section 96of the Act, the Annual General Meeting shall be held within six months after the expiry of such financial year. The Board of Directors shall prepare the Annual List of Members, Summary of the Share Capital, Balance Sheet and Profit and Loss Account and forward the same to the Registrar in accordance with the applicable provisions of the Act.

76. The Board may, whenever it thinks fit, call an Extra-ordinary General Meeting and it shall do so upon a requisition, in writing, by any member or members holding, in aggregate not less than one-tenth or such other proportion or value, as may be prescribed, from time to time, under the Act, of such of the paid-up capital as at that date carries the right of voting in regard to the matter, in respect of which the requisition has been made.

77. Any valid requisition so made by the members must state the object or objects of the meeting proposed to be called, and must be signed by the requisitionists and be deposited at the office, provided that such requisition may consist of several documents, in like form, each of which has been signed by one or more requisitionists.

78. Upon receipt of any such requisition, the Board shall forthwith call an Extra-ordinary General Meeting and if they do not proceed within 21 (Twenty-one) days or such other lessor period, as may be prescribed, from time to time, under the Act, from the date of the requisition, being deposited at the office, to cause a meeting to be called on a day not later than 45 (Forty-five) days or such other lessor period, as may be prescribed, from time to time, under the Act, from the date of deposit of the requisition, the requisitionists, or such of their number as represent either a majority in value of the paid up Share capital held by all of them or not less than one-tenth of such of the paid up Share Capital of the Company as is referred to in Section 100(4) of the Act, whichever is less, may themselves call the meeting, but, in either case, any meeting so called shall be held within 3 (Three) months or such other period, as may be prescribed, from time to time, under the Act, from the date of the delivery of the requisition as aforesaid.

79. Any meeting called under the foregoing Articles by the requisitionists shall be called in the same manner, as nearly as possible as that in which such meetings are to be called by the Board.

80. At least 21 (Twenty-one) days' notice, of every general meeting, Annual or Extra-ordinary, and by whomsoever called, specifying the day, date, place and hour of meeting, and the general nature of the business to be transacted there at, shall be given in the manner hereinafter provided, to such persons as are under these Articles entitled to receive notice from the Company, provided that in the case of an General Meeting, with the consent of members holding not less than 95 per cent of such part of the paid up Share Capital of the Company as gives a right to vote at the meeting, a meeting may be convened by a shorter notice. In the case of an Annual General Meeting of the Shareholders of the Company, if any business other than (i) the consideration of the Accounts, Balance Sheet and Reports of the Board and the Auditors thereon, (ii) the declaration of dividend, (iii) appointment of directors in place of those retiring, (iv) the appointment of, and fixing the remuneration of, the Auditors, is to be transacted, and in the case of any other meeting, in respect of any item of business, a statement setting out all material facts concerning each such item of business, including, in particular, the nature and extent of the interest, if any, therein of every director and manager, if any, where any such item of special business relates to, or affects any other company, the extent of shareholding interest in that other company or every director and manager, if any, of the Company shall also be set out in the statement if the extent of such Share-holding interest is not less than such percent, as may be prescribed, from time to time, under the Act, of the paid-up Share Capital of that other Company.

Where any item of business consists of the according of approval of the members to any document at the meeting, the time and place, where such document can be inspected, shall be specified in the statement aforesaid.

81. The accidental omission to give any such notice as aforesaid to any of the members, or the non-receipt thereof shall not invalidate any resolution passed at any such meeting.

82. No general meeting, whether Annual or Extra-ordinary, shall be competent to enter upon, discuss or transact any business which has not been mentioned in the notice or notices upon which it was convened.

83. Subject to the provisions of the Act and these Articles, five(5) shareholders shall constitute quorum in Shareholder's Meetings of the Company if number of shareholders as on date of meeting is not more than One Thousand; Fifteen (15) shareholders shall constitute quorum in Shareholder's Meetings of the

Company if number of shareholders as on date of meeting is more than One Thousand but not more than Five Thousand; Thirty (30) shareholders shall constitute quorum in Shareholders' Meetings of the Company if number of shareholders as on date of meeting exceeds five thousand.

. 84. A body corporate, being a member, shall be deemed to be personally present, if it is represented in accordance with and in the manner as may be prescribed by, the applicable provisions of the Act.

85. If, at the expiration of half an hour from the time appointed for holding a meeting of the Company, a quorum shall not be present, then the meeting, if convened by or upon the requisition of members, shall stand dissolved, but in any other case, it shall stand adjourned to such time on the following day or such other day and to such place, as the Board may determine, and, if no such time and place be determined, to the same day in the next week, at the same time and place in the city or town in which the office of the Company is, for the time being, situate, as the Board may determine, and, if at such adjourned meeting also, a quorum is not present, at the expiration of half an hour from the time appointed for holding the meeting, the members present shall be a quorum, and may transact the business for which the meeting was called.

86. The Chairman of the Board of Directors shall be entitled to take the chair at every general meeting, whether Annual or Extra-ordinary. If there be no such Chairman, or, if, at any meeting, he shall not be present within 15 (Fifteen) minutes of the time appointed for holding such meeting, then the members present shall elect another director as the Chairman of that meeting, and, if no director be present, or if all the Directors present decline to take the Chair, then the members present shall elect one among them to be the Chairman.

87. No business shall be discussed at any general meeting, except the election of a Chairman, whilst the Chair is vacant.

88. The Chairman, with the consent of the meeting, may adjourn any meeting, from time to time, and from place to place, in the city or town, in which the office of the Company is, for the time being, situate, but no business shall be transacted at any adjourned meeting, other than the business left unfinished, at the meeting, from which the adjournment took place.

89. At any general meeting, a resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll is demanded, before or on the declaration of the result of the show of hands, by any member or members present in person or by proxy and holding Shares in the Company, which confer a power to vote on the resolution not being less than one-tenth or such other proportion as may statutorily be prescribed, from time to time, under the Act, of the total voting power, in respect of the resolution or on which an aggregate sum of not less than Rs. 500,000/- or such other sum as may statutorily be prescribed, from time to time, under the Act, has been paid up, and unless a poll is demanded, a declaration by the Chairman that a resolution has, on a show of hands, been carried unanimously or by a particular majority, or has been lost and an entry to that effect in the minutes book of the Company shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against that resolution.

90. In the case of an equality of votes, the Chairman shall, both on a show of hands and at a poll, if any, have a casting vote in addition to the vote of votes, if any, to which he may be entitled as a member, if he is.

91. If a poll is demanded as aforesaid, the same shall, subject to Article 93 hereinunder, be taken at Mumbai or, if not desired, then at such other place as may be decided by the Board, at such time not later than 48 (Fourty-eight) hours from the time when the demand was made and place in the city or town in which the office of the Company is, for the time being, situate, and, either by open voting or by ballot, as the Chairman shall direct, and either at once or after an interval or adjournment, or otherwise, and the result of the poll shall be deemed to be resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn at any time by the persons, who made the demand.

92. Where a poll is to be taken, the Chairman of the meeting shall appoint one or, at his discretion, two scrutinizers, who may or may not be members of the Company to scrutinize the votes given on the poll and to report thereon to him, subject to that one of the scrutinizers so appointed shall always be a member, not being an officer or employee of the Company, present at the meeting, provided that such a member is available and willing to be appointed. The Chairman shall have power, at any time, before the result of the

poll is declared, to remove a scrutinizer from office and fill the vacancy so caused in the office of a scrutinizer arising from such removal or from any other cause.

93. Any poll duly demanded on the election of a Chairman of a meeting or on any question of adjournment of the meeting shall be taken forthwith at the same meeting.

94. The demand for a poll, except on questions of the election of the Chairman and of an adjournment thereof, shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.

VOTES OF MEMBERS

95. No member shall be entitled to vote either personally or by proxy at any general meeting or meeting of a class of Shareholders either upon a show of hands or upon a poll in respect of any Shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has, or has exercised, any right of lien.

96. Subject to the provisions of these Articles and without prejudice to any special privileges or restrictions so to voting, for the time being, attached to any class of Shares, for the time being, forming part of the capital of the Company, every member, not disqualified by the last preceding Article shall be entitled to be present, speak and vote at such meeting, and, on a show of hands, every member, present in person, shall have one vote and, upon a poll, the voting right of every member present in person or by proxy shall be in proportion to his Share of the paid-up Equity Share Capital of the Company. Provided, however, if any preference Shareholder be present at any meeting of the Company, subject to the provision of section 47, he shall have a right to vote only on resolutions, placed before the meeting, which directly affect the rights attached to his Preference Shares.

97. On a poll taken at a meeting of the Company, a member entitled to more than one vote, or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes, he uses.

98. A member of unsound mind or in respect of whom an order has been made by a 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. If any member be a minor, the vote, in respect of his Share or Shares, be used by his guardian, or any one of his guardians, if more than one, to be selected, in the case of dispute, by the Chairman of the meeting.

99. If there be joint registered holders of any Shares, any one of such persons may vote at any meeting or may appoint another person, whether a member or not, as his proxy, in respect of such Shares, as if he were solely entitled thereto, but the proxy so appointed shall not have any right to speak at the meeting and, if more than one of such joint holders be present at any meeting, then one of the said persons so present, whose name stands higher on the Register, shall alone be entitled to speak and to vote in respect of such Shares, but the other of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased member in whose name Shares stand shall, for the purpose of these Articles, be deemed joint holders thereof.

100. Subject to the provisions of these Articles, votes may be given either personally or by proxy. A body corporate, being a member, may vote either by a proxy or by a representative, duly authorised, in accordance with the applicable provisions, if any, of the Act, and such representative shall be entitled to exercise the same rights and powers, including the right to vote by proxy, on behalf of the body corporate, which he represents, as that body corporate could exercise, if it were an individual member.

101. Any person entitled, under the Article 61 hereinabove, to transfer any Share, may vote, at any general meeting, in respect thereof, in the same manner, as if he were the registered holder of such Shares provided that forty-eight hours at least before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall satisfy the Directors of his right to transfer such Shares and give such indemnity, if any, as the Directors may require or the Directors shall have provisionally admitted his right to vote at such meeting in respect thereof.

102. Every proxy, whether a member or not, shall be appointed, in writing, under the hand of the appointer or his attorney, or if such appointer is a body corporate under the common seal of such corporate, or be signed by an officer or officers or any attorney duly authorised by it or them, and, for a member of unsound mind or in respect of whom an order has been made by a court having jurisdiction in lunacy, any committee or guardian may appoint such proxy. The proxy so appointed shall not have a right to speak on any matter at the meeting.

103. An instrument of Proxy may state the appointment of a proxy either for the purpose of a particular meeting specified in the instrument and any adjournment thereof or it may appoint for the purpose of every meeting of the Company or of every meeting to be held before a date specified in the instrument and every adjournment of any such meeting.

104. A member, present by proxy, shall be entitled to vote only on a poll.

105. The instrument appointing a proxy and a Power of Attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of authority, shall be deposited at the Office not later than 48 (Forty-eight) hours before the time for holding the meeting at which the person named in the Instrument proposes to vote, and, in default, the Instrument of Proxy shall not be treated as valid. No instrument appointing a proxy shall be a valid after the expiration of 12 (Twelve) months or such other period as may be prescribed under the Laws, for the time being, in force, or if there shall be no law, then as may be decided by the Directors, from the date of its execution.

106. Every Instrument of proxy, whether for a specified meeting or otherwise, shall, as nearly as circumstances thereto will admit, be in any of the forms as may be prescribed from time to time .

107. A vote, given in accordance with the terms of an Instrument of Proxy, shall be valid notwithstanding the previous death of insanity of the principal, or revocation of the proxy or of any power of Attorney under which such proxy was signed or the transfer of the Share in respect of which the vote is given, provided that no intimation, in writing, of the death or insanity, revocation or transfer shall have been received at the Office before the meeting.

108. No objections shall be made to the validity of any vote, except at any meeting or poll at which such vote shall be tendered, and every vote, whether given personally or by proxy, or not disallowed at such meeting or on a poll, shall be deemed as valid for all purposes of such meeting or a poll whatsoever.

109. The Chairman, present at the time of taking of a poll, shall be the sole judge of the validity of every vote tendered at such poll.

110. (a) The Company shall cause minutes of all proceeding of every general meeting to be kept by making, within 30 (Thirty) days of the conclusion of every such meeting concerned, entries thereof in books kept, whether manually in the registers or by way of loose leaves bound together, as may be decided by the Board of Directors, for that purpose with their pages consecutively numbered.

(b) Each page of every such book shall be initialled or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the same meeting within the aforesaid period of thirty days or in the event of the death or inability of that Chairman within that period, by a director duly authorised by the Board for that purpose.

(c) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.

(d) The minutes of each meeting shall contain a fair and correct summary of the proceedings there at.

(e) All appointments made at any meeting aforesaid shall be included in the minutes of the meeting.

(f) Nothing herein contained shall require or to be deemed to require the inclusion, in any such minutes, of any matter, which, in the opinion of the Chairman of the meeting, (i) is or could reasonably be regarded as, defamatory of any person, or (ii) is irrelevant or immaterial to the proceedings, or (iii) is detrimental to the interests of the Company. The Chairman of the meeting shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the aforesaid grounds.

(g) Any such minutes shall be conclusive evidence of the proceedings recorded therein.

(h) The book containing the minutes of proceedings of general meetings shall be kept at the Office of the Company and shall be open, during business hours, for such periods not being less in the aggregate than 2 (Two) hours, in each day, as the Directors determine, to the inspection of any member without charge.

DIRECTORS

111. Until otherwise determined by a general meeting of the Company and, subject to the applicable provisions of the Act, the number of Directors) shall not be less than three nor more than fifteen.

The First Directors of the Company are :

1. Mr. Vijendra Singh
2. Mr. Hodal Singh
3. Mr. Girish Pal Singh
4. Mr. Harendra Singh

112. (a) Whenever, Directors enter into a contract with any Government, whether central, state or local, bank or financial institution or any person or persons (hereinafter referred to as "the appointer") for borrowing any money or for providing any guarantee or security or for technical collaboration or assistance or for underwriting or enter into any other arrangement whatsoever or in case of Promoters of the Company (hereinafter referred as "Promoters"), the Directors shall have, subject to the provisions of Section 152 and other applicable provisions, if any, of the Act, the power to agree that such appointer or Promoters shall have the right to appoint or nominate by a notice, in writing, addressed to the Company, one or more Directors on the Board (hereinafter referred to as "Special Director") for such period and upon such terms and conditions, as may be mentioned in the agreement if any, and that such Director or Directors may or may not be liable to retire by rotation, nor be required to hold any qualification Shares. The Directors may also agree that any such Director or Directors may be removed, from time to time, by the appointer or Promoter, entitled to appoint or nominate them and the appointer or Promoter may appoint another or others in his or their place and also fill in vacancy, which may occur as a result of any such director or directors ceasing to hold that office for any reasons whatsoever. The directors, appointed or nominated under this Article, shall be entitled to exercise and enjoy all or any of the rights and privileges exercised and enjoyed by the directors of the Company including payment of remuneration, sitting fees and travelling expenses to such director or directors, as may be agreed by the Company with the appointer.

(b) The Special Directors, appointed under the preceding Article, shall be entitled to hold Office until required by the Government, person, firm, body corporate promoters or financial institution/s who may have appointed them, and will not be bound to retire by rotation or be subject to the Articles hereof. A Special Director shall not require to hold any qualification Share(s) in the Company. As and when a Special Director vacates Office, whether upon request as aforesaid or by death, resignation or otherwise, the Government, person, firm or body corporate promoters or financial institution, who appointed such Special Director, may appoint another director in his place. Every nomination, appointment or removal of a Special Director or other notification, under this Article, shall be in writing and shall, in the case of the Government, be under the hand of a Secretary or some other responsible and authorised official to such Government, and in the case of a company or financial institution, under the hand of director of such company or institution duly authorised in that behalf by a resolution of the Board of Directors. Subject as aforesaid, a Special Director shall be entitled to the same rights and privileges and be subject to the same of obligations as any other director of the Company.

113. If it is provided by the Trust Deed, securing or otherwise, in connection with any issue of Debentures of the Company, that any person or persons shall have power to nominate a director of the Company, then in the case of any and every such issue of Debentures, the person or persons having such power may exercise

such power, from time to time, and appoint a director accordingly. Any director so appointed is hereinafter referred to as “the Debenture Director”. A Debenture Director may be removed from Office, at any time, by the person or persons in whom, for the time being, is vested the power, under which he was appointed, and another director may be appointed in his place. A Debenture Director shall not be required to hold any qualification Share(s) in the Company.

114. Subject to the provisions of section 161(2) of the Act, 2013, The Board may appoint an alternate director to act for a director (hereinafter called “the Original Director”) during his absence for a period of not less than 3 (Three) months or such other period as may be, from time to time, prescribed under the Act, from the India, in which the meetings of Board are ordinarily held. An alternate director appointed, under this Article, shall not hold Office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate Office, if and when the Original Director returns to that State. If the term of Office of the Original Director is determined before he so returns to that State, any provisions in the Act or in these Articles for the automatic re-appointment of a retiring director, in default of another appointment, shall apply to the original director and not to the alternate director.

115. Subject to the provisions of section 161(1) of the Act, 2013, the Board shall have power, at any time and from time to time, to appoint any other qualified person to be an Additional Director, but so that the total number of Directors shall not, at any time, exceed the maximum fixed under these Articles. Any such Additional Director shall hold Office only upto the date of the next Annual General Meeting.

116. Subject to the provisions of section 152 and 162 of the Act, 2013, the Board shall have power, at any time and from time to time, to appoint any other qualified person to be a director to fill a casual vacancy. Any person so appointed shall hold Office only upto the date, upto which the director in whose place he is appointed would have held Office if it had not been vacated by him.

117. A director shall not be required to hold any qualification Share(s) in the Company.

118. (i) Subject to the provisions of section 196, 197 and read with schedule V of the Companies Act, 2013, a Managing Director or Director who is in the Whole-time employment of the Company may be paid remuneration either by way of a monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other, or in any other manner, as may be, from time to time, permitted under the Act or as may be thought fit and proper by the Board or, if prescribed under the Act, by the Company in general meeting.

(ii) Subject generally to the provisions of the Act, and, in the case of the Managing Director, subject to the provisions of the Articles hereinbelow, as may be applicable, the Board shall have power to pay such remuneration to a director for his services, Whole-time or otherwise, rendered to the Company or for services of professional or other nature rendered by him, as may be determined by the Board. If any director, being willing, shall be called upon to perform extra services or make any special exception in going to or residing at a place other than the place where the director usually resides, or otherwise in or for the Company’s business or for any of the purpose of the Company, then, subject to the provisions of the Act, the Board shall have power to pay to such director such remuneration, as may be determined by the Board.

(iii) Subject to the provisions of the Act, a director, who is neither in the Whole-time employment nor a Managing Director, may be paid remuneration either;

(a) by way of monthly, quarterly or annual payment with the approval of the Central Government; or

(b) by way of commission, if the Company, by a special resolution, authorises such payment.

(iv) The fee payable to a director, excluding a Managing or Whole time Director, if any, for attending a meeting of the Board or Committee thereof shall be such sum, as the Board may, from time to time, determine, but within and subject to the limit prescribed by the Central Government pursuant to the provisions, for the time being, under the Act.

119. The Board may allow and pay to any director such sum, as the Board may consider fair compensation, for travelling, boarding, lodging and other expenses, in addition to his fee for attending such meeting as above

specified and if any director be called upon to go or reside out of the ordinary place of his residence for the Company's business, he shall be entitled to be repaid and reimbursed of any travelling or other expenses incurred in connection with business of the Company. The Board may also permit the use of the Company's car or other vehicle, telephone(s) or any such other facility, by the director, only for the business of the Company.

120. The continuing Directors may act, notwithstanding, any vacancy in their body but if, and so long as their number is not reduced below the minimum number fixed by Article 111 hereof. the continuing Directors, not being less than two, may only act, for the purpose of increasing the number of Directors to that prescribed minimum number or of summoning a general meeting but for no other purpose.

121. The office of director shall be vacated, pursuant to the provisions of section 164 and section 167 of the Companies Act, 2013. Further, the Director may resign his office by giving notice to the Company pursuant to section 168 of the Companies Act, 2013

122. The Company shall keep a Register, in accordance with Section 189(1) of the Act, andwithin the time as may be prescribed, enter therein such of the particulars, as may be relevant having regard to the application thereto of Section184 or Section 188 of the Act, as the case may be. The Register aforesaid shall also specify, in relation to each director of the Company, names of the bodies corporate and firms of which notice has been given by him, under the preceding two Articles. The Register shall be kept at the Office of the Company and shall be open to inspection at such Office, and the extracts may be taken therefrom and copies thereof may be required by any member of the Company to the same extent, in the same manner, and on payment of the same fee as in the case of the Register of Members of the Company and the provisions of Section 189(3) of the Act shall apply accordingly.

123. A director may be or become a director of any other Company promoted by the Company or in which it may be interested as a vendor, Shareholder or otherwise, and no such director shall be accountable for any benefits received as director or Shareholder of such Company except in so far as the provisions of the Act may be applicable.

124. (a) At every Annual General Meeting of the Company, one-third of such of the Directors, for the time being, as are liable to retire by rotation or if their number is not three or a multiple of three, the number nearest to one-third shall retire from Office. The Independent, Nominee, Special and Debenture Directors, if any, shall not be subject to retirement under this clause and shall not be taken into account in determining the rotation of retirement or the number of directors to retire, subject to Section 152 and other applicable provisions, if any, of the Act.

(b) Subject to Section 152of the Act, the directors, liable to retire by rotation, at every annual general meeting, shall be those, who have been longest in Office since their last appointment, but as between the persons, who became Directors on the same day, and those who are liable to retire by rotation, shall, in default of and subject to any agreement among themselves, be determined by lot.

125. A retiring director shall be eligible for re-election and shall act as a director throughout the meeting at which he retires.

126. Subject to Section 152 of the Act, the Company, at the general meeting at which a director retires in manner aforesaid, may fill up the vacated Office by electing a person thereto.

127. (a) If the place of retiring director is not so filled up and further the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place or if that day is a public holiday, till the next succeeding day, which is not a public holiday, at the same time and place.

(b) If at the adjourned meeting also, the place of the retiring director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring director shall be deemed to have been re-appointed at the adjourned meetings, unless:-

(i) at that meeting or at the previous meeting, resolution for the re-appointment of such director has been put to the meeting and lost;

(ii) the retiring director has, by a notice, in writing, addressed to the Company or its Board, expressed his unwillingness to be so re-appointed;

(iii) he is not qualified, or is disqualified, for appointment.

(iv) a resolution, whether special or ordinary, is required for the appointment or re-appointment by virtue of any provisions of the Act; or

(v) Section 162 of the Act is applicable to the case.

128. Subject to the provisions of Section 149 of the Act, the Company may, by special resolution, from time to time, increase or reduce the number of directors, and may alter their qualifications and the Company may, subject to the provisions of Section 169 of the Act, remove any director before the expiration of his period of Office and appoint another qualified person in his stead. The person so appointed shall hold Office during such time as the director, in whose place he is appointed, would have held, had he not been removed.

129.(a) No person, not being a retiring director, shall be eligible for appointment to the office of director at any general meeting unless he or some member, intending to propose him, has, not less than 14 (Fourteen) days or such other period, as may be prescribed, from time to time, under the Act, before the meeting, left at the Office of the Company, a notice, in writing, under his hand, signifying his candidature for the Office of director or an intention of such member to propose him as a candidate for that office, along with a deposit of Rupees One lakh or such other amount as may be prescribed, from time to time, under the Act,, which shall be refunded to such person or, as the case may be, to such member, if the person succeeds in getting elected as a director or gets more than twenty-five per cent of total valid votes cast either on show of hands or on poll on such resolution.

(b) Every person, other than a director retiring by rotation or otherwise or a person who has left at the Office of the Company a notice under Section 160 of the Act signifying his candidature for the Office of a director, proposed as a candidate for the Office of a director shall sign and file with the Company, the consent, in writing, to act as a director, if appointed.

(c) A person, other than a director re-appointed after retirement by rotation immediately on the expiry of his term of Office, or an Additional or Alternate Director, or a person filling a casual vacancy in the Office of a director under Section 161 of the Act, appointed as a director or reappointed as a director immediately on the expiry of his term of Office, shall not act as a director of the Company, unless he has, within thirty days of his appointment, signed and filed with the Registrar his consent, in writing, to act as such director.

130. The Company shall keep at its Office a Register containing the particulars of its directors and keymanagerial personnel and their shareholding asmentioned in Section 170 of the Act, and shall otherwise comply with the provisions of the said Section in all respects.

131. Every director and Key Managerial Personnel within a period of thirty days of his appointment, or relinquishment of his office, as the case may be, disclose to the company the particulars specified in sub-section (1) of section 184 relating to his concern or interest in any company or companies or bodies corporate (including shareholding interest), firms or other association which are required to be included in the register under that section 189 of the Companies Act, 2013.

MANAGING DIRECTOR

132. (1) Subject to the provisions of the Act and of these Articles, the Board shall have power to appoint, from time to time, any of its member as a Managing Director or Managing Directors of the Company for a fixed term, not exceeding 5 (Five) years at a time, and upon such terms and conditions as the Board thinks fit, and subject to the provisions of the succeeding Article hereof, the Board may, by resolution, vest in such Managing Director or Managing Directors such of the powers hereby vested in the Board generally, as it thinks fit, and such powers may be made exercisable for such period or periods; and upon such conditions and subject to such restrictions, as it may determine. The remuneration of a Managing Director may be by way of salary and/or allowances, commission or participation in profits or perquisites of any kind, nature or description,

or by any or all of these modes, or by any other mode(s) not expressly prohibited by the Act or the Rules made thereunder, or any notification or circular issued under the Act.

(2) The Board shall have power to appoint an individual as the Chairperson of the Company as well as the Managing Director or Chief Executive Officer of the Company at the same time.

133. Subject to the superitendance, directions and control of the Board, the Managing Director or Managing Directors shall exercise the powers, except to the extent mentioned in the matters, in respect of which resolutions are required to be passed only at the meeting of the Board, under Section 179 of the Act and the rules made thereunder

134. Subject also to the other applicable provisions, if any, of the Act, the Company shall not appoint or employ, or continue the appointment or employment of, a person as its Managing or Whole-time Director who :-

(a) is below the age of twenty-one years or has attained the age of seventyyears

(b) is an undischarged insolvent, or has any time been adjudged an insolvent;

(c) suspends, or has at any time suspended, payment to his creditors, or makes or has, at any time, made, a composition with them; or

(d) is or has, at any time, been convicted by a Court and sentenced for aperiod of more than six months.

PROCEEDINGS OF THE BOARD OF DIRECTORS

135. Unless decided by the Board to the contrary, depending upon the circumstances of the case, a Managing Director shall not, while he continues to hold that office, be subject to retirement by rotation, in accordance with the Article 124 hereof. If he ceases to hold the office of director, he shall ipso-facto and forthwith ceases to hold the office of Managing Director.

136. The Directors may meet together as a Board for the despatch of business, from time to time, and shall so meet at least once in every 3 (Three) months and at least 4 (Four) such meetings shall be held in every year in such a manner that not more than one hundred and twenty days (120) days shall intervene between two consecutive meetings of the Board. The Directors may adjourn and otherwise regulate their meetings as they think fit, subject to the provisions of the Act. The Board of directors may participates in a meeting of the Board either in person orthrough video conferencing or other audio visual means, as may be prescribed, which arecapable of recording and recognising the participation of the directors and of recording andstoring the proceedings of such meetings along with date and time subject to the rules as may be prescribed.

137. not less than seven(7) days Notice of every meeting of the Board may be given, in writing, inwriting to every director at his address registered with the company and such notice shall besent by hand delivery or by post or by electronic means.

Subject to the provisions of section 173(3) meeting may be called at shorter notice.

138. Subject to Section 174 of the Act, the quorum for a meeting of the Board shall be one-third of its total strength, excluding Directors, if any, whose places may be vacant at the time and any fraction contained in that one-third being rounded off as one, or two directors, whichever is higher, provided that where, at any time, the number of interested directors exceeds or is equal to two-thirds of the total strength the number of the remaining directors, that is to say, the number of directors who are not interested, present at the meeting, being not less than two, shall be the quorum, during such time.

139. If a meeting of the Board could not be held for want of quorum, then the meeting shall automatically stand adjournedfor 30 minutes in the same day and at same place.

140. A director may, at any time, or Secretary shall, as and when directed by the any of the Directors to do so, convene a meeting of the Board, by giving a notice, in writing, to every other director.

141. The Board may, from time to time, elect one of their member to be the Chairman of the Board and determine the period for which he is to hold the office. If at any meeting of the Board, the Chairman is not present at a time appointed for holding the same, the directors present shall choose one of them, being present, to be the Chairman of such meeting.

142. Subject to the restrictive provisions of any agreement or understanding as entered into by the Company with any other person(s) such as the collaborators, financial institutions, etc., the questions arising at any meeting of the Board shall be decided by a majority of the votes of the directors present there at and, also subject to the foregoing, in the case of an equality of votes, the Chairman shall have a second or casting vote.

143. A meeting of the Board, at which a quorum is present, shall be competent to exercise all or any of the authorities, powers and discretions, which, by or under the Act or the Articles of the Company, are, for the time being, vested in or exercisable by the Board generally.

144. Subject to the restrictions contained in Section 179 of the Act 2013 and the rules made thereunder, the Board may delegate any of their powers to the committee of the Board, consisting of such number of its body, as it thinks fit, and it may, from time to time, revoke and discharge any such committee of the Board, either wholly or in part and either as to persons or purposes, but every committee of the Board, so formed, shall, in the exercise of the powers so delegated, conform to any regulations that may, from time to time, be imposed on it by the Board. All acts done by any such committee of the Board, in conformity with such regulations, and in fulfilment of the purposes of their appointment but not otherwise, shall have the like force and effect as if were done by the Board.

145. The meetings and proceedings of any meeting of such Committee of the Board, consisting of two or more members, shall be governed by the provisions contained herein for regulating the meetings and proceedings of the meetings of the directors, so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.

146. No resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation, unless the resolution has been circulated in draft, together with the necessary papers, if any, to all the directors or to all the members of the Committee, then in India, not being less in number than the quorum fixed for a meeting of the Board or Committee, as the case may be, and to all the directors or to all the members of the Committee, at their usual addresses in India and has been approved, in writing, by such of the directors or members of the Committee as are then in India, or by a majority of such of them, as are entitled to vote on the resolution.

147. All acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a director shall notwithstanding that it shall, afterwards, be discovered that there was some defect in the appointment of such director or persons acting as aforesaid or that they or any of them were or was, as the case may be, disqualified or had vacated office or that the appointment of any of them was disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had duly been appointed and was qualified to be a director and had not vacated his office or his appointed had not been terminated, provided that nothing in this Article shall be deemed to give validity to any act or acts done by a director or directors after his or their appointment(s) has or have been shown to the Company to be invalid or to have terminated.

148. (a) The Company shall cause minutes of all proceedings of every meeting of the Board and the Committee thereof to be kept by making, within 30 (Thirty) days of the conclusion of each such meeting, entries thereof in books kept, whether manually in the registers or by way of loose leaves bound together, as may be decided by the Board of Directors, for that purpose with their pages consecutively numbered.

(b) Each page of every such book shall be initialled or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting.

(c) In no case, the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.

(d) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.

(e) All appointment made at any of the meetings aforesaid shall be included in the minutes of the meeting.

(f) The minutes shall also contain :-

(i) the names of the Directors present at the meeting; and

(ii) in the case of each resolution passed at the meeting, the names of the directors, if any dissenting from or not concurring in the resolution.

(g) Nothing contained in sub-clauses (a) to (f) shall be deemed to require the inclusion in any such minutes of any matter which, in the opinion of the Chairman of the meeting -

(i) is, or could reasonably be regarded as, defamatory of any person;

(ii) is irrelevant or immaterial to the proceedings; or

(iii) is detrimental to the interests of the Company;.

and that the Chairman shall exercise an absolute discretion with regard to the inclusion or non-inclusion of any matter in the minutes on the ground specified in this sub-clause.

(h) Minutes of the meetings kept in accordance with the aforesaid provisions shall be an evidence of the proceedings recorded therein.

149. Without prejudice to the general powers as well as those under the Act, and so as not in any way to limit or restrict those powers, and without prejudice to the other powers conferred by these Articles or otherwise, it is hereby declared that the Directors shall have, inter alia, the following powers, that is to say, power -

(a) to pay the costs, charges and expenses, preliminary and incidental to the promotion, formation, establishment and registration of the Company;

(b) to pay and charge, to the account of the Company, any commission or interest lawfully payable thereon under the provision of the Act;

(c) subject to the provisions of the Act, to purchase or otherwise acquire for the Company any property, rights or privileges, which the Company is authorised to acquire, at or for such price or consideration and generally on such terms and conditions as they may think fit and being in the interests of the Company, and in any such purchase or other acquisition to accept such title or to obtain such right as the directors may believe or may be advised to be reasonably satisfactory;

(d) at their discretion and subject to the provisions of the Act, to pay for any property, right or privileges acquired by or services rendered to the Company, either wholly or partially, in cash or in Shares, Bonds, Debentures, mortgages, or other securities of the Company, and any such Shares may be issued either as fully paid up, with such amount credited as paid up thereon, as may be agreed upon, and any such bonds, Debentures, mortgages or other securities may either be specifically charged upon all or any part of the properties of the Company and its uncalled capital or not so charged;

(e) to secure the fulfilment of any contracts or engagement entered into by the Company or, in the interests or for the purposes of this Company, by, with or against any other Company, firm or person, by mortgage or charge of all or any of the properties of the Company and its uncalled capital, for the time being, or in such manner and to such extent as they may think fit;

(f) to accept from any member, as far as may be permissible by law, a surrender of his Shares or any part thereof, whether under buy-back or otherwise, on such terms and conditions as shall be agreed mutually, and as may be permitted, from time to time, under the Act or any other Law or the Regulations, for the time being, in force,

(g) to appoint any person to accept and hold in trust, for the Company, any property belonging to the Company, in which it is interested, or for any other purposes, and execute and do all such deeds and things as may be required in relation to any trust, and to provide for the remuneration of such trustee or trustees;

(h) to institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its Officers, or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts, due and of any differences to arbitration and observe and perform any awards made thereon;

(i) to act on behalf of the Company in all matters relating to bankruptcy and insolvents;

(j) to make and give receipts, releases and other discharges for moneys payable to the Company and for the claims and demands of the Company;

(k) subject to the applicable provisions of the Act, to invest and deal with any moneys of the Company not immediately required for the purposes thereof upon such security, not being Shares of this Company, or without security and in such manner, as they may think fit, and from time to time, to vary or realise such investments, save as provided in Section 49 of the Act, all investments shall be made and held in the Company's own name;

(l) to execute, in the name and on behalf of the Company, in favour of any director or other person, who may incur or be about to incur any personal liability whether as principal or surety, for the benefit or purposes of the Company, such mortgages of the Company's property, present and future, as they may think fit, and any such mortgage may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon;

(m) to determine from time to time, who shall be entitled to sign, on behalf of the Company, bills, invoices, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and or any other document or documents and to give the necessary authority for such purpose, and further to operate the banking or any other kinds of accounts, maintained in the name of and for the business of the Company;

(n) to distribute, by way of bonus, incentive or otherwise, amongst the employees of the Company, a Share or Shares in the profits of the Company, and to give to any staff, officer or others employed by the Company a commission on the profits of any particular business or transaction, and to charge any such bonus, incentive or commission paid by the Company as a part of the operational expenditure of the Company;

(o) to provide for the welfare of directors or ex-directors, Shareholders, for the time being, or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses or dwellings, or grants of moneys, whether as a gift or otherwise, pension, gratuities, allowances, bonus, loyalty bonuses or other payments, also whether by way of monetary payments or otherwise, or by creating and from time to time, subscribing or contributing to provident and other association, institutions, funds or trusts and by providing or subscribing or contributing towards places of worship, instructions and recreation, hospitals and dispensaries, medical and other attendance and other assistance, as the Board shall think fit, and to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or objects, which shall have any moral or other claim to support or aid by the Company, either by reason of locality or place of operations, or of public and general utility or otherwise;

(p) before recommending any dividend, to set aside out of the profits of the Company such sums, as the Board may think proper, for depreciation or to a Depreciation Fund, or to an Insurance Fund, a Reserve Fund, Capital Redemption Fund, Dividend Equalisation Fund, Sinking Fund or any Special Fund to meet contingencies or to repay debentures or debenture-stock, or for special dividends or for equalising dividends or for repairing, improving, extending and maintaining any of the property of the Company and for such other purposes, including the purposes referred to in the preceding clause, as the Board may, in their absolute discretion, think conducive to the interests of the Company and, subject to the provisions of the Act, to invest the several sums so set aside or so much thereof, as required to be invested, upon such investments, other than shares of the Company, as they may think fit, and from time to time, to deal with and vary such investments and dispose off and apply and expend all or any part thereof for the benefit of the Company, in such manner and for such purposes, as the Board, in their absolute discretion, think conducive to the interests of the Company, notwithstanding, that the matter, to which the Board apply or upon which they expend the same, or any part thereof, may be matters to or upon which the capital moneys of the Company might rightly be applied or expended, and to divide the Reserve Fund into such special funds, as the Board may think fit, with full power to transfer the whole or any portion of a Reserve Fund or divisions of a Reserve Fund and with full powers to employ the assets constituting all or any of the above funds, including the Depreciation Fund, in the business of the Company or in the purchase of or repayment of debentures or debenture stock and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with power however to the Board at their discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper, subject to the provisions of the applicable laws, for the time being, in force.

(q) to appoint and at their discretion, remove or suspend such general managers, secretaries, assistants, supervisors, clerks, agents and servants or other employees, in or for permanent, temporary or special services, as they may, from time to time, think fit, and to determine their powers and duties and to fix their salaries, emoluments or remuneration of such amount, as they may think fit.

(r) to comply with the requirements of any local laws, Rules or Regulations, which, in their opinion, it shall, in the interests of the Company, be necessary or expedient to comply with.

(s) at any time, and from time to time, by power of attorney, under the Seal of the Company, to appoint any person or persons to be the attorney or attorneys of the Company, for such purposes and with such powers, authorities and discretions, not exceeding those vested in or exercisable by the Board under these presents and excluding the powers to make calls and excluding also except in their limits authorised by the Board the power to make loans and borrow moneys, and for such period and subject to such conditions as the Board may, from time to time, think fit, and any such appointment may, if the Board thinks fit, be made in favour of the members or in favour of any Company, or the Share-holders, directors, nominees, or managers of any Company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such Power of Attorney may contain such powers for the protection of convenience of person dealing with such Attorneys, as the Board may think fit, and may contain powers enabling any such delegates all or any of the powers, authorities and discretions, for the time being, vested in them;

(t) Subject to the provisions of the Act, for or in relation to any of the matters, aforesaid or otherwise, for the purposes of the Company, to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company, as they may consider expedient;

(u) from time to time, make, vary and repeal bylaws for the regulation of the business of the Company, its Officers and Servants.

MANAGEMENT

150. The Company shall not appoint or employ, at the same time, more than one of the following categories of managerial personnel, namely

(a) Managing Director, and

(b) Manager

CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER

151. Subject to the provisions of the Act,—

(*i*) A chief executive officer, manager, company secretary, 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, 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, chief financial officer.

152. 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, 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, chief financial officer.

COPIES OF MEMORANDUM AND ARTICLES TO BE SENT TO MEMBERS

153. Copies of the Memorandum and Articles of Association of the Company and other documents, referred to in Section 17 of the Act, shall be sent by the Company to every member, at his request, within 7 (Seven) days of the request, on payment, if required by the Board, of the sum of Re.1/- (Rupee One Only) or such other higher sum, as may be prescribed, from time to time, under the Act and further decided, from time to time, by the Board, for each such copy.

SEAL

154. (a) The Board shall provide a Common Seal for the purposes of the Company, and shall have power, from time to time, to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal, for the time being, and that the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given. The Common Seal of the Company shall be kept at its office or at such other place, in India, as the Board thinks fit.

(b) The Common Seal of the Company shall be used by or under the authority of the Directors or by a Committee of the Board of Directors authorised by it in that behalf in the presence of at least one director, or Secretary or any other responsible officer of the Company as may be expressly authorised by the Board by way of a resolution passed at their duly constituted meeting, who shall sign every instrument to which the seal is affixed. Such instruments may also be counter-signed by other officer or officers, if any, appointed for the purpose. However, the certificates, relating to Shares or Debentures in or of the Company, shall be signed in such manner as may be prescribed in the Act and/or any Rules thereunder.

DIVIDEND

155. The profits of the Company, subject to any special rights relating thereto created or authorised to be created by these Articles, and further subject to the provisions of these Articles, shall be divisible among the members in proportion to the amount of capital paid up or credited as paid up to the Shares held by them respectively.

156. The Company, in general meeting, may declare that dividends be paid to the members according to their respective rights, but no dividends shall exceed the amount recommended by the Board, but the Company may, in general meeting, declare a smaller dividend than was recommended by the Board.

157. Subject to the applicable provisions of the Act, no dividend shall be declared or paid otherwise than out of profits of the financial year arrived at after providing for depreciation in accordance with the provisions of the Act or out of the profits of the Company for any previous financial year or years arrived at after

providing for depreciation in accordance with these provisions and remaining undistributed or out of both provided that:-

(a) if the Company has not provided for any previous financial year or years it shall, before declaring or paying a dividend for any financial year, provide for such depreciation out of the profits of the financial year or out of the profits of any other previous financial year or years;

(b) if the Company has incurred any loss in any previous financial year or years the amount of loss or an amount which is equal to the amount provided for depreciation for that year or those years whichever is less, shall be set off against the profits of the Company for the year for which the dividend is proposed to be declared or paid as against the profits of the Company for any financial year or years arrived at in both cases after providing for depreciation in accordance with the provisions of schedule II of the Act

158. The Board may, from time to time, pay to the members such interim dividend, as in their judgement, the position of the Company justifies.

159. Where capital is paid in advance of calls, such capital may carry interest as may be decided, from time to time, by the Board, but shall not, in respect thereof, confer a right to dividend or to participate in profits.

160. All dividends shall be apportioned and paid proportionately to the amounts paid up on the shares during which any portion or portions of the period in respect of which the dividend is paid up; but if any Share is issued on the terms providing that it shall rank for dividend as from a particular date or on such preferred rights, such Share shall rank for dividend accordingly.

161. The Board may retain the dividends payable upon Shares in respect of which any person is, under the Article 61 hereinabove, entitled to become a member, or which any person under that article is entitled to transfer until such person shall become a member in respect of such Shares, or shall duly transfer the same and until such transfer of Shares has been registered by the Company, notwithstanding anything contained in any other provision of the Act or these Articles, the provisions of Section 206A of the Act or the corresponding section of Act, 2013 as and when notified shall apply.

162. Any one of several persons, who are registered as joint holders of any Share, may give effectual receipts for all dividends or bonus and payments on account of dividends or bonus or other moneys payable in respect of such Shares.

163. No member shall be entitled to receive payment of any interest or dividend in respect of his Share or Shares, whilst any money may be due or owing from him to the Company in respect of such Share or Shares or otherwise howsoever, either alone or jointly with any other person or persons, and the Board may deduct, from the interest or dividend payable to any member, all sums of money so due from him to the Company.

164. Subject to the applicable provisions, if any, of the Act, a transfer of Shares shall not pass the right to any dividend declared thereon and made effective from the date prior to the registration of the transfer.

165. Unless otherwise directed, any dividend may be paid up by cheque or warrant or by a pay-slip sent through the post to the registered address of the member or person entitled, or, in the case of joint holders, to that one of them first named in the Register in respect of the joint holdings. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. The Company shall not be liable or responsible for any cheque or warrant or pay-slip lost in transmission or for any dividend lost to the member or person entitled thereto due to or by the forged endorsement of any cheque or warrant or the fraudulent recovery of the dividend by any other means.

166. (a) If the Company has declared a dividend but which has not been paid or claimed within 30 (Thirty) days from the date of declaration, the Company shall transfer the total amount of dividend which remains 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 called “the Unpaid Dividend Account of H.G. Infra Engineering Limited”. The Company shall within a period of ninety days of making any transfer of an amount to the Unpaid Dividend Account, prepare a statement containing the names, their last known addresses and the unpaid

dividend to be paid to each person and place it on the website of the Company and also on any other website approved by the Central Government, for this purpose in such form, manner and other particulars as may be prescribed. No unclaimed or unpaid dividend shall be forfeited by the Board before the claim becomes barred by law.

(b) Any money so transferred to the unpaid Dividend account of the Company which remains unpaid or unclaimed for a period of 7 (seven) years from the date of such transfer, shall be transferred by the Company to the Fund established under sub-section (1) of Section 125 of the Companies Act, 2013, viz. "Investors Education and Protection Fund".

167. Subject to the provisions of the Act, no unpaid dividend shall bear interest as against the Company.

168. Any general meeting declaring a dividend may, on the recommendation of the Directors, make a call on the members of such amount as the meeting decides, but so that the call on each member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend and the dividend may, if so arranged between the Company and the members, be set off against the calls.

CAPITALISATION

169. (a) The Company, in general meeting, may resolve that any moneys, investments or other assets forming part of the undivided profits of the Company standing to the credit of the Reserve Fund, or any Capital Redemption Reserve Account or in the hands of the Company and available for dividend, or representing premium received on the issue of Shares and standing to the credit of the Share Premium Account, be capitalised and distributed amongst such of the Shareholders as would be entitled to receive the same, if distributed by way of dividend, and in the same proportion on the footing that they become entitled thereto as capital, and that all or any part of such capitalised fund be applied, on behalf of such Shareholders, in paying up in full either at par or at such premium, as the resolution may provide, any unissued Shares or Debentures or Debenture stock of the Company which shall be distributed accordingly on in or towards payment of the uncalled liability on any issued Shares or Debentures, stock and that such distribution or payment shall be accepted by such Shareholders in full satisfaction of their interest in the said capitalised sum, provided that a Share Premium Account and a Capital Redemption Reserve Account may, for the purposes of this Article, only be applied for the paying of any unissued Shares to be issued to members of the Company as, fully paid up, bonus Shares.

(b) A general meeting may resolve that any surplus moneys arising from the realisation of any capital assets of the Company, or any investments representing the same, or any other undistributed profits of the Company, not subject to charge for income tax, be distributed among the members on the footing that they receive the same as capital.

(c) For the purpose of giving effect to any resolution under the preceding paragraphs of this Article, the Board may settle any difficulty, which may arise, in regard to the distribution, as it thinks expedient, and, in particular, may issue fractional certificates and may fix the value for distribution of any specific assets, and may determine that such cash payments shall be made to any members upon the footing of the value so fixed or that fraction of value less than Rs.10/- (Rupees Ten Only) may be disregarded in order to adjust the rights of all parties, and may vest any such cash or specific assets in trustees upon such trusts for the person entitled to the dividend or capitalised funds, as may seem expedient to the Board. Where requisite, a proper contract shall be delivered to the Registrar for registration in accordance with Section 75 of the Act and the Board may appoint any person to sign such contract, on behalf of the persons entitled to the dividend or capitalised fund, and such appointment shall be effective.

ACCOUNTS

170. The Company shall keep at the Office or at such other place in India, as the Board thinks fit and proper, books of account, in accordance with the provisions of the Act with respect to :-

(a) all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure take place;

(b) all sales and purchases of goods by the Company;

(c) the assets and liabilities of the Company;

(d) such particulars, if applicable to this Company, relating to utilisation of material and/or labour or to other items of cost, as may be prescribed by the Central Government.

Where the Board decides to keep all or any of the books of account at any place, other than the Office of the Company, the Company shall, within 7 (Seven) days, or such other period, as may be fixed, from time to time, by the Act, of the decision, file with the Registrar, a notice, in writing, giving the full address of that other place.

The Company shall preserve, in good order, the books of account, relating to the period of not less than 8 (Eight) years or such other period, as may be prescribed, from time to time, under the Act, preceding the current year, together with the vouchers relevant to any entry in such books.

Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with this Article, if proper books of account, relating to the transaction effected at the branch office, are kept at the branch office, and the proper summarised returns, made up to day at intervals of not more than 3 (Three) months or such other period, as may be prescribed, from time to time, by the Act, are sent by the branch office to the Company at its Office or other place in India, at which the books of account of the Company are kept as aforesaid.

The books of account shall give a true and fair view of the state of affairs of the Company or branch office, as the case may be, and explain the transactions represented by it. The books of account and other books and papers shall be open to inspection by any director, during business hours, on a working day, after a prior notice, in writing, is given to the Accounts or Finance department of the Company.

171. The Board shall, from time to time, determine, whether, and to what extent, and at what times and places, and under what conditions or regulations, the accounts and books of the Company or any of them shall be open to the inspection of members, not being the directors, and no member, not being a director, shall have any right of inspecting any account or books or document of the Company, except as conferred by law or authorised by the Board.

172. The Directors shall, from time to time, in accordance with sections 129 and 134 of the Act, cause to be prepared and to be laid before the Company in Annual General Meeting of the Shareholders of the Company, such Balance Sheets, Profit and Loss Accounts, if any, and the Reports as are required by those Sections of the Act.

173. A copy of every such Profit & Loss Accounts and Balance Sheets, including the Directors' Report, the Auditors' Report and every other document(s) required by law to be annexed or attached to the Balance Sheet, shall at least 21 (Twenty-one) days, before the meeting, at which the same are to be laid before the members, be sent to the members of the Company, to every trustee for the holders of any Debentures issued by the Company, whether such member or trustee is or is not entitled to have notices of general meetings of the Company sent to him, and to all persons other than such member or trustees being persons so entitled.

174. The Auditors, whether statutory, branch or internal, shall be appointed and their rights and duties shall be regulated in accordance with the provisions of the Act and the Rules made thereunder.

DOCUMENTS AND NOTICES

175. (a) A document or notice may be served or given by the Company on any member either personally or by sending it, by post or by such other means such as fax, e-mail, if permitted under the Act, to him at his registered address or, if he has no registered address in India, to the address, if any, in India, supplied by him to the Company for serving documents or notices on him.

(b) Where a document or notice is sent by post, service of the document or notice shall be deemed to be effected by properly addressing, pre-paying, wherever required, and posting a letter containing the document or notice, provided that where a member has intimated to the Company, in advance, that documents or notices should be sent to him under a certificate of posting or by registered post, with or without the acknowledgement due, and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the document or notice shall not be deemed to be effected unless it is sent in the manner and, such service shall be deemed to have been effected, in the case of a notice of a meeting, at the expiration of forty-eight hours after the letter containing the document or notice is posted, and in any other case, at the time at which the letter would be delivered in the ordinary course of post.

176. A document or notice, whether in brief or otherwise, advertised, if thought fit by the Board, in a newspaper circulating in the neighborhood of the Office shall be deemed to be duly served or sent on the day, on which the advertisement appears, on or to every member who has no registered address in India and has not supplied to the Company an address within India for the serving of documents on or the sending of notices to him.

177. A document or notice may be served or given by the Company on or to the joint holders of a Share by serving or giving the document or notice on or to the joint holder named first in the Register of Members in respect of the Share.

178. A document or notice may be served or given by the Company on or to the person entitled to a Share, including the person nominated in the manner prescribed hereinabove, in consequence of the death or insolvency of a member by sending it through the post as a prepaid letter addressed to them by name or by the title or representatives of the deceased, or assigned of the insolvent or by any like description, at the address, if any, in India, supplied for the purpose by the persons claiming to be entitled, or, until such an address has been so supplied, by serving the document or notice, in any manner in which the same might have been given, if the death or insolvency had not occurred.

179. Documents or notices of every general meeting shall be served or given in some manner hereinafter authorised on or to (a) every member, (b) every person entitled to a Share in consequence of the death or insolvency of member, (c) the Auditor or Auditors of the Company, and (d) the directors of the Company.

180. Every person who, by operation of law, transfer or by other means whatsoever, shall become entitled to any Share, shall be bound by every document or notice in respect of such Share, which, previously to his name and address being entered on the Register of Members, shall have duly served on or given to the person from whom he derives his title to such Shares.

181. Any document or notice to be served or given by the Company may be signed by a director or some person duly authorised by the Board for such purpose and the signature thereto may be written, printed or lithographed.

182. All documents or notices to be served or given by members on or to the Company or any Officer thereof shall be served or given by sending it to the Company or Officer at the Office by post, under a certificate of posting or by registered post, or by leaving it at the Office, or by such other means such as fax, e-mail, if permitted under the Act.

VARIATION IN TERMS OF CONTRACT OR OBJECTS IN PROSPECTUS

183. The Company shall not, at any time, vary the terms of a contract referred to in prospectus or objects for which the prospectus was issued, except subject to the approval of, or except subject to an authority given by the Company in general meeting by way of special resolution, and in accordance with the provisions of the Companies Act, 2013. Provided that the dissenting Shareholders, being the Shareholders who have not agreed to the proposal to vary the terms of the contracts or the objects referred to in the prospectus, shall be given an exit offer by the promoters or controlling Shareholders of the company, at the fair market value of the equity Shares as on the date of the resolution of the Board of Directors recommending such variation in the terms of the contracts or the objects referred to in the prospectus, in accordance with such terms and conditions as may be specified on this behalf by the Securities and Exchange Board of India.

WINDING UP

184. The Liquidator, on any winding up, whether voluntary or under supervision or compulsory, may, with the sanction of a special resolution, but subject to the rights attached to any Preference Share Capital, divide among the contributories, in specie, any part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories, as the liquidators, with the like sanction, shall think fit.

INDEMNITY AND RESPONSIBILITY

185. 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.

SECRECY

186. (a) Every director, manager, auditor, treasurer, trustee, member of a committee, officer, servant, agent, accountant or other person employed in the business of the Company shall, if so required by the Directors, before entering upon his duties, sign a declaration pledging himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with the 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 so to do by the Directors or by Law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions contained in these presents or the Memorandum of Association of the Company.

(b) No member shall be entitled to visit or inspect any works of the Company, without the permission of the Directors, or to require discovery of or any information respecting any details of the Company's trading or business or any matter which is or may be in the nature of a trade secret, mystery of trade, secret or patented process or any other matter, which may relate to the conduct of the business of the Company and, which in the opinion of the Directors, it would be inexpedient in the interests of the Company to disclose.

SECTION IX – OTHER INFORMATION
MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

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 the 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 Office 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/Offer Closing Date.

Material Contracts to the Offer

1. Offer Agreement dated September 25, 2017 entered into among our Company, the Selling Shareholders, the BRLMs.
2. Registrar Agreement dated September 25, 2017, entered into among our Company, the Selling Shareholders and the Registrar to the Offer.
3. Escrow Agreement dated [●] entered into among our Company, the Selling Shareholders, the BRLMs, Escrow Collection Bank(s), Refund Bank(s), Public Offer Bank(s) and the Registrar to the Offer.
4. Share Escrow Agreement dated [●] entered into among the Selling Shareholders, our Company and a share escrow agent.
5. Syndicate Agreement dated [●] entered into among the members of the Syndicate, our Company, the Selling Shareholders and the Registrar to the Offer.
6. Underwriting Agreement dated [●] entered into among our Company, the Selling Shareholders, the BRLMs and Syndicate Members.
7. Tripartite Agreement dated July 14, 2017 among our Company, NSDL and the Registrar to the Offer.
8. Tripartite Agreement dated June 30, 2017 among our Company, CDSL and the Registrar to the Offer.

Material Documents

1. Certified copies of our Memorandum of Association and Articles of Association as amended until date.
2. Certificates of incorporation dated January 21, 2003 and June 8, 2017.
3. Board resolution and shareholders' resolution of our Company, dated September 6, 2017 and September 8, 2017, respectively, authorizing the Offer and other related matters.
4. Board resolution dated September 27, 2017 approving the Draft Red Herring Prospectus.
5. Consent letters each dated September 25, 2017 of the Selling Shareholders authorizing their respective portions of the Offer for Sale.
6. Copies of annual reports for the five Fiscal years, i.e., Fiscals 2017, 2016, 2015, 2014 and 2013.
7. The examination reports of the Statutory Auditors, Price Waterhouse & Co Chartered Accountants LLP, Chartered Accountants, on our restated financial information included in this Draft Red Herring Prospectus.
8. Consent of the Auditors, Price Waterhouse & Co Chartered Accountants LLP, Chartered Accountants, as referred to, in their capacity and for inclusion of their examination reports on our restated financial information in the form and context in which it appears in this Draft Red Herring Prospectus.
9. Consent of Tibrewal Chand & Co, Chartered Accountants for inclusion of the statement of tax benefits dated September 25, 2017 and certain other information, in the Draft Red Herring Prospectus.
10. Consents of Bankers to our Company, the Book Running Lead Managers, Registrar to the Offer, the lenders to our Company, the legal counsel, Directors of our Company, Company Secretary and Compliance Officer, Chief Financial Officer, Advisors to the Offer, as referred to act, in their respective capacities.
11. Report titled 'Roads sector in India' dated September, 2017 prepared by CRISIL Research and its consent dated September 20, 2017 for use of such report or any extract thereof.
12. In-principle listing approvals dated [●] and [●] from BSE and NSE, respectively.
13. SEBI final observation letter dated [●].
14. Due diligence certificate to SEBI from the BRLMs, dated September 27, 2017.
15. Joint Venture agreement dated May 31, 2013 between our Company and Rameshwar Prasad Sharma Contractor, a partnership firm.
16. Joint Venture agreement dated September 24, 2015 between our Company and M.G. Contractors Private Limited.
17. Joint Venture agreement dated January 10, 2014 between our Company and Colossal Construction.

18. Joint Venture agreement dated May 15, 2015 between our Company and Ranjit Buildcon Limited.
19. Joint Venture agreement dated November 11, 2016 between our Company and Tata Projects Limited.

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

(Mr. Harendra Singh) **(Chairman and Managing Director)**	**(Mr. Vijendra Singh)** **(Whole-time Director)**
(Mr. Girish Pal Singh) **(Non-Executive Director)**	**(Mr. Ashok Kumar Thakur)** **(Independent Director)**
(Ms. Pooja Hemant Goyal) **(Independent Director)**	**(Mr. Onkar Singh)** **(Independent Director)**

(Mr. Rajeev Mishra)
(Chief Financial Officer)

Date: September 27, 2017

Place: Jaipur

DECLARATION BY HARENDRA SINGH

Mr. Harendra Singh certifies that all statements about or in relation to himself and the Equity Shares offered by him through the Offer for Sale in this Draft Red Herring Prospectus, are true and correct. Mr. Harendra Singh assumes no responsibility for any other statements, including, any of the statements made by or relating to the Company or any other Selling Shareholder in this Draft Red Herring Prospectus.

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Name: Mr. Harendra Singh

Designation: Chairman and Managing Director

Date: September 27, 2017

DECLARATION BY VIJENDRA SINGH

Mr. Vijendra Singh certifies that all statements about or in relation to himself and the Equity Shares offered by him through the Offer for Sale in this Draft Red Herring Prospectus, are true and correct. Mr. Vijendra Singh assumes no responsibility for any other statements, including, any of the statements made by or relating to the Company or any other Selling Shareholder in this Draft Red Herring Prospectus.

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Name: Mr. Vijendra Singh

Designation: Whole-time Director

Date: September 27, 2017

DECLARATION BY GIRISH PAL SINGH

Mr. Girish Pal Singh certifies that all statements about or in relation to himself and the Equity Shares offered by him through the Offer for Sale in this Draft Red Herring Prospectus, are true and correct. Mr. Girish Pal Singh assumes no responsibility for any other statements, including, any of the statements made by or relating to the Company or any other Selling Shareholder in this Draft Red Herring Prospectus.

Name: Mr. Girish Pal Singh

Designation: Non-Executive Director

Date: September 27, 2017

DECLARATION BY HODAL SINGH

Mr. Hodal Singh certifies that all statements about or in relation to himself and the Equity Shares offered by him through the Offer for Sale in this Draft Red Herring Prospectus, are true and correct. Mr. Hodal Singh assumes no responsibility for any other statements, including, any of the statements made by or relating to the Company or any other Selling Shareholder in this Draft Red Herring Prospectus.

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Name: Mr. Hodal Singh

Date: September 27, 2017