DRAFT RED HERRING PROSPECTUS
Dated: May 10, 2018
(This Draft Red Herring Prospectus will be updated upon filing with the RoC)
Please read Section 32 of the Companies Act, 2013
Book Building Offer

MONTECARLO

MONTECARLO LIMITED

Our Company was incorporated as Montecarlo Construction Private Limited on March 20, 1995 at Ahmedabad, Gujarat as a private limited company under the Companies Act, 1956. Subsequently, the name of our Company was changed to Montecarlo Construction Limited, pursuant to its conversion into a public limited company, and a fresh certificate of incorporation, dated April 21, 2006, consequent to the conversion, was issued by the Registrar of Companies, Gujarat at Ahmedabad (the "**RoC**"). The name of our Company was further changed to Montecarlo Limited and a fresh certificate of incorporation, dated March 21, 2012, consequent to the change of name, was issued by the RoC. For further details of change in name and registered office of our Company, see the section "*History and Certain Corporate Matters*", beginning on page 192.

Registered and Corporate Office: 706, 7th Floor, Shilp Building, Near Municipal Market, C.G. Road, Navrangpura, Ahmedabad - 380 009
Tel: +91 79 7199 9300; **Fax:** +91 79 2640 8444
Contact Person: Kalpesh Punamchand Desai, Company Secretary and Compliance Officer; **E-mail:** kalpesh.desai@mclindia.com
Website: www.mclindia.com; **Corporate Identity Number**: U40300GJ1995PLC025082

PROMOTERS OF OUR COMPANY: KANUBHAI M. PATEL TRUST (REPRESENTED THROUGH ITS TRUSTEES), KANUBHAI MAFATLAL PATEL, BRIJESH KANUBHAI PATEL AND MRUNAL KANUBHAI PATEL

PUBLIC OFFER OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH (THE "EQUITY SHARES") OF MONTECARLO LIMITED ("OUR COMPANY") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) AGGREGATING UP TO ₹ [●] MILLION (THE "OFFER") CONSISTING OF A FRESH ISSUE OF UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 4,500 MILLION BY OUR COMPANY (THE "FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 3,000,000 EQUITY SHARES (THE "OFFERED SHARES") BY KANUBHAI M. PATEL TRUST (REPRESENTED THROUGH ITS TRUSTEES) (THE "SELLING SHAREHOLDER") AGGREGATING UP TO ₹ [●] MILLION (THE "OFFER FOR SALE"). THE OFFER WOULD CONSTITUTE [●]% OF OUR COMPANY'S POST-OFFER PAID-UP EQUITY SHARE CAPITAL. OUR COMPANY AND THE SELLING SHAREHOLDER MAY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS OFFER A DISCOUNT TO RETAIL INDIVIDUAL BIDDERS (THE "RETAIL DISCOUNT") IN ACCORDANCE WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED (THE "SEBI REGULATIONS").

THE FACE VALUE OF EQUITY SHARES IS ₹ 10 EACH. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY AND THE SELLING SHAREHOLDER IN CONSULTATION WITH THE BRLMS, AND WILL BE ADVERTISED IN: (I) [●] EDITIONS OF ENGLISH NATIONAL DAILY NEWSPAPER, [●], (II) [●] EDITIONS OF THE HINDI NATIONAL DAILY NEWSPAPER, [●], AND (III) [●] EDITION OF THE GUJARATI NEWSPAPER, [●] (GUJARATI BEING THE REGIONAL LANGUAGE OF GUJARAT, WHERE OUR COMPANY'S REGISTERED OFFICE IS LOCATED), EACH WITH WIDE CIRCULATION, AT LEAST FIVE WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE, AND SHALL BE MADE AVAILABLE TO BSE LIMITED ("BSE") AND NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE", TOGETHER WITH BSE, THE "STOCK EXCHANGES") FOR THE PURPOSE OF UPLOADING ON THEIR WEBSITES.

In case of any revision to the Price Band, the Bid/Offer Period will be extended by at least three additional Working Days after such revision of the 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 also by indicating the change on the respective websites of the BRLMs and at the terminals of the Syndicate Members and by intimation to the Self Certified Syndicate Banks (the "**SCSBs**") and the Designated Intermediaries, as applicable.

The Offer is being made in accordance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the "**SCRR**") and Regulation 26(1) of the SEBI Regulations, through the Book Building Process wherein 50% of the Offer shall be allocated on a proportionate basis to Qualified Institutional Buyers (the "**QIBs**"), provided that our Company and the Selling Shareholder, in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis, out of which one-third shall be reserved for domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI Regulations. 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion 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 Bidders and not less than 35% of the Offer shall be available for allocation on a proportionate basis to Retail Individual Bidders in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Offer Price. All potential investors, other than Anchor Investors, are required to mandatorily utilise the Application Supported by Blocked Amount ("**ASBA**") process providing details of their respective bank account which will be blocked by the SCSBs to participate in the Offer. Anchor Investors are not permitted to participate in the Anchor Investor Portion through the ASBA process. For details, see the section "*Offer Procedure*", beginning on page 504.

RISK IN RELATION TO THE FIRST OFFER

This being the first public offer of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹ 10 and the Floor Price is [●] times the face value and the Cap Price is [●] times the face value. The Offer Price (determined and justified by our Company and the Selling Shareholder in consultation with the BRLMs, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated in the section "*Basis for the Offer Price*", beginning on page 110) 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 or sustained trading of 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 entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in respect of 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 in the Offer have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**"), and SEBI does not guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to the section "*Risk Factors*", beginning on page 16.

COMPANY'S AND SELLING SHAREHOLDER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for, and confirms, that this Draft Red Herring Prospectus contains all information with regard to our Company and the 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, or inclusion, 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, the Selling Shareholder accepts responsibility for, and confirms, only to the extent of the information in the statements specifically confirmed or undertaken by the Selling Shareholder and the Offered Shares, in this Draft Red Herring Prospectus, is true and correct in all material aspects and is not misleading in any material respect.

LISTING

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on BSE and NSE. Our Company has received an 'in-principle' approval from BSE and NSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively. For the purposes of the Offer, the Designated Stock Exchange shall be [●]. A 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 the section "*Material Contracts and Documents for Inspection*", beginning on page 559.

BOOK RUNNING LEAD MANAGERS			REGISTRAR TO THE OFFER
Edelweiss Ideas create, values protect	AXIS CAPITAL	IDFC IDFC BANK	LINKIntime
Edelweiss Financial Services Limited 14th Floor, Edelweiss House Off. C.S.T Road, Kalina Mumbai - 400 098 Tel: +91 22 4009 4400 Fax: +91 22 4086 3610 E-mail: mcl.ipo@edelweissfin.com Investor grievance e-mail: customerservice.mb@edelweissfin.com Website: www.edelweissfin.com Contact Person: Kunal Malkan/Aditya Menon SEBI Registration No.: INM0000010650	**Axis Capital Limited** 1st Floor, Axis House C 2 Wadia International Centre Pandurang Budhkar Marg, Worli Mumbai - 400 025 Tel: +91 22 4325 2183 Fax: +91 22 4325 3000 Email: mcl.ipo@axiscap.in Investor grievance e-mail: complaints@axiscap.in Website: www.axiscapital.co.in Contact Person: Mayuri Arya SEBI Registration No.: INM000012029	**IDFC Bank Limited** Naman Chambers, C – 32, G Block Bandra Kurla Complex Bandra (East) Mumbai - 400 051 Tel: +91 22 7132 5500 Fax: +91 22 4222 2088 E-mail: mcl.ipo@idfcbank.com Investor grievance e-mail: mb.ig@idfcbank.com Website: www.idfcbank.com Contact Person: Gaurav Goyal SEBI Registration No.: MB/INM000012250	**Link Intime India Private Limited** C-101, 1st Floor, 247 Park Lal Bahadur Shastri Marg, Vikhroli (West) Mumbai - 400 083 Tel: +91 22 4918 6200 Fax: +91 22 4918 6195 E-mail: montecarloltd.ipo@linkintime.co.in Investor grievance e-mail: montecarloltd.ipo@linkintime.co.in Website: www.linkintime.co.in Contact Person: Shanti Gopalkrishnan SEBI Registration No.: INR000004058

BID/ OFFER PROGRAMME

BID/OFFER OPENS ON: [●][(1)]	BID/ OFFER CLOSES ON: [●][(2)]

(1) Our Company and the Selling Shareholder may, in consultation with the BRLMs, consider participation by the Anchor Investors in accordance with the SEBI Regulations. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date.

(2) Our Company and the Selling Shareholder may, in consultation with the BRLMs, consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date, in accordance with the SEBI Regulations.

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SECTION I: GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies or unless otherwise specified, shall have the meaning as provided below. References to any legislation, act, regulation, rules, guidelines or policies shall be to such legislation, act, regulation, rules, guidelines or policies as amended, supplemented, or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

The words and expressions used in this Draft Red Herring Prospectus, but not defined herein shall unless the context otherwise requires, have the meaning ascribed to such terms under the SEBI Regulations, the Companies Act, the SCRA, the Depositories Act, and the rules and regulations made thereunder.

Notwithstanding the foregoing, the terms not defined but used in the sections "Statement of Tax Benefits", "Financial Statements", "Outstanding Litigation and Material Developments" and "Main Provisions of Articles of Association", beginning on pages 114, 232, 462 and 547, respectively, shall have the meanings ascribed to such terms in these respective sections.

General Terms

Term	Description
"our Company" or "the Company" or "the Issuer"	Montecarlo Limited, a public limited company incorporated under the Companies Act, 1956, having its registered office at 706, 7th Floor, Shilp Building, Near Municipal Market, C.G. Road, Navrangpura, Ahmedabad - 380 009
"we", "us" or "our"	Unless the context otherwise indicates or implies, refers to our Company together with its Subsidiaries, Joint Ventures and the Associate Company, as applicable

Company and Selling Shareholder Related Terms

Term	Description
Articles of Association or AoA	Articles of Association of our Company, as amended
Associate Company or Associate	BHTPL
Audit Committee	The audit committee of our Company, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations
Auditors or Statutory Auditors	The statutory auditors of our Company, being Deloitte Haskins & Sells, LLP
BHTPL	Bijapur-Hugund Tollway Private Limited
Board or Board of Directors	Board of Directors of our Company, and unless the context otherwise indicates or implies, including a duly constituted committee thereof
Composite Scheme of Arrangement	Composite scheme of arrangement under Sections 391 to 394 read with Sections 100 to 103 and other relevant provisions of the Companies Act, 1956, and relevant provisions of the Companies Act, 2013, amongst our Company, Montecarlo Projects, Montecarlo Infrastructure, Montecarlo Engineering, Montecarlo Energy, Montecarlo Realty, Montecarlo Construction and their respective shareholders and creditors
Corporate Social Responsibility Committee	The corporate social responsibility committee of our Company, constituted in accordance with the applicable provisions of the Companies Act, 2013
Director(s)	Director(s) of our Company
Equity Shares	Equity shares of face value of ₹ 10 each of our Company
Group Companies	BHTPL and NCL
Hubli Haveri HAM Project	Six-laning and strengthening of Hubli-Haveri section of NH-48 (old NH-4) from 340.00 km to 403.40 km in Karnataka
IPO Committee	IPO committee constituted by the Board at its meeting held on February 16, 2018 and reconstituted, by a meeting of the Board held on May 5, 2018
Independent Director(s)	The independent directors of our Company
Joint Ventures	MCL-KSIPL (JV), MONTECARLO-JPCPL (JV), MCL-SIIPL (JV), MCL-LAXYO-VNR (JV), MCL-KSIPL (JV) DHANBAD, MCL-KSIPL (JV) GURAJANAPALLI, MCL-JBPL Rajasthan (JV), VPRPL-MCL (JV), MCL-BEL GORAKHPUR (JV), MCL-

Term	Description
	BEL BIHAR (JV), Montecarlo-Laxyo-Technocom (JV), MCL-ITL Odisha (JV), MCL-PREMO-ALCON (JV) and MCL-BECPL MP (JV)
Kanubhai Trust	Kanubhai M. Patel Trust (which, unless the context otherwise indicates or implies, means Kanubhai Trust, as represented through its trustees)
Key Management Personnel	Key management personnel of our Company as disclosed in the section "*Management*", beginning on page 204
MBMPL	Montecarlo Barjora Mining Private Limited
Memorandum of Association or MoA	Memorandum of association of our Company, as amended
MHHHPL	Montecarlo Hubli Haveri Highway Private Limited
Montecarlo Construction	Montecarlo Construction Private Limited
Montecarlo Energy	Montecarlo Energy Private Limited
Montecarlo Engineering	Montecarlo Engineering Private Limited
Montecarlo Infrastructure	Montecarlo Infrastructure Limited
Montecarlo Projects	Montecarlo Projects Private Limited
Montecarlo Realty	Montecarlo Realty Limited
MPIL	Montecarlo Projects India Limited
MSBHPL	Montecarlo Singhara Binjhabahal Highway Private Limited
NCDs	900 secured, rated, listed, redeemable, non-convertible debentures of nominal value of ₹ 1,000,000 each aggregating up to ₹ 900,000,000, issued by our Company on a private placement basis, in various tranches, *vide* the information memorandum dated July 29, 2017
NCL	Nitin Construction Limited
Nomination and Remuneration Committee	The nomination and remuneration committee of our Company, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations
Promoters	Kanubhai Trust, Kanubhai Mafatlal Patel, Brijesh Kanubhai Patel and Mrunal Kanubhai Patel
Promoter Group	Persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(zb) of the SEBI Regulations and disclosed in the section "*Promoter and Promoter Group*", beginning on page 221
Registered Office or Registered and Corporate Office	Registered office of our Company situated at 706, 7th Floor, Shilp Building, Near Municipal Market, C.G. Road, Navrangpura, Ahmedabad - 380 009
Registrar of Companies or RoC	Registrar of Companies, Gujarat at Ahmedabad situated at ROC Bhavan, Opp. Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad - 380 013
Restated Consolidated Financial Statements	Our restated consolidated summary statements of assets and liabilities as at March 31, 2013, March 31, 2014, March 31, 2015, March 31, 2016, March 31, 2017 and December 31, 2017, and our restated consolidated summary statements of profit and loss and cash flow for each of the Fiscals ended March 31, 2013, March 31, 2014, March 31, 2015, March 31, 2016 and March 31, 2017, and nine months ended December 31, 2017, together with the annexures and notes thereto and the examination report, thereon, as prepared and presented in accordance with Ind AS or Indian GAAP, as applicable, in each case restated in accordance with the requirements of Section 26 of the Companies Act, 2013, the SEBI Regulations and the Guidance Note on "Reports in Company Prospectus (Revised 2016)" issued by ICAI
Restated Financial Statements	Collectively, the Restated Consolidated Financial Statements and the Restated Standalone Financial Statements
Restated Standalone Financial Statements	Restated standalone summary statements of assets and liabilities of our Company, as at March 31, 2013, March 31, 2014, March 31, 2015, March 31, 2016, March 31, 2017 and December 31, 2017, and restated standalone summary statements of profit and loss and cash flow of our Company, for each of the Fiscals ended March 31, 2013, March 31, 2014, March 31, 2015, March 31, 2016 and March 31, 2017, and nine months ended December 31, 2017, together with the annexures and notes thereto and the examination

Term	Description
	report, thereon, as prepared and presented in accordance with Ind AS or Indian GAAP, as applicable, in each case restated in accordance with the requirements of Section 26 of the Companies Act, 2013, the SEBI Regulations and the Guidance Note on "Reports in Company Prospectus (Revised 2016)" issued by ICAI
SEL	Sadbhav Engineering Limited
Selling Shareholder	Kanubhai Trust
Shareholders	Shareholders of our Company who hold Equity Shares from time to time
SIPL	Sadbhav Infrastructure Project Limited
Stakeholders' Relationship Committee	The stakeholders' relationship committee of our Company, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations
Subsidiaries	The subsidiaries of our Company, namely, MPIL, MBMPL, MHHHPL and MSBHPL
Whole-time Director(s)	The whole-time directors of our Company

Offer Related Terms

Term	Description
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to a Bidder as proof of registration of the Bid cum Application Form
Allot, Allotment or Allotted	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Fresh Issue and transfer of the respective portion of the Offered Shares pursuant to the Offer for Sale, to the successful Bidders
Allotment Advice	A note or advice or intimation of Allotment sent to the Bidders who have been or are to be Allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange
Allottee	A successful Bidder 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 the SEBI Regulations and the Red Herring Prospectus
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to the Anchor Investors at the end of the Anchor Investor Bid/Offer Period in terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company and the Selling Shareholder, in consultation with the BRLMs
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Anchor Investor Bid/Offer Period	One Working Day prior to the Bid/Offer Opening Date, on which Bids by Anchor Investors shall be submitted and allocation to Anchor Investors shall be completed
Anchor Investor Escrow Account	Account opened with the Escrow Collection Bank and in whose favour the Anchor Investors will transfer money through NACH/NECS/direct credit/NEFT/RTGS in respect of the Bid Amount when submitting a Bid
Anchor Investor Offer Price	The final price at which the Equity Shares will be Allotted to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be 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 Shareholder, in consultation with the BRLMs
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company and the Selling Shareholder, in consultation with the BRLMs, to the Anchor Investors on a discretionary basis, in accordance with the SEBI Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price

Term	Description
Application Supported by Blocked Amount or ASBA	An application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorise an SCSB to block the Bid Amount in the ASBA Account
ASBA Account	A bank account maintained with an SCSB and specified in the ASBA Form submitted by ASBA Bidders for blocking the Bid Amount mentioned in the ASBA Form
ASBA Bidder(s)	All Bidders except Anchor Investors
ASBA Form(s)	An application form, whether physical or electronic, used by ASBA Bidders to submit Bids, which will be considered as an application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Axis	Axis Capital Limited
Banker(s) to the Offer	Escrow Collection Bank, Refund Bank and Public Offer Bank, as the case may be
Basis of Allotment	The basis on which Equity Shares will be Allotted to successful Bidders under the Offer. For further details, see the section "*Offer Procedure*", beginning on page 504
Bid(s)	An indication to make an offer during the Bid/Offer Period by a Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bid/Offer Period by the Anchor Investor, pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI Regulations and in terms of the Red Herring Prospectus and the Bid cum Application Form. The term "Bidding" shall be construed accordingly
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidders, as the case maybe, upon submission of the Bid in the Offer which shall be less Retail Discount for Retail Individual Bidders. In case of Retail Individual Bidders Bidding at the Cut-Off Price, the Bid Amount is the Cap Price less Retail Discount, multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder, and mentioned in the Bid cum Application Form
Bid/Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, being [●]. Our Company and the Selling Shareholder, in consultation with the BRLMs, may consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date, in accordance with the SEBI Regulations
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the context requires
Bid Lot	[●] Equity Shares
Bid/Offer Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, being [●]
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 Bidders can submit their Bids, including any revisions thereof
Bidder(s)	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
Bidding Centres	The centres at which the Designated Intermediaries shall accept the ASBA Forms, i.e. Designated Branches for SCSBs, Specified Locations for the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Book Building Process	Book building process, as provided in Schedule XI of the SEBI Regulations, in terms of which the Offer is being made
Book Running Lead Managers or BRLMs	The book running lead managers to the Offer, namely, Edelweiss, Axis and IDFC
Broker Centres	The broker centres notified by the Stock Exchanges where ASBA Bidders can submit the ASBA Forms to a Registered Broker.

Term	Description
	The details of such Broker Centres, along with the names and the contact details of the Registered Brokers are available on the websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Cap Price	The higher end of the Price Band, above which the Offer Price and Anchor Investor Offer Price will not be finalised and above which no Bids will be accepted. Only Retail Individual Bidders are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price
Cash Escrow Agreement	The cash escrow agreement to be entered into amongst our Company, the Selling Shareholder, the BRLMs, the Registrar to the Offer and the Escrow Collection Bank for, *inter alia*, collection of the Bid Amounts from the Anchor Investors, transfer of funds to the Public Offer Account and where applicable, refunds of the amounts collected from the Anchor Investors, on the terms and conditions thereof
Collecting Depository Participant(s) or CDP(s)	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, as per the list available on the websites of BSE and NSE
Confirmation of Allocation Note or CAN	A notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated Equity Shares, after the Anchor Investor Bid/Offer Period
Cut-off Price	The Offer Price finalised by our Company and the Selling Shareholder in consultation with the BRLMs. Only Retail Individual Bidders Bidding under the Retail Portion are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price
Demographic Details	Details of the Bidders, including the Bidders' address, name of the Bidders' father or husband, investor status, occupation and bank account details
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Forms, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes, or at such other website as may be prescribed by SEBI from time to time
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the CDPs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Date	Date on which funds are transferred from the Anchor Investor Escrow Account and instructions are given to the SCSBs to unblock the ASBA Accounts and transfer the amounts blocked by the SCSBs, from the ASBA Accounts, to the Public Offer Account or the Refund Account, as appropriate, in terms of the Red Herring Prospectus and the aforesaid transfer and instructions shall be issued only after finalisation of Basis of Allotment in consultation with the Designated Stock Exchange
Designated Intermediaries	The Members of the Syndicate, sub-syndicate/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are authorised to collect Bid cum Application Forms, from the Bidders, in relation to the Offer
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Stock Exchange	[●]
Draft Red Herring Prospectus or DRHP	This draft red herring prospectus dated May 10, 2018, issued in accordance with the SEBI Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Offer
Edelweiss	Edelweiss Financial Services Limited

Term	Description
Eligible NRI	NRI(s) from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the ASBA Form and the Red Herring Prospectus will constitute an invitation to subscribe to or to purchase the Equity Shares
Escrow Collection Bank	Bank which is a clearing member and registered with SEBI as a banker to an issue and with whom the Anchor Investor Escrow Account will be opened, in this case being [●]
FCNR Account	Foreign Currency Non Resident Account
First Bidder	The Bidder whose name appears first in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name also appears as the first holder of the beneficiary account held in joint names
Floor Price	The lower end of the Price Band, subject to any revision thereto, at or above which the Offer Price and the Anchor Investor Offer Price will be finalised and below which no Bids will be accepted
Fresh Issue	The fresh issue of up to [●] Equity Shares aggregating up to ₹ 4,500 million by our Company
General Information Document or GID	General Information Document prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI, as amended from time to time, suitably modified and included in "*Offer Procedure*" beginning on page 504
IDFC	IDFC Bank Limited
Maximum RIB Allottees	The maximum number of RIBs who can be Allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIBs by the minimum Bid Lot, subject to valid Bids being received at or above the Offer Price
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
Mutual Fund Portion	Up to 5% of the QIB Portion (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 Fresh Issue less our Company's share of the Offer expenses. For further information about use of the Offer Proceeds and the Offer expenses, see the section "*Objects of the Offer*", beginning on page 102
Non-Institutional Bidders or NIBs	All Bidders that are not QIBs or Retail Individual Bidders and who have Bid for Equity Shares for an amount of more than ₹200,000 (but not including NRIs, other than the Eligible NRIs)
Non-Institutional Portion or Non-Institutional Category	The portion of the Offer being not less than 15% of the Offer, comprising [●] Equity Shares, which shall be available for allocation on a proportionate basis to Non-Institutional Bidders, subject to valid Bids being received at or above the Offer Price
Non-Resident	A person resident outside India, as defined under FEMA and includes NRIs and FPIs
Offer	The initial public offer of up to [●] Equity Shares of face value of ₹ 10 each for cash at a price of ₹ [●] per Equity Share (including a share premium of ₹ [●] per Equity Share), aggregating up to ₹ [●] million, consisting of the Fresh Issue and the Offer for Sale
Offer Agreement	The agreement dated May 10, 2018 entered into amongst our Company, the Selling Shareholder and the BRLMs, pursuant to which certain arrangements are agreed to in relation to the Offer
Offer for Sale	The offer for sale of up to 3,000,000 Equity Shares by the Selling Shareholder at the Offer Price aggregating up to ₹ [●] million
Offer Price	The final price at which Equity Shares will be Allotted to Bidders other than Anchor Investors in terms of the Red Herring Prospectus. The Offer Price will be decided by our Company and the Selling Shareholder in consultation with the BRLMs on the Pricing Date in accordance with the Book Building Process and the Red Herring Prospectus.
Offer Proceeds	The proceeds of the Offer that will be available to our Company and the Selling Shareholder. For further details on use of Offer Proceeds, see the section "*Objects of the Offer*", beginning on page 102
Offered Shares	Up to 3,000,000 Equity Shares aggregating to ₹ [●] million offered by the Selling

Term	Description
	Shareholder in the Offer for Sale
Price Band	The price band of a minimum price of ₹ [●] per Equity Share (Floor Price) and the maximum price of ₹ [●] per Equity Share (Cap Price), including any revisions thereof. The Price Band and the minimum Bid Lot for the Offer will be decided by our Company and the Selling Shareholder in consultation with the BRLMs and will be advertised at least five Working Days prior to the Bid/Offer Opening Date, in [●] editions of the English national daily newspaper, [●], [●] edition of the Hindi national daily newspaper, [●] and Gujarat edition of the Gujarati newspaper, [●] (Gujarati being the regional language of Gujarat, where the Registered Office is located), each with wide circulation
Pricing Date	The date on which our Company and the Selling Shareholder in consultation with the BRLMs, will finalise the Offer Price
Prospectus	The prospectus to be filed with the RoC after the Pricing Date in accordance with Section 26 of the Companies Act, 2013 and the SEBI Regulations, containing, *inter alia*, the Offer Price that is determined at the end of the Book Building Process, the size of the Offer and certain other information, including any addenda or corrigenda thereto
Public Offer Account	'No-lien' and 'non-interest bearing' account opened, in accordance with Section 40(3) of the Companies Act, 2013, with the Public Offer Bank to receive monies from the Anchor Investor Escrow Account and the ASBA Accounts on the Designated Date
Public Offer Bank	Bank which is a clearing member and registered with SEBI as a banker to an issue and with whom the Public Offer Account will be opened, in this case being [●]
QIBs or QIB Bidders or Qualified Institutional Buyers	The qualified institutional buyers as defined under Regulation 2(1)(zd) of the SEBI Regulations
QIB Portion or QIB Category	The portion of the Offer (including the Anchor Investor Portion) being 50% of the Offer comprising [●] Equity Shares which shall be available for allocation to QIBs (including Anchor Investors). Our Company and the Selling Shareholder, in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis subject to valid Bids being received at or above the Offer Price.
Red Herring Prospectus or RHP	The red herring prospectus to be issued by our Company in accordance with Section 32 of the Companies Act, 2013, and the provisions of the SEBI Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Offer, including any addenda or corrigenda thereto. The Red Herring Prospectus will be registered with the RoC at least three days before the Bid/Offer Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date
Refund Account	'No-lien' and 'non-interest bearing' account opened with the Refund Bank, from which refunds, if any, of the whole or part, of the Bid Amount to the Anchor Investors shall be made
Refund Bank	Bank which is a clearing member and registered with SEBI as a banker to an issue and with whom the Refund Account will be opened, in this case being [●]
Registered Brokers	The 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 SEBI circular number CIR/CFD/14/2012 dated October 4, 2012 issued by SEBI
Registrar to the Offer or Registrar	Link Intime India Private Limited
Registrar Agreement	The agreement dated May 8, 2018, entered into amongst our Company, the Selling Shareholder and the Registrar to the Offer, in relation to the responsibilities and obligations of the Registrar to the Offer, pertaining to the Offer
Retail Discount	Our Company and the Selling Shareholder may, in consultation with the BRLMs, offer a discount of up to [●]% (equivalent of ₹ [●]) to the Offer Price to Retail Individual Bidders, in accordance with the SEBI Regulations
Retail Individual Bidder(s) or Retail Individual Investor(s) or RIB(s)	Resident Indian individual Bidders submitting Bids, who have Bid for the Equity Shares for an amount not more than ₹ 200,000 in any of the bidding options in the Offer (including HUFs applying through their Karta) and Eligible NRIs

Term	Description
Retail Portion	The portion of the Offer being not less than 35% of the Offer comprising [●] Equity Shares which shall be available for allocation to Retail Individual Bidders in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Offer Price
Revision Form	The form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their Bid cum Application Form(s) or any previous Revision Form(s), as applicable. QIB Bidders and Non-Institutional Bidders are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid/Offer Period and withdraw their Bids until Bid/Offer Closing Date.
RTAs or Registrar and Share Transfer Agents	The registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations, in terms of SEBI circular number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI, as per the list available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Self Certified Syndicate Bank(s) or SCSB(s)	The banks registered with SEBI, offering services in relation to ASBA, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time
Share Escrow Agent	The share escrow agent appointed pursuant to the Share Escrow Agreement, namely, [●]
Share Escrow Agreement	The share escrow agreement to be entered into amongst our Company, the Selling Shareholder, the BRLMs and the Share Escrow Agent, in connection with the transfer of Equity Shares under the Offer by the Selling Shareholder and credit of such Equity Shares to the demat accounts of the Allottees
Specified Locations	The Bidding centres where the Syndicate shall accept ASBA Forms from ASBA Bidders, a list of which is available on the website of SEBI (www.sebi.gov.in), and updated from time to time
Syndicate or Members of the Syndicate	The BRLMs and the Syndicate Members
Syndicate Agreement	The syndicate agreement to be entered into between our Company, the Selling Shareholder and the Members of the Syndicate in relation to collection of Bid cum Application Forms by the Syndicate
Syndicate Members	The intermediaries registered with SEBI who are permitted to carry out activities as an underwriter, namely, [●]
Underwriters	[●]
Underwriting Agreement	The underwriting agreement to be entered into amongst our Company, the Selling Shareholder and the Underwriters, on or after the Pricing Date, but prior to filing the Prospectus with the RoC
Working Day(s)	All days other than second and fourth Saturday of the month, Sunday or a public holiday, on which commercial banks in Mumbai are open for business; provided however, with reference to (a) announcement of Price Band; and (b) Bid/Offer Period, shall mean all days, excluding 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, shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, as per the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016

Technical/Industry Related Terms/Abbreviations

Term	Description
AoP(s)	Association of Person(s)
BCCL	Bharat Coking Coal Limited
BCM	Bank Cubic Metre

Term	Description
BOT	Build Operate Transfer
CSR	Corporate Social Responsibility
DBFOT	Design, Build, Finance, Operate and Transfer
DGMAP	Directorate General of Married Accommodation Project, Ministry of Defence, Government of India
EPC	Engineering, Procurement and Construction
EWS, LIG and MIG Houses	Economically Weaker Sections, Lower Income Group and Middle Income Group Houses under PMAY
Existing Contracts	Existing contracts as of any particular date means EPC work orders, letter of awards or contracts for ongoing and new projects awarded to/entered into by our Company or its Joint Ventures
GMDCL	Gujarat Mineral Development Corporation Limited
GST	Goods and Service Tax
HAM	Hybrid Annuity Model
ITNL	IL&FS Transportation Networks Limited
JRPICL	Jharkhand Road Projects Implementation Company Limited
km	Kilometres
MDO	Mine Developer and Operator
MoRTH	Ministry of Road Transport and Highways, Government of India
MPMKVVCL	Madhya Pradesh Madhya Kshetra Vidyut Vitaran Company Limited
MPRDCL	Madhya Pradesh Road Development Corporation Limited
MT	Metric Ton
MoU	Memorandum of Understanding
Northern Coal	Northern Coalfields Limited
NH	National Highway
NHAI	National Highways Authority of India
NHDP	National Highways Development Project
NHIDCL	National Highways and Infrastructure Development Corporation Limited
NVDA	Narmada Valley Development Authority
Order Book	Order Book as of any particular date represents the Total Contract Value of all Existing Contracts of our Company as reduced by revenue billed by our Company for works certified with respect to such Existing Contracts
PMAY	Pradhan Mantri Awas Yojna
PWD	Public Works Department
RRVPNL	Rajasthan Rajya Vidyut Prasaran Nigam Limited
RUIFDCO	Rajasthan Urban Infrastructure Finance and Development Corporation
RVNL	Rail Vikas Nigam Limited
SOP	Standard Operating Procedures
SSNNL	Sardar Sarovar Narmada Nigam Limited
Tata housing	Tata Housing Development Company Limited
Total Contract Value	Total Contract Value as of any particular date means the entire value of a project being undertaken by our Company which is the contractually agreed value as adjusted by price escalation and other claims/or variations, in the contract works which have been accepted by the client and for projects undertaken by way of Joint Venture, value of work awarded to our Company for such project
UADD	Directorate, Urban Administration and Development, Government of Madhya Pradesh
UPTCL	Uttar Pradesh Power Transmission Corporation Limited

Term	Description
WBPDCL	West Bengal Power Development Corporation Limited

Conventional and General Terms or Abbreviations

Term	Description
₹ or Rs. or Rupees or INR	Indian Rupee(s)
AIF	Alternative Investment Fund as defined in and registered with SEBI under the SEBI AIF Regulations
Arbitration Act	The Arbitration and Conciliation Act, 1996
AS or Accounting Standards	Accounting standards issued by the ICAI
BSE	BSE Limited
CAGR	The compound annual growth rate is the mean annual growth rate of an investment over a specified period of time longer than one year
Category I AIF	AIFs who are registered as "Category I Alternative Investment Funds" under the SEBI AIF Regulations
Category II AIF	AIFs who are registered as "Category II Alternative Investment Funds" under the SEBI AIF Regulations
Category III AIF	AIFs who are registered as "Category III Alternative Investment Funds" under the SEBI AIF Regulations
Category I FPIs	FPIs who are registered as "Category I foreign portfolio investors" under the SEBI FPI Regulations
Category II FPIs	FPIs who are registered as "Category II foreign portfolio investors" under the SEBI FPI Regulations
Category III FPIs	FPIs who are registered as "Category III foreign portfolio investors" under the SEBI FPI Regulations
CDSL	Central Depository Services (India) Limited
Central Government	The central government of India
Client ID	The client identification number maintained with one of the Depositories in relation to demat account
Companies Act	Companies Act, 1956 and Companies Act, 2013, as applicable
Companies Act, 1956	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the sections of the Companies Act, 2013) along with the relevant rules made thereunder
Companies Act, 2013	Companies Act, 2013, to the extent in force pursuant to the notification of the sections, along with the relevant rules made thereunder
Consolidated FDI Policy	Consolidated Foreign Direct Investment Policy notified by the DIPP under D/o IPP F. No. 5(1)/2017-FC-1 dated the August 28, 2017, as amended
Depositories	NSDL and CDSL
Depositories Act	The Depositories Act, 1996
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India
DP or Depository Participant	A depository participant as defined under the Depositories Act
DP ID	Depository Participant's Identification
EPS	Earnings Per Share
FDI	Foreign direct investment
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations thereunder
FEMA Regulations	Foreign Exchange Management (Transfer or Offer of Security by a Person Resident Outside India) Regulations, 2017
Financial Year or Fiscal(s) or	Unless stated otherwise, the period of 12 months ending March 31 of that particular year

Term	Description
Fiscal Year(s) or FY	
FIR	First information report
FPI	Foreign Portfolio Investors as defined under the SEBI FPI Regulations
FVCI	Foreign Venture Capital Investors as defined and registered under the SEBI FVCI Regulations
Gazette	Gazette of India
GoI or Government	Government of India
HUF(s)	Hindu Undivided Family(ies)
ICAI	The Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
Income Tax Act	The Income-tax Act, 1961
Ind AS	Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015
India	Republic of India
Indian GAAP	Generally Accepted Accounting Principles in India
IPC	Indian Penal Code, 1860
IPO	Initial public offering
IRDAI	Insurance Regulatory and Development Authority of India
IST	Indian Standard Time
IT	Information Technology
Mn or mn	Million
NACH	National Automated Clearing House
NAV	Net Asset Value
NBFC(s)	Non-banking financial company(ies) registered with the RBI
NECS	National Electronic Clearing Services
NEFT	National Electronic Fund Transfer
NR	Non-Resident
NRI	A person resident outside India, who is a citizen of India or a person of Indian origin, and shall have the meaning ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB or 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. OCBs are not allowed to invest in the Offer
p.a.	Per annum
P/E	Price/Earning
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
RBI	Reserve Bank of India
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957

Term	Description
SEBI	Securities and Exchange Board of India constituted under the SEBI Act, 1992
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
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	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI Merchant Bankers Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
SEBI Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996
SICA	The erstwhile Sick Industrial Companies (Special Provisions) Act, 1985
Stamp Act	The Indian Stamp Act, 1899
State Government(s)	The government of a state in India
Stock Exchanges	BSE and NSE
STT	Securities Transaction Tax
Systemically Important NBFC	Systemically important non-banking financial company as defined under Regulation 2(1)(zla) of the SEBI Regulations, as a non-banking financial company registered with the RBI and having a net-worth of more than ₹ 5,000 million as per the last audited financial statements
U.S. Securities Act	U.S. Securities Act of 1933
U.S. or USA or United States	United States of America
VCFs	Venture Capital Funds as defined in and registered with SEBI under the SEBI VCF Regulations
Wilful Defaulter(s)	Wilful defaulter as defined under Regulation 2(zn) of the SEBI Regulations

PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

Certain Conventions

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

Unless stated otherwise, all references to page numbers in this Draft Red Herring Prospectus are to the page numbers of this Draft Red Herring Prospectus.

Financial Data

Unless stated otherwise, the financial information and financial ratios in this Draft Red Herring Prospectus have been derived from our Restated Financial Statements. Certain other financial information pertaining to the Subsidiaries is derived from their respective financial statements. For further information, see the section "*Financial Information*", beginning on page 232 of this Draft Red Herring Prospectus.

Our Company's financial year commences on April 1 and ends on March 31 of the next year. Accordingly, all references to a particular financial year, unless stated otherwise, are to the 12 month period ended on March 31 of that year. Reference in this Draft Red Herring Prospectus to the terms Fiscal or Fiscal Year or Financial Year is to the 12 months ended on March 31 of such year, unless otherwise specified.

The audited and restated financial statements as at and for Fiscals 2017, 2016 and 2015 and the nine month period ended December 31, 2017 are prepared and presented in accordance with Ind AS, the Companies Act, 2013, the SEBI Regulations and the guidance notes issued by ICAI. The audited and restated financial statements as at and for Fiscals 2014 and 2013 are prepared and presented in accordance with Indian GAAP, the Companies Act, 2013, the SEBI Regulations and the guidance notes issued by ICAI. As required under applicable law, our Company transitioned from Indian GAAP to Ind AS and for the purposes of the transition to Ind AS, we have followed the guidance prescribed under Ind AS 101 – First Time Adoption of Indian Accounting Standards with April 1, 2016 being the transition date. Please also see "*Risk Factors – Significant differences exist between Ind AS and other accounting principles, such as Indian GAAP, IFRS and U.S. GAAP, which may be material to investors' assessments of our financial condition*", on page 46.

There are significant differences between Indian GAAP, U.S. GAAP and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our financial data. 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 policies and practices, the Companies Act, the Indian GAAP and the SEBI Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

Unless the context otherwise indicates, any percentage amounts, relating to the financial information of our Company, in the sections "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Conditional and Results of Operations*", beginning on pages 16, 163 and 444, respectively, and elsewhere in this Draft Red Herring Prospectus have been calculated on the basis of our Restated Financial Statements.

Currency and Units of Presentation

All references to:

- "Rupees" or "₹" or "INR" or "Rs." are to Indian Rupee(s), the official currency of the Republic of India; and
- "USD" or "US$" are to United States Dollar, the official currency of the United States.

Our Company has presented certain numerical information in this Draft Red Herring Prospectus in "million" units. One million represents 1,000,000 and one billion represents 1,000,000,000. However, figures sourced from third party industry sources, may be expressed in denominations other than millions or may be rounded off to other than two decimal points in the respective sources, and such figures have been expressed in this Draft Red Herring Prospectus in such denominations or rounded off to such number of decimal points as provided in such respective sources.

In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures derived from our Restated Financial Statements in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal place.

Exchange Rates

This Draft Red Herring Prospectus contains conversion of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate.

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Rupee and the US$ (in Rupees per US$):

(Amount in ₹, unless otherwise specified)

Currency	As on March 31, 2018	As on March 31, 2017	As on March 31, 2016	As on March 31, 2015	As on March 31, 2014
1 US$	64.45 **	64.84	66.33	62.59	60.09*

Source: RBI reference rate

* *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, 2018, as RBI reference rate is not available for March 31, 2018, March 30, 2018 and March 29, 2018 being a Saturday and public holidays, respectively.*

Land and Units of Presentation

Our Company has presented units of land in this Draft Red Herring Prospectus in 'square meters' and 'square feet'.

Industry and Market Data

Unless stated otherwise, industry and market data used in this Draft Red Herring Prospectus has been obtained or derived from the report entitled "*Industry report on Infrastructure*" of April 2018 prepared by CRISIL Limited (the "**CRISIL Report**") and publicly available information as well as other industry publications and sources. The CRISIL Report has been prepared at the request of our Company. Discliamer clause of Crisil Limited is as follows:

"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. Montecarlo Limited will be responsible for ensuring compliances and consequences of non-complainces for use of the Report or part thereof outside India. CRISIL Research operates independently of, and does not have access to information obtained by CRISIL's Ratings Division / CRISIL Risk and Infrastructure Solutions Ltd (CRIS), which may, in their regular operations, obtain information of a confidential nature. The views expressed in this Report are that of CRISIL Research and not of CRISIL's Ratings Division / CRIS. No part of this Report may be published/reproduced in any form without CRISIL's prior written approval."

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Accordingly, no investment decisions should be based on such information. We believe the industry and market data used in this Draft Red Herring Prospectus is reliable, however, it has not been independently verified by our Company, the Directors, the Promoters, the Selling Shareholder or the BRLMs or any of their affiliates or advisors. The data used in these sources may have been re-classified by us for the purposes of presentation. Data from these sources may also not be comparable. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in the section "*Risk Factors*", beginning on page 16. For details in relation to the risks involving the CRISIL Report, see "*Risk Factors – CRISIL Report referred to in this Draft Red Herring Prospectus was commissioned by our Company*", on page 40.

The extent to which the market and industry data used in this Draft Red Herring Prospectus is meaningful depends on 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 business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources. Accordingly, investment decisions should not be based solely on such information.

In accordance with the SEBI Regulations, the section "*Basis for the Offer Price*", beginning on page 110, includes information relating to our peer group companies. Such information has been derived from publicly available sources, and neither we, nor the BRLMs have independently verified such information.

FORWARD-LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain "forward-looking statements". These forward-looking statements generally can be identified by words or phrases such as "aim", "anticipate", "believe", "expect", "estimate", "intend", "objective", "plan", "propose", "project", "will", "will continue", "will pursue" or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties, expectations and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Actual results may differ materially from those suggested by forward-looking statements due to risks or uncertainties associated with expectations relating to, including, regulatory changes pertaining to the industries in India in which we operate 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 its 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 and changes in competition in the industries in which we operate.

Certain important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- Our Order Book may not be representative of our possible future results as projects included in our Order Book and our future projects may be cancelled, modified or delayed for reasons which may be considered to be beyond our control;
- Our financial condition would be materially and adversely affected if we fail to obtain new infrastructure construction and development contracts;
- Occurrence of an event of default under the terms of the infrastructure construction and development related agreements entered into with various governments and private sector clients;
- Limited experience in various functional and geographic areas; and
- Delays in the acquisition of land for our projects which is free from encumbrances or encroachments for our projects.

For further discussion on factors that could cause actual results to differ from expectations, see the sections "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*", beginning on pages 16, 163 and 444, 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 gains or losses could materially differ from those that have been estimated.

There can be no assurance to investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements to be a guarantee of our future performance.

Forward-looking statements reflect current views as of the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on our management's beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, the Directors, the Selling Shareholder, the BRLMs nor any of their respective affiliates 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 the SEBI Regulations, our Company and the BRLMs will ensure that the investors in India are informed of material developments from the date of the Red Herring Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges for this Offer. In accordance with the SEBI Regulations and as prescribed under applicable law, the Selling Shareholder will ensure (through our Company and the BRLMs) that the investors are informed of material developments in relation to statements specifically confirmed or undertaken by it from the date of this Draft Red Herring Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges for this Offer.

SECTION II: RISK FACTORS

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

The risks and uncertainties described in this section are not the only risks that we currently face, additional risks and uncertainties not currently known to us or that are currently believed to be immaterial may also have an adverse impact on our business, results of operations, financial condition and the price of the Equity Shares could decline, causing the investors to lose part or all of the value of their investment in the Equity Shares. The financial and other related implications of the risk factors, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are certain risk factors where the financial impact is not quantifiable and, therefore, cannot be disclosed in such risk factors.

Unless otherwise indicated, the financial information included herein is based on our Restated Financial Statements for Fiscals 2017, 2016, 2015, 2014 and 2013 and as of and for the nine months ended December 31, 2017 included in this Draft Red Herring Prospectus. For further information, see the section "Financial Information", beginning on page 232. Unless otherwise indicated, industry and market data used in this section has been derived from industry publications and other publicly available information, including, in particular, the CRISIL Report (extracts of which have been appropriately incorporated as part of "Industry Overview", beginning on page 118). Unless otherwise indicated, all financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year refers to such information for the relevant Fiscal. Prospective investors are accordingly cautioned against placing undue reliance on such information in making an investment decision and should consult their own advisors and evaluate such information in the context of the Restated Financial Statements and other information relating to our business, operations and the industry in which we operate, included in this Draft Red Herring Prospectus.

Additionally, this Draft Red Herring Prospectus may include certain forward-looking statements that involve risks and uncertainties, and our actual financial performance may materially vary from the conditions contemplated in such forward-looking statements as a result of various factors, including those described below and elsewhere in this Draft Red Herring Prospectus. For further information, see "Forward-Looking Statements", beginning on page 15.

Internal risks

1. ***Our Order Book may not be representative of our possible future results as projects included in our Order Book and our future projects may be cancelled, modified or delayed for reasons which may be considered to be beyond our control and such cancellation, modification or delay may materially and adversely affect our business, future prospects, reputation, financial condition and results of operation.***

   As on December 31, 2017, our Order Book amounted to ₹ 53,078.78 million and sets forth the expected revenue from 31 ongoing infrastructure construction and development projects of our Company. We prepare our Order Book on the basis of the work completed, the outstanding work and the time expected to complete the projects forming part of the Order Book. The Order Book may vary materially if the time taken or amount payable for completion of an ongoing infrastructure construction and development projects of our Company changes. For instance, our turnover estimation for Fiscal 2018 was negatively affected due to delay in declaration of appointed date by NHAI for our road projects on HAM basis in Odisha and Karnataka caused by delay in entering into concession agreement and declaration of financial closures by NHAI. In addition, there may be a risk that the actual revenue from operations may vary substantially from the projected value of our Order Book. For instance, with the implementation of GST from July 1, 2017, our expected revenue from our Order Book for Fiscal 2018 has been affected. Furthermore, our Order Book may not be strictly comparable with our peer's order book due to the methodology and other factors determining the value of our Order Book.

   Furthermore, our Order Book, as of December 31, 2017, indicates only the outstanding value of work under the relevant contracts existing as of that particular date and should not be misconstrued to include value of works awarded to our Company subsequent to December 31, 2017. Furthermore, our Order Book as of December 31, 2017, includes a portion which has already been realized as revenue by our Company subsequent to December 31, 2017 but remains unquantified as on date of this Draft Red Herring Prospectus.

   Additionally, estimated future earnings pertaining to the completion of all ongoing projects forming part of the Order Book may not be realized as we may face cancellations, adverse modification of agreed scope or schedule of our ongoing projects due to factors beyond our control or the control of our clients, including, failure to obtain necessary permits, authorizations and permissions, political unrest and other forms of unforeseeable force majeure events. Accordingly, we cannot predict with certainty the extent to which a project forming part of our Order Book will be performed. Further, such delays in the completion of a project or cancellation of a project may lead to delays or refusal in payment of the applicable amount that we expect to be paid in respect of such project. Our clients may also be entitled to terminate the agreement in the event of delay in completion of the work if the delay is not on account of any of the agreed exceptions. In addition, where a project is concluded as scheduled, our client may delay, default or otherwise fail to pay amounts owed to us. Such payments often represent an important portion of the margin we expect to earn on a project. Further, any delay in execution of ongoing projects leading to extended timelines would also adversely impact our ability to undertake additional projects in future and the outlook of our Order Book. For instance, an EPC project in the state of Tamil Nadu forming part of our Order Book in the year 2013 faced significant delays in commencement by the contracting parties.

Furthermore, there have been delays in implementation of certain of our ongoing projects. For instance, our following ongoing projects as of December 31, 2017, were delayed:

Sr. No.	Project name	Scheduled date of completion
1	Sewer System, Package - 2, Bhadra and Suratgarh	August 24, 2017^
2	Barmer - Sanchor road project	February 7, 2018^^

^ *Our Company has received an extension of time pursuant to the terms of the EPC agreement til April 9, 2018 and June 30, 2018 for Suratgarh and Bhadra, respectively. Additionally, our Company has applied for an additional extension of time for Suratgarh pursuant to the terms of the EPC agreement.*

^^ *Our Company has requested an extension of time pursuant to the terms of the EPC agreement.*

Moreover, if any of our projects are cancelled or terminated prematurely, there can be no assurance that our Company will receive the applicable termination payments in time or at all or that the amount paid will be adequate to enable our Company to recover its investments in the prematurely cancelled project. In such events, we may have to bear the actual costs for project activities incurred by us which may exceed the agreed work as a result of which, our future earnings may be lower from the amount of the Order Book and if any of the forgoing risks materialise, our cash flow position, revenues and earnings may be adversely affected.

2. ***Our financial condition would be materially and adversely affected if we fail to obtain new infrastructure construction and development contracts.***

As part of our growth strategy, we intend to acquire infrastructure construction and development projects through competitive bidding process on an individual basis or with joint venture partners. Clients typically limit the tender to contractors that have qualified based on several criteria including experience, technological capacity and performance, reputation for quality, safety record, financial strength and bonding capacity and size of previous contracts in similar projects. While price competitiveness of the bid is the most important selection criterion, qualification is the key to our ability to bidding for major projects. Our ability to bid for and win such major projects is dependent on our ability to show experience of working on such large construction and lump-sum turnkey contracts and developing strong engineering capabilities and credentials to execute more technically complex projects. In certain cases, where we intend to bid for larger projects, we also enter into alliances with other infrastructure players to achieve the required technical qualification through MoUs. Such future acquisitions of projects will depend on various factors such as: (i) our ability to identify projects on a cost-effective basis, (ii) our ability to integrate acquired operations into the business, (iii) our ability to outbid our competitors; (iv) our ability to partner with peers to meet the qualification criteria; and (v) other legal, tax and accounting issues. Further, such acquisitions may require consents from the lenders under the existing financing agreements. We cannot assure you that we will be able to successfully bid for such projects including the ones that do not permit multiple developers to bid together, which may adversely affect our prospects, cash flows, business, results of operations and financial condition.

Furthermore, as our income is primarily generated from undertaking construction contracts (EPC contracts), the timing of new construction projects awarded and their commencement can vary significantly, making our results of operations and cash flow may be subject to significant periodic fluctuations. It is generally difficult to predict whether or when we will receive such awards as these contracts typically involve a lengthy and complex bidding and selection process which is affected by a number of factors, such as market conditions, governmental approvals, government policies, budget allocation, infrastructure requirements and project specific dynamics. For instance, out of 432 projects for which we had placed our bids during the Fiscals 2018, 2017, 2016 and 2015, we were awarded 42 projects.

Further, we generally incur additional costs for preparation and submission of bids, which are one-time non-reimbursable costs. Furthermore, we are required to give guarantees in the form of bid security at the time of bidding for any project, which in turn blocks our working capital till the bid security is released. We cannot assure you that we would bid where we have been 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. Failure to be selected as a successful bidder may result in loss of cost incurred in bidding and opportunities which may adversely affect our business.

3. ***We face a variety of risks in connection with our infrastructure construction and development related agreements entered into with various governments and private sector clients. The terms of these agreements include certain***

events of default, the occurrence of which could adversely affect our business, cash flows and results of operations.

We have entered into several agreements with various government and private sector clients for the development, operation and maintenance of certain infrastructure facilities as specified in the respective agreements. The terms of these agreements include events of default, the occurrence of any of which entitles the respective counterparties to take certain actions against our Company, including terminating such agreements. These events of defaults typically include:

- our failure, omission, neglect or negligence in complying with or performing any duties or obligations under the respective agreements;
- our failure to carry out the construction and implementation of the infrastructure facility as specified in the respective agreements;
- our material breach of operations and maintenance requirements, if any;
- our assignment of our rights, title and interest in the respective agreements without the prior written consent of the respective counterparties;
- our failure to achieve latest outstanding project milestones or certain performance parameters, as indicated in the respective agreements; and
- our creation of any encumbrance, charge or lien not otherwise permitted by the respective agreements.

The termination or suspension of an agreement as a result of the occurrence of an event of default, or otherwise, requires us to cease our operations at the relevant site and hand over the possession of the facility to the relevant counterparty along with the relevant records and materials pertaining to the project. In addition, as a result of such event of default, our clients have a right to encash and appropriate the performance security and retention money or bank guarantees deposited by us, for the losses, delays and cost of completing works and maintenance of the relevant project. Further, such agreements may require us to indemnify the relevant counterparty against any suits, proceedings, actions, demands or claims by third party whether arising from any breach or negligence on our part including any errors or deficiencies in the design documents. Any of the aforementioned events including breach, cancellation or early termination of our infrastructure construction and development agreements or imposition of any further limitations under these agreements could have an adverse effect on our ability to operate and manage our business and may have an adverse effect on our business, cash flows and results of operations.

Additionally, our clients may not agree with our interpretation of the applicability and implementation of certain provisions of infrastructure construction and development agreements executed with them. Such differing views may be detrimental to our interest and primarily arise due to various factors, including absence, of sufficient administrative or judicial precedents in the infrastructure verticals in which we operate. Such differing views may culminate in disputes, which may impact the viability of our current business or restrict our ability to expand our business in the future. At certain instances, such differing views have resulted in legal matters before courts of appropriate forums, for further details, see the section "*Outstanding Litigations and Material Developments*", beginning on page 462.

4. We and the Promoters have limited experience in various functional and geographic areas, which could have an adverse effect on our business, results of operations and financial condition.

We have gradually expanded the geographical and functional areas in which we undertake our projects. Our business operations have historically been focused in Madhya Pradesh and Gujarat and primarily in the verticals of highways and water and irrigation. However, we have expanded and are in the process of expanding our presence across various verticals and states in India. For instance, in the past four Fiscals we have started undertaking water pipeline projects. Additionally, we have undertaken new projects in Odisha, Karnataka, Uttar Pradesh, West Bengal and Arunachal Pradesh. As a part of our strategy, we will continue to undertake new projects across the verticals of infrastructure, in which we operate, on an opportunistic basis. We recently initiated development and maintenance of highways and roads on HAM basis and will initiate mining on MDO basis for our Barjora (north) coal mine project in West Bengal. We believe that we will continue to undertake more projects on HAM and MDO basis or projects based on similar model in the future. Since, implementing highway projects on HAM is relatively new mode and our limited experience in the mining vertical, we cannot assure you that we have the requisite skill and experience to be able to successfully execute road projects on HAM basis or mining project on MDO basis which are currently awarded or may be awarded to us in future. We and the Promoters may 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. Additionally, given our limited experience in new functional or geographical areas, we may undertake a project in collaboration through a joint venture, in such an event, we may depend on our joint venture partners for their satisfactory performance and fulfilment of their obligations. For details, see "- *Failure by our joint venture partners to perform their obligations or disagreements with such joint venture partners could result in additional performance and financial obligations for our Company, which may adversely affect our business and results of operations*", on page 27.

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 clients and international joint venture partners, have experience to work in a particular geography, 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. Further, when we diversify to new geographical areas, we may have to incur significant fixed and working capital cost in relation to inputs, equipment and manpower. 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 or be able to form joint ventures with established regional players. 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. Additionally, 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.

5. Delays in the acquisition of land by our clients for our projects which is free from encumbrances or encroachments may affect timely execution of our projects leading to dispute with our government or private sector clients.

Most of the infrastructure construction and development projects, particularly road, water, mining and railways projects, are dependent on the procurement of unencumbered contiguous land. In our infrastructure construction and development contracts, government or private sector clients are typically required to acquire, lease, or secure rights of way over tracts of land in order for us to construct an infrastructure facility on such land, free of encroachments and encumbrances, which are beyond our control. Their failure to acquire the relevant land free of encumbrances in a timely manner 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 Company and the clients. For instance, we commenced the construction of our ongoing Gorakhpur bypass road project after a lapse of four months and 13 days from the receipt of letter of award for the project due to delay by the authority in acquisition of land for the project. Similarly, we received the appointed date for one of our HAM projects, Hubli to Haveri road project, after a lapse of about 11 months from the date of letter of award due to delay by the authority in securing acquisition of land for such project.

Furthermore, at times construction of a project may commence even before all of the land required for the project has been acquired or leased or rights of way have been secured by the relevant government entity, which leads to investment of resources by us in relation to such projects. We may be entitled to terminate such contracts on the basis of our counterparty's default such as the failure to acquire or lease the requisite land or right of way. Although we may be entitled to a termination payment from the governmental entity, this payment may not be sufficient to cover the losses incurred by our Company in the development or construction of such projects and we may not be able to recover the balance amount which may adversely affect our business and financial conditions.

6. Our trademark appearing on the cover page of this Draft Red Herring Prospectus is subject to an ongoing litigation.

The trademark appearing on the cover page of this Draft Red Herring Prospectus is an important asset of our business developed through our expertise and experience in the industry. Our significant goodwill in the industry in which we operate is recognized through our trademark and we believe that our trademark has contributed significantly towards our success and recognition.

Whilst our Company has registered the trademark for our name, MONTE CARLO' and 'MC' (Device), Monte Carlo Fashions Limited ("**Monte Carlo Fashions**") had filed an injunction suit against, *inter alia*, our Company before the Court of District Judge, Ludhiana, *inter alia* alleging the infringement of their registered trademark 'Montecarlo' and to restrain our Company from using such trade name and trademark. Monte Carlo Fashions had obtained an *ex-parte* injunction order on November 3, 2017 (the "**Order**"), whereby our Company had been restrained from using the trade mark 'Monte Carlo' and 'MC' and any identical or deceptively similar trademark to 'Monte Carlo' till further order. Consequently, our Company approached the High Court of Punjab and Haryana at Chandigarh (the "**P&H High Court**") challenging the Order and Monte Carlo Fashions has assured the P&H High Court that it shall not initiate contempt proceedings in relation to Order during the pendency of this proceeding before the P&H High Court. We cannot assure you that we will continue to have the uninterrupted use and enjoyment of our trademark. If the proceedings are not determined in our favour, we will not have the right to use these or prevent others from using them or their variations, which could adversely affect our ability to conduct our business as well as affect our reputation, goodwill, business, prospect and results of operations. We cannot assure you that similar actions will not be initiated against us by others in the future. For further details, see "*Outstanding Litigation and Material Developments - Litigation involving our Company*" on page 462.

7. ***Our business is substantially dependent on projects in India awarded or funded by the Government or State Governments and we derive substantial revenues from contracts with a limited number of government entities. Any changes in the Government or State Government policies or focus, or delay in payment may affect our business and results of operations.***

Our business increasingly relies on projects in India awarded or funded by the Government or State Governments. As of December 31, 2017, 98.34% of our Order Book was derived from contracts awarded by various government entities. We derived 95.90%, 86.18%, 78.45% and 77.56% of our contract revenue, as per our Restated Consolidated Financial Statements, from transactions with government entities during nine months ended December 31, 2017 and Fiscals 2017, 2016 and 2015, respectively. Furthermore, a significant proportion of our revenues from our infrastructure construction and development contracts have historically been derived from a limited number of clients. The nature of our infrastructure business is such that it is heavily reliant upon the ability of a relatively small number of clients to pay amounts due to us for services provided. For instance, as of December 31, 2017, 50.18% of our Order Book comprised of infrastructure construction and development contracts from the NHAI. Our Order Book as of December 31, 2017 include contracts from government entities such as the NHAI, MoRTH, RVNL, BCCL, DGMAP, Northern Coal, UPTCL and RUIFDCO. In addition, two projects are currently being undertaken by our subsidiary on a HAM basis, where the Government shares a portion of the total project cost. Our business is thus subject to risks relating to or arising from the Government or State Governments, including but not limited to:

- personnel, structural, or policy changes or any changes in practices or focus at the Government or State Government level and due to high concentration of road projects in our Order Book, we are particularly vulnerable to any adverse policy changes by NHAI or MoRTH;
- changes in government initiatives, agenda or budgetary allocations or fund deficiencies resulting in capital reduction in the infrastructure sector;
- political or financial pressures on a government entity that may lead to restructuring or renegotiation of our agreements;
- non-payment by or delays in collection from the Government or State Governments, or the entities and financial institutions they control due to regulatory scrutiny and long procedural formalities including any audit by the Comptroller Auditor General of India;
- significant loss of business in the case of loss of a major client; particularly in the railways vertical where all of our projects are associated with RVNL;
- government entities' restrictive interpretation of the applicability of the escalation clauses in our contracts and difficulties in enforcing such clauses to recover the costs we incurred in relation to the additional work performed at the clients' requests or because of the change of scope of work;
- delays by the government entities in documentary closure or completion of contracts, including the release of performance guarantees, retention money and final acceptance notices;
- adverse action against our Company in bidding process by any government entity may affect our ability to bid for projects of other government entities; and
- demand of price reductions and value-added services for no additional charge, which could reduce our profitability, by our significant clients. Any significant reduction in or the elimination of the use of the services that we provide to any of our clients, or any requirement to reduce our price, could adversely affect our profitability.

In addition, interaction with the government entities is critical to the development and ongoing operations of our projects. We cannot assure that our projects will not get delayed or disrupted due to, among other things, extensive internal processes, policy changes, government or external budgetary allocation and insufficiency of funds. To the extent that any of the projects awarded to us by the government entities are delayed, disrupted or cancelled, our cash flows, business, results of operations and financial condition may be adversely affected. Further, any adverse changes in the policy or budgetary allocation may lead to our agreements being restructured or renegotiated, which could adversely affect our financing, capital expenditure, asset utilization, revenues, cash flows or operations relating to our existing projects as well as our ability to participate in competitive bidding or bilateral negotiations for our future projects.

8. ***Our government contracts usually contain terms that favour governmental clients, who may terminate our contracts prematurely under various circumstances beyond our control; we have limited ability to negotiate terms of these contracts and may have to accept onerous provisions.***

Our government contracts usually contain terms that favour governmental clients, who may terminate our contracts prematurely under various circumstances beyond our control; 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 governmental entities and these contracts are usually based on forms chosen by such government entities. We thus have only a limited ability to negotiate the terms of these contracts. The contractual terms may present risks to our business, including but not limited to:

- our design and engineering liability, in particular relating to latent defects, where designs are reviewed and approved by our client;
- risks we have to assume and lack of recourse against 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 completion of the project;
- clients' discretion to grant time extensions, which may result in project delays and our cost overruns; and
- absent a cap, our liability as a contractor for consequential or economic loss to our clients; 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.

9. ***There are outstanding litigation against our Company, the Directors, the Promoters and the Group Companies.***

Our Company, the Directors, the Promoters and the Group Companies are involved in certain legal proceedings which are pending at different levels of adjudication before various courts and tribunals. The summaries of outstanding litigation in relation to criminal matters, direct tax matters and indirect tax matters involving our Company, the Directors, the Promoters and the Group Companies, have been set out below. Further, the summary of the outstanding matters also include other material litigation, wherein the following has been considered as material for litigation of a civil nature (1) involving our Company, its Subsidiaries, its Joint Ventures or the Group Companies (i) litigation of a civil nature in which the amount involved in such individual litigation exceeds ₹ 65.87 million, (ii) litigation of a civil nature involving our Company, its Subsidiaries, its Joint Ventures or the Group Companies where the decision in one case is likely to affect the decision in similar cases, even though the amount involved in an individual litigation may not exceed ₹ 65.87 million, and (iii) all other outstanding litigation which may not meet the specific threshold and parameters as set out hereinabove, but where an adverse outcome would materially and adversely affect the business, operations or financial position or reputation of our Company; (2) involving the Promoters where an adverse outcome would materially and adversely affect the business, operations or financial position or reputation of the Company; and (3) involving the Directors where an adverse outcome would materially and adversely affect the business, operations or financial position or reputation of the Company. For further information regarding the applicable materiality threshold, see the section "*Outstanding Litigation and Material Developments*", beginning on page 462.

Proceedings against our Company

(in ₹ million)

Type of proceedings	Number of outstanding matters	Amount, to the extent quantifiable
Material civil proceedings*	4	1,555.64
Criminal proceedings	5	33.72
Direct tax matters	10	145.09
Indirect tax matters	9	36.74

* *including arbitration proceedings*

Proceedings by our Company

(in ₹ million)

Type of proceedings	Number of outstanding matters	Amount, to the extent quantifiable
Material civil proceedings*	6	1,286.83
Criminal proceedings	1	0.43

* *including arbitration proceedings*

Litigation involving the Directors

(in ₹ million)

Type of proceedings	Number of outstanding matters	Amount, to the extent quantifiable
Material civil proceedings	5	-
Criminal proceedings	4	-
Direct tax matters	5	47.83

Litigation involving the Promoters

(in ₹ million)

Type of proceedings	Number of outstanding matters	Amount, to the extent quantifiable
Material civil proceedings	2	-
Criminal proceedings	3	-
Direct tax matters	5	47.83

The amounts claimed in these proceedings have been disclosed to the extent ascertainable and include amounts claimed jointly and severally. If any new developments arise, such as a change in Indian law or rulings against us by appellate courts or tribunals, we may need to make provisions in our financial statements that could increase our expenses and current liabilities. For further details of legal proceedings involving our Company, the Promoters and the group companies, see the section "*Outstanding Litigation and Material Developments*", beginning on page 462. We cannot provide assurance that these legal proceedings will be decided in our favour. Decisions in such proceedings adverse to our interests may have a significant adverse effect on our business, results of operations, cash flows and financial condition.

10. We require certain approvals, licenses or permits in the ordinary course of business and the failure to obtain or retain them in a timely manner, or at all, may adversely affect our operations.

Under the infrastructure construction and development agreements entered into by us for a majority of our projects, we are required to obtain and maintain majority of the statutory and regulatory approvals, licenses, registrations and permissions, and applications need to be made at the appropriate stages for each of our projects to operate including environmental and wildlife clearances, mining, forestry, railway or other approvals from the federal or state regulatory authorities. Furthermore, approvals, licenses, clearances, and consents covering the same subject matter are often required at both the Government and State Government levels. We typically require licenses including explosive license, license for use of blasting materials, applicable licenses under labour laws and environmental laws and certain other consents as required under our infrastructure construction and development contracts. These approvals, licenses, registrations and permits issued to us may expire or be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. For instance, we are in the process of renewing certain of our licenses including the license in relation to electrical contractor license in Madhya Pradesh. Additionally, there are certain approvals required for undertaking our operations for which we are yet to make applications, for instance, in relation to the Sintex Building Project, we are yet to apply for consent under the Water (Prevention and Control of Pollution) Act, 1974 and the Air (Prevention and Control of Pollution) Act, 1981, from the State Pollution Control Board of Gujarat, for further details, see the section "*Government and Other Approvals - Approvals for which applications are yet to be made*", on page 479. There can be no assurance that the relevant authorities will issue these licenses or approvals, or renewals applied for in a timely manner, or at all.

We may also not be aware of certain approvals or permissions, which we may be required to maintain or acquire for undertaking our operations, under any new regulation or amended regulation made by any local or State Government. An inability to obtain, maintain or renew approvals or licenses required for our operations may adversely affect continuity of our operations or result into breach of our contractual obligations. Furthermore, such government approvals and licenses are subject to numerous conditions, some of which are onerous and may require us to make substantial expenditure. For details of material approvals, see the section "*Government and Other Approvals*", beginning on page 474. If we fail to comply, or a regulator claims that we have not complied with these conditions, we may be subject to severe penalties or our operations may be ceased by the regulator which may adversely affect our cash flows, business, results of operations and financial condition and our ability to bid for future projects.

11. Our operations are subject to environmental, health and safety laws and regulations and could expose us to material liabilities, loss in revenues and increased expenditure.

Our operations involve use of explosives, blasting materials, large scale deforestation, waste and pollutant generation which subjects us to various national and state environmental laws and regulations relating to the control of pollution in the various locations in India where we operate. 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 our liability towards the Government, State Government or any 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 our operations, or a material increase in the costs of our operations, or otherwise have a material adverse effect on the financial condition and results of our operations. 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. If any of our projects are shut down due to non-compliance of such laws, we will continue to incur costs in complying with regulations, appealing any decision to stop construction, continuing to pay manpower and other costs which continue even if construction has ceased. Moreover, majority of the infrastructure construction and development contracts we enter into, as part of our business, require our clients to obtain the necessary environmental clearances to proceed with a project and we may not have control over the process. If environmental clearances are not obtained in a timely manner or at all, the project may not be in compliance with environmental laws and regulations and/or may be delayed and may lead to time and cost overruns, adversely affecting our business and results of operations. For instance, our Subsidiary, MBMPL, entered into a coal mining agreement for Barjora (north) coal mine project on October 17, 2016, however, the appointed date for such project is yet to be received due to the delay in obtaining requisite environment clearance.

We are also subject to health and safety laws and regulations as well as laws and regulations governing its relationship with its employees in areas such as minimum wages, maximum working hours, overtime, working conditions, hiring and terminating employees, contract labour and work permits. Changes in laws or regulations may result in us incurring significant costs in order to maintain compliance with such laws and regulations and may delay or prevent project completion. There can be no assurance that a failure to comply with any such regulations would not result in penalties, revocation of permits or licenses for our operations or litigation that may adversely affect our business, financial condition and results of operations. 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 or actions by the authorities could divert management's 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.

Furthermore, our operations are subject to certain hazards such as risk of design, construction or system failure, work accidents, fire or explosions that may cause damage to property and environment and injury and loss of life. Occurrence of any events may result in an injury or damage to third parties and require us to incur or bear environmental or workers' compensation liability.

Our policy of covering these risks through contractual limitations of liability, indemnities and insurance may not always be effective as our clients and subcontractors may not have adequate financial resources to meet their indemnity obligations to us or there may be significant delays in recovering the insurance claim amount or because the incurred losses may have derived from risks not addressed in our indemnity agreements or insurance policies, or it may no longer be possible to obtain adequate insurance against some risks on commercially reasonable terms. Failure to effectively cover ourselves against infrastructure industry risks for any of these reasons could expose us to additional costs and potentially lead to material losses. Additionally, the occurrence of any of these risks may also adversely affect public perception about our operations and the perception of our suppliers, clients and employees, leading to an adverse effect on our business. These liabilities and costs could have an adverse effect on our business, results of operations and financial condition.

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

We own majority of the construction equipment used in our operations. As of December 31, 2017, we had a fleet of 1,241 modern construction equipment owned by our Company. As per our Restated Consolidated Financial Statements, we invested total amount of ₹ 1,481.89 million, ₹ 496.19 million, ₹ 644.46 million and ₹ 116.91 million in Fiscals 2015, 2016 and 2017 and nine months ended December 31, 2017, respectively for purchase of plants, machinery and vehicles. We depend on machinery and equipment to implement our projects in the infrastructure business. To maintain our capability to undertake large and complex projects and undertake multiple projects at a given time, we primarily seek to purchase plants, equipment and vehicles built with the latest technologies and know how and keep them readily available for our business 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 such plants or equipment, destruction, theft or major equipment breakdowns or failures to repair our major plants or equipment, which may result in their unavailability, project delays, cost overruns and even defaults under our infrastructure construction and development contracts. Whilst we have procured insurance policies to cover damages to and thefts of our equipment, we may not always be able to receive the full amount claimed under our insurance policies. The latest technologies used in newer models of construction equipment may improve productivity significantly and render our older equipment obsolete. Additionally, mining projects require substantial investment in mining equipment which are peculiar and different than equipment used for projects under other verticals, which may lead to additional funding requirement. Further, any manufacturing defect or poor maintenance systems of the machinery 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 causing delays in implementation of our projects.

We may not be able to acquire new plants or equipment or repair the damaged plants or equipment in time or at all, particularly where our plants or equipment are not readily available from the market or requires services from original equipment manufacturers. The cost of upgrading or implementing new technologies, upgrading, repairing or replacing our existing equipment or expanding capacity could be significant. Additionally, rapid and frequent changes in technology and market demand may render our existing technologies and equipment obsolete, as a result of which we may be required to make substantial capital expenditure for new equipment and/or undertake writing-down of our obsolete equipment. 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 on our business, cash flows, financial condition and results of operations.

13. We have high working capital requirements. Any failure in arranging adequate working capital for our operations or making debt payments may adversely affect our business, results of operations, cash flows and financial condition.

Our business requires a high amount of working capital. In many cases, significant amounts of working capital are required to finance the purchase of materials 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. As on December 31, 2017, our outstanding working capital borrowings amounts to ₹ 2,428.37 million, on the basis of our Restated Consolidated Financial Statements. For further details of our working capital borrowings as of December 31, 2017, see the section "*Financial Information*", beginning on page 232. 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. In addition, our working capital requirements have increased in recent years because we have undertaken a growing number of projects within a similar timeframe and due to the general growth of our business. All of these factors may result, or have resulted, in increases in our working capital needs. To finance such capital requirements, we have availed certain loan facilities including term loans, working capital loans and non-convertible debentures.

Whilst we incur significant initial costs for our projects, we are entitled to receive grants or annuities, payment from clients under our agreements only upon completion of prescribed milestones for the projects. Additionally, there may be delays in the collection of receivables from our clients or entities owned, controlled or funded by our clients or their related parties. As of December 31, 2017, ₹ 1,313.47 million was our total trade receivable before expected credit loss, on the basis of our Restated Consolidated Financial Statements.

Accordingly, we cannot assure you that our clients would pay our receivables in accordance with our infrastructure construction and development agreements and we may have to resort to lengthy arbitration, litigation or other dispute resolution proceedings. As we often need to fulfill significant working capital requirements in our operations, delayed collection of receivables or inadequate recovery on our claims could materially and adversely affect our business, cash flows, financial condition and results of operations.

We may need to fund the construction of our projects with debt, equity or both. If we decide to raise additional funds through the issuance of equity or equity-linked instruments, the interests of our existing shareholders will be diluted. If we decide to meet our capital requirements through debt financing, our interest obligations will increase and we may be subject to additional restrictive covenants. We may not be able to maintain our financial leverage. Further, our significant indebtedness results in substantial debt service obligations which could lead to reduced availability of cash flow to pursue growth plans, increased vulnerability to economic downturn, our ability to bid for new projects and limited flexibility in our operations. For further details of our financial indebtedness, see " - *We have substantial existing debt and may incur substantial additional debt, which could adversely affect our financial health and our ability to obtain financing in the future and react to changes in our business and increases in interest rates of our borrowings may impact our results of operation"*, on page 36.

It is customary in the industry in which we operate to provide bank guarantees or performance bonds in favour of clients to secure obligations under contracts. In addition, letters of credit are often required to satisfy payment obligations to suppliers and sub-contractors. Furthermore, we are required to give guarantees in the form of bid security at the time of bidding for any project, which in turn blocks our working capital till the bid security is released. 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. Due to various factors, including certain extraneous factors such as increase 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.

14. ***Our mining operations are subject to operational hazards, the occurrence of which may adversely affect our business and results of operations.***

Mining operations, both underground and open pit, are subject to hazards and risks normally associated with the exploration, development and production of natural resources, any of which could disrupt our operations or cause damage to persons or property when safety and precautionary measures are breached by individuals. Although rare, the occurrence of industrial accidents, such as explosions, fires, transportation interruptions and inclement weather as well as any other events with negative environmental consequences, could adversely affect our operations by disrupting our ability to extract minerals from the mines we operate or exposing us to significant liability.

We are exposed to risks associated with our operations in our mining projects, including Barjora (north) coal mine MDO project as our coal mines are open-pit mines which increase in depth as and when we mine them, presenting certain geotechnical challenges including the possibility of slope failure. If we are required to decrease pit slope angles or provide additional road access to prevent such a failure, our stated reserves could be negatively affected. Further, hydrological conditions relating to pit slopes, removal of material displaced by slope failures and increased stripping requirements could also negatively affect our stated reserves. We have taken action in order to maintain slope stability, but we cannot assure you that we will not have to take additional action in the future or that any action taken will be successful. If any of our mines experience unexpected slope failure, or we are required to take additional measures to prevent slope failure, such measures may negatively affect our results of operations and financial condition, as well as have the effect of diminishing our stated reserves.

15. ***If we are unable to raise additional capital necessary for growth or for maintaining our existing infrastructure, our business prospects could be adversely affected.***

We intend to fund our development plans through our cash in hand, cash flow from operations and from the Net Proceeds. We will continue to incur significant expenditure in maintaining and growing our existing infrastructure. We cannot assure you that we will have sufficient capital resources for our current operations or any future expansion plans that we may have. While we expect our cash in hand and cash flow from operations to be adequate to fund our existing commitments, our ability to incur any future borrowings is dependent upon the success of our operations. Additionally, the inability to obtain sufficient financing could adversely affect our ability to complete expansion plans and capability to achieve financial closure for our proposed projects in the manner favourable to us. Our ability to arrange financing and the costs of capital of such financing are dependent on numerous factors, including general economic and capital market conditions, credit availability from banks, investor confidence, the continued success of our operations and other laws that are conducive to our raising capital in this manner. If we decide to meet our capital requirements through debt financing, we may be subject to certain restrictive covenants. If we are unable to raise adequate capital in a timely manner and on acceptable terms, or at all, our business, results of operations, cash flows and financial condition could be adversely affected.

16. ***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, manpower 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 including steel, cement, bitumen and sand. 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. For instance, the change in local regulations for sand excavation and transportation in Madhya Pradesh and Bihar has affected our ability to procure sand for our projects, particularly under the highways vertical, and affected our profitability. Additionally, we typically use third-party transportation providers for the supply of most of our raw materials. Transportation strikes and various legal or regulatory restrictions, placed on transportation providers could have an adverse effect on our receipt of supplies. Through our centralized procurement system, we negotiate bulk discounts with our suppliers due to the large sizes of our purchases. We may divide our orders among several suppliers, if required, to reduce reliance on a limited number of suppliers, which may result in fewer discounts for us. If we are unable to procure the requisite quantities of raw materials in time and at commercially acceptable price, the performance of our business and results of operations may be adversely affected.

Further, construction expenses including the cost of raw materials, fuel for operating our construction and other equipment, manpower and other inputs constitutes a significant part of our operating expenses. For the nine month period ended December 31, 2017 and Fiscals 2017, 2016 and 2015 the consumption of construction material as per our Restated Consolidated Financial Statements constituted 13.81%, 17.63%, 13.28%, and 15.35% of our total expenses, respectively. The price 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, taxes and levies 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, manpower 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.

Further, unanticipated increase in the price of raw materials, fuel costs, manpower or other inputs not taken into account in our bid can also have compounding effects by increasing costs of performing other parts of a contract. These variations and other risks which are generally inherent to the industry, in which we operate, may result in our profits from a project being less than as originally estimated or may result in our experiencing losses. We cannot assure you that our current or future projects will be completed, or, if completed, will be completed on time or within budget. Our inability to pass on increased costs to our clients, due to limited or no price escalation provisions or no change in law provisions in infrastructure construction and development contracts or clients disputing the increased costs, may adversely affect our business, financial condition and results of operations.

Additionally, our operations require a significant amount and continuous supply of electricity and water and any shortage or non-availability may adversely affect our operations. The construction process of certain products requires significant power. We currently source our water requirements from bore wells and water tankers and depend on state electricity supply for our energy requirements. Although we have diesel generators to meet exigencies at our project sites, we cannot assure you that our project sites will be operational during power failures. Any failure on our part to obtain alternate sources of electricity or water, in a timely fashion, and at an acceptable cost, may have an adverse effect on our business, results of operations and financial condition.

17. Our business is relatively concentrated in a few states and any adverse development in these states may adversely affect our business, results of operations and financial condition.

Although our geographical footprint of our project portfolio currently has reached 14 states and one union territory as of the date of this Draft Red Herring Prospectus in place of 11 states and one union territory as of December 31, 2017, our project portfolio had historically been concentrated in projects in and around few Indian states including Gujarat and Madhya Pradesh. As of December 31, 2017, we were undertaking, six projects in Uttar Pradesh, five projects in Rajasthan and four projects in Gujarat, accounting for approximately 12.78%, 12.05% and 13.67% of our Order Book, respectively. This concentration of our business in certain states subjects us to various risks, including but not limited to:

- regional slowdown in construction activities or reduction of infrastructure construction and development projects in regions;
- vulnerability to change of policies, laws and regulations or the political and economic environment of the regions;
- constraint on our ability to diversify across states; and
- perception by our potential clients that we are a regional infrastructure construction and development company, which hampers us from competing for large and complex projects at the national level.

While we strive to diversify across states and reduce our concentration risk, there is no guarantee that the above factors associated with a few states we are concentrated in, will not continue to have a significant impact on our business. If we are not able to mitigate this concentration risk, we may not be able to develop our business as we planned and our business, financial condition and results of operations could be materially and adversely affected.

18. ***Our business is substantially dependent on highway projects awarded by various government entities and could be negatively affected by any adverse development in this sector, including as a result of any adverse changes in the policies adopted by such government entities.***

We are an infrastructure, construction and development company with presence in diverse verticals including highways, railways, building and factories, mining, energy infrastructure and water and irrigation. Highways vertical is one of the earliest verticals we ventured into and continued to contract and build highways, roads, carriageways, culverts and road over bridges as part of our highway infrastructure consignments. Though we have diversified our business across other verticals of infrastructure, we receive a significant percentage of contract revenue (including revenue from property development) from the highways vertical of our business. For the nine months ended December 31, 2017 and Fiscals 2017, 2016 and 2015, this vertical contributed 46.41%, 36.71%, 38.74% and 32.71% as per our Restated Consolidated Financial Statements, respectively. With government's inclination towards new models such as HAM, TOT to drive private participation, higher budgetary support to EPC projects, special accelerated road development programs and other programs under NHDP, we expect to continue our growth in the sector. As of December 31, 2017, we have a presence in seven states with nine projects in hand under the highways vertical. Our Order Book, as of December 31, 2017, for our projects under the highways vertical aggregates to ₹ 37,027.80 million and accounts for 69.76% of our total Order Book as of December 31, 2017. We have also ventured into projects on HAM basis in this vertical and our Order Book, as of December 31, 2017, includes the EPC value of the two projects undertaken by our Subsidiaries on HAM basis. There can be no assurance that we will be able to efficiently complete our existing projects or procure new projects in this vertical. Given our high reliance on this vertical in terms of contract revenue and performance, any challenges or losses in our highways vertical at micro or macro level, could have a significant effect on our business, operating cash flows and financial condition.

19. ***Our operations could be adversely affected by strikes, work stoppages, increased wage demands or any other kind of disputes with our employees or independent contractors.***

As of December 31, 2017, our Company had 3,491 employees on our rolls, of which we had a total of 236 in-house engineers as part of our workforce and at certain instances we engage workforce for our ongoing projects through independent contractors. Our operations depend upon the productivity of our workforce, which may be affected due to disputes with our employees or independent contractors including strikes, work stoppages or demands for wage increases. Independent labour unions or independent contractors may order their members to stop working at our project sites or allege violations of employee rights, laws or agreements. Construction activities at our worksites may be suspended and our projects may be significantly delayed if we fail to negotiate with the independent contractors, employees or independent labour unions or find acceptable solutions in a timely manner. In addition, such an event could result in increased wages and other benefits and otherwise have a material adverse effect on our business, results of operations and financial condition.

We are subject to a number of stringent labour laws that protect the interests of our workers, including legislation that stipulates rigorous procedures for dispute resolution and retrenchment of workers and imposes financial obligations on employers. Certain recent changes in and proposed changes to, Indian labour laws could adversely affect our business. For instance, a recent amendment to the Payment of Bonus Act, 1965, has, *inter alia*, increased the ceiling for bonus payments to employees as defined under the Payment of Bonus Act, 1965. The Government proposes to enact the Code on Industrial Relations Bill, 2015 and the Labour Code on Wages Bill, 2017, which seeks to consolidate all existing labour legislation in relation to wages and bonus in the country. Any such significant changes, if implemented, could adversely affect our operating margins, manufacturing operations, cash flows and results of operations.

Since we also engage independent contractors to assist us in undertaking our projects, it is possible that we may be held responsible for wage payments to the workers engaged by such independent contractors should they default on wage payments. Any of the aforementioned events including labour disputes, union activities or requirements to fund wage payments of contractual employees or recruit them as permanent employees could adversely affect the construction progress of our projects and have a material and adverse effect on our business, financial condition and results of operations. For further details, see the section "*Outstanding Litigation and Material Developments*", beginning on page 462.

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

We carry out certain number of our infrastructure construction and development projects through project specific joint ventures which are typically in the form of AoPs. Typically, we detail our roles and responsibilities in our joint bidding documents or joint venture agreements executed with such third parties. Currently, we have 14 Joint Ventures which are constituted as AoPs for various projects across our business verticals. As on December 31, 2017, we have completed six infrastructure construction and development projects out of which two projects were in collaboration with third parties and out of the 31 projects in our Order Book as of December 31, 2017, we are executing nine projects through Joint Ventures with third parties. Our current joint venture partners, amongst others, includes Kunal Structure (India) Private Limited, Jyoti Buildtech Private Limited, Iron Triangle Limited and Laxyo Energy Limited. Typically, we only enter into joint ventures for meeting technical qualifications for a specific project only and not for financial purposes. Thus, we do not receive any financial contributions or investments from our joint venture partners in respective projects. Some of our future projects will continue to be developed and maintained through joint ventures, as we continue to bid jointly for projects with suitable joint partners. The success of these Joint Ventures depends significantly on the satisfactory performance of our joint venture partners and fulfillment of their obligations. If our joint venture partners fail to perform their obligations satisfactorily, or at all, the relevant Joint Venture may be unable to perform its contracted services adequately and in a timely manner, or at all. Our joint venture partners may face legal and operational difficulties which could adversely affect our Joint Ventures and may affect our ability to progress the projects further for which such Joint Ventures were formed. For instance one of our joint venture partners in the MCL-Laxyo-VNR (JV), VNR Infrastructures Limited ("**VNR**"), has recently been ordered to be liquidated and we cannot assure you that such liquidation would not affect our relevant project. Our liability in relation to the projects being executed by such Joint Venture under the relevant infrastructure construction and development agreements and financing agreements is typically joint and several. The inability of a joint venture partner to complete a project due to financial or legal difficulties could result in us bearing the responsibility of completion and increased costs incurred in the project.

In the event our joint venture partners fail to provide services under the infrastructure construction and development agreement, we may not be able to provide such services due to our lack of experience or expertise in certain areas and we may not be successful in finding acceptable substitute partners, in a timely manner or at all. We may need the co-operation and consent of our 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, specifically where we have only minority stakes in the joint ventures. 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. If we are unable to successfully manage relationships with our joint venture partners, our projects and our profitability may suffer. In addition, 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 and business prospects.

21. ***Failure to keep pace with technological developments in the infrastructure industry or any adverse development with respect to our IT systems could adversely affect our business, results of operations and financial condition.***

Our recent experience in the infrastructure industry indicates that our clients are increasingly developing larger and more technically complex projects using more advanced technologies. Our future success will depend, in part, on our ability to respond to technological advances and emerging technology standards and practices on a cost-effective and timely basis. To meet our clients' needs, we must continuously update our existing systems and develop new technologies for our infrastructure construction and development projects. We rely on our IT systems for our operations and its reliability and functionality is critical to our business success. IT is part of almost every aspect of our business operations, from planning to project management and from recruitment to procurement. Our IT systems have become a core underpinning of all aspects of our operations. Our growing dependence on the IT infrastructure, applications, and data has caused us to have a vested interest in its reliability and functionality, which can be affected by a number of factors, including:

- *Increasing complexity of the IT systems*: The overall complexity of our IT systems will grow as technology continues to advance. As IT system capabilities expand, user expectations increase and business practices change. A high rate of change may cause our IT systems to have a short life span.

- *Data Security:* Hacking, data theft, and other unethical or illegal acts become a greater threat as more people use our IT systems and we put more sensitive information in it, including financial data. The need to protect our IT systems has thus greatly increased. Unfortunately, increased security requirements can increase costs and hamper user access to needed information.

- *Funding and staff*: Our IT systems now require a larger share of capital and operational funds. However, the systems may become effectively obsolete in a few years despite our substantial investment. Further, complex IT system require acquiring and retaining the trained IT staff with very specialized skills.

If our IT systems malfunction or experience extended periods of down time, we will not be able to run our operations safely or efficiently. We may not be able to upgrade or install our IT system in a timely manner and at a viable cost that is sufficient to meet the needs of our evolving business and operations or at all. If we fail to anticipate or respond adequately to our clients' changing requirements or keep pace with the latest technological developments, our business, prospects, financial condition and results of operations may be materially and adversely affected.

22. ***Construction faults may arise in our projects, which may result in delays in completion, revision in estimated costs of our projects or expose us to liabilities after completion of the construction of our project and thereby affect 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 including inaccurate drawings for the sites on which the projects are expected to be developed, encounter unforeseen engineering problems, defective plans, specifications and equipment problems. 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 clients in part, or at all, and may further be subject to penalties, including liquidated damages on account of such construction faults arising in our projects. We may further face delays in the estimated project completion schedule in respect of such projects on account of additional works required to be undertaken towards rectifying such construction faults, and are dependent upon our clients permitting extension of time of completion of such projects.

We have in the past, undertaken projects requiring exploration of difficult locations in Arunachal Pradesh and Jharkhand. 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 our forecasted budgets to be exceeded. 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. Additionally, majority of our contracts specify a period (generally for an approximate period of six months to two years from the date of completion) as the defects liability period during which we would have to rectify any defects arising from construction services provided by us including repairs or restoration on account of usual wear and tear within the warranty periods stipulated in our contracts, at our cost and within the time period as determined by the employer. Such defects liability period can also be extended by the employer. Actual or claimed defects in construction quality could give rise to claims, liabilities, costs and expenses. 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 revenue.

We also undertake infrastructure projects with operations and management component ("**O&M**") which requires us to maintain the constructed facility for a certain period post completion of the project. For instance, for one of our project, under water and irrigation vertical, we have entered into a contract with Rajasthan Urban Drinking Water Sewerage and Infrastructure Corporation Limited for commissioning of a sewer system with a provision for one year defect liability period and 10 years as O&M period. We are also responsible for any ancillary works required for the facility during such period which may subject us to increased operation and maintenance costs. Additionally, we are required to provide O&M services for 19 years for our Barjora (north) coal mine MDO project and for 15 years for our two road projects on HAM basis. Any construction faults which may arise in our projects may have an adverse effect during the O&M period.

23. ***Our ability to complete our projects in a timely manner is subject to performance of our sub- contractors.***

From time to time, we sub-contract certain activities or 'main works' to be undertaken under our infrastructure construction and development contracts to other parties depending on various factors, including, manpower availability and complexity required for execution of projects. 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 quality of their services, equipment and supplies. In certain cases, such sub-contracting is done at a pre-determined price in line with the industry standards. In the event that our cost and work estimates are not in line with our budgets or there is an increase in the price of materials, the fixed price sub-contract may adversely affect our profit margins.

In addition, under certain of the infrastructure construction and development agreements, the consent of the client is required for any selection or replacement of an operation and maintenance contractor. Further, while we may sub-contract our construction work and may be indemnified by the subcontractor 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 will continue to hold or renew valid registrations including 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 as per their commitments on time or meet the quality standards required, our ability to complete projects could be impaired. This may have an adverse effect on our reputation, business, results of operations and financial condition.

24. Our projects may be adversely affected by public and political oppositions, conflicting local interests, elections and protests.

Our projects may be faced with oppositions from the local communities where these projects are located or from special interest groups. In particular, the public, forest authorities and other authorities may oppose our operations due to the perceived negative impact it may have on the environment. Furthermore, if our construction or operation leads to a displacement of people or has an impact on religious sites or graveyards close to the project sites, our projects can become functional only after obtaining the consent of such affected persons and the resettlement and rehabilitation of such persons or relocation of such religious sites or graveyards. There may be objections or disputes in relation to such resettlement, rehabilitation or relocations, which may suspend our construction or operations until the disputes are resolved. We are associated with SSNNL and NVDA for certain projects in relation to the Sardar Sarovar project over Narmada River covering four major states, which has been publicly opposed in the past in relation to rehabilitation and resettlement of people living in the submergence area of the dam.

Furthermore, in relation to our operations in the mining vertical, if a mining operation in respect of a mine leads to a displacement of people, the mining project can become functional only after obtaining the consent of such affected persons and the resettlement and rehabilitation of the persons displaced by the mining operations and payment of other benefits is required to be carried out in accordance with the guidelines of the relevant State Governments, including payment for the acquired land that are owned by those displaced persons. We cannot assure you that there will not be any objection or dispute in relation to such resettlement, including litigation which may entail us having to suspend mining operations until the dispute is resolved. Moreover, significant opposition by various parties to the development of mines and construction activities near mines may adversely affect our results of operations and financial condition.

There may be negative publicity about our Company or Promoters made by opposing interest groups in local media due to our construction activities. We may also be required by the local authorities or communities to provide jobs to the local labour market or provide other benefits. In addition, we may be adversely affected by political events such as protests and general strikes in the states where we operate, specifically when such events take place on or close to our project sites. Further, during elections, we may not have enough manpower to conduct our business normally and may experience difficulties such as heavy traffic, blocked roads and delivery delays. Such events may also disrupt the normal contract awarding or decision making processes and cause us losses of business or incurrence of significant costs. In these events, our business, financial condition and results of operations may be materially and adversely affected.

25. Our business is seasonal which may get affected by severe weather conditions and other natural disasters and our insurance coverage may not be adequate.

We are engaged in the business of construction, development, operation and maintenance of infrastructure facilities which may be materially and adversely affected by severe weather conditions, forcing us to curtail services or suspend our operations leading postponement of the execution of outstanding milestones under our infrastructure construction and development projects. 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. High temperatures during summer season and the monsoon season could limit our ability to carry on construction activities or to fully utilize our resources. Our business activities may also be adversely affected by other natural disasters, including earthquakes, floods, and landslides, which may cause significant interruptions of our operations and damages to our properties and working environment which may not be adequately covered by the insurance policies availed by our Company. During periods of curtailed activity due to severe weather conditions or natural disasters, we may continue to incur operating expenses but our revenue from operations may be delayed or reduced.

26. Our insurance may not be adequate to protect us against all potential losses to which we may be subject.

Substantially all of our insurance policies relate to the coverage of our buildings, plant and machinery, stocks, goods-in-transit and liabilities towards our employees. The policies provide appropriate coverage in relation to fire, explosions, floods, inundations, windstorms, earthquakes, landslides, theft, burglary and personal injury claims by our personnel. However, not all of our risks may be insurable or possible to insure on commercially reasonable terms. Our insurance may not provide adequate coverage in certain circumstances and is subject to certain deductibles, exclusions and limits on coverage. Further, there can be no assurance that any claim under the insurance policies maintained by us will be honoured fully, in part or on time. Particularly, in the past our claims have arisen due to floods and incidents of theft at our project sites. Should an uninsured loss or a loss in excess of insured limits occur, we would lose the anticipated revenue from the infrastructure construction and development contract.

Additionally, the insurance policies may not cover our losses, in past or at all. For further details, see "*Our Business-Insurance*" on page 182.

27. While we have initiated undertaking infrastructure development projects opportunistically, such projects may yield lower than expected returns on our investment.

While our strategy is to undertake projects on HAM and MDO basis or projects on similar model opportunistically, the return on investment in such projects is based on a number of factors, including financing costs, amount of capital invested, duration and other terms and conditions of the concessions and the toll/ mining fees. We have a portfolio of two such projects as of December 31, 2017 in highways vertical on HAM basis. We may face the following risk in each of such arrangements:

- Under the contracts for carrying out projects on HAM basis, 60% of the project costs are to be borne by the concessionaire through a combination of equity and debt, and the remaining 40% of the project cost are to be paid by the NHAI in equal installments, which is linked to the project completion milestones. Thereafter, on completion of the project, 60% of the project cost is required to be paid by the NHAI to the concessionaire in semi-annual annuity payments. We cannot guarantee that we will receive the relevant share of the project cost on time. Further, we may experience significant delays in the receipt of such money and subsequently an increase in the project cost. We cannot assure you that we will be able to obtain adequate finance to continue or complete the relevant projects in the event that we do not receive such money on time or at all from the NHAI.

Our subsidiary, MBMPL, is undertaking one mining project on MDO basis for WBPDCL, which involves both excavation of overburden as well as mining of minerals, together with transportation of minerals from Barjora (north) coal mines located in Bankura district of West Bengal. The project is not operational as of this Draft Red Herring Prospectus and MBMPL awaits the appointed date for the project. Under our mining project on MDO basis, we are required to excavate a pre-fixed quantity of coal as the targeted annual capacity for which we are entitled to receive mining fees fixed by the WBPDCL. As part of the scope of work for the project, MBMPL is required to undertake civil works including construction of a township, roads and culverts. As part of the MDO agreement, MBMPL is required to bear the cost of undertaking the construction activities at our project site and our revenue would be based on the mining fees received for the excavation of pre-fixed quantity of coal in a year. The actual volume of coal excavated from the site may be lower than estimates and targeted annual capacity specified under the MDO agreement. We cannot assure you that MBMPL may be able to meet annual capacity requirement under the agreement or be able to recover its expenditure, which MBMPL may incur in future, for developing the project site. Additionally, subsequent to the MDO Agreement, our Company has received a letter of award from MBMPL to undertake the EPC work of this mining project undertaken on MDO basis in West Bengal, pursuant to revised mine plan for seven years, amounting to ₹ 8,577.50 million.

As our projects on HAM and MDO basis will require capital investment with potential returns spread over a long period of time, any delay in commencing operations of such projects, may affect our liquidity, business, financial condition and results of operation. We cannot assure you if we will be successful in executing these projects or if we will achieve better returns as compared to our existing construction projects, or any returns at all which may have a material adverse effect on our financial condition and results of operations.

28. The Promoters and related entities may be subject to conflicts of interest because of their interests in other infrastructure construction and development entities which could have a material adverse effect on our business, financial condition, results of operations and prospects.

The Promoters and related entities hold direct and indirect interests in Montecarlo Asset Holdings LLP, Montecarlo Realty LLP, Bhavna Engineering Company Private Limited and Sarjan Infracon Private Limited, which are engaged in businesses which is similar to our Company. While we believe that all transactions with the Promoters have been conducted on an arm's length basis and all such transactions are adequately disclosed in the section "*Financial Statements*", beginning on on page 232 and are also reviewed by the Audit Committee (including whether such transactions are on an arm's length basis), we cannot assure you that such transactions are in our or our Company's other Shareholders' best interests.

Due to such conflicts of interest, the Promoters may make decisions regarding our operations, financial structure or commercial transactions that may not be in our or our Company's other Shareholders' best interests. They may also enable a competitor to take advantage of a corporate opportunity at our expense. Such decisions could have a material adverse effect on our business, financial condition, results of operations and prospects.

29. ***We may rely on joint venture partners to qualify and bid for new projects and our inability to partner with other companies or inability of such companies can lead to loss of opportunities and failure to increase volume of new projects.***

Most large and complex infrastructure construction and development projects are awarded by the Government or State Governments or their respective authorized agencies following competitive bidding processes and satisfaction of certain prescribed qualification criteria. In selecting contractors for major projects, clients generally limit the tender to contractors that have qualified based on several criteria including experience in executing large projects, strong engineering capabilities for technically complex projects, the ability to take on further projects and sufficient financial resources or ability to access funds. In particular, our net worth and project experience may constrain our ability to bid for certain types of projects on a standalone basis, particularly as such projects become larger and qualification criteria, such as those for net worth and project experience, become more stringent. If we are not able to qualify in our own right to bid for large infrastructure construction and development projects, we may partner and collaborate with other construction companies in tendering bids for such projects.

Whilst we follow a rigorous due diligence process to identify potential joint venture partners, we remain exposed to the possibility that such joint venture partners may not execute a prospective project to our quality standards. Accordingly, we cannot assure you that projects undertaken by way of joint ventures will be of our quality standards. We have entered into various MoUs with certain private companies in order to, *inter alia*, meet the technical qualification for submitting bids for undertaking prospective projects. Once the project is awarded to our Joint Venture, such MoUs are later formed as deed of AoPs and the respective projects are collectively subcontracted to our Company by the respective AoPs. We face competition from other bidders in a similar position to us in looking for suitable joint venture partners with whom to partner in order to meet the qualification criteria. 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, and therefore fail to increase or maintain our volume of new projects, which could affect our growth and prospects.

30. ***The nature of our business exposes us to potential claims and contract disputes, which may adversely affect our business, results of operations and financial condition.***

As part of our business, we regularly submit bids for new infrastructure construction and development projects and such bid documents typically require us to present our credentials, including past experience in similar projects and provide certain representations and confirmations in this regard. We cannot assure you that any of our future bid documents will not contain inaccurate representations and confirmations. If our bid documents contain certain misstatements, the respective counterparties may impose restrictions on our ability to bid for future projects. This could also lead to termination of the respective agreement and other legal actions, such as an action for damages. Any of these may have adverse effect on our business and reputation.

31. ***Failure to provide performance security may result in forfeiture of bid security and termination of the contract thereby affecting our cash flows, business, results of operations and financial condition.***

We are required to deliver a performance security under all infrastructure construction and development projects undertaken by our Company. Typically, we are required to ensure that the performance security is valid and enforceable for a certain period after the appointed date or such other period as is stipulated under the respective agreements. In some of our infrastructure construction and development agreement, we are required to provide separate performance securities for the construction period and the operations and maintenance period. This performance security is released after handing over the project to a specific contracting authority or party after completion of the construction and/or defect liability period and/or maintenance period, as applicable.

Delay or inability in providing performance security may result in termination of the agreement or the bid security may be encashed by the authority or employer. In case of an event of default by us or failure by us to meet the conditions precedent under the relevant infrastructure construction and development agreement, the authority or employer is entitled to encash the relevant performance security. Upon such encashment, the authority or employer is required to grant us a stipulated period of time to provide a new performance security or in the event of partial appropriation, replenishing the existing performance security to its original level. If the new performance security is not provided or if the existing performance security is not replenished within such period, the authority or employer may terminate the relevant infrastructure construction and development agreement. Further, upon furnishing of a new performance security or replenishing the existing performance security, we may be granted an additional cure period to remedy the default, and if the default is not remedied within such period, the employer may terminate the relevant agreement. In the event that a significant amount of performance security provided by us is encashed, our cash flows will be adversely affected.

32. ***We are dependent on a number of key personnel, including our senior management, and the loss of or our inability to attract or retain such persons could adversely affect our cash flows, business, results of operations and financial condition.***

Our success depends on the continued services and performance of the members of our senior management team and other key employees. Our continued success also depends upon our ability to attract and retain a large group of skilled professionals and staff, particularly project managers, engineers, and skilled workers. The loss of the services of our senior management or our inability to recruit, train or retain a sufficient number of skilled professionals could have a material adverse effect on our operations and profitability. Competition for senior management in the industry in which we operate is intense, and we may not be able to retain our existing senior management or attract and retain new senior management in the future, particularly in Ahmedabad, Gujarat, where our principal corporate office is located. Furthermore, our Company also provides training to our employees. As a result of the recent growth in the infrastructure industry in India and the expected future growth, the demand for both skilled professionals and staff and unskilled workers has significantly increased in recent years. We may lose skilled workers to competing employers who pay higher wages or be forced to increase the wages to be paid to our employees. If we cannot hire or retain enough skilled professionals or unskilled workers, our ability to bid for and execute new projects or to continue to expand our business will be impaired and consequently, our revenue could decline. Any such loss of the services of our senior management personnel or skilled professionals could adversely affect our business, prospects, financial condition and results of operation.

33. The Promoter Group of our Company does not include Vishnubhai Mafatlal Patel and Govindbhai Mafatlal Patel, brothers of our individual Promoter, Kanubhai Mafatlal Patel, or any entity in which they may have a direct interest as of this Draft Red Herring Prospectus.

On account of informal business disassociation of Kanubhai Mafatlal Patel from his brother, Vishnubhai Mafatlal Patel and his formal disassociation from Govindbhai Mafatlal Patel by way of the separation agreement dated April 2, 2018 (the "**Separation Agreement**"), the Promoter Group of our Company does not include Vishnubhai Mafatlal Patel and Govindbhai Mafatlal Patel or any entities in which they may have a direct interest, as of this Draft Red Herring Prospectus.

Kanubhai Mafatlal Patel has confirmed that Vishnubhai Mafatlal Patel and Govindbhai Mafatlal Patel do not hold, directly or indirectly, any securities in our Company and apart from BHTPL, wherein the Company holds 23% equity shares and which is disclosed as a 'Group Company' of the Company in this Draft Red Herring Prospectus, Kanubhai Mafatlal Patel does not hold, directly or indirectly, any securities in any venture that may have been promoted by Vishnubhai Mafatlal Patel and Govindbhai Mafatlal Patel. Further, Vishnubhai Mafatlal Patel, Govindbhai Mafatlal Patel and any entity in which they may have an interest as of this Draft Red Herring Prospectus are not included in the Promoter Group of our Company since our Company does not have access to any information pertaining to Vishnubhai Mafatlal Patel and Govindbhai Mafatlal Patel or any entities in which they may have an interest.

In addition to the above, Kanubhai Mafatlal Patel and others have filed a company petition before the Company Law Board, Regional Bench, Mumbai against the SIPL, SEL, BHTPL, Vishnubhai Mafatlal Patel and others under Sections 397 and 398 read with 399, 402 and 403 of the Companies Act, 1956. For further details, see the section "*Outstanding Litigation and Material Developments",* beginning on page 462. Accordingly, our Promoters and our Company do not have sufficient information about BHTPL, including about its business and day to day operations, contracts and arrangements executed with third parties, its licenses and approvals, filings and declarations with relevant governmental authorities (unless available in public domain), its liabilities and debt obligations, and any of its defaults or violations, and hence, any such specific information is not included in this Draft Red Herring Prospectus.

In light of the disassociation, our Company has not been able to communicate with, or obtain any information from Govindbhai Mafatlal Patel or Vishnubhai Mafatlal Patel including in relation to inquiries or any adverse action by a governmental or regulatory authority. Any action taken against Govindbhai Mafatlal Patel or Vishnubhai Mafatlal Patel in relation to the aforementioned issues or any entities they are associated with may have an impact on the reputation of the Promoter or our Company.

34. 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 clients and may adversely affect our business.

We operate in a very competitive environment and compete against various domestic and foreign 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 verticals, see the section "*Our Business*", beginning on page 163.

We may be unable to compete with larger infrastructure construction and development companies for high-value contracts, as we are a mid- sized infrastructure construction and development company and 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 diverse infrastructure vertical, 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 revenue may be adversely affected. These competitive factors may result in reduced revenue, 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.

Further, we have been more inclined towards road transport infrastructure and have recently ventured into new infrastructure verticals including railways and building and factories. Competitors in these verticals may have greater financial resources, economies of scale and operating efficiencies, goodwill in the market, established track record and high value projects in hand. It may not be easy for us to secure and execute projects in these verticals and therefore, our performance in highways infrastructure sector may not be indicative of our performance in these verticals.

35. If we are not successful in managing our growth, our business may be disrupted and our profitability may be reduced.

We have experienced significant growth in recent years and expect our business to continue to grow as we gain greater access to financial resources. Such growth will place significant demands on us and require us to continuously evolve and improve our operational, financial and internal controls across our organization. Continued expansion increases certain operational challenges including:

- making accurate assessments of the resources we will require;
- preserving a uniform culture, values and work environment across our projects;
- developing and improving internal administrative infrastructure, particularly financial and operational;
- communications, internal control and other internal systems;
- recruiting, training and retaining sufficient skilled management, technical and marketing personnel;
- maintaining high levels of client satisfaction; and
- adhering to expected performance and quality standards.

There can be no guarantee that we will be able to effectively manage our entry and expansion into new functional and geographical areas, which may have a material adverse impact on our business, financial condition and results of operation. Though we have in place systems including SAP implementation system for maintaining accurate database and real time information for improving management's decisions and maintaining economies of scale and SOP implementation for eliminating systematic lapses and maintenance of work flow systems, we may not be able to address these challenges efficiently or at all, which may have a material adverse effect on our business, financial condition and results of operations. Therefore, we may not grow at a rate comparable to our growth rate in the past, either in terms of revenue or profit.

36. Failure to successfully implement our business strategies may materially and adversely affect our business, prospects, financial condition and results of operations.

We aim to implement our business strategies to ensure future business growth, which may be subject to various risks and uncertainties, including but not limited to the following:

- failure to maintain our competitive edge due to cost overruns or failure to execute our projects in a timely manner or according to quality specifications;
- intensified competition, delayed payments or non-payments by our clients and associated litigation or arbitration proceedings and inability to enforce escalation clauses in our contracts. For further details, see the section "*Outstanding Litigation and Material Developments*", beginning on page 462;
- failure to implement our bidding strategy;
- inability to make an efficient use of or improve our execution system or fail to maintain or operate our IT systems and centralized procurement system in an effective and efficient manner;
- lack of ability to properly manage financing resources and unavailability of funds at affordable costs or maintain financial discipline;

- adverse changes in applicable laws, regulations or policies or political or business environments;
- inability to diversify across states or into different business verticals;
- lack of ability to recruit or retain skilled employees;
- failure to correctly identify market trends relating to the demand for our services, inability to carry out our strategy of bidding for new infrastructure construction and development projects or optimize our project portfolio; and
- increase in costs of raw materials, fuel, manpower and equipment and adverse movements in interest rates and foreign exchange rates.

Implementation of our strategies may be subject to a number of risks and uncertainties including the ones mentioned above, some of which are beyond our control. 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.

Any failure or delay in the implementation of any of our strategies may have a material adverse effect on our business, prospects, financial condition and results of operations. For instance, as part of our growth strategy, we have diversified and intend to continue to diversify our portfolio of projects and services.

We entered the railways vertical in Fiscal 2015, building and factories vertical in Fiscal 2014, energy infrastructure vertical in Fiscal 2011 and actively entered the mining vertical in Fiscal 2011. In addition to Gujarat and Madhya Pradesh, we had expanded our geographical footprint to nine additional states and one union territory, as of December 31, 2017. As of December 31, 2017, we were undertaking 23 projects outside Gujarat and Madhya Pradesh. Moreover, subsequent to December 31, 2017, we have been awarded 11 new projects spanning across eight states including the states of Maharashtra, Chhattisgarh and West Bengal. Further, historically we have concentrated on pure EPC projects however, in Fiscal 2010, we ventured into highways infrastructure development project on DBFOT (toll) basis in collaboration with SIPL and as of December 31, 2017, our portfolio had two ongoing road projects on HAM basis in the states of Odisha and Karnataka and a mining project on MDO basis in West Bengal through the Subsidiaries.

We do not have a long-term, established track record in executing projects with such kind of arrangements, new business verticals or geographical areas, which may expose us to unanticipated risks, including financial, management and operational strains. Due to our limited experience in undertaking certain types of projects or offering certain services, our entry into new business verticals or new geographical areas may not be successful, which could lead to losses, hamper our growth and damage our reputation. We may be unable to compete effectively for projects in these verticals 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. In the event, we are unable to implement such strategies in a timely manner or at all or any inefficient implementation may have an adverse effect on our business operations and financial condition.

37. An inability to develop and maintain effective internal controls and compliance procedures may adversely affect our business operations, and consequently our results of operations and financial condition.

Our internal controls over secretarial reporting must be reviewed on an ongoing basis as risks evolve, and the processes to maintain such internal controls involve human diligence and compliance and are subject to lapses in judgment and breakdowns resulting from human error. To the extent that there are lapses in judgment or breakdowns resulting from human error, the accuracy of our secretarial reporting could be affected, resulting in a loss of investor confidence and a decline in the price of the Equity Shares. For instance, our Company, Kanubhai Mafatlal Patel, Brijesh Kanubhai Patel, Mrunal Kanubhai Patel and others filed an application dated June 1, 2011 (the "**Compounding Application**"), before the Regional Director North-Western Region (the "**Authority**"), Ministry of Corporate Affairs, Ahmedabad, under Section 621A of the Companies Act, 1956 for compounding of offence under Section 297 of the Companies Act, 1956, in relation to the failure to obtain approval of the Government for entering into certain contracts. The Authority by way of its order dated June 29, 2011, allowed such Compounding Application, and compounded the defaults on a payment of a total compounding fee of approximately ₹ 0.03 million. Accordingly, we cannot assure you that we will be able to establish or maintain sufficient internal controls for ensuring compliance of applicable legislations, regulations and notifications in the future.

38. One of the Group Companies have incurred losses in the preceding Fiscals and may incur losses in the future.

One of the Group Companies, BHTPL, incurred losses in Fiscal 2015, Fiscal 2016 and Fiscal 2017. For further details of the loss making Group Companies, see the section "*Group Companies*", beginning on page 225. There can be no assurance that the Group Companies will not incur losses in the future or that there will not be an adverse effect on our Company's reputation or business as a result of such losses.

39. Our inability to collect receivables from our clients including government authority on time or at all may adversely affect our cash flows, business, results of operations and financial condition.

There may be delays in the collection of receivables from our clients. As of December 31, 2017, ₹ 1,313.47 million was our total trade receivable before expected credit loss on the basis of our Restated Consolidated Financial Statements. Additionally, we may claim more payments from our clients for additional work and costs incurred in excess of the contract price or amounts not included in the contract price. These claims typically arise from changes in the initial scope of work or from delays caused by the clients. The costs associated with these changes or client caused delays include additional direct costs, such as manpower and material costs associated with the performance of the additional work, as well as indirect costs that may arise due to delays in the completion of the project, such as increased manpower costs resulting from changes in labour markets.

We may not always have the protection of escalation clauses in our contracts or supplemental agreement in respect of the additional work to support our claims. Where we have escalation clauses in our agreements, we may seek to enforce our contractual rights. However, our clients may interpret such clauses restrictively and dispute our claims. These claims are thus often subject to lengthy arbitration, litigation or other dispute resolution proceedings. We cannot assure you that we can recover adequately on our claims. Our debtors may have insufficient assets to pay the amounts owed to us even if we win our cases. In addition, we may incur substantial costs in collecting against our debtors and such costs may not be recovered in full or at all from the debtors. As we often need to fulfill significant working capital requirements in our operations, delayed collection of receivables or inadequate recovery on our claims could materially and adversely affect our business, cash flows, financial condition and results of operations. For instance, MPMKVVCL, for some of our projects under energy infrastructure vertical, had withheld certain amounts payable to us on account of our Company failing to meet the requisite thresholds for aggregate technical and commercial losses. Against such action of MPMKVVCL, our company had filed a writ petition before the High Court of Madhya Pradesh, Jabalpur. For further details, see the section "*Outstanding Litigation and Material Developments*", beginning on page 462.

40. Risks associated with the execution of large contracts could adversely affect our margins.

There are various risks associated with the execution of large-scale infrastructure construction and development projects. Larger contracts may represent a larger part of our portfolio, thereby increasing the exposure to individual contract risks and potential volatility of our results of operations. Managing large contracts projects may also increase the potential relative size of cost overruns and negatively affect our operating margins. If we suffer losses on one or more of these large contracts on account of delay, cancellation or modification of such contracts, our results of operations could be adversely affected.

Further, we maintain a workforce based upon our current and anticipated workloads. 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 timing is often uncertain and 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 underutilized staff and facilities, which could have a material adverse effect on our profitability, financial condition and results of operations and financial condition.

41. We have substantial existing debt and may incur substantial additional debt, which could adversely affect our financial health and our ability to obtain financing in the future and react to changes in our business and increases in interest rates of our borrowings may impact our results of operation.

As of March 31, 2018, the outstanding amount of our total borrowings was ₹ 16,730.90 million on a consolidated basis. For further details, see the section "*Financial Indebtedness*", beginning on page 442. Our business requires a high amount of working capital to finance the purchase of materials and the performance of engineering, construction and other work on the projects before payments are received from client. We may incur additional indebtedness in the future. Our ability to meet our debt service obligations and our ability to repay our outstanding borrowings will depend primarily upon the cash flow produced by our businesses. We cannot assure you that we will generate sufficient revenue from our businesses to service existing or proposed borrowings. If we fail to meet our debt service obligations, our lenders could declare us to be in default under the terms of our borrowings and may accelerate the maturity of our obligations. We cannot assure you that, in the event of any such acceleration, we would have sufficient resources to repay these borrowings. Accordingly, any such acceleration would have an adverse effect on our cash flows, business, financial condition and results of operation. In addition:

- our ability to obtain additional financing for working capital, capital expenditures, acquisitions or general corporate purposes may be impaired in the future;
- a substantial portion of our cash flow from operations may be dedicated to the payment of principal and interest on our indebtedness, thereby reducing the funds available to us for other purposes;
- we will be exposed to the risk of increased interest rates; and
- our flexibility to adjust to changing market conditions and ability to withstand competitive pressures could be limited, and we may be more vulnerable to a downturn in general economic conditions in our business or be unable to carry out capital spending that is necessary or important to our growth strategy.

If our cash flow and capital resources are insufficient to fund our debt service obligations, we may be forced to reduce or delay capital expenditure, sell assets including stakes in our Subsidiaries, seek additional equity capital, or restructure our debt. Our significant indebtedness results in substantial debt service obligations which could lead to reduced availability of cash flow to pursue growth plans, increased vulnerability to economic downturn and limited flexibility in our operations i.e. over leveraging of our balance sheet. In the future, our cash flow and capital resources may not be sufficient for interest or principal payments on our indebtedness, and any remedial measures may not be successful and therefore may not permit us to meet our scheduled debt service obligations. A substantial portion of our borrowings carry interest at floating rates or at a fixed rate that is subject to adjustment at specified intervals. We are exposed to interest rate risk as we do not currently enter into any swap or interest rate hedging transactions in connection with our loan agreements. Any such increase in interest expense may have an adverse effect on our business, prospects, financial condition and results of operation. 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 viable terms, that our counterparties will perform their obligations, or that such agreements, if entered into, will protect us fully against our interest rate risk. Such instances could adversely affect our business operations, cash flows and financial condition.

42. Our debt financing agreements contain restrictive covenants including requiring prior consent of our lenders for undertaking a number of corporate actions, including the Offer, which may affect our interest.

Some debt financing agreements entered into by our Company or its Subsidiaries contain restrictive covenants, and/or events of default that limit our ability to undertake certain types of transactions, which may adversely affect our business and financial condition. Further, we provide bank guarantees to secure obligations under the respective contracts for our projects. If we are unable to provide sufficient collateral to secure the bank guarantees or performance bonds, our ability to enter into new contracts could be limited. We may not be able to continue obtaining new bank guarantees and performance bonds in sufficient quantities to match our business requirements. Many of our financing agreements also include various conditions and covenants that require us to obtain lender consents prior to carrying out certain activities or entering into certain transactions. These financing agreements also require us to maintain certain financial ratios like debt equity ratio, debt service coverage ratio and asset coverage ratio. Typically, restrictive covenants under our financing documents relate to obtaining prior consent of the lender for, among others:

- effecting any change in the capital structure;
- undertaking any merger, de-merger, consolidation, reorganisation, scheme of arrangement or compromise or effecting any scheme of amalgamation or reconstruction;
- undertaking any new project or implementing any scheme of expansion or acquiring fixed assets or carrying out any change of business or undertaking any allied line of business;
- investing, lending, extending advances or placing deposits with any other concern;
- entering into borrowing arrangements with any other bank, financial institution or company;
- creating any charges, lien or encumbrances over its assets or undertaking or any part thereof in favour of any third party;
- selling, assigning, mortgaging or disposing off any fixed assets charged to a lender;
- entering into any contractual obligation of a long-term nature or affecting our Company financially to a significant extent;
- undertaking guarantee obligations or providing any collateral on behalf of any other company, including group and Subsidiaries;

- declaring dividend on equity shares;
- changing the ownership, control or management structure of our Company or effecting any material changes in the management of the business or reducing the shareholding of the Promoters or Directors;
- making amendments to the memorandum of association and articles of association.

If our lenders enforce these restrictive covenants or exercise their options under the relevant debt financing agreements, our operations and use of assets may be significantly hampered. We may also lose our majority shareholding interest in our Subsidiaries or lose management control over such Subsidiaries. A material breach of any of the above covenants or restrictions could also cause us to default under the applicable agreement, which would permit the applicable lenders to declare all amounts outstanding thereunder to be due and payable, together with accrued and unpaid interest and enforce the security provided for such loans. In such an event, we may be unable to incur additional borrowings and we may be unable to repay the amounts due. This may have a material and adverse effect on our financial condition and results of operation and even cause us to become bankrupt or insolvent. Our Company may not have been in compliance with specific non-financial covenants, which may constitute events of default under certain financing agreements and also trigger cross default provisions under such financing agreements of our Company. We cannot assure you that the waivers under financing agreements where we may have new or additional defaults may be forthcoming. For further details of the restrictive covenants under our financing documents, see the section "*Financial Indebtedness*", beginning on page 442.

We cannot assure you that we have or will be able to comply with all such restrictive covenants in a timely manner or at all or that we will be able to comply with all such restrictive covenants in the future. A failure to observe the restrictive covenants under our financing agreements or to obtain necessary consents required thereunder may lead to the termination of our credit facilities, levy of penal interest, acceleration of all amounts due under such facilities and the enforcement of any security provided. Any acceleration of amounts due under such facilities may also trigger cross default provisions under our other financing agreements. If the obligations under any of our financing agreements are accelerated, we may have to dedicate a substantial portion of our cash flow from operations to make payments under such financing documents, thereby reducing the availability of cash for our working capital requirements and other general corporate purposes. Further, during any period in which we are in default, we may be unable to raise, or face difficulties raising, further financing. In addition, other third parties may have concerns over our financial position and it may be difficult to market our financial products. Any of these circumstances could adversely affect our business, credit rating, prospects, results of operations and financial condition. Moreover, any such action initiated by our lenders could result in the price of the Equity Shares being adversely affected including our ability to obtain further financing from banks and financial institutions.

43. ***Our Company and the Group Companies have availed certain unsecured loans that are recallable by the lenders at any time.***

Our Company has availed certain unsecured loans that are recallable on demand by the lenders. In such cases, the lender is empowered to require repayment of the facility at any point in time during the tenor. In case the loan is recalled on demand by the lender and our Company is unable to repay the outstanding amounts under the facility at that point, it would constitute an event of default under the respective loan agreements. As on March 31, 2018, the total amount of unsecured loans availed and outstanding by our Company were ₹ 882.54 million. For further details, see the section "*Financial Indebtedness*", beginning on page 442.

Additionally, one of the Group Companies, NCL, has availed certain unsecured loans that are recallable on demand by the lenders. As on March 31 2017, NCL has taken the following unsecured loans:

a. Unsecured loan from its directors amounting to ₹ 8.05 million;

b. Unsecured loan from its related parties amounting to ₹ 3.91 million; and

c. Unsecured loan from others amounting to ₹ 7.31 million.

In case the aforementioned unsecured loans taken by NCL are recalled on demand by the respective lender and NCL is unable to repay the outstanding amounts at that point, it may constitute an event of default for NCL. For further details, see the section "*Group Companies*", beginning on page 225.

Furthermore, one of the Group Companies, BHTPL has availed an unsecured loan from our Company which is classified as sub-ordinated debt, which as on March 31, 2017 amounted to ₹ 252.08 million. For further details, see the sections "*Group Companies*" and "*Related Party Transactions*", beginning on pages 225 and 231, respectively.

44. ***Our financing agreements entail interest at variable rates and any increases in interest rates may adversely affect our results of operations.***

We are susceptible to changes in interest rates and the risks arising there from. Certain of our financing agreements provide for interest at variable rates with a provision for the periodic resetting of interest rates. Further, under certain of our financing agreements, the lenders are entitled to change the applicable rate of interest, which is a combination of a base rate/MCLR that depends upon the policies of the RBI and a contractually agreed spread, and in the event of an adverse change in our Company's credit risk rating. See the section "*Financial Indebtedness*", beginning on page 442 for a description of interest payable under our financing agreements. Further, in recent years, the Government has taken measures to control inflation, which have included tightening the monetary policy by raising interest rates. As such, any increase in interest rates may have an adverse effect on our business, results of operations, cash flows and financial condition.

45. ***Our contingent liabilities, if materialised, could adversely affect our business, cash flows, financial condition and results of operations.***

We usually need to provide performance guarantees when we undertake infrastructure construction and development projects, which are often demanded by our clients to protect them against potential defaults by us. We are also often required to have our lenders issue letters of credit in favour of our suppliers for purchases of equipment and raw materials. We thus may have substantial contingent liabilities from time to time depending on the projects we undertake and the amount of our purchases. As December 31, 2017, the following contingent liabilities were provided for in our Restated Consolidated Financial Statements:

(in ₹ million)

Particulars	As on December 31, 2017
Claim against our Company not acknowledged as debt	
Income Tax claims	145.09
VAT/Entry Tax	36.74

If a project is not completed or the required payments are not made on time, the relevant performance guarantees or letters of credit may be enforced. If any of these contingent liabilities materialize, we may have to fulfill our payment obligations, which may have an adverse impact on our cash flows, financial conditions and results of operations. For further details, see the section "*Financial Statements*", beginning on page 232.

46. ***We have not obtained the registration of all of our trademarks used in our businesses and our inability to obtain or maintain these registrations may adversely affect our competitive business position. Our inability to protect or use our intellectual property rights may adversely affect our business***

As on December 31, 2017, we have 21 registered trademarks and 61 pending applications for trademarks. There can be no assurance that we will be able to obtain the registration of our trademarks in a timely manner, or at all. If any of our unregistered trademarks are registered in favour of a third party, we may not be able to claim registered ownership of such trademarks and consequently, we may be unable to seek remedies for infringement of those trademarks by third parties other than relief against passing off by other entities. If our application is objected to, we will not have the right to use this trademark or prevent others from using this trademark or its variations. Our inability to obtain or maintain this trademark in our business thus could adversely affect our reputation, goodwill, business, prospectus and results of operations. For details in relation to intellectual properties of our Company, see the section "*Government and Other Approvals*", beginning on page 474.

47. ***Our business reputation is critical to maintaining market share and growing our business and any adverse publicity may have a material adverse effect on our business, prospects, financial condition and results of operations.***

Our business reputation and market perception is critical to maintaining our market share and growing our business. While we have developed our brand and business reputation over the years, any negative incident or adverse publicity could rapidly erode clients' trust and confidence in us, particularly if such incidents receive widespread adverse mainstream and social media publicity, or attract regulatory investigation or litigation. In addition, our brand and business reputation will be adversely affected in the event of any adverse publicity relating to our operations, irrespective of whether such development relates to factors within our control. The high level of media scrutiny and public attention that the infrastructure sector is subjected to, together with increasing environmental activism in India, has significantly increased the risk of negative publicity that may affect our reputation or the reputation of the infrastructure industry in general.

Any significant claim or litigation, employee misconduct, operational failure, regulatory investigation, media speculation and adverse publicity, whether actual, unfounded or merely alleged, could damage our brand, business reputation and confidence of clients. Furthermore, negative publicity may also influence market perception of our business and affect our ability to maintain our credit ratings. Accordingly, any adverse impact on our brand and business reputation may have a material adverse effect on our business, prospects, financial condition and results of operations.

48. CRISIL Report referred to in this Draft Red Herring Prospectus was commissioned by our Company.

We have obtained certain market data, industry forecasts and data used throughout this Draft Red Herring Prospectus from internal surveys, market research and publicly-available industry, government and research information, publications and websites. We have also commissioned CRISIL Limited for the CRISIL Report which may not be publicly available. 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.

49. Our management will have broad discretion in how we apply the Net Proceeds, including interim use 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, or that the deployment of the Net Proceeds in the manner intended by us will result in any increase in the value of your investment. Further, the funding plan has not been appraised by any bank or financial institution.

Our Company intends to use the Net Proceeds for the purposes described in "*Objects of the Offer*" on 102. Subject to this section, our management will have broad discretion to use the Net Proceeds, and investors will be relying on the judgment of our management regarding the application of the Net Proceeds. Whilst a monitoring agency will be appointed in compliance with the SEBI ICDR Regulations for monitoring utilisation of Net Proceeds, the funding plans are in accordance with our own estimates and have not been appraised by any bank, financial institution or any other external agency. Our Company may have to revise its management estimates from time to time on account of various factors beyond its control, such as market conditions, competitive environment, costs of commodities and interest or exchange rate fluctuations and consequently its requirements may change. Additionally, various risks and uncertainties, including those set forth in this section may limit or delay our efforts to use the Net Proceeds to achieve profitable growth in its business. For instance, our expansion plans could be delayed due to failure to receive regulatory approvals, technical difficulties, human resource, technological or other resource constraints, including increases in raw material costs, or for other unforeseen reasons, events or circumstances.

Our Board will have significant flexibility in temporarily investing the Net Proceeds of the Offer. Accordingly, the use of the Net Proceeds for purposes identified by our management may not result in actual growth of its business, increased profitability or an increase in the value of your investment.

50. Any variation in the utilisation of the Net Proceeds as disclosed in this Draft Red Herring Prospectus shall be subject to certain compliance requirements, including prior Shareholders' approval.

We propose to utilize the Net Proceeds for the following purposes:

(a) Working capital requirements of our Company;

(b) Investment in MHHHPL for part-financing of six-laning and strengthening of Hubli-Haveri section of NH-48 (old NH-4) from 340.00 km to 403.40 km in Karnataka; and

(c) General corporate purposes.

For further details of the proposed objects of the Offer, see the section "*Objects of the Offer*", beginning on page 102. At this juncture, we cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with Section 27 of the Companies Act, 2013, we cannot undertake any variation in the utilisation of the Net Proceeds as will be disclosed in this Draft Red Herring

Prospectus without obtaining the Shareholders' approval through a special resolution. In the event of any such circumstances that require us to undertake variation in the disclosed utilisation of the Net Proceeds, we may not be able to obtain the Shareholders' approval in a timely manner, or at all. Any delay or inability in obtaining such Shareholders' approval may adversely affect our business or operations.

Further, the Promoters or controlling shareholders would be required to provide an exit opportunity to the Shareholders who do not agree with our proposal to modify the objects of the Offer, at a price and manner as may be prescribed by SEBI. Additionally, the requirement on Promoters or controlling shareholders to provide an exit opportunity to such dissenting shareholders may deter the Promoters or controlling shareholders from agreeing to the variation of the proposed utilisation of the Net Proceeds, even if such variation is in the interest of our Company. Further, we cannot assure you that the Promoters or the controlling shareholders of our Company will have adequate resources at their disposal at all times to enable them to provide an exit opportunity at the price which may be prescribed by SEBI.

In light of these factors, we may not be able to undertake variation of objects of the Offer to use any unutilized proceeds of the Offer, if any, even if such variation is in the interest of our Company. This may restrict our Company's ability to respond to any change in our business or financial condition by re-deploying the unutilized portion of Net Proceeds, if any, which may adversely affect our business and results of operations.

51. ***We had negative cash flows from investing activities in recent periods. Our inability to generate and sustain adequate cash flows in the future may adversely affect our business, results of operations and financial condition.***

We have experienced negative cash flows in the recent periods, the details of which, as per our Restated Consolidated Financial Statements, are as follows:

(Amount in ₹ million)

	December 31, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Net cash used in investing activities	(132.42)	(649.31)	(736.57)	(1,585.88)	(939.68)	(161.04)
Net increase/(decrease) in cash and cash equivalents	67.74	(58.50)	17.37	101.44	(3.30)	(48.99)

Our inability to generate and sustain adequate cash flows in the future could adversely affect our results of operations and financial condition. For more information, see the sections "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and "*Financial Statements*" beginning on pages 444 and 232, respectively.

52. ***The Statutory Auditors' examination reports on the Restated Consolidated Financial Statements and the Restated Standalone Financial Statements contain certain emphasis of matter.***

The Statutory Auditors' examination reports on the Restated Consolidated Financial Statements and the Restated Standalone Financial Statements included as part of this Draft Red Herring Prospectus, beginning on pages 334 and 233, respectively, contains an emphasis of matter pertaining to an outstanding arbitration proceeding with M/s Varsani Construction Company, one of the contractors of our Company. For further details pertaining to such outstanding arbitration proceeding, please see the section "*Outstanding Litigation and Material Developments - Litigation involving our Company*" on page 462. For further details on the emphasis of matter, see the section "*Financial Statements*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*", beginning on pages 232 and 444, respectively.

53. ***Our infrastructure development projects enjoy certain benefits under Section 80IA of the Income Tax Act, 1961 and any change in these tax benefits applicable to us may adversely affect our results of operations.***

Presently, infrastructure development projects, enjoy certain benefits under Section 80IA of the Income Tax Act, 1961 which will not be available to us from Fiscal 2018. As a result of these incentives, most of the infrastructure development companies are subject to relatively low tax liabilities. The income tax exemptions for various projects expire at various points of time and our projects will be subject to increase tax expense and there is no assurance that such increased tax expenditure will not materially increase and our profitability may decrease as a result. For further details, see the section "*Statement of Tax Benefits*", beginning on page 114.

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

We have entered into or may enter into transactions with related parties. For instance, certain premises in Mumbai, Maharashtra are being used by our Company under leave and license agreement with certain of the Promoters. Further, we have sold certain of our properties to our erstwhile subsidiaries which is also one of the Promoter Group entities. Furthermore, one of the Group Companies, BHTPL has availed an unsecured loan from our Company which is classified as sub-ordinated debt. For further details, see the sections "*Group Companies*" and "*Related Party Transactions*", beginning on pages 225 and 231, respectively.

Such transactions or any future transactions with our related parties could potentially involve conflicts of interest. There can be no assurance that we could not have achieved more favorable terms if such transactions had been entered into with unrelated parties or that we will be able to maintain existing terms, in cases where the terms are more favorable than if the transaction had been conducted on an arms-length basis. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our business, cash flows, prospects, financial condition and results of operations. For further details, see the section "*Related Party Transactions*", beginning on page 231.

55. The Promoters, Directors and Key Managerial Personnel of our Company may have interests in us other than reimbursement of expenses incurred or normal remuneration or benefits.

The Promoters are interested in us to the extent of any transactions entered into or their shareholding and dividend entitlement on account of their shareholding in our Company. The Directors are also interested in us to the extent of remuneration paid to them for services rendered as the Directors and reimbursement of expenses payable to them. Further, some of the Promoters and Directors may also be deemed to be interested to the extent that our Company has taken certain premises on lease pursuant to arrangements with certain members of the Promoter Group. For further details, see the section "*Management*", beginning on page 204.

56. The Promoters will retain majority shareholding in our Company following the Offer, which will allow them to exercise significant influence over us and may cause us to take actions that are not in the best interest of our other shareholders.

As on the date of this Draft Red Herring Prospectus, the Promoters hold majority of the shareholding of our Company i.e. 99.98% of the issued, subscribed and paid-up Equity Share capital of our Company. After the completion of the Offer, the Promoters will collectively continue to hold a majority of our Company's issued and outstanding Equity Shares. So long as the Promoters own a significant portion of our Equity Shares, they will be able to significantly influence the election of the Directors and control most matters affecting our Company, including our business strategies and policies, decisions with respect to mergers, business combinations, acquisitions or dispositions of assets, dividend policies, capital structure and financing, and may also delay or prevent a change of management or control, even if such a transaction may be beneficial to other shareholders of our Company. The interests of the Promoters, as the controlling shareholders of our Company, may also conflict with our interests or the interests of our Company's other shareholders. As a result, the Promoters may take actions that conflict with our interests or the interests of other shareholders of our Company.

57. Our Company will not receive any proceeds from the offer for sale by the Selling Shareholder.

The Offer consists of the Fresh Issue by our Company and an Offer for Sale by the Selling Shareholder. The entire proceeds of the Offer for Sale will be transferred to the Selling Shareholder and will not result in any creation of value for us or in respect of your investment in our Company. Additionally, as part of the Offer, one of the Promoters as a selling shareholder will receive a part of the proceeds. For details in relation to the Selling Shareholders, see the section "*Capital Structure – Promoter Buildup*", on page 86.

58. Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements and capital expenditures.

The amount of future dividend payments, if any, will depend upon a number of factors, including but not limited to our future earnings, financial condition, cash flows, working capital requirements, contractual obligations, applicable Indian legal restrictions and capital expenditures. In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under the loan or financing agreements our Company may enter into to finance our fund requirements for our business activities. There can be no assurance that our Board will decide to declare dividends in the foreseeable future or if we will be able to pay dividends in the future. For further information, see the section "*Dividend Policy*", beginning on page 230.

59. The interests of the Promoters may conflict with your interests as a shareholder.

The interests of the Promoters may be different from our interests or the interests of other shareholders. As a result, the Promoters may take actions with respect to our Company that may not be in our or our other shareholders' best interests. Further, the Promoters will continue to exercise significant influence over us through their shareholding subsequent to the Offer and listing of our Equity Shares. The Promoters could, by exercising their powers of control, delay or defer or initiate a change of control of our Company or a change in our capital structure, delay or defer a merger, consolidation, or discourage a merger with another infrastructure construction and development company.

External Risk Factors

Risks relating to India

60. Our ability to raise foreign capital under the FDI route is currently constrained by Indian law and we may be subject to various conditions if we propose to raise foreign capital through the FDI route. Further, we propose to raise foreign capital in the Offer from certain foreign investors under the FPI route in accordance with the applicable law and may raise further foreign capital from such foreign investors. If the Government of India reduces the permissible limit or imposes restrictive conditions in the future, our ability to raise foreign capital could be adversely affected and consequently, this may adversely affect our business, prospects and results of operations.

Our Company has developed a residential project, namely 'Lakeview' at Jabalpur, Maharashtra, and currently has some unsold inventory under this project. Accordingly, currently, there are certain restrictions on receiving FDI in our Company, and therefore, our Company presently does not propose to raise any foreign capital or in the Offer through the FDI route. In accordance with the FEMA Regulations, we propose to allow participation by non-residents in the Offer to the extent of participation by (i) FPIs through the portfolio investment scheme under Schedule 2 of the FEMA Regulations, subject to limit of the individual holding of an FPI below 10% of the post-Issue paid-up capital of our Company and the aggregate limit for FPI investment up to 49% of the post-Offer paid-up capital of our Company; and (ii) Eligible NRIs only on non-repatriation basis under Schedule 4 of the FEMA Regulations. Further, other Non-Residents such as FVCIs and multilateral and bilateral development financial institutions are not permitted to participate in the Offer. As per the existing policy of the Government, OCBs cannot participate in this Offer.

We cannot assure you that the Government of India will continue to allow current level of participation by the aforesaid investors in the sectors in which we operate or that the Government of India will not impose any further conditions with respect to such investments. Any adverse decision by the Government of India in this regard could adversely affect our business, prospects, results of operations and trading price of our Equity Shares. Furthermore, as an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies. Such regulatory restrictions could constrain our ability to obtain financings on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that any required regulatory approvals for borrowing in foreign currencies will be granted to us without onerous conditions, or at all. Limitations on foreign debt may have an adverse effect on our business growth, financial condition and results of operations.

61. Changes in tax laws or regulations, or their interpretation, such changes may significantly affect our financial statements for the current and future years, which may have a material adverse effect on our financial position, business and results of operations.

Any change in Indian tax laws, including the upward revision to the currently applicable normal corporate tax rate of 30% along with applicable surcharge and cess, could affect our tax burden. Other benefits such as exemption for income earned by way of dividend from investments in other domestic companies and units of mutual funds, exemption for interest received in respect of tax-free bonds and long-term capital gains on equity shares, if withdrawn by the statute in the future, may no longer be available to us. Any adverse order passed by the appellate authorities/tribunals/courts would have an impact on our profitability.

For instance, as of July 1, 2017, GST in India replaced taxes levied by central and state governments with a unified tax regime in respect of certain goods and services for all of India. However, given the recent introduction of the GST in India, there is no established practice regarding the implementation of, and compliance with, GST. Our business and financial performance could be adversely affected by any unexpected or onerous requirements or regulations resulting from the introduction of GST or any changes in laws or interpretation of existing laws, or the promulgation of new laws, rules and regulations relating to GST, as it is implemented.

Further, as GST is implemented, there can be no assurance that we will not be required to comply with additional procedures and/or obtain additional approvals and licenses from the government and other regulatory bodies or that they will not impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the implementation of GST may have a material adverse effect on our business, financial condition and results of operations.

The Government has enacted the GAAR which have come into effect 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.

We cannot predict whether any tax laws or regulations impacting our products will be enacted, what the nature and impact of the specific terms of any such laws or regulations will be or whether, if at all, any laws or regulations would have a material adverse effect on our business, financial condition and results of operations. Additionally, in view of individual nature of tax consequences and the changing tax laws, each prospective investor is advised to consult their own tax consultant with respect to the specific tax implications arising out of their participation in the Offer.

62. Public companies in India, including us, are required to compute income tax under the Income Computation and Disclosure Standards ("ICDS"). The transition to ICDS in India is recent and we may be negatively affected by this transition.

The Ministry of Finance of India issued a notification dated March 31, 2015 presenting the ICDS, which creates a new framework for the computation of taxable income. The ICDS was to take effect from April 1, 2015. However, in view of the representations from stakeholders, the Central Board of Direct Taxes ("**CBDT**"), Ministry of Finance of India, according to its press release dated July 6, 2016, has deferred the applicability of the ICDS with fiscal 2017 being the first assessment year. The ICDS deviates in several respects from concepts that are followed under general accounting standards, including Indian GAAP and Ind AS. For instance, where ICDS-based calculations of taxable income differ from Indian GAAP or Ind AS-based concepts, the ICDS-based calculations have the effect of requiring taxable income to be recognised earlier, increasing overall levels of taxation or both. There can be no assurance that the adoption of the ICDS will not adversely affect our business, results of operation and financial condition.

63. All of our revenue from operations is derived from business in India, and our business is substantially affected by economic, political and other prevailing conditions in India.

We are a public limited company incorporated in India, and the majority of our assets and employees are located in India. We derive our revenue from our operations in India as a result of which, we are highly dependent on prevailing economic, political and other conditions in India and our results of operations are significantly affected by factors influencing the Indian economy. Factors that may adversely affect our results of operations, may include:

- macroeconomic climate, including any increase in Indian interest rates or inflation;
- any exchange rate fluctuations, the imposition of currency controls and restrictions on the right to convert or repatriate currency or export assets;
- any scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing for our expansions;
- epidemic or any other public health in India or in countries in the region or globally, I uding in India's various neighbouring countries;
- volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges;
- changes in India's tax, trade, fiscal or monetary policies;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighbouring countries;
- occurrence of Force majeure events, terrorist attacks or war or conflicts. Such events could also create a perception that investments in Indian companies involve a higher degree of risk;
- prevailing regional or global economic conditions, including in India's principal export markets;
- other significant regulatory or economic developments in or affecting India or its infrastructure sector;
- international business practices that may conflict with other customs or legal requirements to which we are subject, including anti-bribery and anti-corruption laws;

- protectionist and other adverse public policies, including local content requirements, import/export tariffs, increased regulations or capital investment requirements;

- logistical and communications challenges;

- difficulty in developing any necessary partnerships with local businesses on commercially acceptable terms and/or a timely basis;

- Instability in financial markets; and

- being subject to the jurisdiction of foreign courts, including uncertainty of judicial processes and difficulty enforcing contractual agreements or judgments in foreign legal systems or incurring additional costs to do so.

In November 2017, Governments' policy measure of demonetization impacted certain sectors of the Indian economy, including the infrastructure sector, due to cash crunch with both the construction contractors and the clients. Such slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely impact our business, results of operations and financial condition and the price of the Equity Shares. The majority of our direct costs are incurred in India. As inflation continues to be a concern in India, we may experience inflations-driven increases in certain of our costs. We may not be able to charge higher quotations in our infrastructure construction and development contracts to preserve operating margins. Further, banks and lenders are taking tightening measures through risk management to control inflation, which could affect the availability of funds in the future or the withdrawal of our existing credit facilities. The Indian economy is undergoing many changes and it is difficult to predict the impact of certain fundamental economic changes on our business. Conditions outside India, such as a slowdown or recession in the economic growth of other major countries, specifically the United States, may have an impact on the growth of the Indian economy. Additionally, an increase in trade deficit, a downgrading in India's sovereign debt rating or a decline in India's foreign exchange reserves could negatively affect interest rates and liquidity, which could adversely affect the Indian economy and our business. Any downturn in the macroeconomic environment in India could adversely affect our business, financial condition, results of operation and the trading price of our Equity Shares.

64. We may be affected by competition law in India and any adverse application or interpretation of the Competition Act could in turn adversely affect our business.

The Competition Act, 2002 (the "**Competition Act**") was enacted for the purpose of preventing practices that have or are likely to have an adverse effect on competition in India and has mandated the CCI to separate such practices. The Competition Act regulates practices having an appreciable adverse effect on competition ("**AAEC**") in the relevant market in India. Under the Competition Act, any formal or informal arrangement, understanding or action in concert, which causes or is likely to cause an AAEC is considered void and results in imposition of substantial penalties. Further, any agreement among competitors which directly or indirectly involves determination of purchase or sale prices, limits or controls production, shares the market by way of geographical area or number of subscribers in the relevant market or directly or indirectly results in bid-rigging or collusive bidding is presumed to have an AAEC in the relevant market in India and is considered void. The Competition Act also prohibits abuse of a dominant position by any enterprise.

The Government notified and brought into force the combination regulation (merger control) provisions under the Competition Act with effect from June 1, 2011. These provisions require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to, and pre-approved by, the CCI. Additionally, on May 11, 2011, the CCI issued the Competition Commission of India (Procedure for Transaction of Business Relating to Combinations) Regulations, 2011, as amended, which sets out the mechanism for implementation of the merger control regime in India.

The Competition Act aims to, among others, prohibit all agreements and transactions which may have an AAEC in India. Consequently, all agreements entered into by us could be within the purview of the Competition Act. Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside India if such agreement, conduct or combination has an AAEC in India. However, the impact of the provisions of the Competition Act on the agreements entered into by us cannot be predicted with certainty at this stage. We are not currently party to any outstanding proceedings, nor have we received notice in relation to non-compliance with the Competition Act or the agreements entered into by us. However, if we are affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, or any enforcement proceedings initiated by the CCI, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI or if any prohibition or substantial penalties are levied under the Competition Act, it would adversely affect our business, results of operations and prospects.

65. Investors may have difficulty enforcing foreign judgments against us or our management.

We are a limited liability company incorporated under the laws of India. All the directors and executive officers are residents of India and a majority of our assets and such persons are located in India. As a result, it may not be possible for investors to effect service of process upon us or such persons outside of India, or to enforce judgments obtained against such parties outside of India. Recognition and enforcement of foreign judgments is provided for under Section 13 of CPC on a statutory basis. India would award damages on the same basis as a foreign court if an action was brought in India. Furthermore, it is unlikely that an Indian court would enforce a foreign judgment if that court were of the view that the amount of damages awarded was excessive or inconsistent with public policy or Indian practice. It is uncertain as to whether an Indian court would enforce foreign judgments that would contravene or violate Indian law. However, a party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI under the FEMA, to execute such a judgment or to repatriate any amount recovered.

66. The Indian economy has had sustained periods of high interest rates and inflation.

India has experienced high levels of inflation since 1980, with inflation peaking at an annual rate of 14.1% in 1991. Notwithstanding recent reductions in the inflation rate, based on the wholesale price index, which was 2.0% in Fiscal 2015, 2.5% in Fiscal 2016 and 1.7% in Fiscal 2017 *(Source: Reserve Bank of India),* we tend to experience inflation-driven increases in certain of our costs, such as salaries and related allowances, that are linked to general price levels in India. However, we may not be able to increase the tariffs that we charge for our services sufficiently to preserve operating margins. Accordingly, high rates of inflation in India could increase our costs and decrease our operating margins, which could have an adverse effect on our business and results of operations.

67. A third party could be prevented from acquiring control of us because of the anti-takeover provisions under Indian law.

There are provisions in Indian law that may discourage a third party from attempting to take control over us, even if a change in control would result in the purchase of your Equity Shares at a premium to the market price or would otherwise be beneficial to you. Under the Takeover Regulations an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in concert with others. These provisions may discourage or prevent certain types of transactions involving an actual or threatened change in control of us.

68. Significant differences exist between Ind AS and other accounting principles, such as Indian GAAP, IFRS and U.S. GAAP, which may be material to investors' assessment of our financial condition.

The Restated Financial Statements as of and for the nine months ended December 31, 2017 and Fiscals 2017, 2016 and 2015 included in this Draft Red Herring Prospectus have been prepared under Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013 to the extent applicable. In accordance with Ind AS 101 First-time Adoption of Indian Accounting Standard, we have presented reconciliation from Indian GAAP to Ind AS. For further details, see the section "*Financial Statements*", beginning on page 232.

Except as otherwise provided in the "*Financial Statements*" with respect to Indian GAAP, no attempt has been made to reconcile any of the information given in this Draft Red Herring Prospectus to any other principles or to base the information on any other standards. Ind AS differs from other accounting principles with which prospective investors may be familiar, such as Indian GAAP, IFRS and U.S. GAAP. Accordingly, the degree to which the financial statements included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Ind AS. Persons not familiar with Ind AS should limit their reliance on the financial disclosures presented in this Draft Red Herring Prospectus. In addition, our Restated Financial Statements may be subject to change if new or amended Ind AS accounting standards are issued in the future or if we revise our elections or selected exemptions in respect of the relevant regulations for the implementation of Ind AS.

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

The Articles of Association, regulations of the Board of Directors, Indian laws governing our corporate affairs, the validity of 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 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 a shareholder in our Company than as a shareholder of a company in another jurisdiction.

70. Foreign investors are subject to foreign investment restrictions under Indian laws which limit our ability to attract foreign investors, which may adversely impact the market price of our Equity Shares.

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain restrictions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Indian Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/tax clearance certificate from the income tax authority. We cannot assure investors that any required approval from the RBI or any other Indian government agency can be obtained on any particular terms, or at all.

Risks relating to Equity Shares

71. Our Company has issued Equity Shares during the last 12 months from the date of filing of this Draft Red Herring Prospectus at a price that may be below the Offer Price.

During the last 12 months from the date of filing of this Draft Red Herring Prospectus, we have issued Equity Shares at a price that is lower than the Offer Price as detailed in the following table.

Date of allotment	No. of Equity Shares allotted	Face value (₹)	Issue price (₹)	Reason for allotment
February 24, 2018	21,375,001	10	-	Bonus issue(1)

(1) 21,375,001 Equity Shares were allotted to the shareholders of our Company, in the ratio one new Equity Shares of ₹ 10 each for every three existing paid up Equity Share of ₹ 10 each, namely, (i) Kanubhai Mafatlal Patel (on behalf of Kanubhai Trust), (ii) Kanubhai Mafatlal Patel, (iii) Dinaben Kanubhai Patel, (iv) Brijesh Kanubhai Patel, (v) Mrunal Kanubhai Patel, (vi) Alpa Brijesh Patel, (vii) Janki Mrunal Patel, (viii) Suhas Vasant Joshi, and (ix) Nareshkumar Pranshankar Suthar.

For further details, see "*Capital Structure – Notes to Capital Structure*", on page 82.

72. There is no guarantee that our Equity Shares will be listed on the Stock Exchanges in a timely manner or at all.

In accordance with Indian law and practice, permission for listing and trading of our Equity Shares will not be granted until after certain actions have been completed in relation to this Offer and until Allotment of Equity Shares pursuant to this Offer. In accordance with current regulations of SEBI, our Equity Shares are required to be listed on the Stock Exchanges within six Working Days from the Bid and Offer Closing Date, subject to any change in the prescribed timeline in this regard. However, we cannot assure you that the trading in our Equity Shares will commence in a timely manner or at all. Any failure or delay in obtaining final listing and trading approvals may restrict your ability to dispose of your Equity Shares.

73. The Equity Shares have never been publicly traded and the Offer may not result in an active or liquid market for the Equity Shares. 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.

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. Moreover, the Offer Price is intended to be determined through a book-building process and may not be indicative of the price of our Equity Shares at the time of commencement of trading of our Equity Shares or at any time thereafter. 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 price of our Equity Shares on the Stock Exchanges may fluctuate after this Offer as a result of several factors, including:

- volatility in the Indian and global securities market or in the Rupee's value relative to the U.S. Dollar, the Euro and other foreign currencies;
- our profitability and performance;
- perceptions about our future performance or the performance of Indian companies in general;
- performance of our competitors and the perception in the market about investments in the industry;
- adverse media reports about us or the industry;
- significant developments in India's economic liberalization and deregulation policies;
- significant developments in India's fiscal and environmental regulations; and

- changes in central banks' monetary policies of developed economies, affecting the global liquidity scenario.

There can be no assurance that an active trading market for our Equity Shares will be sustained after this Offer, or that the price at which our Equity Shares have historically traded will correspond to the price at which the Equity Shares are offered in this Offer the price at which our Equity Shares will trade in the market subsequent to this Offer. Our Equity Share price may be volatile and may decline post listing.

74. 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 Shareholder in consultation with the BRLMs through the Book Building Process. This price will be based on numerous factors, as described in the section "*Basis for the Offer Price*", beginning on page 110 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.

75. Any future issuance of Equity Shares by us may dilute your shareholding and sales of the equity shares by the Promoters, Promoter Group or other major shareholders may adversely affect the trading price of the Equity Shares.

Any future issuance of Equity Shares by us may dilute your shareholding in our Company. In addition, any sales of substantial amounts of the Equity Shares in the public market after the completion of the Offer, including by the Promoters or other major shareholders, or the perception that such sales could occur, could adversely affect the market price of the Equity Shares and could materially impair future ability of our Company to raise capital through offerings of the Equity Shares. Our Company's Promoters and Promoter Group currently hold an aggregate of 85,489,337 Equity Shares which is equivalent to 99.99% of the issued, subscribed and paid-up Equity Share capital of our Company as of this Draft Red Herring Prospectus. After the completion of the Offer (assuming full subscription of the Offer), the Promoters and Promoters Group will continue to hold up to 82,489,337 Equity Shares of our Company. We cannot predict the effect, if any, that the sale of the Equity Shares held by the Promoters or other major shareholders or the availability of these Equity Shares for future sale will have on the market price of the Equity Shares.

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

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

However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights, unless we make such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for your benefit. The value such custodian receives on the sale of any such securities and the related transaction costs cannot be predicted. To the extent that you are unable to exercise pre-emptive rights granted in respect of our Equity Shares, your proportional interests in our Company may be reduced.

Prominent Notes:

1. Public offer of up to [●] Equity Shares for cash at a price of ₹ [●] per Equity Share, through a Fresh Issue of up to [●] Equity Shares aggregating up to ₹ 4,500 million and an offer for sale by Kanubhai Trust of up to 3,000,000 Equity Shares aggregating up to ₹ [●] million. The Offer would constitute up to [●] % of our post-Offer paid-up Share capital.

2. As of March 31, 2017 and for the nine months ending December 31, 2017, our Company's net worth was ₹ 4,333.59 million and ₹ 4,745.36 million as per our Company's Restated Consolidated Financial Statements and ₹ 4,653.35 million and ₹ 5,160.97 million as per our Company's Restated Standalone Financial Statements, respectively.

3. As of March 31, 2017 and for the nine months ending December 31, 2017, the net asset value per Equity Share was ₹ 67.58 and ₹ 55.50 as per our Company's Restated Consolidated Financial Statements and ₹ 72.57 and ₹ 60.36 as per our Company's Restated Standalone Financial Statements, respectively.

4. The average cost of acquisition of Equity Shares by the Promoters is as follows:

(in ₹)

Name of the Promoter	Average cost of acquisition of Equity Shares
Kanubhai Mafatlal Patel	5.53
Brijesh Kanubhai Patel	0.33
Mrunal Kanubhai Patel	5.11
Kanubhai Trust	Nil

For further details, see the section "*Capital Structure*", beginning on page 81.

5. For details of related party transactions entered into by our Company with the Group Companies and our Subsidiaries in the last Fiscal, see the section "*Related Party Transactions*", beginning on page 231.

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

7. Except as disclosed in "*Promoter and Promoter Group*", "*Group Companies*" and "*Related Party Transactions*", beginning on pages 221, 225 and 231, none of the Group Companies has business interest or other interests in our Company.

8. For any complaints, information or clarifications pertaining to the Offer, investors may contact the Registrar to the Offer, our Company and the BRLMs who have submitted the due diligence certificate to SEBI.

9. Our Company has not changed its name in the past three years.

SECTION III: INTRODUCTION

SUMMARY OF INDUSTRY

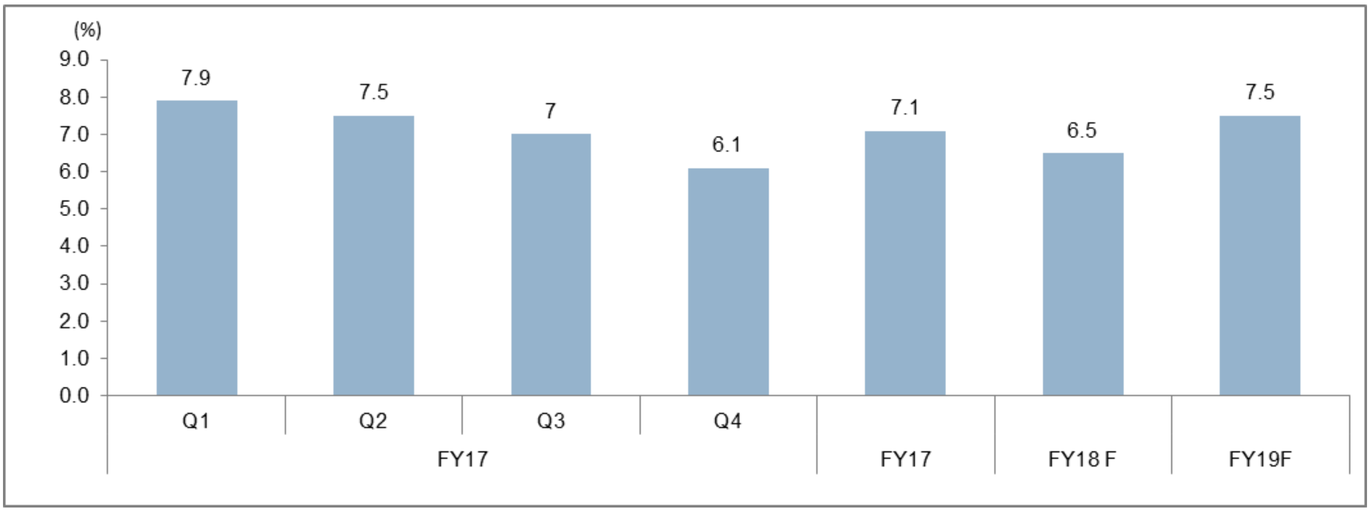
The information in this section has been obtained from the CRISIL Report that includes publically available information and third party data sources. We have commissioned the CRISIL Report in connection with the Offer. Neither we, nor any of the Book Running Lead Managers, nor any other person connected with the Offer has verified the information in the CRISIL Report. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends.

Indian Economy

GDP logged 6.9% CAGR over the past 5 years

In early 2015, India adopted a new base year (Fiscal 2012) to calculate the GDP based on which absolute GDP shot up from ₹ 87 trillion in Fiscal 2012 to ₹ 122 trillion in Fiscal 2017, a 6.9% compound annual growth rate (CAGR). As per the Central Statistics Organisation's (CSO) provisional estimates, India's GDP in Fiscal 2017 stood at 7.1%, well above the world average of 3.1%, but down from 8% in Fiscal 2016. One of the major reasons for this was demonetisation.

Real GDP growth (% on-year)

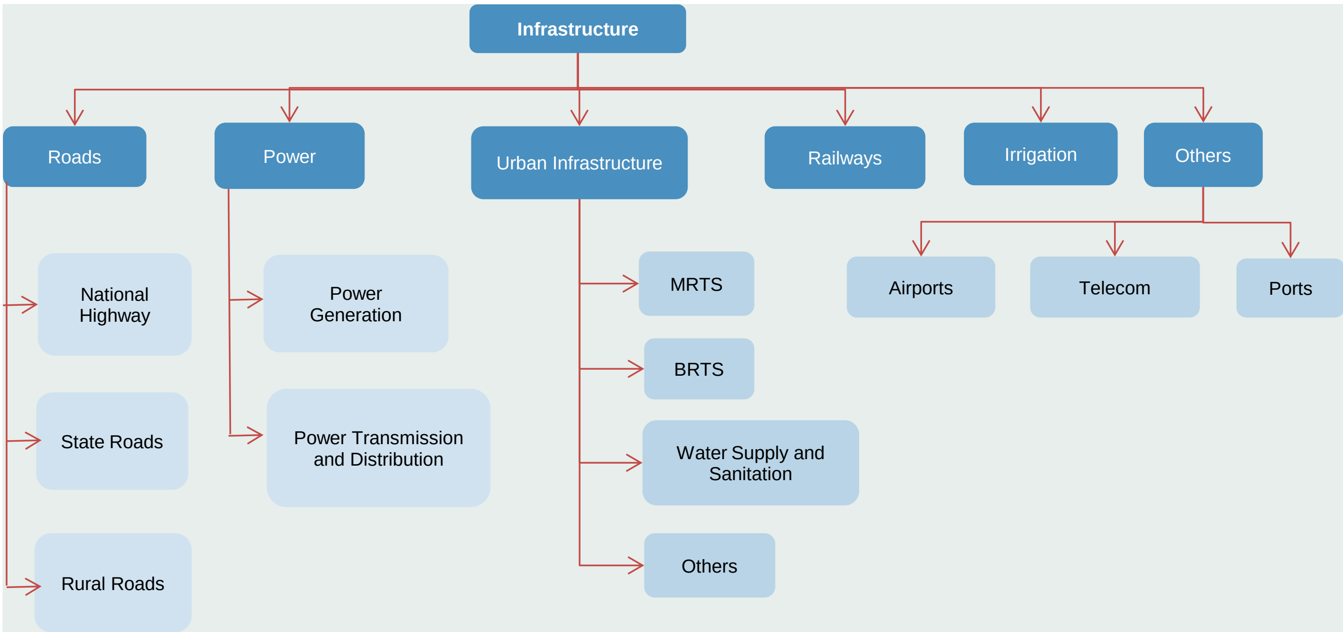


F: Forecast

Source: CSO, CRISIL Research

Indian construction industry

The Indian construction industry consists of 3 broad segments i.e. Infrastructure construction, building construction and industrial construction. CRISIL Research expects the construction opportunity of ₹ 47.8 trillion over the next 5 year period. Of this 49% will be contributed by the infrastructure industry followed by building construction 47% and the industrial segment contributing only 4%.



Source: CRISIL Research

1) Outlook on construction spends under key infrastructure segments

Infrastructure projects will provide the bulk of construction opportunity over the next five years.. The Central government's focus on roads, urban infrastructure and railways will boost infrastructure investment. Conversely, spending on industrial projects is expected to be low as companies in the metals, petrochemicals and cement sectors delay their expansion plans amid low utilisation and muted demand.

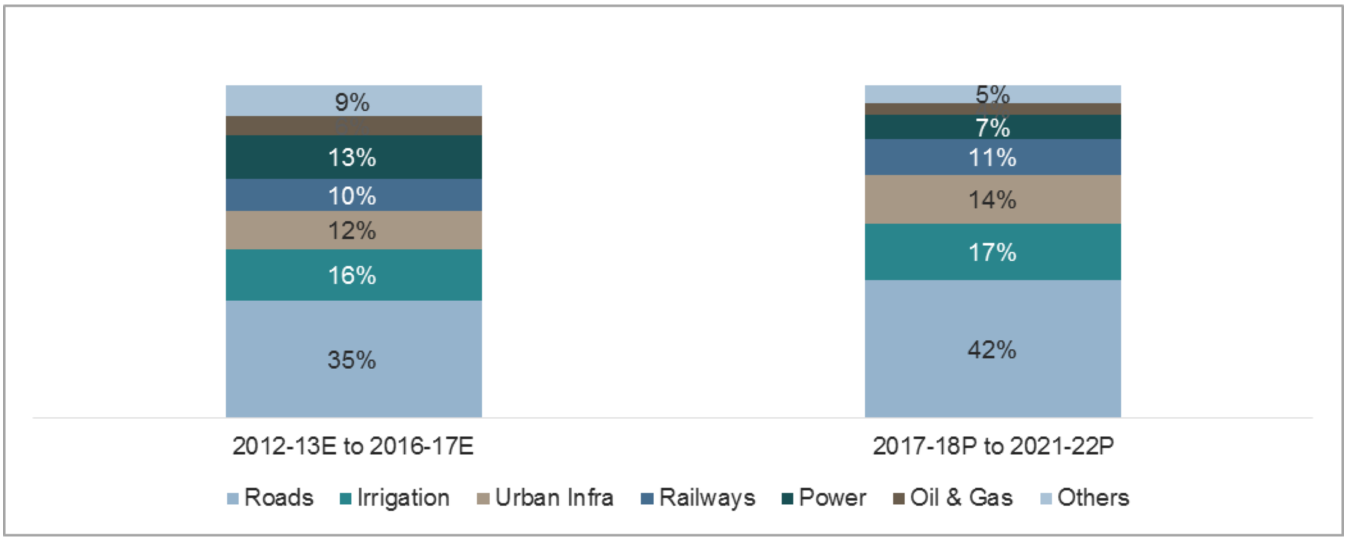
Industrial investments are expected to remain muted over the next five years; however, infrastructure spending is expected to pick up

We expect overall construction opportunity in infrastructure and industrial to growth at an average of 12-13% annually over the next five years from 2017-18 to 2021-22. Total construction spending for infrastructure and industrial is expected to increase to ₹ 25.4 trillion in the 2017-18 to 2021-22 period which is 1.7 times the spending in last 5 years.

Roads to lead way

Within the infrastructure space, road projects will be a critical investment driver, from 2017-18 to 2021-22. CRISIL Research also expects metro rail, water supply and sanitation, and railway projects to be implemented rapidly, given that a sizable budgetary allocation and government focus will spur investment.

Share of segments in overall construction spending



E: Estimated; P: Projected

Source: CRISIL Research

Growth drivers for the infrastructure industry

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

2) *Economic growth*

Freight traffic growth is a function of economic activity, as it further necessitates road development. Primary freight in billion tonne km (BTKM) is expected to have grown by ~6% in FY18 over a low base created due to demonetisation in FY17. Primary fright had grown by ~3% on-year in FY17, continuing from a similar growth seen in FY16. Freight demand plunged post demonetisation in FY17, but recovered by the start of FY18. As per the South Asia Economic Focus (Fall 2017), the World Bank estimates India's GDP growth to be about 7.3% in FY19 and increase to 7.4% in FY20. This is expected to boost overall freight demand in the country.

3) *Policy measures to boost infrastructure investment, driving construction sector*

Delays in project awards and clearances, along with poor financials of players, stifled investments in the construction sector over the past two-three years. The central government has focused on reducing hurdles for new projects and clearing stalled projects, thus reducing delays in construction. For example in roads, a major cause of delays had been non-availability of land for a part of the project, after the construction has begun. This has been managed by the government by ensuring that 80-90% of land has been acquired before awarding.

Construction spending is expected to grow over the next five years with the government's increased focus towards infrastructure spending, such as:

Introduction of new schemes like Smart cities, Pradhan Mantri Awas Yojana (PMAY), Swaccha Bharat

Streamlining of existing schemes for eg. Atal Mission for Rejuvenation and Urban Transformation (AMRUT), clubbing 4 major irrigation schemes under Pradhan Mantri Krishi Sinchayee Yojana (PMKSY)

Payment of 75% of arbitration claims in case of case having won by the private player in the lower tribunal

Awarding national highway projects only after 80-90% of the required land is in possession of the government

Launching of schemes to help developers improve cash flow and repay debt, such as rescheduling premiums in road projects and permitting developers to offload stake in the build-operate-transfer projects.

In the 2018-19 budget, capital outlay for the infrastructure sector is ₹4 trillion. Of this ₹ 1.5 trillion is through budgetary allocation; the rest is through Internal and Extra Budgetary Resources (IEBR). Railways saw the highest boost, with a rise 22% over RE. Roads saw a increase of 10% over RE.

4) Review of road infrastructure in India

India has the second-largest road network in the world, at ~5.4 million km. Roads are the most used mode of transportation, accounting for ~86% share of passenger traffic and close to 65% share of freight traffic. In India, national highways, with length of close to 120,543 km, constitute a mere 2.2% of the road network, but carry ~40% of the total road traffic.

Road network in India in Fiscal 2018

Road network	Length (km)	Percentage of total		Connectivity to
		Length	Traffic	
National highway	120,543	2.20	40	Union capital, state capitals, major ports, foreign highways
State highway	155,222	2.83	60	Major centres within the states, national highways
Other roads	5,207,044	94.97		Major and other district roads, rural roads - production centres, markets, highways, railway stations
Total	5,482,809	100.00		

Source: MoRTH Annual report 2017-18 (Dec-17), CRISIL Research

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

Irrigation

Irrigation spend to rise on increased government support

CRISIL Research projects investments in irrigation to increase 1.7 times between Fiscals 2018 and 2022. With irrigation being a state subject, most of the investments will flow from state governments which will account for 85-90% of the total investment. Majority of the investments are expected to focus on completing existing major and medium-sized irrigation projects.

CRISIL Research believes construction spend in irrigation will rise sharply to ₹ 4,242 billion till Fiscal 2022 compared with ₹ 2,448 billion over the past five years (Fiscals 2012 to 2017). As much as ₹ 72.8 billion was released in Fiscal 2016 and ₹ 77.7 billion in Fiscal 2017 under the Pradhan Mantri Krishi Sinchayee Yojana (PMKSY) scheme. A new micro-irrigation fund with a corpus of ₹ 50 billion is to be set up.

Key growth drivers for irrigation sector

Low irrigation penetration levels

In India, ~142 million hectares was cultivated, as of Fiscal 2014, of which less than 50% was irrigated. Indian farmers are forced to keep an eye on the sky for a good crop, despite investments totalling ₹ 5,390 billion in the past 10 years and multiple schemes for irrigation.

However, with less than 50% of the land irrigated, the country has huge unharnessed potential for further investments in the space.

Besides high-yielding crop varieties and increased use of fertilisers, the Green Revolution also put the spotlight on irrigation. The initial beneficiaries were the Gangetic plain states of Punjab, Uttar Pradesh, and Haryana. As a result, irrigation penetration is substantially higher in these states, with penetration levels at 100% in Punjab, 84% in Haryana, and 85% in Uttar Pradesh. In contrast, the penetration levels in Jharkhand, Maharashtra, Odisha, Chhattisgarh, Karnataka, Gujarat, Andhra Pradesh, Telangana, and Rajasthan are lower than the national average.

Clubbing of all centrally sponsored schemes under one umbrella

Aiming to enhance the area under cultivation by 2.85 million hectares in 2016-17 and by 8 million hectares by 2020, the central government converged irrigation schemes under the Pradhan Mantri Krishi Sinchayee Yojana (PMKSY) in Fiscal 2016, with a spending target of ₹ 500 billion until 2020. Key schemes converged include Accelerated Irrigation Benefit Programme (AIBP), Integrated Water Shed Management Programme, On Farm Water Management, and Per Drop More Crop.

The PMKSY has four major components: Accelerated Irrigation Benefit Programme (AIBP), Integrated Watershed Management Programme (IWSMP), On Farm Water Management (OFWM or Har Khet ko Pani) and Per Drop More Crop.

Improved monitoring from central government

The government has started to take a bottom-up approach, with each district asked to prepare a district irrigation plan. All states have to prepare a state irrigation plan based on their district irrigation plans.

Secure access to land and water, driven by policy reforms

Projects have been delayed due to issues in land acquisition and clearances. The sector also faces delays due to water disputes with neighbouring states. Providing a framework for fast-tracking dispute resolution, in effect reducing delays, will make the industry more attractive for private players.

Increasing penetration of micro-irrigation

The potential for micro-irrigation in India is very high, given that only 8.8-9.0 million ha out of a potential ~69.5 million ha has been covered under such systems (as of March 2017), even as water scarcity issues loom large. Aiming to converge irrigation investment at the field level to maximise its impact, the government initiated the PMKSY in Fiscal 2016 with a spending target of ₹ 500 billion until 2020. Key schemes converged include the AIBP, IWSMP, OFWM or Har Khet ko Pani, and Per Drop More Crop, of which micro-irrigation is a component. An area of 2.86 million ha is proposed to be irrigated during Fiscal 2018, under PMKSY.

Urban infrastructure in India

The government's thrust on urban infrastructure development will be the predominant force driving investment in the sector over the next 5 years. CRISIL Research expects construction spend in urban infrastructure to touch ~₹ 3.6 trillion between Fiscals 2018 and 2022, twice the spend in the previous 5 years.

Key growth drivers for urban infrastructure

Urban infrastructure includes construction-intensive mass rapid transit system (MRTS), bus rapid transit system (BRTS), water supply and sanitation (WSS) projects, smart cities, and related infrastructure development.

CRISIL Research expects investment in India's urban infrastructure to grow at a robust pace, driven by government schemes such as AMRUT, Swachh Bharat, and Clean Ganga. Water supply and sanitation (WSS) projects and metro construction in major Indian cities are expected to boost urban infrastructure investment in the next five years. The progress of work on 90 smart cities announced so far will also be a key monitorable.

Swachh Bharat Mission (SBM) to boost WSS projects

Government schemes such as the SBM and the National Mission for Clean Ganga (NMCG) are likely to boost WSS investments.

On October 2, 2014, the Prime Minister of India launched the Swachh Bharat Mission to focus on sanitation and accelerate efforts to achieve universal sanitation coverage. It comprises two sub-missions - Swachh Bharat Mission (Gramin) and Swachh Bharat Mission (Urban) - aiming to achieve Swachh Bharat by 2019. Components of the mission are: construction of household toilets, community toilets, public toilets, including conversion of insanitary latrines into pour-flush latrines; solid waste management; and public awareness.

Under the National Mission for Clean Ganga (NMCG) the aims and objective is to ensure effective abatement of pollution and rejuvenation of the river Ganga by adopting a river basin approach to promote inter-sectoral coordination for comprehensive planning and management. It also aims to maintain minimum ecological flows in the river Ganga with the aim of ensuring water quality and environmentally sustainable development. The government has released ₹ 36.3 billion between 2014-15 and 2016-17 for cleaning the Ganga and beautifying ghats along it.

AMRUT will also drive WSS spend

Atal Mission for Rejuvenation and Urban Transformation (AMRUT) focuses on basic infrastructure services such as water supply, sewerage, storm water drains, transport, and development of green spaces and parks. The government allocated ₹ 500 billion for five years (2015-16 to 2019-20) under this scheme, as against ₹ 360 billion spent under JNNURM over the past five years. However, only 8.7% of ₹ 500 billion was released till March 2017. Out of the total allocated central government share to the SAAPs for the years FY16 and FY17, only 20% had been released, indicating sluggishness in the on-ground implementation of the project.

Metro construction: Second-largest urban infra investment contributor

In order to provide safe and sustainable transport in urban areas, up to 326 km of metro lines have been made operational in different cities, and over 500 km of metro lines are at different stages of construction in 12 cities. In addition, over 550 km of metro rail projects and 381 km of regional rapid transport systems are under planning and consideration.

CRISIL Research estimates that construction spends on metros in India will increase 1.9 times to ~₹ 1.1 trillion over the next 5 years, making it the second-largest contributor to urban infrastructure investments. CRISIL Research estimates that ~70% of the total investment in the MRTS between Fiscals 2018 and 2022 will be in these key projects: Delhi Metro Rail Project - Phase III and IV, Bangalore Metro - Phase II, Colaba-Bandra-Seepz Project, Dahisar-Charkop-Bandra Metro Line 2, Wadala-Ghatkopar-Teen Hath Naka Metro Line 4 and Dahisar-Andheri Metro, Nagpur Metro, Greater Noida Metro Project, and Kolkata Metro Project Phase II.

Smart cities to boost urban infra spends

The government approved a budget of ₹ 480 billion for the development of 100 smart cities over 5 years beginning Fiscal 2017, with a focus on adequate and clean water supply, sanitation, solid waste management, efficient transportation, affordable housing for the poor, power supply, robust IT connectivity, e-governance, safety and security of citizens, health, and education. 99 smart cities announced; only 29 cities showing reasonable activity in terms of tendering and execution

Out of the 60 smart cities declared in the rounds 1, 2 and the fast track round, only about 29 cities are experiencing reasonable amount of activity. Of the first 20 cities announced, only 10 cities have progressed in terms of execution. About 8 cities have no or marginal progress in terms of execution as against initially planned.

For the balance 39 cities selected in rounds 3 and 4, tendering is in a very nascent stage for the newly formed SPVs, and for some cities, the SPV is yet to be formed.

EPC opportunities in railways

Railway investments to touch ₹ 8.0 trillion over Fiscals 2018-2022

CRISIL Research expects the investments in railway sector to increase from ₹ 3.9 trillion during Fiscal 13-17 to ₹ 8.0 trillion in Fiscals FY18-22., led by an increased thrust on raising funds through new channels such as LIC and multilateral agencies.

The growth in investments are driven by

- Availability of funding from Life Insurance Corporation (LIC) and Multilateral agencies
- Improvement in the pace of approvals
- Provision of additional resources such as Rashtriya Rail Sanraksha Kosh (RRSK)
- Increase in private sector participation *(especially in rolling stock, station redevelopment, connectivity projects, etc.)*

The revised estimates for 2017-18 stood at ₹ 1.2 trillion whereas for 2018-19 the budget estimates stood at ₹ 1.46 trillion. This shows a continued upward bias in infrastructure investments in railways.

Key growth drivers for the railway industry

DFC execution to be a major opportunity for construction players

The DFC project is estimated to cost ₹ 814 billion for the eastern (1,856 km) and western (1,504 km) sectors, which includes cost of land acquisition (₹ 81 billion) and construction (₹ 734 billion). The project cost is higher, as it excludes 538 km stretch of EDFC, which the government proposes to implement through PPP. The length of the project is 3,360 km.

Status of DFC

DFC will offer significant scope for construction as around 96% of the 10,589 hectares required (except for the PPP stretch) has been acquired across both corridors as of January 2017. For EDFC (except PPP stretch) 95% of the land, for WDFC 96.5% of land, and for the PPP stretch, 47.5% of land has been acquired.

Also, 92% of civil, 82% of electrical, and 82% of signal contracts have been awarded. Physical progress of the civil contracts awarded is about 37%. Expenditure up to December 2016 (including land) for both DFCs was ₹ 283.9 billion (34.8% of total estimated cost). We believe construction spend in both DFCs will amount to ₹ 520 billion over five years.

DFC is well-funded. EDFC (estimated cost of ₹ 266.7 billion, excluding the PPP stretch) is being funded by the World Bank through a loan of $2.725 billion (approximately ₹ 163.5 billion). WDFC (estimated cost of ₹ 467.2 billion) is being funded by JICA through ₹ 387.2 billion loan.

As per 2018-19 Budget, about 12,000 wagons, 5,160 coaches and approximately 700 locomotives will be procured during the year for the Eastern and Western Dedicated Freight Corridors.

National Transport Master Plan (NTMP)

The central government is working on National Transport Master Plan (NTMP) that will provide seamless movement of freight and passengers across multiple modes of transport. This will be jointly developed by the ministries of road transport and highways, shipping, aviation and railways. NTMP will provide a strategic framework and investment plan for sustainable development of transport infrastructure.

The roads ministry plans to develop 10 multi-modal hubs across the country in partnership with railways and shipping ministries. Construction work for these hubs could be given to the National Highways Authority of India (NHAI). The plan will include construction of multi-modal transport hubs that will home railway stations, light railway stations (metro) and bus terminals under one roof.

Overview of EPC in Power segment

Investments in the transmission segment are expected to grow strongly over the next five years, led by robust investments in inter-regional transmission by Power Grid Corporation of India Ltd, coupled with steady investments from various states to augment their intrastate networks. This is on account of sub-par investments in T&D as compared to the investments in generation in past 5 years. Rising private sector participation will also support the transmission segment's investments. The distribution segment's investments are expected to be driven by an increased outlay from the Central government on various distribution-related schemes and state investments to reduce AT&C (aggregate technical and commercial) losses. However, transmission and distribution (T&D) projects have a lower construction intensity of about 10%.

The transmission segment plays a key role in transmitting power continuously to various distribution entities across the country. The total length of transmission lines in the country has increased from 257,481 circuit kilometers (ckm) in 2011-12 to around 367,851 ckm in 2016-17. In India, the T and D system is a three-tier structure comprising distribution networks, state grids and regional grids. Most inter-state transmission links are owned and operated by PGCIL.

Distribution is the last and critical leg in the supply of electricity, reaching end consumers such as residential, commercial, agricultural and industrial segments. Distribution business is largely dominated by state government promoted distribution companies, with private participation being marginal (~5- 7 per cent of the total).

Key growth drivers for the power transmission and distribution industry

Development in T&D network to assist demand growth

With government's focus on alleviating congestion, transmission capacities are expected to witness robust growth. About 300-310 GVA transformation capacity (above 220 kV level) is expected to be added during Fiscals 2018 to 2022 to reach cumulative transformation capacity of 1,050 GVA by March 2022 at ~7% CAGR.

'Saubhagya' scheme to improve household electrification

The government is aiming to boost residential power demand through the Saubhagya scheme. Assuming monthly consumption of such households at 100 kwh/ month, the scheme, if implemented successfully, has the potential to increase power demand by 45-50 BUs (~4% of the power demand in Fiscal 2017).

Electric vehicles to support demand growth, albeit over longer term

India is aiming to have an all-electric car fleet by 2030. Although evolution of EVs would boost power demand, CRISIL Research believes that the larger impact would be seen over the long term (i.e., post Fiscal 2020)

Domestic segment to lead the growth drive

Electricity consumption in the domestic segment is estimated to increase at around 8.5-9.0% during 2018-22 and its share in total electricity consumption is expected to increase to 25% in Fiscal 2021 from 23% in Fiscal 2016. This growth will be led by high latent demand, rapid urbanisation and government initiatives such as rural electrification and 24x7 power for all by Fiscal 2019.

Measures under DDUGJY to boost demand from rural households

Rural electrification, segregation of agricultural and non-agricultural feeders, strengthening and augmentation of T&D infrastructure in rural areas, and metering of transformers/feeders/consumers are expected to boost power demand in the agriculture sector in next five years.

While 95% rural electrification has been completed as of May 2017, there still exist 44 million un-electrified households, and 45% of the villages are yet to be intensively electrified.

Coal/lignite mining in India

India is the third largest energy consumer after China and the US. Like many developing countries, coal is the dominant energy source of the country's consumption basket, because of its abundant domestic availability and affordability. India is the third-largest coal producer in the world. India's total coal production rose to ~662 million tonne (MT) in Fiscal 2017 from ~556 MT in Fiscal 2013, with Coal India Ltd (CIL) accounting for bulk of the increase.

Key growth drivers for coal industry

Power sector to drive non-coking coal consumption

CRISIL Research expects non-coking coal consumption to grow at a CAGR of 5%, rising to about 963 MT in FY2022 from 747 MT in FY2017. CRISIL Research's end-user wise analysis suggests that coal based power capacities would continue to drive coal consumption.

Coal demand from the power sector is expected to be driven by ~35 GW of capacity addition as well as increase in PLF to ~62% by FY2022. Rising domestic coal production is also expected to support consumption. The SHAKTI policy announced by the government to provide long-term domestic coal linkage to the power sector will support consumption. Overall, in absolute terms, imports of non-coking coal to the power sector are estimated be around 67 million tonnes in FY2022.

Rising steel production to drive domestic metallurgical coking coal demand

Rising steel production to drive metallurgical coking coal demand over next 5 years; however, substitution by PCI will constrain metallurgical coking coal demand growth. Consequently, we expect demand for metallurgical coking coal to increase to 64 MT in FY2021 from 50 MT in FY2017, a CAGR of 5%. Over the same period, domestic supply is anticipated to increase from 14 million tonnes to 19 million tonnes. Consequently, share of imports is forecast to remain elevated at 75-77 per cent over the next five years.

Pick-up in cement consumption to lead to healthy coal demand, but threat from petcoke to persist

CRISIL Research expects consumption of cement to grow at a CAGR of ~6%, owing to increased spends on roads and railways, push towards affordable housing by central government, materialisation of pent-up demand, particularly in rural housing and low base. Consequently, non-coking coal consumption is estimated to increase at 7% CAGR to 20 million tonnes in FY2022. However, we expect increasing penetration of alternate fuels such as pet coke to limit growth in coal demand from the cement sector.

EPC (Construction) Potential in building construction Industry

The building construction segment in India consists of urban housing, commercial real estate, healthcare construction, logistics parks and education institutes construction. Urban housing forms about 84% of the total building construction potential.

Key growth drivers for the housing industry

Rising population and migration are the primary reasons for increasing housing needs. The secondary drivers are increasing nuclearisation, income growth, and easy access to finance in major cities. Not to forget tax benefits provided by the government to promote the housing sector.

Urbanisation to cross 35% by 2021

The share of urban population in relation to the total population has been consistently rising over the years. People from rural areas move to cities for better job opportunities, education, better life, etc. Entire families or only a few people (generally earning member or students) may migrate, while a part of the family continues to hold on to the native house. The urban population was 377 million in 2011, marking a CAGR of 2.8%; rural population was 833 million, up at a CAGR of 1.16%. Urbanisation levels rose from 28% in 2001 to about 31% in 2011. A United Nations report, World Urbanization Prospects: The 2011 Revision expects nearly 36% of the country's population to live in urban areas by 2020. The total estimated population was 1,283 million in 2006, up at a CAGR of 1.18% from 2011.

Nuclearisation

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

Changing floor space requirement

Floor space requirement is dependent on the family size as well as affordability determined by income levels. With increasing nuclearisation, the per capita floor space area required reduces as the family size shrinks. As income rises, people shift to bigger houses, thus increasing demand. For lower income groups, floor space required is marginally higher in rural areas than in urban areas. This may be attributed to lower prices in rural areas.

Higher affordability led by increasing disposable income

India’s per capita income grew at a healthy rate in the past three years to ₹ 93,653 in 2016-17 (base year 2011-12). In real terms, per capita income is estimated to have grown 5.9% in 2016-17 compared with 6.6% in the preceding Fiscal. The buoyant trend in per capita income is expected to continue. In the short to medium term, disposable income will rise as a result of implementation of the Seventh Pay Commission’s recommendations and the One Rank One Pension scheme, and sustained low inflation. This will be an enabler for domestic consumption. Increasing disposable income typically has a positive correlation with demand for housing units as it increases affordability.

Tax incentives by the government

The government has traditionally used tax regulations to promote the housing sector. Some of the tax benefits are as follows:

Tax sops given to housing loan borrowers

Tax sops for the housing sector have been instrumental in driving growth in the housing and housing finance sectors. Tax deduction is available for home loans under two sections of the Income Tax Act of India (excluding home loans from private sources such as friends, family, etc.).

Interest paid on home loan

As per Section 24 (b) of the Income Tax Act, 1961, annual interest payments of up to ₹ 200,000 (₹ 300 for senior citizens) on housing loans can be claimed as deduction from taxable income.

Principal repayment of home loan

As per Section 80 C (read with Section 80 CCE) of the Income Tax Act, principal repayments of up to ₹ 150,000 on home loans are allowed as a deduction from the gross total income. As per Section 80 EE, an additional deduction in respect of interest of ₹ 50,000 p.a. has been provided exclusively for first-time home buyers, given the property value is up to ₹ 5 million, the loan is up to ₹ 3.5 million, and the loan has been sanctioned between April 1, 2016 and March 31, 2017.

Interest subvention scheme

The Cabinet Committee on Economic Affairs approved a proposal to increase the interest subsidy to 6.5% for loans of up to ₹ 0.6 million for EWS and LIG beneficiaries under affordable housing through the CLSS component of the Housing for All by 2020 mission. In February 2017, benefits of CLSS were extended to include MIG households as well.

Exemption from capital gains

Capital gains from the transfer of residential property, if invested in acquiring a residential building (within a defined time frame), are exempt from income tax.

Availability and penetration of housing finance

Growth of the housing sector in India also depends on availability of finance and the cost of obtaining it. Availability of finance can broadly be gauged through finance penetration.

Availability of large number of financiers across categories

The housing finance sector in India comprises a large number of institutions: financial institutions, scheduled commercial banks, scheduled cooperative banks, regional rural banks, agriculture and rural development banks, housing finance companies, state-level apex co-operative housing finance societies, non-banking financial companies, microfinance institutions, and self-help groups. These institutions cater to housing finance requirements across income groups and financing needs.

Financiers offer two types of interest rate loans to customers: fixed and floating interest rate loans. In the former, the interest rate remains constant over the tenure of the loan. In the latter, the borrower has to pay at a rate that is linked to the benchmark lending rates of financiers. Fixed rate loans are typically priced higher compared with floating rate loans owing to higher interest rate risk associated with them. Given the long-term nature of housing loans and medium-term nature of financiers' liabilities, financiers prefer to lend at floating rate, as it allows them to reset interest rates as and when their cost of funds increases.

Smart cities to boost urban infra spends

To push infrastructure spending further, the government approved a budget of ₹ 480 billion for the development of 100 smart cities over five years beginning 2016-17, with a focus on adequate and clean water supply, sanitation, solid waste management, efficient transportation, affordable housing for the poor, power supply, robust IT connectivity, e-governance, safety and security of citizens, health, and education.

Selected cities would get central assistance of ₹ 2 billion in the first year and ₹ 1 billion in each of the next four years, and a matching contribution by the respective state.

The state and central government funds will meet only part of the cost. The rest will be raised through user fees, municipal bonds, existing central/state schemes such as AMRUT, and public-private participation (PPP).

SUMMARY OF BUSINESS

Investors should note that this is only a summary of our business and does not contain all information that should be considered before investing in the Equity Shares. Before deciding to invest in the Equity Shares, prospective investors should read this Draft Red Herring Prospectus, including the information in the sections "Risk Factors", "Financial Information", "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 16, 232, 163 and 444, respectively. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with an investment in the Equity Shares, see the section "Risk Factors" beginning on page 16.

Overview

We are an infrastructure construction and development company, with operations diversified across highways, railways, buildings and factories, mining, energy infrastructure and water and irrigation verticals of the infrastructure sector. As part of our infrastructure construction and development operations, through our Subsidiaries, we are undertaking two highways projects on HAM basis and one mining project on MDO basis.

We have more than two decades of execution experience having completed 66 EPC projects with an Order Book as of December 31, 2017, aggregating to ₹ 53,078.78 million with 31 ongoing EPC projects, spanning across 11 states and one union territory in India including the states of Odisha, Karnataka, Gujarat, Uttar Pradesh and Rajasthan and in the union territory of Andaman and Nicobar Islands.

Subsequent to December 31, 2017, we have been awarded 11 new infrastructure construction and development projects spanning across eight states, including the states of Maharashtra, Chhattisgarh and West Bengal aggregating to ₹ 46,622.78 million.

Over the past two decades, we have established a track record in executing majority of our infrastructure construction and development projects in a timely manner. Pursuant to our executional experience, we have been able to develop and establish competencies in the verticals in which we operate. The infrastructure verticals in which we currently operate include:

- *Highways*: We undertake design, construction, widening, strengthening, operation and maintenance of highways, roads, carriageways, major bridges, culverts and road over bridges. As per our Restated Consolidated Financial Statements, our revenue from highways vertical accounted for 46.41% and 36.71% of our contract revenue (including revenue from property development) for the period of nine months ended December 31, 2017 and Fiscal 2017, respectively. Furthermore, as of December 31, 2017, our highways infrastructure construction and development projects accounted for 69.76% of our Order Book;

- *Railways*: We undertake construction of railway stations and bridges, track laying, gauge conversion, electrical signaling and communication works. As per our Restated Consolidated Financial Statements, revenue from our railways vertical accounted for 11.61% and 12.74% of our contract revenue (including revenue from property development) for the period of nine months ended December 31, 2017 and Fiscal 2017, respectively. Furthermore, as of December 31, 2017, our railways infrastructure construction and development projects accounted for 8.62% of our Order Book;

- *Building and Factories*: We undertake construction of commercial complex, district court, housing projects, townships, IT parks, hotels, shopping malls, hospitals and ancillary construction works for industrial buildings. As per our Restated Consolidated Financial Statements, revenue from our building and factories vertical accounted for 19.65% and 22.05% of our contract revenue (including revenue from property development) for the period of nine months ended December 31, 2017 and Fiscal 2017, respectively. Furthermore, as of December 31, 2017, our building and factories projects accounted for 9.77% of our Order Book;

- *Mining*: We undertake blast-hole drilling, removal of overburden, removal of inter-burden and excavation of coal and lignite, as part of infrastructure construction and development activities under the mining vertical. As per our Restated Consolidated Financial Statements, revenue from our mining vertical accounted for 15.59% and 14.65% of our contract revenue (including revenue from property development) for the period of nine months ended December 31, 2017 and Fiscal 2017, respectively. Furthermore, as of December 31, 2017, our mining infrastructure construction and development projects accounted for 7.54% of our Order Book;

- *Energy infrastructure*: We undertake design, installing, laying testing and commissioning of electricity transmission lines, electricity distribution lines and electricity sub-stations, respectively. As per our Restated Consolidated Financial Statements, revenue from our energy infrastructure vertical accounted for 3.90% and 9.49% of our contract revenue (including revenue from property development) for the period of nine months ended December 31, 2017 and Fiscal 2017, respectively. Furthermore, as of December 31, 2017, our energy infrastructure construction and development projects accounted for 0.87% of our Order Book; and

- *Water and Irrigation*: We undertake construction of, canals, water supply projects, aqueducts and sewage drainage pipelines. As per our Restated Consolidated Financial Statements, revenue from our water and irrigation vertical accounted for 2.84% and 4.36% of our contract revenue (including revenue from property development) for the period of nine months ended December 31, 2017 and Fiscal 2017, respectively. Furthermore, as of December 31, 2017, our water and irrigation projects accounted for 3.44% of our Order Book.

For further details in relation to our business activities, see "*-Our Business Description*" on page 169.

As of December 31, 2017, our Order Book for our ongoing infrastructure construction and development projects aggregated to ₹ 53,078.78 million. The following table sets forth a vertical wise summary of our Order Book as of December 31, 2017:

Verticals	No. of Contracts	Outstanding order value*#	% of total outstanding order value#
Highways	9	37,027.80	69.76
Railways	4	4,573.77	8.62
Buildings and factories	10	5,186.50	9.77
Mining	4	4,001.02	7.54
Energy infrastructure	2	462.83	0.87
Water and Irrigation	2	1,826.86	3.44
Total	**31**	**53,078.78**	**100.00**

* *in ₹ million.*

\# *calculated after deducting the provisional GST payable by our Company.*

Our major clients include NHAI, RVNL, BCCL, MPMKVVCL and WBPDCL. As of December 31, 2017, approximately 98.34% of our Order Book comprised of projects being undertaken by the Government, relevant State Governments or other government undertakings.

Additionally, we own and maintain a large fleet of modern construction equipment in India. We own modern construction equipment, which we believe will meet majority of the requirements for our ongoing projects. As of December 31, 2017, we maintained a fleet of 1,241 modern construction equipment which allows us to undertake multiple projects simultaneously. Furthermore, we have implemented advanced technology systems like SAP, Wenco mining system and Hectronic diesel consumption system at our project sites to enable us to undertake our operations efficiently.

We received the award for the third fastest growing construction company in medium category at the Construction World Annual Awards, 2017. We also received the "*Excellence in Best Achiever of the Year 2016*" award by Gujarat Contractors Association at Gujarat Vibrant Summit, 2016.

For the nine months ended December 31, 2017 and for Fiscals 2017, 2016 and 2015, as per the Restated Consolidated Financial Statements, our revenue from operation was ₹ 13,202.75 million, ₹ 19,801.54 million, ₹ 16,842.67 million and ₹ 10,113.99 million, respectively. For the nine months ended December 31, 2017 and for Fiscals 2017, 2016 and 2015, as per the Restated Consolidated Financial Statements, our PAT was ₹ 714.46 million, ₹ 1,317.49 million, ₹ 1,285.87 million and ₹ 590.56 million, respectively. Additionally, for Fiscal 2015 to Fiscal 2017, we achieved a CAGR of 39.92% in revenue and 49.36% in PAT, as per the Restated Consolidated Financial Statements.

Our competitive strengths

Strong execution and implementation skills with established track record

We have more than two decades of execution experience having cumulatively completed 66 EPC projects as of December 31, 2017, of which, we completed, 17 projects, covering approximately 2,600 lane km of highways and roads as part of the highways vertical, seven projects as part of the buildings and factories vertical, three mining infrastructure construction and development projects with an excavation of approximately 4.03 million tonnes of coal as part of the mining vertical, 11 projects as part of the energy infrastructure vertical and 28 projects as part of the water and irrigation vertical. We believe that due to our strong management skills, manpower management and advanced technology, the total number of infrastructure construction and development projects completed by us grew from approximately 25 projects in Fiscal 2013 to 66 projects as of December 31, 2017.

- *Project Management:* We believe our Company is 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. We have an established track record of executing a majority of our infrastructure construction and development projects in a timely manner and we believe that we have established a track record of completing projects with high quality. We have also received ISO 9001:2008 (QMS) certification for our quality management system.

- *Modern Construction Equipment:* We believe ownership of modern construction equipment provides us with a competitive advantage, as with multiple projects in progress at any given time, ready access to such modern construction equipment enables us to complete existing projects on time and bid for additional projects. As of December 31, 2017, we owned and regularly maintained a modern fleet of 1,241 construction equipment and we believe that our fleet of modern construction equipment is sufficient to meet majority of the requirements for our ongoing projects. We have invested a total amount of ₹ 2,622.54 million in the Fiscals 2015, 2016 and 2017 for purchase of modern construction equipment.

- *Manpower management*: We have in-house capabilities for design, engineering, bid surveys, tendering for projects, preparing financial models, construction and maintenance of our projects. We undertake selective and need-based recruitment every year to maintain the size of our workforce. We also hire manpower on a contractual basis from various agencies from time to time. As of December 31, 2017, our Company had 3,491 employees on our rolls, of which we had a total of 236 in-house engineers as part of our workforce.

- *Advanced technology:* We have a robust inventory management system which enables us to efficiently manage our inventory and monitor the supply of modern construction equipment and mobilisation of resources in a cost effective and timely manner. We have implemented a SAP based enterprise resource planning system since September, 2008, to maintain greater control over our operations and to improve efficiency by better resource planning and utilisation. Our head office and majority of our project site offices are SAP configured and raw material which is procured at our sites is accounted for at our site offices and then verified at our Registered Office. Our SAP based enterprise resource planning system enables us to maximise our productivity and efficiency by improving financial visibility of our projects and optimal collaboration among stakeholders involved. Ready access to historical data through our SAP based system, enables us to effectively estimate and bid for new projects and to procure materials for them. Additionally, we have implemented Wenco mining system, for our 'Mata no Madh' mining project which has facilitated real time monitoring of our mining trucks and shovelling equipment for such mining project by providing real time updates enabling us to produce accurate schedules for our mining trucks and shovelling equipment. Furthermore, our Hectronic diesel consumption system ensures that pilferage of fuel is minimized by effective monitoring of fuelling and refuelling processes.

Robust Order Book provides visibility for growth

The Order Book is considered as an indicator of future performance as it represents a portion of anticipated future revenue. We believe that by diversifying our skillset and Order Book across different business verticals and geographical regions, we have been able to pursue a broader range of project tenders and therefore, maximize our business volume. As of December 31, 2017, our Order Book for our ongoing infrastructure construction and development projects aggregated to ₹ 53,078.78 million.

The following table sets out vertical wise summary of our Order Book as of December 31, 2017:

Business vertical	Number of projects	Outstanding order value*#	% of total Order Book value#
Highways	9	37,027.80	69.76
Railways	4	4,573.77	8.62
Building and Factories	10	5,186.50	9.77
Mining	4	4,001.02	7.54
Energy infrastructure	2	462.83	0.87
Water and Irrigation	2	1,826.86	3.44
Total	**31**	**53,078.78**	**100.00**

* *in ₹ million.*

\# *calculated after deducting the provisional GST payable by our Company.*

In the past we have been able to qualify to bid for projects of reputed government undertakings such as the MoRTH, NHAI, RVNL, Northern Coal, NVDA, SSNNL and MPRDCL. Our Order Book, as of December 31, 2017, includes contracts from various government undertakings amongst others, MoRTH, NHAI, DGMAP, RVNL, Northern Coal, BCCL, WBPDCL, GMDCL and municipal corporations of Sagar and Seoni under PMAY. Additionally as of December 31, 2017, our Order Book had a high concentration of government undertakings with approximately 98.34% of the Order Book, accounting for contracts with various government entities. We believe that since government contracts forms a major part of our Order Book, our payments under the contracts are more secure and the risk with respect to default in payment for completed work is substantially reduced. For further details in relation to our ongoing projects forming part of our Order Book, see "- *Our Business Description–Order Book description*" on page 177.

Diversified infrastructure portfolio with diverse geographical presence

We believe that our growth is largely attributable to our diversified business model based on our careful selection of projects. Our strategy of selective expansion has assisted us in mitigating concentration related risks. Our business operations are currently diversified across highways, railways, building and factories, mining, energy infrastructure and water and irrigation verticals of the infrastructure sector. We believe that by maintaining a diversified portfolio for our ongoing projects, we benefit from the consistent liquidity and cash flow for our operations and the risk of volatility of market conditions and price conditions, which we may face as a result of concentrating our operations in a particular vertical of infrastructure, stands reduced. Through our diversified business model, we have developed our competencies and established a track record of executing majority of our infrastructure construction and development projects in a timely manner, and accordingly, we believe that we currently meet the requirements of the central, state and local governmental authorities for the majority of their infrastructure construction and development projects pertaining to highways, railways and buildings and factories in terms of having the requisite experience, expertise and a strong balance sheet. Further, we believe that our established track record for majority of projects across mining, energy infrastructure and water and irrigation verticals of the infrastructure sector will allow us to undertake projects more opportunistically. By diversifying our Order Book across different infrastructure verticals such as highways, railways, buildings and factories, mining, energy and water and irrigation, we believe we are able to pursue a broad range of project tenders and therefore, maximise our business volume and buffer ourselves against slowdown in awarding of contracts in a particular vertical.

Set forth is the state wise break up of our geographical footprint in terms of our ongoing projects forming part of our Order Book as of December 31, 2017:

State/union territory	Number of Projects	% of total outstanding order value
Andaman Nicobar	1	0.45
Andhra Pradesh	3	1.28
Arunachal Pradesh	1	5.08
Bihar	2	7.87
Gujarat	4	13.67
Haryana	2	0.27
Jharkhand	1	3.15
Karnataka	1	19.02
Madhya Pradesh	4	3.99
Odisha	1	20.39
Rajasthan	5	12.05
Uttar Pradesh	6	12.78
Total	**31**	**100.00**

Furthermore, while our projects historically had been concentrated in Gujarat and Madhya Pradesh, our Company was undertaking projects, as of December 31, 2017, across six verticals in which we operate across 11 states and in one union territory, including Rajasthan, Uttar Pradesh, Bihar, Gujarat, Madhya Pradesh, Arunachal Pradesh, Andhra Pradesh, Odisha, Karnataka, Haryana and Jharkhand, and Andaman and Nicobar Islands due to our diversified business model. Geographical diversification of our projects, as a result of our growth strategy, has allowed us to capitalize on different growth trends in the different states and broaden our revenue base and reduced risks of volatility of market conditions and price fluctuations which may result from concentrating our resources in any geographical region in India.

Consistent financial performance and credit profile

Our business growth and strong order book has contributed significantly to our financial strength. Driven by our business growth and execution track record, we have exhibited consistent financial performance and stable credit profile over the last few Fiscals. We have never defaulted in the repayment of our borrowings, which, together with our consistent financial performance helps us to present a strong credit profile to our lenders and keeps alternate sources of financing available to us. We have maintained consistent financial performance, despite of slowdown in the infrastructure sector in the interim, by focusing on profitable projects and achieving their timely completion. For Fiscal 2015 to Fiscal 2017, we achieved a CAGR of 39.92% in revenue and 49.36% in PAT, as per the Restated Consolidated Financial Statements. Additionally, we achieved a ROE of 29.05%, 35.29% and 23.06% on the basis of our Restated Consolidated Financial Statements as of Fiscal 2017, Fiscal 2016 and Fiscal 2015, respectively.

The debt to equity ratio of our Company as of December 31, 2017 was 0.86 as per the Restated Consolidated Financial Statements. Our strong balance sheet coupled with low level of debt to equity ratio enable us to fund our strategic initiatives and pursue opportunities for growth of our business. Furthermore, we have improved our credit ratings for long term cash credit facilities in the past three Fiscals. According to India Ratings & Research, our Company was rated IND A + with outlook stable for a period of one year from March 9, 2018.

We believe that we have nurtured strong relationships with financial institutions which coupled with our financial strength, in terms of steady cash flows and consistent revenue growth, has enabled us to explore options of issuing bonds or other infrastructure sector specific debt instrument which helps us to achieve timely financial closure for our projects. For instance, we issued non-convertible debentures to various institutions on a private placement basis in 2017, which are listed on BSE Limited.

Experienced and Professional Management team with end to end execution capabilities

Our Company has qualified, experienced, and dedicated management team and a skilled workforce with significant experience in the industry and execution capabilities. The management is responsible for the growth in our business operations. In particular, one of the Promoters and Chairman and Managing Director, Kanubhai Mafatlal Patel, has over 42 years of experience in the areas of infrastructure including construction, development and operation. He was awarded the Patidar Udyog Ratna at Sardardham Global Patidar Business Summit 2018 in 2018 and Bharat Udyog Ratan by All India Business Development Association in 2015. Additionally, we benefit from the expertise of our Whole Time Directors, Suhas Vasant Joshi and Nareshkumar Pranshankar Suthar, who have over 32 years of experience in the areas of construction, operation, management and procurement of building and factories, bridge, build-operate-transfer, urban infrastructure, power plants etc. and over 28 years of experience in the areas of infrastructure projects, respectively. Furthermore, diversification of our company's business has been facilitated by the expertise of the Promoters and Joint Managing Directors, Brijesh Kanubhai Patel and Mrunal Kanubhai Patel, who have played significant role in our growth. For further details of the roles and experience of the Board and the Key Managerial Personnel, see the section "*Management*", beginning from page 204.

SUMMARY OF FINANCIAL INFORMATION

The following tables set forth the summary financial information derived from:

a. The Restated Standalone Financial Statements as of the nine months ended December 31, 2017 and for the Fiscals 2017, 2016, 2015, 2014 and 2013.

b. The Restated Consolidated Financial Statements as of the nine months ended December 31, 2017 and for the Fiscals 2017, 2016, 2015, 2014 and 2013.

The Restated Financial Statements referred to above are presented under "Financial Statements" beginning on page 232. The summary financial information presented below should be read in conjunction with the Restated Financial Statements, the notes thereto and "Financial Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 232 and 444, respectively.

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Annexure I

Restated Standalone Statement of Assets and Liabilities (Rs. in Million)

Particulars	Note No. of Annexure V	As at December 31, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
		Ind AS	Ind AS	Proforma Ind AS	Proforma Ind AS
I. ASSETS					
1 Non-current assets					
(a) Property, Plant and Equipment	5	2,594.75	2,810.89	2,780.06	2,523.87
(b) Capital work in progress	5	76.70	14.45	174.51	91.78
(c) Intangible assets	5	89.74	97.44	35.63	15.91
(d) Financial Assets					
(i) Investments	6	516.19	487.39	487.29	487.29
(ii) Other Non-current financial assets	7	589.76	120.52	65.15	132.64
(e) Deferred tax assets (net)	8	305.63	116.03	66.96	-
(f) Other non-current assets	9	174.57	26.85	23.62	3.88
Total Non-current Assets		**4,347.34**	**3,673.57**	**3,633.22**	**3,255.37**
2 Current assets					
(a) Inventories	10	1,224.73	1,287.64	957.27	617.06
(b) Financial Assets					
(i) Trade receivables	11	1,281.69	3,327.41	2,664.42	2,408.50
(ii) Cash and cash equivalents	12	117.68	68.93	126.93	109.56
(iii) Bank balances other than (ii) above	12	116.63	126.73	120.04	76.84
(iv) Other current financial assets	13	6,766.83	4,073.97	2,891.71	1,330.46
(c) Current tax assets (Net)	14	316.32	368.57	165.63	11.74
(d) Other current assets	15	1,649.09	2,222.56	2,318.71	1,502.35
Total Current assets		**11,472.97**	**11,475.81**	**9,244.71**	**6,056.51**
TOTAL ASSETS		**15,820.31**	**15,149.38**	**12,877.93**	**9,311.88**
II. EQUITY AND LIABILITIES					
1 Equity					
(a) Equity share capital	16	641.25	641.25	641.25	128.25
(b) Other Equity	17	4,744.72	4,012.10	3,051.40	2,282.03
Total Equity		**5,385.97**	**4,653.35**	**3,692.65**	**2,410.28**
2 Liabilities					
Non-current liabilities					
(a) Financial Liabilities					
(i) Long term borrowings	18	1,129.07	681.38	982.33	1,334.75
(ii) Other non-current financial liabilities	19	757.94	368.59	549.23	328.34
(b) Long-term provisions	20	34.73	29.82	19.37	8.14
(c) Deferred tax liabilities (Net)	8	-	-	-	40.01
(d) Other non-current liabilities	21	302.75	2,052.80	1,453.61	1,815.68
Total Non-current liabilities		**2,224.49**	**3,132.59**	**3,004.54**	**3,526.92**
3 Current liabilities					
(a) Financial Liabilities					
(i) Short term borrowings	22	2,428.12	2,113.02	2,435.19	1,262.88
(ii) Trade payables	23	3,166.49	3,091.47	2,584.36	1,303.08
(iii) Other current financial liabilities	24	1,346.20	1,854.35	1,013.35	781.69
(b) Short term provisions	25	28.01	21.89	31.70	9.47
(c) Other current liabilities	26	1,241.03	282.71	116.14	17.56
Total Current liabilities		**8,209.85**	**7,363.44**	**6,180.74**	**3,374.68**
Total Liabilities		**10,434.34**	**10,496.03**	**9,185.28**	**6,901.60**
Total EQUITY AND LIABILITIES		**15,820.31**	**15,149.38**	**12,877.93**	**9,311.88**

All Figures and ratios of December 31,2017 are of Nine (9) months only.

The above statement should be read with the Notes to the Restated Standalone Financial Information as appearing in Annexure V and Material Adjustments to Restated Standalone Financial Information and notes thereon appearing in Annexure VII.

As per our report of even date

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

Sd/-

Kartikeya Raval
Partner

For and on behalf of Board of Directors
Montecarlo Limited
CIN :- U40300GJ1995PLC025082

Sd/-

Kanubhai M. Patel
Chairman & Managing Director
DIN: 00025552

Sd/-

Brijesh K. Patel
Jt. Managing Director
DIN: 00025479

Sd/-

Nigam G. Shah
Chief Financial Officer

Sd/-

Kalpesh P. Desai
Company Secretary

Place : Ahmedabad
Date : May 05, 2018

Place : Ahmedabad
Date : May 05, 2018

Annexure II
Restated Standalone Statement of Profit and Losses (Rs. in Million)

	Particulars	Note No. of Annexure V	For the period ended December 31, 2017	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015
			Ind AS	Ind AS	Proforma Ind AS	Proforma Ind AS
	Revenue					
I	Revenue from Operations	**27**	13,202.75	19,801.54	16,842.67	10,113.99
	Other Income	**28**	78.75	78.19	114.02	49.64
	Total Income		**13,281.50**	**19,879.73**	**16,956.69**	**10,163.63**
	Expenses					
	Changes in inventories of work-in-progress	**29**	62.07	(156.35)	(87.19)	(68.24)
	Construction Expenses	**30**	10,492.27	16,068.15	13,443.18	7,765.57
	Employee Benefits Expense	**31**	855.66	1,060.50	975.35	512.99
	Finance costs	**32**	497.84	516.42	435.74	393.92
	Depreciation and Amortization Expenses	**5**	331.01	398.38	337.61	215.59
	Other Expenses	**33**	343.58	458.41	361.46	445.22
II	**Total Expenses**		**12,582.43**	**18,345.51**	**15,466.15**	**9,265.05**
III	**Profit Before Tax**		**699.07**	**1,534.22**	**1,490.54**	**898.58**
IV	**Tax expense:**					
	(1) Current Tax		157.29	269.77	309.77	329.32
	(2) Deferred Tax	**45**	(190.04)	(53.19)	(105.10)	(21.30)
V	**Profit/(Loss) for the Period/ Year**		**731.82**	**1,317.64**	**1,285.87**	**590.56**
	Other comprehensive income					
	Remeasurements of defined benefit liability/(asset)		1.23	11.77	(5.35)	(4.66)
	Income tax related to above items		(0.43)	(4.07)	1.85	1.46
VI	**Other comprehensive income (Net of taxes)**		**0.80**	**7.70**	**(3.50)**	**(3.20)**
VII	**Total comprehensive income for the Period/ Year**		**732.62**	**1,325.34**	**1,282.37**	**587.36**
VIII	**Earnings per equity share (EPS)**					
	Profit attributable to equity shareholders		731.82	1,317.64	1,285.87	590.56
	Weighted average number of equity shares outstanding during the year (Refer Note 39)		8,55,00,003	8,55,00,003	8,55,00,003	8,55,00,003
	Nominal value of equity share		10.00	10.00	10.00	10.00
	Basic and Diluted Earning per Share (EPS)#		8.56	15.41	15.04	6.91

All Figures and ratios of December 31,2017 are of Nine (9) months only.
Earning per share for the period ended December 31, 2017 is not annualised.

The above statement should be read with the Notes to the Restated Standalone Financial Information as appearing in Annexure V and Material Adjustments to Restated Standalone Financial Information and notes thereon appearing in Annexure VII.

As per our report of even date

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

Sd/-

Kartikeya Raval
Partner

For and on behalf of Board of Directors
Montecarlo Limited
CIN :- U40300GJ1995PLC025082

Sd/-

Kanubhai M. Patel
Chairman & Managing Director
DIN: 00025552

Sd/-

Brijesh K. Patel
Jt. Managing Director
DIN: 00025479

Sd/-

Nigam G. Shah
Chief Financial Officer

Sd/-

Kalpesh P. Desai
Company Secretary

Place : Ahmedabad
Date : May 05, 2018

Place : Ahmedabad
Date : May 05, 2018

Annexure IV
Restated Standalone Statement of Cash Flows (Rs. in Million)

	Particulars	For the period ended December 31, 2017	For the Year ended March 31, 2017	For the Year ended March 31, 2016	For the Year ended March 31, 2015
		Ind AS	Ind AS	Proforma Ind AS	Proforma Ind AS
A	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Restated Net Profit before Tax	699.07	1,534.22	1,490.54	898.58
	Adjustment for:				
	Depreciation and Amortisation Expense	331.01	398.38	337.61	215.59
	(Profit) / Loss on Sale of Items of Property, Plant and Equipment	10.26	1.32	1.53	120.81
	Interest and other borrowing cost	497.84	516.42	435.74	393.93
	Interest income on FDRs	(6.77)	(11.88)	(9.43)	(8.92)
	Provision for Expected Credit Loss	7.91	9.79	7.26	6.83
	Fair valuation adjustment on retention monies	47.60	31.88	(54.35)	16.65
	Gain/Loss on Foreign Currency Transaction	7.68	(7.14)	-	(1.65)
	Bad debts written off	16.11	-	-	-
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	1,610.71	2,472.99	2,208.90	1,641.81
	Adjustment For Working Capital Changes:				
	Changes in Inventories	80.33	(347.79)	(340.21)	(296.37)
	Changes in Trade Receivables	1,956.22	(607.30)	(263.18)	110.40
	Changes in Financial Assets and Other Assets	(2,761.74)	(1,138.82)	(2,304.61)	(1,120.22)
	Changes in Financial Liabilities and Other Payables	(576.86)	1,795.89	1,425.44	1,473.68
	CASH GENERATED FROM OPERATIONS	**308.66**	**2,174.97**	**726.33**	**1,809.30**
	Direct Taxes paid (Net)	(176.75)	(537.57)	(477.13)	(313.18)
	NET CASH FROM OPERATING ACTIVITIES	**131.91**	**1,637.40**	**249.20**	**1,496.12**
B	**CASH FLOW FROM INVESTING ACTIVITIES:**				
	Purchase of Property Plant and Equipment (including advances for capital expenditure)	(275.06)	(659.09)	(711.07)	(1,569.69)
	Sale of Items of Property Plant and Equipment	21.14	23.13	3.07	4.58
	Investment in Subsidiaries (made) / sold	(95.50)	(0.10)	-	-
	Investment in Associates (made)/ sold	66.70	-	-	-
	Interest income on FDRs	4.47	11.23	9.61	9.11
	Changes in FDRs other than Cash and Cash Equivalents	50.34	(24.58)	(38.17)	(29.89)
	NET CASH USED IN INVESTING ACTIVITIES	**(227.89)**	**(649.41)**	**(736.57)**	**(1,585.89)**
C	**CASH FLOW FROM FINANCING ACTIVITIES:**				
	Proceeds from Loans	1,120.24	500.98	314.09	1,433.38
	Repayment of Loans	(865.88)	(706.15)	(542.47)	(378.20)
	Increase in borrowings- Working Capital	315.10	(322.17)	1,172.31	(479.09)
	Interest and other borrowing cost	(424.73)	(519.21)	(439.20)	(384.88)
	NET CASH GENERATED FROM/ (USED IN) FINANCING ACTIVITIES	**144.73**	**(1,046.55)**	**504.74**	**191.21**
	NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS	**48.75**	**(58.56)**	**17.37**	**101.44**
	OPENING BALANCE- CASH AND CASH EQUIVALENT	**68.93**	**126.93**	**109.56**	**8.12**
	Pursuant to the Composite Scheme of Arrangement (Refer Note 43)	-	0.56	-	-
	CLOSING BALANCE- CASH AND CASH EQUIVALENT	**117.68**	**68.93**	**126.93**	**109.56**

Notes to the Cash Flow Statement

1. The above Statement of Cash Flow has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) - 7 "Statement of Cash Flows".

2. Cash and cash equivalent comprises of:

Particulars	For the period ended December 31, 2017	For the Year ended March 31, 2017	For the Year ended March 31, 2016	For the Year ended March 31, 2015
	Ind AS	Ind AS	Proforma Ind AS	Proforma Ind AS
Balances with banks:				
- Current Accounts	114.86	66.17	92.19	105.84
- Cash credit account	-	-	27.90	-
Cash on hand	2.82	2.76	6.84	3.72
Cash and cash equivalents in Restated Standalone Statement of cash flow	117.68	68.93	126.93	109.56

3. For non cash transactions in the nature of investing and financing activities, Refer Note 43.

The above statement should be read with the Notes to the Restated Standalone Financial Information as appearing in Annexure V and Material Adjustments to Restated Standalone Financial Information and notes thereon appearing in Annexure VII.

As per our report of even date

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

Sd/-

Kartikeya Raval
Partner

Place : Ahmedabad
Date : May 05, 2018

For and on behalf of Board of Directors
Montecarlo Limited
CIN :- U40300GJ1995PLC025082

Sd/- Sd/-

Kanubhai M. Patel
Chairman & Managing Director
DIN: 00025552

Brijesh K. Patel
Jt. Managing Director
DIN: 00025479

Sd/- Sd/-

Nigam G. Shah
Chief Financial Officer

Kalpesh P. Desai
Company Secretary

Place : Ahmedabad
Date : May 05, 2018

Montecarlo Limited

Annexure I
Restated Consolidated Statement of Assets and Liabilities (Rs. in Million)

Particulars	Note No. of Annexure V	As at December 31, 2017 (Ind AS)	As at March 31,2017 (Ind AS)	As at March 31,2016 (Proforma Ind AS)	As at March 31,2015 (Proforma Ind AS)
I. ASSETS					
1 Non-current assets					
(a) Property, Plant and Equipment	5	2,594.75	2,810.89	2,780.06	2,523.87
(b) Capital work in progress	5	76.70	14.45	174.51	91.78
(c) Intangible assets	5	89.74	97.44	35.63	15.91
(d) Financial Assets					
(i) Investments					
Investment in associate	6	19.48	164.68	223.06	189.87
Other Investment	6	3.00	3.00	3.00	3.00
(ii) Other Non-current financial assets	7	589.76	120.52	65.15	132.64
(e) Deferred tax assets (net)	8	305.63	116.03	66.95	-
(f) Other non-current assets	9	174.57	26.85	23.63	3.88
Total Non-current assets		**3,853.63**	**3,353.86**	**3,371.99**	**2,960.95**
2 Current assets					
(a) Inventories	10	1,224.73	1,287.64	957.27	617.06
(b) Financial Assets					
(i) Trade receivables	11	1,281.69	3,327.41	2,664.42	2,408.50
(ii) Cash and cash equivalents	12	136.73	68.99	126.93	109.56
(iii) Bank balances other than (ii) above	12	116.63	126.73	120.04	76.84
(iv) Other current financial assets	13	6,766.83	4,073.97	2,891.71	1,330.46
(c) Current tax assets (Net)	14	319.74	368.56	165.64	11.74
(d) Other current assets	15	1,727.68	2,222.59	2,318.71	1,502.35
Total Current assets		**11,574.03**	**11,475.89**	**9,244.72**	**6,056.51**
TOTAL ASSETS		**15,427.66**	**14,829.75**	**12,616.71**	**9,017.46**
II. EQUITY AND LIABILITIES					
1 Equity					
(a) Equity share capital	16	641.25	641.25	641.25	128.25
(b) Other Equity	17	4,329.11	3,692.34	2,790.18	1,987.61
Total Equity		**4,970.36**	**4,333.59**	**3,431.43**	**2,115.86**
2 Liabilities					
Non-Current liabilities					
(a) Financial Liabilities					
(i) Long term borrowings	18	1,129.07	681.38	982.33	1,334.75
(ii) Other non-current financial liabilities	19	757.94	368.59	549.23	328.34
(b) Long-term provisions	20	34.73	29.82	19.37	8.14
(c) Deferred tax liabilities (Net)	8	-	-	-	40.01
(d) Other non-current liabilities	21	302.75	2,052.80	1,453.61	1,815.68
Total Non-current liabilities		**2,224.49**	**3,132.59**	**3,004.54**	**3,526.92**
3 Current liabilities					
(a) Financial Liabilities					
(i) Short term borrowings	22	2,428.37	2,113.02	2,435.19	1,262.88
(ii) Trade payables	23	3,185.37	3,091.59	2,584.36	1,303.08
(iii) Other current financial liabilities	24	1,346.20	1,854.35	1,013.35	781.69
(b) Short term provisions	25	28.01	21.89	31.70	9.47
(c) Other current liabilities	26	1,244.86	282.72	116.14	17.56
Total Current liabilities		**8,232.81**	**7,363.57**	**6,180.74**	**3,374.68**
Total liabilities		**10,457.30**	**10,496.16**	**9,185.28**	**6,901.60**
TOTAL EQUITY AND LIABILITIES		**15,427.66**	**14,829.75**	**12,616.71**	**9,017.46**

All figures and ratios of December 31, 2017 are of Nine (9) months only.

The above statement should be read with the Notes to the Restated Consolidated Financial Information as appearing in Annexure V and Material Adjustments to Restated Consolidated Financial Information and notes there on appearing in Annexure VII.

As per our report of even date

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

Sd/-

Kartikeya Raval
Partner

For and on behalf of Board of Directors
Montecarlo Limited
CIN :- U40300GJ1995PLC025082

Sd/-
Kanubhai M. Patel
Chairman & Managing Director
DIN: 00025552

Sd/-
Brijesh K. Patel
Jt. Managing Director
DIN: 00025479

Sd/-
Nigam G. Shah
Chief Financial Officer

Sd/-
Kalpesh P. Desai
Company Secretary

Place : Ahmedabad
Date : May 05, 2018

Place : Ahmedabad
Date : May 05, 2018

Annexure II
Restated Consolidated Statement of Profit and Losses (Rs. in Million)

	Particulars	Note No. of Annexure V	For the period ended December 31, 2017 (Ind AS)	For the year ended March 31, 2017 (Ind AS)	For the year ended March 31, 2016 (Proforma Ind AS)	For the year ended March 31, 2015 (Proforma Ind AS)
	Revenue					
I	Revenue from Operations	27	13,202.75	19,801.54	16,842.67	10,113.99
	Other Income	28	78.75	78.19	114.02	49.64
	Total Income		**13,281.50**	**19,879.73**	**16,956.69**	**10,163.63**
	Expenses					
	Changes in inventories of work-in-progress	29	62.07	(156.35)	(87.19)	(68.24)
	Construction Expenses	30	10,492.27	16,068.15	13,443.18	7,765.57
	Employee Benefits Expense	31	855.66	1,060.50	975.35	512.99
	Finance costs	32	497.84	516.42	435.74	393.92
	Depreciation and Amortization Expenses	5	331.01	398.38	337.61	215.59
	Other Expenses	33	360.94	458.56	361.46	445.22
II	**Total Expenses**		**12,599.79**	**18,345.66**	**15,466.15**	**9,265.05**
III	**Profit Before Tax**		681.71	1,534.07	1,490.54	898.58
IV	**Tax expense:**					
	(1) Current Tax		157.29	269.77	309.77	329.32
	(2) Deferred Tax	45	(190.04)	(53.19)	(105.10)	(21.30)
V	**Profit After Tax (III - IV)**		**714.46**	**1,317.49**	**1,285.87**	**590.56**
VI	**Share of Loss in Associate**		(78.49)	(58.39)	(74.77)	(102.65)
VII	**Profit for the Period / Year**		**635.97**	**1,259.10**	**1,211.10**	**487.91**
	Attributable to :					
	Owners of the Company		635.97	1,259.10	1,211.10	487.91
	Non-controlling interests		-	-	-	-
	Other comprehensive income					
	Items that will not be reclassified subsequently to profit or loss					
	Remeasurements of defined benefit plans		1.23	11.77	(5.35)	(4.66)
	Income tax related to items that will not be reclassified to profit or loss		(0.43)	(4.07)	1.85	1.46
VIII	**Other comprehensive income (Net of taxes)**		0.80	7.70	(3.50)	(3.20)
IX	**Total comprehensive income for the Period / Year**		636.77	1,266.80	1,207.60	484.71
	Owners of the Company		636.77	1,266.80	1,207.60	484.71
	Non-controlling interests		-	-	-	-
X	**Earnings per equity share (EPS)**					
	Profit attributable to equity shareholders		635.97	1,259.10	1,211.10	487.91
	Weighted average number of equity shares outstanding during the year (Refer note 39)		8,55,00,003	8,55,00,003	8,55,00,003	8,55,00,003
	Nominal value of equity share		10.00	10.00	10.00	10.00
	Basic and Diluted Earning per Share (EPS)#		7.44	14.73	14.16	5.71

All figures and ratios of December 31, 2017 are of Nine (9) months only.
Earning per share for the period ended December 31, 2017 is not annualised.

The above statement should be read with the Notes to the Restated Consolidated Financial Information as appearing in Annexure V and Material Adjustments to Restated Consolidated Financial Information and notes there on appearing in Annexure VII.

As per our report of even date

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

Sd/-

Kartikeya Raval
Partner

Place : Ahmedabad
Date : May 05, 2018

For and on behalf of Board of Directors
Montecarlo Limited
CIN :- U40300GJ1995PLC025082

Sd/-

Kanubhai M. Patel
Chairman & Managing Director
DIN: 00025552

Sd/-

Brijesh K. Patel
Jt. Managing Director
DIN: 00025479

Sd/-

Nigam G. Shah
Chief Financial Officer

Sd/-

Kalpesh P. Desai
Company Secretary

Place : Ahmedabad
Date : May 05, 2018

Anneuxre IV
Restated Consolidated Statement of Cash Flows (Rs. in Million)

	Particulars	For the period ended December 31, 2017 (Ind AS)	For the year ended March 31, 2017 (Ind AS)	For the year ended March 31, 2016 (Proforma Ind AS)	For the year ended March 31, 2015 (Proforma Ind AS)
A	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Restated Net Profit before Tax	681.71	1,534.07	1,490.54	898.58
	Adjustment for:				
	Depreciation and Amortisation Expense	331.01	398.38	337.61	215.59
	(Profit) / Loss on Sale of Items of Property, Plant and Equipment	10.26	1.32	1.53	120.81
	Interest and other borrowing cost	497.84	516.42	435.74	393.93
	Interest income on FDRs	(6.77)	(11.88)	(9.43)	(8.92)
	Provision for Expected Credit loss	7.91	9.79	7.26	6.83
	Fair valuation adjustment on retention monies	47.60	31.88	(54.35)	16.65
	Gain/Loss on Foreign Currency Transaction	7.68	(7.14)	-	(1.65)
	Bad debts written off	16.11	-	-	-
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	1,593.35	2,472.82	2,208.90	1,641.81
	Adjustment For Working Capital Changes:				
	Changes in Inventories	80.33	(347.79)	(340.21)	(296.37)
	Changes in Trade Receivables	1,956.22	(607.30)	(263.18)	110.40
	Changes in Financial Assets and Other Assets	(2,840.30)	(1,127.05)	(2,309.97)	(1,120.22)
	Changes in Financial Liabilities and Other Payables	(554.26)	1,784.24	1,430.79	1,473.68
	CASH GENERATED FROM OPERATIONS	**235.35**	**2,174.92**	**726.33**	**1,809.30**
	Direct Taxes paid (Net)	(180.17)	(537.55)	(477.13)	(313.18)
	NET CASH GENERATED FROM OPERATING ACTIVITIES	**55.18**	**1,637.36**	**249.20**	**1,496.12**
B	**CASH FLOW FROM INVESTING ACTIVITIES:**				
	Purchase of Property Plant and Equipment (including advances for capital expenditure)	(275.07)	(659.09)	(711.07)	(1,569.69)
	Sale of Items of Property Plant and Equipment	21.14	23.13	3.07	4.58
	Investment in Associate (made) / sold	66.70	-	-	-
	Interest income on FDRs	4.47	11.23	9.61	9.11
	Changes in FDRs other than Cash and Cash Equivalents	50.34	(24.58)	(38.17)	(29.89)
	NET CASH USED IN INVESTING ACTIVITIES	**(132.42)**	**(649.31)**	**(736.57)**	**(1,585.88)**
C	**CASH FLOW FROM FINANCING ACTIVITIES:**				
	Proceeds from Loans	1,120.24	500.98	314.09	1,433.38
	Repayment of Loans	(865.88)	(706.15)	(542.47)	(378.20)
	Increase in borrowings - Working Capital	315.35	(322.17)	1,172.31	(479.09)
	Interest and other borrowing cost	(424.73)	(519.21)	(439.20)	(384.88)
	NET CASH GENERATED FROM / (USED) IN FINANCING ACTIVITIES	**144.98**	**(1,046.55)**	**504.74**	**191.21**
	NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS	**67.74**	**(58.50)**	**17.37**	**101.44**
	OPENING BALANCE- CASH AND CASH EQUIVALENT	**68.99**	**126.93**	**109.56**	**8.12**
	Pursuant to the Composite Scheme of Arrangement (Refer note 43)	-	0.56	-	-
	CLOSING BALANCE- CASH AND CASH EQUIVALENT	**136.73**	**68.99**	**126.93**	**109.56**

Notes to the Cash Flow Statement

1 . The above Statement of Cash Flow has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) - 7 "Statement of Cash Flows".

2. Cash and cash equivalent comprises of:

Particulars	For the period ended December 31, 2017 (Ind AS)	For the year ended March 31, 2017 (Ind AS)	For the year ended March 31, 2016 (Proforma Ind AS)	For the year ended March 31, 2015 (Proforma Ind AS)
Balances with banks:				
- Current Accounts	133.91	66.23	92.19	105.84
- Cash credit account	-	-	27.90	-
Cash on hand	2.82	2.76	6.84	3.72
Cash and cash equivalents in Restated Consolidated Statement of cash flow	136.73	68.99	126.93	109.56

3. For Non-cash transactions in the nature of investing and financing activities, Refer note 43.

The above statement should be read with the Notes to the Restated Consolidated Financial Information as appearing in Annexure V and Material Adjustments to Restated Consolidated Financial Information and notes there on appearing in Annexure VII.

As per our report of even date

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

Sd/-

Kartikeya Raval
Partner

For and on behalf of Board of Directors
Montecarlo Limited
CIN :- U40300GJ1995PLC025082

Sd/-
Kanubhai M. Patel
Chairman & Managing Director
DIN: 00025552

Sd/-
Brijesh K. Patel
Jt. Managing Director
DIN: 00025479

Sd/-
Nigam G. Shah
Chief Financial Officer

Sd/-
Kalpesh P. Desai
Company Secretary

Place : Ahmedabad
Date : May 05, 2018

Place : Ahmedabad
Date : May 05, 2018

THE OFFER

The following table summarizes the details of the Offer:

Offer[(1)(2)]	Up to [●] Equity Shares, aggregating up to ₹ [●] million
of which:	
(i) Fresh Issue[(1)]	Up to [●] Equity Shares, aggregating up to ₹ 4,500 million
(ii) Offer for Sale by Kanubhai Trust[(2)]	Up to 3,000,000 Equity Shares, aggregating up to ₹ [●] million
The Offer comprises of:	
A) QIB Portion [(3) (4)]	[●] Equity Shares
of which	
(i) Anchor Investor Portion	Up to [●] Equity Shares
(ii) Balance available for allocation to QIBs other than Anchor Investors (assuming Anchor Investor Portion is fully subscribed)	[●] Equity Shares
of which:	
(a) Available for allocation to Mutual Funds only (5% of the QIB Portion (excluding the Anchor Investor Portion))[(5)]	Up to [●] Equity Shares
(b) Balance of QIB Portion for all QIBs including Mutual Funds	Up to [●] Equity Shares
B) Non-Institutional Portion[(3)]	Not less than [●] Equity Shares
C) Retail Portion[(3)(6)]	Not less than [●] Equity Shares
Pre-Offer and post-Offer Equity Shares	
Equity Shares outstanding prior to the Offer	85,500,003 Equity Shares
Equity Shares outstanding after the Offer	[●] Equity Shares
Utilisation of Net Proceeds	See the section "*Objects of the Offer*", beginning on page 102 for information about the use of the proceeds from Fresh Issue. Our Company will not receive any proceeds from the Offer for Sale.

(1) The Fresh Issue has been authorised by the Board pursuant to a resolution passed on February 16, 2018 and by our Company's Shareholders pursuant to a special resolution passed on February 22, 2018.

(2) The Selling Shareholder specifically confirms that the Offered Shares have been held for a period of at least one year prior to the date of filing of this Draft Red Herring Prospectus with SEBI, calculated in the manner as set out under Regulation 26(6) of the SEBI Regulations and accordingly, are eligible for being offered for sale in this Offer. For details on the authorisation of the Selling Shareholder in relation to the Offered Shares, see the section "Other Regulatory and Statutory Disclosures", beginning on page 481.

(3) Subject to valid bids being received at or above the Offer Price, under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories of Bidders at the discretion of our Company and the Selling Shareholder, in consultation with the BRLMs and the Designated Stock Exchange, subject to applicable laws. In the event of under-subscription in the Offer, Equity Shares offered pursuant to the Fresh Issue shall be allocated prior to Equity Shares offered pursuant to the Offer for Sale. However, after receipt of minimum subscription of 90% of the Fresh Issue, Equity Shares offered pursuant to the Offer for Sale shall be allocated prior to Equity Shares offered pursuant to the Fresh Issue. For details, see the section "Offer Procedure", beginning on page 504.

(4) Our Company and the Selling Shareholder may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis. The QIB Portion will accordingly be reduced for the Equity Shares allocated to Anchor Investors. 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. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. 5% of the QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion (excluding Anchor Investor Portion) 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. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the QIB Portion (excluding Anchor Investor Portion) and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For details, see the section "Offer Procedure", beginning on page 504.

(5) Subject to valid Bids being received at, or above, the Offer Price.

(6) Our Company and the Selling Shareholder may, in consultation with the BRLMs, offer a Retail Discount to Retail Individual Bidders in accordance with the SEBI Regulations.

Allocation to Bidders in all categories, except the Retail Portion and the Anchor Investor Portion, if any, shall be made on a proportionate basis, subject to valid Bids, being received at or above the Offer Price. The allocation to each Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to the availability of Equity Shares in the Retail Portion, and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. For further details, see the sections "*Offer Procedure*" and "*Terms of the Offer*", beginning on pages 504 and 496, respectively.

GENERAL INFORMATION

Our Company was incorporated as Montecarlo Construction Private Limited on March 20, 1995, as a private limited company under the Companies Act, 1956, at Ahmedabad, Gujarat. Subsequently, the name of our Company was changed to Montecarlo Construction Limited, pursuant to its conversion into a public limited company, and a fresh certificate of incorporation, dated April 21, 2006, consequent to the change of name was issued by the RoC. Further, in order to reflect the expanding areas of activities and business scope of our Company, the name of our Company was further changed to Montecarlo Limited and a fresh certificate of incorporation dated March 21, 2012, consequent to the change of name, was issued by the Registrar of Companies, Gujarat, Dadra and Nagar Havelli. For further details, see the section "*History and Certain Corporate Matters*", beginning on page 192.

For details of the business of our Company, see the section "*Our Business*", beginning on page 163.

Registered and Corporate Office

706, 7th Floor,
Shilp Building,
Near Municipal Market,
C.G. Road, Navrangpura,
Ahmedabad – 380 009
Tel: +91 79 7199 9300
Fax: +91 79 2640 8444
E-mail: secretarial@mclindia.com
Website: www.mclindia.com
Corporate Identity Number: U40300GJ1995PLC025082
Registration Number: 025082

Address of the RoC

Our Company is registered with the Registrar of Companies, Gujarat at Ahmedabad, which is situated at the following address:

Registrar of Companies
ROC Bhavan, Opp Rupal Park Society,
Behind Ankur Bus Stop,
Naranpura, Ahmedabad – 380 013
Phone: +91 79 2743 7597
Fax: +91 79 2743 8371

Board of Directors

The Board of Directors of our Company comprises the following persons:

Name	Designation	DIN	Address
Kanubhai Mafatlal Patel	Chairman and Managing Director	00025552	18, "Devkrushna" bunglow , Ashok Vatika-I, Ambli-Bopal Road, Bodakdev, Ahmedabad - 380 058
Brijesh Kanubhai Patel	Joint Managing Director	00025479	"Devkrushna" bunglow 18, Ashok Vatika-I, Ambli-Bopal Road, Bodakdev, Ahmedabad-380 058
Mrunal Kanubhai Patel	Joint Managing Director	00025525	Dev Mansion Bunglow, B/H Saket-3, Sindhu Bhavan Road, Ambali Ahmedabad - 380 058
Nareshkumar Pranshankar Suthar	Whole -time Director	00414050	A/7, Paras Bungalows, Part 1, near telephone exchange, Bopal, Ahmedabad - 380 058
Suhas Vasant Joshi	Whole -time Director	00171232	14, Vrundavan Bunglow-2, Thaltej Shilaj Road, Thaltej, Ahmedabad - 380 059
Ajay Vasantbhai Mehta	Independent Director	00078126	A-2, 1399, Opp. Nahru Foundation, Bodakdev, Ahmedabad - 380 001
Ketan Harshadrai Mehta	Independent Director	07141480	Plot 379, Sector 1-C, Gandhinagar - 382 001
Malini Ganesh	Independent Director	07126914	Flat-2D, Raga Foundation, No.12, 11th street, Nandanam Extn, Chennai - 600 035
Dipak Kamlakar Palkar	Independent Director	00475995	22 A, Saujanya Society, Opposite Bhavans School, Makarpura Road, Vadodara - 390 009

Name	Designation	DIN	Address
Dinesh Babulal Patel	Independent Director	03443006	802, Near St. Xavier's School, Opposite Church, Sector-8, Gandhinagar - 382 008

For further details in relation to the Directors, see the section "*Management*", beginning on page 204.

Company Secretary and Compliance Officer

Kalpesh Punamchand Desai is the Company Secretary and Compliance Officer of our Company. His contact details are as follows:

Kalpesh Punamchand Desai
706, 7th Floor,
Shilp Building,
Near Municipal Market,
C.G. Road, Navrangpura,
Ahmedabad – 380 009
Tel: +91 79 7199 9300
Fax: +91 79 2640 8444
E-mail: kalpesh.desai@mclindia.com

Chief Financial Officer

Nigam Gautamkumar Shah is the Chief Financial Officer of our Company. His contact details are as follows:

Nigam Gautamkumar Shah
706, 7th Floor,
Shilp Building,
Near Municipal Market,
C.G. Road, Navrangpura,
Ahmedabad – 380 009
Tel: +91 79 7199 9300
Fax: +91 79 2640 8444
E-mail: nigam.shah@mclindia.com

Investor Grievance

Bidders may contact the Company Secretary and Compliance Officer, the BRLMs or the Registrar to the Offer in case of any pre-Offer or post-Offer related issues, such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders and non-receipt of funds by electronic mode.

All Offer related grievances may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder DP ID, Client ID, PAN, date of the submission of Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder. ASBA Bidder should give the ASBA Account number and the Anchor Investors should give the unique transaction reference number and the name of the relevant bank. All grievances relating to Bids submitted with Registered Brokers, may be addressed to the Stock Exchanges, with a copy to the Registrar to the Offer.

Further, the Bidder shall also enclose a copy of the Acknowledgment Slip received from the Designated Intermediaries in addition to the information mentioned hereinabove.

Book Running Lead Managers

Edelweiss Financial Services Limited
14th Floor, Edelweiss House
Off. C.S.T. Road, Kalina
Mumbai – 400 098
Tel: +91 22 4009 4400
Fax: +91 22 4086 3610
E-mail: mcl.ipo@edelweissfin.com
Investor Grievance E-mail:
customerservice.mb@edelweissfin.com

Axis Capital Limited
1st Floor, Axis House
C 2 Wadia International Centre
Pandurang Budhkar Marg, Worli
Mumbai – 400 025
Tel: +91 22 4325 2183
Fax: +91 22 4325 3000
Email: mcl.ipo@axiscap.in
Investor grievance email: complaints@axiscap.in

Website: www.edelweissfin.com
Contact Person: Kunal Malkan/Aditya Menon
SEBI Registration No.: INM0000010650

Website: www.axiscapital.co.in
Contact Person: Mayuri Arya
SEBI Registration Number: INM000012029

IDFC Bank Limited
Naman Chambers, C-32, G Block,
Bandra Kurla Complex
Bandra (East), Mumbai – 400 051
Tel: +91 22 7132 5500
Fax: +91 22 4222 2088
E-mail: mcl.ipo@idfcbank.com
Investor Grievance E-mail: mb.ig@idfcbank.com
Website: www.idfcbank.com
Contact Person: Gaurav Goyal
SEBI Registration No.: MB/INM000012250

Syndicate Members
[●]

Indian Legal Counsel to the Company and the Selling Shareholder

Cyril Amarchand Mangaldas
5th Floor, Peninsula Chambers
Peninsula Corporate Park
Ganpat Kadam Marg
Lower Parel
Mumbai – 400 013
Tel: +91 22 2496 4455
Fax: +91 22 2496 3666

Cyril Amarchand Mangaldas
Shapath -V
1304/1305
Opposite Karnavati Club
S.G. Road
Ahmedabad – 380 051
Tel: +91 79 4903 9900
Fax: +91 79 4903 9999

Indian Legal Counsel to the BRLMs

Trilegal
Peninsula Business Park
17th Floor, Tower B
Ganpatrao Kadam Marg
Lower Parel (West)
Mumbai – 400 013
Tel: +91 22 4079 1000
Fax: +91 22 4079 1098

Special International Legal Counsel to the BRLMs

Duane Morris & Selvam LLP
16 Collyer Quay, Floor 17
Singapore 049318
Tel: +65 6311 0030
Fax: +65 6311 0058

Statutory Auditors to our Company

Deloitte Haskins & Sells, LLP
19th Floor, Shapath-V
Beside Crowne Plaza
S.G. Highway
Ahmedabad. – 380 015
Tel: +91 79 6682 7300
Fax: +91 79 6682 7400
E-mail: kraval@deloitte.com
Firm Registration Number: 117366W/ W-100018
Peer review certificate no.: 009919

Registrar to the Offer

M/s Link Intime India Private Limited
C-101, 1st Floor, 247 Park
Lal Bahadur Shashtri Marg
Vikhroli West
Mumbai – 400 083
Tel: +91 22 4918 6200
Fax: +91 22 4918 6195
E-mail: montecarloltd.ipo@linkintime.co.in
Investor Grievance e-mail: montecarloltd.ipo@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Shanti Gopalkrishnan
SEBI Registration Number: INR000004058

Bankers to our Company

Oriental Bank of Commerce
Mid Corp-Ashram Road Branch
"Neel Kamal", Opposite Sales India
Ashram Road, Ahmedabad – 380 009
Tel: +91 79 2754 1113
Fax: +91 79 2754 5672
E-mail: bm0170@obc.co.in
Website: www.obc.co.in
Contact Person: Shankar Iyer

Indian Overseas Bank
Large Corporate Branch
Sharad Shopping Centre, Chinubhai Tower
Ashram Road, Ahmedabad – 380 009
Tel: +91 79 2658 9070
Fax: +91 79 2658 9869
E-mail: iob2933@iob.in
Website: www.iobnet.co.net
Contact Person: Rakesh Kumar Sharma

IDBI Bank Limited
IDBI Complex Near Lal Bunglow
Off C.G. Road, Ahmedabad – 380 006
Tel: +91 79 6607 2600
Fax: +91 79 2640 0814/+91 79 6607 2773
E-mail: ibkl0000375@idbi.co.in
Website: www.idbi.com
Contact Person: Nirmal Kumar

Karur Vyasa Bank Limited
Plot No.: 503,504/1, Sakar VII Near Nehru Bridge Corner
Ashram Road, Ahmedabad – 380 009
Tel: +91 79 2658 2482
Fax: +91 79 2658 2474
E-mail: ahmedabad@kvbmail.com/agowri@kvbmail.com
Website: www.kvb.co.in
Contact Person: Gowri A.

The RBL Bank Limited
First Floor, Viva Complex
Opposite Parimal Garden
Ellisbridge, Ahmedabad – 380 006
Tel: +91 79 4014 6921/+91 79 4014 6954
Fax: +91 22 4302 0520
E-mail: sachin.shah@rblbank.com/
kunal.shah@rblbank.com
Website: www.rblbank.com
Contact Person: Sachin Shah/ Kunal Shah

IDFC Bank Limited
3rd floor Sun Square Complex
Off C.G. Road, Ahmedabad – 380 009
Tel: +91 79 6621 6317
Fax: +91 79 2644 5511
E-mail: birud.shah@idfcbank.com
Website: www.idfcbank.com
Contact Person: Birud Shah

Axis Bank Limited
2nd Floor 3rd Eye One
C.G. Road, Ahmedabad – 380 009
Tel: +91 79 6614 7121
Fax: +91 79 6614 7105
E-mail: vishrut.bavishi@axisbank.com/
vaibhav.garg@axisbank.com
Website: www.axisbank.com
Contact Person: Vishrut Bavishi/Vaibhav Garg

State Bank of India
Commercial Branch, Mid Corporate Group
"Paramsiddhi" Complex, Opp. V S Hospital,
Ellsibridge
Ahmedabad – 380 006
Tel: +91 79 2657 7380
Fax: +91 79 2658 1512
E-mail: rml.cbahm@sbi.co.in
Website: www.sbi.co.in
Contact Person: C S Patel

Bank of Baroda
Corporate Financial Services Branch, 1st Floor
Bank of Baroda Towers, Near Law Garden,
Ellisbridge
Ahmedabad – 380 006
Tel: +91 79 2647 3010
Fax: +91 79 2656 0008

E-mail: corahm@bankofbaroda.com
Website: www.bankofbaroda.com
Contact Person: Vivek Kumar Chaudhary

Escrow Collection Bank, Public Offer Bank and Refund Bank

[●]

Designated Intermediaries

SCSBs

The list of banks that have been notified by SEBI to act as the SCSBs for the ASBA process is provided on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or such other website as may be updated from time to time. For a list of branches of SCSBs named by the respective SCSBs to receive ASBA Forms from the Designated Intermediaries, please refer to the above-mentioned link.

Syndicate SCSB Branches

In relation to Bids submitted under the ASBA process 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 the ASBA Forms from the members of the Syndicate is available on the website of SEBI http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes 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 at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes.

Registered Brokers

The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx?expandable=3 and http://www.nseindia.com/products/content/equities/ipos/ipo_mem_terminal.htm, respectively, as updated from time to time.

Registrar and Share Transfer Agents

The list of the RTAs eligible to accept the Bid cum Application Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6 and http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, respectively, as updated from time to time.

CDPs

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, is provided on the websites of the Stock Exchanges at http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6 and http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, respectively, as updated from time to time.

Experts

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

Our Company has received written consent, dated May 9, 2018, from the Auditors to include their name as an ‘expert’ in this Draft Red Herring Prospectus (including as an “expert” as defined under section 2(38) of the Companies Act, 2013) in relation to the examination reports of the Auditors, dated May 5, 2018, on the Restated Financial Statements of our Company and the statement of tax benefits dated May 9, 2018, included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term “Expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

Further, our Company has received written consent, dated May 9, 2018, from the Surana Maloo & Co., independent chartered accountant to include their name as an ‘expert’ in this Draft Red Herring Prospectus (including as an “expert” as defined under section 2(38) of the Companies Act, 2013) in relation to the certifications provided by it. Such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term “Expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

Monitoring Agency

Our Company shall appoint a monitoring agency prior to the filing of the Red Herring Prospectus in accordance with the SEBI Regulations. For further details, see "*Objects of the Offer – Monitoring of Utilization of Funds*" on page 109.

Appraising Entity

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

Inter-se Allocation of Responsibilities

The following table sets forth the inter-se allocation of responsibilities for various activities among the BRLMs for the Offer:

Sr. No.	Activity	Responsibility	Co-ordination
1.	Capital structuring with the relative components and formalities such as composition of debt and equity, type of instruments, and positioning strategy	Edelweiss, Axis, IDFC	Edelweiss
2.	Pre-Offer due diligence of our Company including its operations/management/business plans/legal etc., Drafting and design of DRHP, RHP and Prospectus. Ensure compliance and completion of prescribed formalities with the Stock Exchanges, SEBI and RoC including finalisation of RHP, Prospectus, Offer Agreement, Syndicate and Underwriting Agreements and RoC filing	Edelweiss, Axis, IDFC	Edelweiss
3.	Drafting and approval of all statutory advertisements	Edelweiss, Axis, IDFC	Edelweiss
4.	Drafting and approval of all publicity material other than statutory advertisements as mentioned in 3 above, including corporate advertising, brochures,	Edelweiss, Axis, IDFC	IDFC
5.	Appointment of Registrar to the Offer, printers, advertising agency (including coordinating all agreements to be entered with such parties) including media monitoring & filing of media compliance report	Edelweiss, Axis, IDFC	IDFC
6	Appointment of Escrow Collection Banks, share escrow agent and appointment of Monitoring Agency (including coordinating all agreements to be entered with such parties)	Edelweiss, Axis, IDFC	Axis
7.	International institutional marketing of the Offer, which will cover, *inter alia*: • Preparation of road show presentation and FAQs for the road show team • Institutional marketing strategy • Finalising the list and division of international investors for one-to-one meeting • Finalising international road show and investor meeting schedules	Edelweiss, Axis, IDFC	Edelweiss
8.	Domestic institutional marketing of the Offer, which will cover, *inter alia*: • Finalising the list and division of domestic investors for one-to-one meetings • Finalising domestic road show and investor meeting schedules	Edelweiss, Axis, IDFC	Axis

Sr. No.	Activity	Responsibility	Co-ordination
9.	Conduct non-institutional and retail marketing of the Offer, which will cover, *inter-alia*: • Finalising media, marketing, public relations strategy and publicity budget • Finalising collection centres • Finalising centres for holding conferences for brokers etc. • Follow-up on distribution of publicity and Offer material including form, RHP/Prospectus and deciding on the quantum of the Offer material	Edelweiss, Axis, IDFC	Edelweiss
10.	Coordination with Stock Exchanges for book building software, bidding terminals and mock trading, deposit of 1% security deposit	Edelweiss, Axis, IDFC	IDFC
11.	Managing the book and finalization of pricing in consultation with our Company	Edelweiss, Axis, IDFC	Edelweiss
12.	Post-Bidding activities and managing Anchor book related activities and submission of letters to regulators post completion of Anchor issue –management of escrow accounts, coordinating underwriting, coordination of non-institutional allocation, finalization of the basis of allotment based on technical rejections, listing of instruments, demat credit and refunds/ unblocking of funds announcement of allocation and dispatch of refunds to Bidders, etc, payment of the applicable STT, coordination with SEBI and Stock Exchanges for refund of 1% security deposit	Edelweiss, Axis, IDFC	Axis

Credit Rating

As the Offer is an offer of Equity Shares, there is no credit rating required.

IPO grading

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

Trustees

The Offer being an offer of the Equity Shares, the appointment of trustees is not required.

Book Building Process

The 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. The Price Band, Bid Lot and the Retail Discount will be decided by our Company and the Selling Shareholder, in consultation with the BRLMs, and advertised in [●] editions of the English national daily newspaper, [●], [●] editions of the Hindi national daily newspaper, [●], and the [●] edition of the Gujarati newspaper, [●] (Gujarati being the regional language of Gujarat where our Company's Registered Office is located), each with wide circulation, at least five Working Days prior to the Bid/Offer Opening Date. The Offer Price shall be determined by our Company and the Selling Shareholder, in consultation with the BRLMs after the Bid/Offer Closing Date.

All Bidders, except Anchor Investors, can participate in the Offer only through the ASBA process. Anchor Investors are not permitted to participate in the Offer through ASBA process.

In accordance with the SEBI Regulations, QIBs bidding in the QIB Portion and Non-Institutional Bidders bidding in the Non-Institutional Portion are not permitted to withdraw or lower the size of their Bids (in terms of the quantity of

the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid/Offer Period and withdraw their Bids until the Bid/Offer Closing Date. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid/Offer Period. Allocation to the Anchor Investors will be on a discretionary basis.

Each Bidder by submitting a Bid in the Offer, will be deemed to have acknowledged the above restrictions and the terms of the Offer.

For further details on the method and procedure for Bidding, see the sections *"Offer Structure"* and "*Offer Procedure*", beginning on pages 501 and 504, respectively.

Illustration of Book Building Process and Price Discovery Process

For an illustration of the Book Building Process and the price discovery process, see the section "*Offer Procedure – Part B – Basis of Allocation – Illustration of Book Building Process and Price Discovery Process*", on page 80.

Underwriting Agreement

After the determination of the Offer Price and allocation of the Equity Shares, and prior to the filing of the Prospectus with the RoC, our Company and the Selling Shareholder 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, the obligations of the Underwriters will be several and will be subject to certain conditions specified therein.

The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

(This portion has been intentionally left blank and will be completed before filing the Prospectus with the RoC.).

Name of the Underwriter	Address, telephone number, fax number and e-mail address of the Underwriters	Indicative Number of Equity Shares to be Underwritten	Amount Underwritten (₹in millions)
[●]	[●]	[●]	[●]

The above mentioned is indicative underwriting commitment and actual underwriting devolvement will be finalised after determination of Offer Price and Basis of Allotment, in accordance with the provisions of the SEBI Regulations.

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

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitment set forth in the table above in accordance with the terms of the Underwriting Agreement.

Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to the Equity Shares allocated to Bidders 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 subscribers for or subscribe to the Equity Shares to the extent of the defaulted amount in accordance with the Underwriting Agreement. The Underwriting Agreement mentioned above does not apply to subscription by the Bidders in the Offer, except for Bids procured by the Syndicate. The extent of underwriting obligations, and the Bids to be underwritten in the Offer shall be as per the Underwriting Agreement.

CAPITAL STRUCTURE

The Equity Share capital of our Company as on the date of this Draft Red Herring Prospectus is provided below:

(In ₹ except share data)

Sr. No.	Particulars	Aggregate value at face value	Aggregate value at Offer Price
A.	**AUTHORIZED SHARE CAPITAL**		
	125,000,000 Equity Shares(1)	1,250,000,000	
B.	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL BEFORE THE OFFER**		
	85,500,003 Equity Shares	855,000,030	
C.	**PRESENT OFFER IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS**		
	Offer of up to [●] Equity Shares(2)(3)	[●]	[●]
	of which		
	Fresh Issue of up to [●] Equity Shares aggregating up to ₹ 4,500 million(2)	[●]	[●]
	Offer for Sale of up to 3,000,000 Equity Shares aggregating up to ₹ [●] million(3)	[●]	[●]
D.	**SECURITIES PREMIUM ACCOUNT**		
	Before the Offer	Nil	
	After the Offer	[●]	
E.	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE OFFER**		
	[●] Equity Shares	[●]	

(1) For details in relation to changes in the authorized share capital of our Company, see the section "History and Certain Corporate Matters", beginning on page 192.

(2) The Fresh Issue has been authorized by the Board pursuant to a resolution passed on February 16, 2018 and by our Company's Shareholders pursuant to a special resolution passed on February 22, 2018.

(3) The Offered Shares have been held by the Selling Shareholder for a period of at least one year prior to filing of the Draft Red Herring Prospectus in accordance with Regulation 26(6) of the SEBI Regulations and accordingly, are eligible for the Offer for Sale in accordance with the provisions of the SEBI Regulations. For details on the authorisation of the Selling Shareholder in relation to the Offered Shares, see the section "Other Regulatory and Statutory Disclosures", beginning on page 481.

Notes to the Capital Structure

1. **Equity Share Capital History of our Company**

(a) The history of the Equity Share capital of our Company is provided in the table below.

Date of allotment	No. of Equity Shares allotted	Face value (₹)	Offer price per Equity Share (₹)	Nature of consideration	Nature of transaction	Cumulative number of Equity Shares	Cumulative Paid-up Equity Share capital (in ₹)
March 21, 1995	20	10	10	Cash	Initial subscription to the Memorandum of Association(1)	20	200
September 9, 1995	38,480	10	10	Cash	Preferential allotment(2)	38,500	385,000
May 24, 1996	111,500	10	10	Cash	Preferential allotment(3)	150,000	1,500,000
November 20, 1996	20,000	10	10	Cash	Preferential allotment(4)	170,000	1,700,000
March 31, 1997	80,000	10	10	Cash	Preferential allotment(5)	250,000	2,500,000
March 2, 1998	150,000	10	10	Cash	Preferential allotment(6)	400,000	4,000,000
September 7, 1998	25,000	1 0	10	Cash	Preferential allotment(7)	425,000	4,250,000
March 21, 2001	92,500	10	10	Cash	Preferential allotment(8)	517,500	5,175,000
September 14, 2004	482,500	10	10	Cash	Preferential allotment(9)	1,000,000	10,000,000
March 30, 2007	180,000	10	50	Cash	Preferential allotment(10)	1,180,000	11,800,000
March 25, 2008	670,000	10	100	Cash	Preferential allotment(11)	1,850,000	18,500,000
October 3, 2008	400,000	10	100	Cash	Preferential allotment(12)	2,250,000	22,500,000
March 3, 2009	315,000	10	100	Cash	Preferential allotment(13)	2,565,000	25,650,000
March 31, 2015	10,260,000	10	-	-	Bonus issue(14)	12,825,000	128,250,000
March 30, 2016	51,300,000	10	-	-	Bonus issue(15)	64,125,000	641,250,000
February 9, 2017	(34,625,000)	-	-	-	Cancelled, pursuant to the Composite Scheme of Arrangement approved by the Hon'ble High Court of Gujarat vide its order dated December 2, 2016(16)	64,125,002	641,250,020
	34,625,002	10	-	Other than cash	Pursuant to the Composite Scheme of Arrangement approved by the Hon'ble High		

Date of allotment	No. of Equity Shares allotted	Face value (₹)	Offer price per Equity Share (₹)	Nature of consideration	Nature of transaction	Cumulative number of Equity Shares	Cumulative Paid-up Equity Share capital (in ₹)
					Court of Gujarat vide its order dated December 2, 2016[17]		
February 24, 2018	21,375,001	10	-	-	Bonus issue[18]	85,500,003	855,000,030

(1) 10 Equity Shares were allotted to Kanubhai Mafatlal Patel and 10 Equity Shares were allotted to Dinaben Kanubhai Patel.

(2) 500 Equity Shares were allotted to Patel Harikrishna Nathalal, 500 Equity Shares were allotted to Vyas Jagdishkumar Sukhdevji, 500 Equity Shares were allotted to Patel Rajeshbhai Manharbhai, 500 Equity Shares were allotted to Patel Janak Manhrabhai, 1,000 Equity Shares were allotted to Patel Harishbhai Bhailalbhai, 16,990 Equity Shares were allotted to Kanubhai Mafatlal Patel and 18,490 Equity Shares were allotted to Dinaben Kanubhai Patel.

(3) 41,000 Equity Shares allotted to Kanubhai Mafatlal Patel, 40,000 Equity Shares allotted to Natvarbhai Shantilal Patel and 30,500 Equity Shares allotted to Amitbhai Bakulchandra Thakker.

(4) 20,000 Equity Shares were allotted to Amitbhai Bakulchandra Thakker.

(5) 41,000 Equity Shares were allotted to Kanubhai Mafatlal Patel, 9,000 Equity Shares were allotted to Dinaben Kanubhai Patel and 30,000 Equity Shares were allotted to Amitbhai Bakulchandra Thakker.

(6) 41,900 Equity Shares were allotted to Kanubhai Mafatlal Patel and 108,100 Equity Shares were allotted to Amitbhai Bakulchandra Thakker.

(7) 5,000 Equity Shares were allotted to Mitesh Rajanikant Patel,10,000 Equity Shares were allotted to Vinodbhai Dahyabhai Patel, 5,000 Equity Shares were allotted to Veenaben J. Vyas and 5,000 Equity Shares were allotted to Ghanshyambhai Somabhai Patel.

(8) 26,500 Equity Shares were allotted to Amratbhai Nathalal Patel, 20,000 Equity Shares were allotted to Mahendrabhai S. Patel, 20,000 Equity Shares were allotted to Brijesh Kanubhai Patel, 20,000 Equity Shares were allotted to Dinaben Kanubhai Patel and 6,000 Equity Shares were allotted to Kalpeshbhai Rajanibhai Patel.

(9) 12,500 Equity Shares were allotted to Kanubhai Mafatlal Patel and Dinaben Kanubhai Patel jointly, 200,000 Equity Shares were allotted to Dinaben Kanubhai Patel and Kanubhai Mafatlal Patel jointly, 35,000 Equity Shares were allotted to Brijesh Kanubhai Patel and Kanubhai Mafatlal Patel jointly, and 235,000 Equity Shares were allotted to Mrunal Kanubhai Patel and Kanubhai Mafatlal Patel jointly.

(10) 130,000 Equity Shares were allotted to Kanubhai Mafatlal Patel, 20,000 Equity Shares were allotted to Brijesh Kanubhai Patel and 30,000 Equity Shares were allotted to Mrunal Kanubhai Patel.

(11) 310,000 Equity Shares were allotted to Montecarlo Infrastructure, 260,000 Equity Shares were allotted to Montecarlo Projects and 100,000 Equity Shares were allotted to Montecarlo Engineering.

(12) 100,000 Equity Shares were allotted to Montecarlo Infrastructure, 100,000 Equity Shares were allotted to Montecarlo Projects and 200,000 Equity Shares were allotted to Montecarlo Engineering.

(13) 15,000 Equity Shares were allotted to Montecarlo Infrastructure, 120,000 Equity Shares were allotted to Montecarlo Projects and 180,000 Equity Shares were allotted to Montecarlo Engineering.

(14) 10,260,000 Equity Shares were allotted to the shareholders of our Company, in the ratio four new Equity Shares of ₹ 10 each for every one existing paid up Equity Share of ₹ 10 each, namely, (i) Kanubhai Mafatlal Patel, (ii) Kanubhai Mafatlal Patel and Dinaben Kanubhai Patel jointly, (iii) Dinaben Kanubhai Patel, (iv) Dinaben Kanubhai Patel and Kanubhai Mafatlal Patel jointly, (v) Brijesh Kanubhai Patel, (vi) Brijesh Kanubhai Patel and Kanubhai Mafatlal Patel jointly, (vii) Mrunal Kanubhai Patel, (viii) Mrunal Kanubhai Patel and Kanubhai Mafatlal Patel jointly, (ix) Rekhaben Jagdipbhai Patel, (x) Jagdipbhai Chandulal Patel, (xi) Alpa Brijesh Patel, (xii) Montecarlo Infrastructure, (xiii) Montecarlo Projects, and (xiv) Montecarlo Engineering.

(15) 51,300,000 Equity Shares were allotted to were allotted to the shareholders of our Company, in the ratio four new Equity Shares of ₹ 10 each for every one existing paid up Equity Share of ₹ 10 each, namely, (i) Kanubhai Mafatlal Patel, (ii) Dinaben Kanubhai Patel, (iii) Brijesh Kanubhai Patel, (iv) Rekhaben Jagdeep Patel, (v) Jagdeep Chandulal Patel, (vi) Mrunal Kanubhai Patel, (vii) Alpa Brijesh Patel, (viii) Kanubhai Mafatlal Patel and Dinaben Kanubhai Patel jointly, (ix) Dinaben Kanubhai Patel and Kanubhai Mafatlal Patel jointly, (x) Brijesh Kanubhai Patel and Kanubhai Mafatlal Patel jointly, (xi) Mrunal Kanubhai Patel and Kanubhai Mafatlal Patel jointly, (xii) Montecarlo Infrastructure, (xiii) Montecarlo Projects, (xiv) Montecarlo Engineering, (xv) Suhas Vasant Joshi, and (xvi) Nareshkumar Pranshankar Suthar.

(16) Pursuant to the Composite Scheme of Arrangement, approved by the Hon'ble High Court of Gujarat vide its order dated December 2, 2016, 12,000,000 Equity Shares held by Montecarlo Projects, 10,625,000 Equity Shares held by Montecarlo Infrastructure and 12,000,000 Equity Shares held by Montecarlo Engineering stood cancelled pursuant to the amalgamation of the said companies with our Company. For details in relation to the Composite Scheme of Arrangement, see the section "History and Certain Corporate Matters", beginning on page 192.

(17) Pursuant to the Composite Scheme of Arrangement, approved by the Hon'ble High Court of Gujarat vide its order dated December 2, 2016, 12,000,000 Equity Shares, 10,625,000 Equity Shares and 12,000,000 Equity Shares were issued and allotted to the shareholders of Montecarlo Projects (i.e., Kanubhai Mafatlal Patel and Dinaben Kanubhai Patel), Montecarlo Infrastructure (i.e., Kanubhai Mafatlal Patel, Dinaben Kanubhai Patel, Brijesh Kanubhai Patel, Mrunal Kanubhai Patel, Rekha Jagdeep Patel, Jagdeep Chandulal Patel and Alpa Brijesh Patel) and Montecarlo Engineering (i.e., Kanubhai Mafatlal Patel and Dinaben Kanubhai Patel), respectively, and 1 fully paid Equity Share to each of the two (2) shareholders of Montecarlo Energy (i.e., Kanubhai Mafatlal Patel and Brijesh Kanubhai Patel). For details in relation to the Composite Scheme of Arrangement, see the section "History and Certain Corporate Matters", beginning on page 192.

(18) 21,375,001 Equity Shares were allotted to the shareholders of our Company, in the ratio one new Equity Share for every three existing paid up Equity Share, namely, (i) Kanubhai Mafatlal Patel (on behalf of Kanubhai Trust), (ii) Kanubhai Mafatlal Patel, (iii) Dinaben Kanubhai Patel, (iv) Brijesh Kanubhai Patel, (v) Mrunal Kanubhai Patel, (vi) Alpa Brijesh Patel, (vii) Janki Mrunal Patel, (viii) Suhas Vasant Joshi, and (ix) Nareshkumar Pranshankar Suthar.

2. **Issue of Equity Shares at Price Lower than the Offer Price in the Last Year**

Other than the allotment of Equity Shares made on February 24, 2018 pursuant to the bonus issue (including to Promoters and certain members of the Promoter Group), as specified above in "*-Notes to the Capital Structure-Equity Share Capital History of our Company*" on page 82, our Company has not issued any Equity Shares at a price which may be lower than the Offer Price during a period of one year preceding the date of this Draft Red Herring Prospectus.

3. **Issue of Equity Shares under Sections 230 to 232 of the Companies Act, 2013 or Sections 391 to 394 of the Companies Act, 1956**

Other than the allotment of 12,000,000 Equity Shares, 10,625,000 Equity Shares and 12,000,000 Equity Shares to the shareholders of Montecarlo Projects (i.e., Kanubhai Mafatlal Patel and Dinaben Kanubhai Patel), Montecarlo Infrastructure (i.e., Kanubhai Mafatlal Patel, Dinaben Kanubhai Patel, Brijesh Kanubhai Patel, Mrunal Kanubhai Patel, Rekha Jagdeep Patel, Jagdeep Chandulal Patel and Alpa Brijesh Patel) and Montecarlo Engineering (i.e., Kanubhai Mafatlal Patel and Dinaben Kanubhai Patel), respectively, and 1 fully paid Equity Share to each of the two (2) shareholders of Montecarlo Energy (i.e., Kanubhai Mafatlal Patel and Brijesh Kanubhai Patel) pursuant to the Composite Scheme of Arrangement entered into between our Company, Montecarlo Projects, Montecarlo Infrastructure, Montecarlo Engineering, Montecarlo Energy, Montecarlo Realty and Montecarlo Construction, our Company has not allotted any Equity Shares pursuant to any scheme of amalgamation under Sections 230 to 232 of the Companies Act, 2013 or Sections 391 to 394 of the Companies Act, 1956. For details of the Composite Scheme of Arrangement, see the section "*History and Certain Corporate Matters*", beginning on page 192. For details of the allotment, see "*– Notes to the Capital Structure – Equity Share Capital History of our Company*", on page 82.

4. **Issue of Equity Shares in the Last Two Years**

For details of issue of Equity Shares by our Company in the two immediately preceding years from the date of this Draft Red Herring Prospectus, see "*– Notes to the Capital Structure – Equity Share Capital History of our Company*", on page 82.

5. **Issue of Equity Shares out of Revaluation Reserves or through bonus issue or for consideration other than Cash**

- Our Company has not issued any Equity Shares or preference shares, including any bonus shares, out of revaluation reserves, at any time since incorporation.
- Except as set out below, our Company has not issued Equity Shares through bonus issue or for consideration other than cash since incorporation:

Date of allotment	Name of the allottees	Number of Equity Shares allotted	Offer price per Equity Share (₹)	Reason for allotment	Benefits accrued to our Company
March 31, 2015	Kanubhai Mafatlal Patel	1,520,280	-	Bonus issue of 10,260,000 Equity Shares in the ratio four new Equity Shares for every one existing paid up Equity Share was authorised by	-
	Kanubhai Mafatlal Patel and Dinaben	50,000	-		

Date of allotment	Name of the allottees	Number of Equity Shares allotted	Offer price per Equity Share (₹)	Reason for allotment	Benefits accrued to our Company
	Kanubhai Patel jointly			the shareholders of our Company through a resolution dated March 10, 2015 and allotment was made by the Board through a resolution dated March 31, 2015.	
	Dinaben Kanubhai Patel	214,040	-		
	Dinaben Kanubhai Patel and Kanubhai Mafatlal Patel jointly	800,000	-		
	Brijesh Kanubhai Patel	934,800	-		
	Brijesh Kanubhai Patel and Kanubhai Mafatlal Patel jointly	140000	-		
	Mrunal Kanubhai Patel	120040	-		
	Mrunal Kanubhai Patel and Kanubhai Mafatlal Patel jointly	940,000	-		
	Rekhaben Jagdipbhai Patel	400	-		
	Jagdipbhai Chandulal Patel	400	-		
	Alpa Brijesh Patel	40	-		
	Montecarlo Infrastructure	1,700,000	-		
	Montecarlo Projects	1,920,000	-		
	Montecarlo Engineering	1,920,000	-		
March 30, 2016	Kanubhai Mafatlal Patel	7,595,000	-	Bonus issue of 51,300,000 Equity Shares in the ratio four new Equity Shares for every one existing paid up Equity Share was authorised by the shareholders of our Company through a resolution dated March 29, 2016 and allotment was made by the Board through a resolution dated March 30, 2016.	-
	Dinaben Kanubhai Patel	1,070,200	-		
	Brijesh Kanubhai Patel	4,674,000	-		
	Rekhaben Jagdeep Patel	2,000	-		
	Jagdeep Chandulal Patel	2,000	-		
	Mrunal Kanubhai Patel	600,200	-		
	Alpa Brijesh Patel	200	-		
	Kanubhai Mafatlal Patel and Dinaben Kanubhai Patel jointly	250,000	-		
	Dinaben Kanubhai Patel and Kanubhai Mafatlal Patel jointly	4,000,000	-		
	Brijesh Kanubhai Patel and Kanubhai Mafatlal Patel jointly	700,000	-		
	Mrunal Kanubhai Patel and Kanubhai Mafatlal Patel jointly	4,700,000	-		
	Montecarlo Infrastructure	8,500,000	-		
	Montecarlo Projects	9,600,000	-		
	Montecarlo	9,600,000	-		

Date of allotment	Name of the allottees	Number of Equity Shares allotted	Offer price per Equity Share (₹)	Reason for allotment	Benefits accrued to our Company
	Engineering				
	Suhas Vasant Joshi	3,200	-		
	Nareshkumar Pranshankar Suthar	3,200	-		
February 9, 2017	Shareholders of Montecarlo Projects (i.e., Kanubhai Mafatlal Patel and Dinaben Kanubhai Patel)	12,000,000	-	Allotment of Equity Shares pursuant to the Composite Scheme of Arrangement approved by the Hon'ble High Court of Gujarat vide its order dated December 2, 2016	To facilitate simplification of the corporate structure within our Company, and to enable cost savings by reduction in administrative costs and the need for multiple records keeping
	Shareholders of Montecarlo Infrastructure (i.e., Kanubhai Mafatlal Patel, Dinaben Kanubhai Patel, Brijesh Kanubhai Patel, Mrunal Kanubhai Patel, Rekha Jagdeep Patel, Jagdeep Chandulal Patel and Alpa Brijesh Patel)	10,625,000	-		
	Shareholders of Montecarlo Engineering (i.e., Kanubhai Mafatlal Patel and Dinaben Kanubhai Patel)	12,000,000	-		
	Shareholders of Montecarlo Energy (i.e., Kanubhai Mafatlal Patel and Brijesh Kanubhai Patel)	2	-		
February 24, 2018	Kanubhai Mafatlal Patel (on behalf of Kanubhai Trust)	21,364,227	-	Bonus issue of 21,375,001 Equity Shares in the ratio one new Equity Share of ₹ 10 each for every three existing paid up Equity Share of ₹ 10 each was authorised by the shareholders of our Company through a resolution dated February 22, 2018 and allotment was made by the Board through a resolution dated February 24, 2018.	-
	Kanubhai Mafatlal Patel	1,907	-		
	Dinaben Kanubhai Patel	1,907	-		
	Brijesh Kanubhai Patel	1,907	-		
	Mrunal Kanubhai Patel	1,907	-		
	Alpa Brijesh Patel	240	-		
	Janki Mrunal Patel	240	-		
	Suhas Vasant Joshi	1,333	-		
	Nareshkumar Pranshankar Suthar	1,333	-		

6. **History of the Equity Share Capital held by Promoters**

As on the date of this Draft Red Herring Prospectus, the Promoters hold 85,479,790 Equity Shares in our Company, which is equivalent to 99.98% of the issued, subscribed and paid-up Equity Share capital of our Company. Further, as on the date of this Draft Red Herring Prospectus, (i) Kanubhai Trust holds 85,456,909 Equity Shares, equivalent to 99.95% of the issued, subscribed and paid-up Equity Share capital of our Company, (ii) Kanubhai Mafatlal Patel holds 7,627 Equity Shares, equivalent to 0.01% of the issued, subscribed and paid-up Equity Share capital of our Company, (iii) Brijesh Kanubhai Patel holds 7,627 Equity Shares, equivalent to 0.01% of the issued, subscribed and paid-up Equity Share capital of our Company, and (iv) Mrunal Kanubhai Patel holds 7,627 Equity Shares, equivalent to 0.01% of the issued, subscribed and paid-up Equity Share capital of our Company.

The build-up of the Equity Shareholding of Kanubhai Trust, Kanubhai Mafatlal Patel, Brijesh Kanubhai Patel and Mrunal Kanubhai Patel since incorporation of our Company is provided in the table below:

Name of Promoter	**Date of allotment/ transfer**	**Nature of transaction**	**No. of Equity Shares**	**Nature of consideration**	**Face value per Equity Share (₹)**	**Issue price/ transfer price per Equity Share (₹)**	**Percentage of the pre-Offer capital (%)**	**Percentage of the post-Offer capital (%)***
Kanubhai Trust	March 20, 2017	Gift of Equity Shares from Kanubhai Mafatlal Patel	64,080,456	-	10	-	74.95	[●]
	March 21, 2017	Gift of Equity Shares from Dinaben Kanubhai Patel	11,440	-	10	-	0.01	[●]
	March 21, 2017	Gift of Equity Shares from Brijesh Kanubhai Patel	22	-	10	-	Negligible	[●]
	March 21, 2017	Gift of Equity Shares from Mrunal Kanubhai Patel	21	-	10	-	Negligible	[●]
	March 21, 2017	Gift of Equity Shares from Alpa Brijesh Patel	21	-	10	-	Negligible	[●]
	July 11, 2017	Gift of Equity Shares held jointly by Jagdeep Chandulal Patel and Rekha Jagdeep Patel	361	-	10	-	Negligible	[●]
	July 11, 2017	Gift of Equity Shares held jointly by Rekha Jagdeep Patel and Jagdeep Chandulal Patel	361	-	10	-	Negligible	[●]
	February 24, 2018	Bonus issue in the ratio of 1:3 (allotted to Kanubhai Mafatlal Patel on behalf of the Kanubhai Trust)	21,364,227	-	10	-	24.99	[●]
Total (A)			**85,456,909**				**99.95**	
Kanubhai Mafatlal Patel	March 21, 1995	Initial subscription to the Memorandum of Association	10	Cash	10	10	Negligible	[●]
	September 9, 1995	Preferential allotment	16,990	Cash	10	10	0.02	[●]
	May 24, 1996	Preferential allotment	41,000	Cash	10	10	0.05	[●]

Name of Promoter	Date of allotment/ transfer	Nature of transaction	No. of Equity Shares	Nature of consideration	Face value per Equity Share (₹)	Issue price/ transfer price per Equity Share (₹)	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%)*
	October 1, 1996	Transfer of Equity Shares from Natvarbhai Shantilal Patel	40,000	Cash	10	1.5	0.05	[●]
	March 31, 1997	Preferential allotment	41,000	Cash	10	10	0.05	[●]
	December 2, 1997	Transfer of Equity Shares to Dharmin Manubhai Patel	(100)	Cash	10	10	Negligible	[●]
	December 2, 1997	Transfer of Equity Shares to Alpaben Dharminkumar Patel	(100)	Cash	10	10	Negligible	[●]
	December 2, 1997	Transfer of Equity Shares to Pathik Manubhai Patel	(100)	Cash	10	10	Negligible	[●]
	December 2, 1997	Transfer of Equity Shares to Induben Manubhai Patel	(100)	Cash	10	10	Negligible	[●]
	December 2, 1997	Transfer of Equity Shares to Manubhai Bhalubhai Patel	(100)	Cash	10	10	Negligible	[●]
	December 2, 1997	Transfer of Equity Shares to Poojaben Pathik Patel	(100)	Cash	10	10	Negligible	[●]
	December 2, 1997	Transfer of Equity Shares to Ashokbhai V. Patel	(100)	Cash	10	10	Negligible	[●]
	March 2, 1998	Preferential allotment	41,900	Cash	10	10	0.05	[●]
	May 2, 1998	Transfer of Equity Shares to Trupti Vishnubhai Patel	(10)	Cash	10	10	Negligible	[●]
	November 15, 1999	Transfer of Equity Shares to Rekha Jagdeep Patel	(100)	Cash	10	10	Negligible	[●]
	November 15, 1999	Transfer of Equity Shares to Shardaben Chandulal Patel	(100)	Cash	10	10	Negligible	[●]
	November 15, 1999	Transfer of Equity Shares to Rajendra B. Patel	(100)	Cash	10	10	Negligible	[●]
	April 3, 2001	Transfer of Equity Shares from Dharmin	100	Cash	10	4.5	Negligible	[●]

Name of Promoter	Date of allotment/ transfer	Nature of transaction	No. of Equity Shares	Nature of consideration	Face value per Equity Share (₹)	Issue price/ transfer price per Equity Share (₹)	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%)*
		Manubhai Patel						
	April 3, 2001	Transfer of Equity Shares from Pathik M. Patel	100	Cash	10	4.5	Negligible	[●]
	April 10, 2001	Transfer of Equity Shares from Manubhai B. Patel	100	Cash	10	4.5	Negligible	[●]
	April 20, 2001	Transfer of Equity Shares from Induben M. Patel	100	Cash	10	4.5	Negligible	[●]
	August 28, 2001	Transfer of Equity Shares from Harikrishna N. Patel	500	Cash	10	8	Negligible	[●]
	August 28, 2001	Transfer of Equity Shares from Veena J. Vyas	5,000	Cash	10	4	0.01	[●]
	August 28, 2001	Transfer of Equity Shares from Kalpesh R. Patel	6,000	Cash	10	3	0.01	[●]
	August 28, 2001	Transfer of Equity Shares from Harishchandra B. Patel	1,000	Cash	10	4	Negligible	[●]
	August 28, 2001	Transfer of Equity Shares from Amratbhai N. Patel	26,990	Cash	10	3	0.03	[●]
	August 28, 2001	Transfer of Equity Shares from Mahendra S. Patel	20,000	Cash	10	5	0.02	[●]
	August 28, 2001	Transfer of Equity Shares from Vinod D. Patel	10,000	Cash	10	6	0.01	[●]
	August 18, 2003	Transfer of Equity Shares to Shetal A. Parikh	(10)	Cash	10	10	Negligible	[●]
	August 18, 2003	Transfer of Equity Shares to Nisha R. Parikh	(10)	Cash	10	10	Negligible	[●]
	August 18, 2003	Transfer of Equity Shares to Ruchin J. Patel	(10)	Cash	10	10	Negligible	[●]
	April 5, 2004	Transfer of Equity Shares to Hansaben R. Patel	(10)	Cash	10	10	Negligible	[●]

Name of Promoter	Date of allotment/ transfer	Nature of transaction	No. of Equity Shares	Nature of consideration	Face value per Equity Share (₹)	Issue price/ transfer price per Equity Share (₹)	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%)*
	July 30, 2004	Transfer of Equity Shares to Vishal R. Parikh	(10)	Cash	10	10	Negligible	[●]
	August 30, 2004	Transfer of Equity Shares to Rajendra Patel jointly with Kanubhai Mafatlal Patel	(10)	Cash	10	10	Negligible	[●]
	September 14, 2004	Transfer of Equity Shares to Alpa B. Patel	(10)	Cash	10	10	Negligible	[●]
	September 14, 2004	Preferential allotment of Equity Shares to Kanubhai Mafatlal Patel (as first holder) jointly with Dinaben Kanubhai Patel(1)	12,500	Cash	10	10	0.01	[●]
	December 16, 2006	Transfer of Equity Shares from Alpa Darmin Patel	100	Cash	10	10	Negligible	[●]
	December 16, 2006	Transfer of Equity Shares from Shardaben Chandulal Patel	100	Cash	10	10	Negligible	[●]
	December 16, 2006	Transfer of Equity Shares from Nandubhai M. Patel	100	Cash	10	10	Negligible	[●]
	December 16, 2006	Transfer of Equity Shares from Shetal Ashokbhai Parikh	10	Cash	10	10	Negligible	[●]
	December 16, 2006	Transfer of Equity Shares from Nisha Rajeshkumar Parikh	10	Cash	10	10	Negligible	[●]
	December 16, 2006	Transfer of Equity Shares from Ruchin J. Patel	10	Cash	10	10	Negligible	[●]
	December 16, 2006	Transfer of Equity Shares from Hansaben R. Patel	10	Cash	10	10	Negligible	[●]
	December 16, 2006	Transfer of Equity Shares from Vishal Rajeshbhai Parikh	10	Cash	10	10	Negligible	[●]
	December	Transfer of	10	Cash	10	10	Negligible	[●]

Name of Promoter	Date of allotment/ transfer	Nature of transaction	No. of Equity Shares	Nature of consideration	Face value per Equity Share (₹)	Issue price/ transfer price per Equity Share (₹)	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%)*
	16, 2006	Equity Shares from Rajendra R. Patel held jointly with Kanubhai Mafatlal Patel						
	March 30, 2007	Preferential allotment	130,000	Cash	10	50	0.15	[●]
	March 31, 2015	Bonus issue in the ratio of 4:1	1,570,280(2)	-	10	-	1.84	[●]
	March 28, 2016	Transfer of Equity Shares to Suhas Vasant Joshi	(800)	Cash	10	250	Negligible	[●]
	March 28, 2016	Transfer of Equity Shares to Nareshkumar Pranshankar Suthar	(800)	Cash	10	250	Negligible	[●]
	March 30, 2016	Bonus issue in the ratio of 4:1	7,845,000(3)	-	10	-	9.17	[●]
	July 13, 2016	Gift of Equity Shares from Dinaben Kanubhai Patel	1,332,750	-	10	-	1.56	[●]
	July 13, 2016	Gift of Equity Shares from Brijesh Kanubhai Patel	5,837,500	-	10	-	6.83	[●]
	July 13, 2016	Gift of Equity Shares from Mrunal Kanubhai Patel	745,500	-	10	-	0.87	[●]
	July 13, 2016	Renunciation by Brijesh Kanubhai Patel (as first holder) of his interest as the joint shareholder in Equity Shares held by Brijesh Kanubhai Patel jointly with Kanubhai Mafatlal Patel	875,000	Nil	10	-	1.02	[●]
	July 13, 2016	Renunciation by Dinaben Kanubhai Patel (as first holder) of her interest as the joint shareholder in Equity Shares held by Dinaben Kanubhai Patel jointly with Kanubhai	5,000,000	Nil	10	-	5.85	[●]

Name of Promoter	Date of allotment/ transfer	Nature of transaction	No. of Equity Shares	Nature of consideration	Face value per Equity Share (₹)	Issue price/ transfer price per Equity Share (₹)	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%)*
		Mafatlal Patel						
	July 13, 2016	Renunciation by Mrunal Kanubhai Patel (as first holder) of his interest as the joint shareholder in Equity Shares held by Mrunal Kanubhai Patel jointly with Kanubhai Mafatlal Patel	5,875,000	Nil	10	-	6.87	[●]
	February 9, 2017	Further issue pursuant to the approval of the Composite Scheme of Arrangement by the Hon'ble High Court of Gujarat vide its order dated December 2, 2016(4)	34,613,456	Other than cash	10	10	40.48	[●]
	March 20, 2017	Gift of Equity Shares to Mrunal Kanubhai Patel (on behalf of Kanubhai Trust)	(64,080,456)	-	10	-	(74.95)	[●]
	July 14, 2017	Gift of Equity Shares held jointly by Jagdeep Chandulal Patel and Rekha Jagdeep Patel	720	-	10	-	Negligible	[●]
	February 24, 2018	Bonus issue in the ratio of 1:3	1,907	-	10	-	Negligible	[●]
Total (B)			**7,627**				**0.01**	
Brijesh Kanubhai Patel	February 10, 1998	Transfer of Equity Shares from Ashokbhai V. Patel	100	Cash	10	10	Negligible	[●]
	June 1, 1998	Transfer of Equity Shares from Amitbhai B. Thakkar	188,600	Cash	10	2	0.22	[●]
	March 1, 2000	Transfer of Equity Shares to Jagdeep Chandulal Patel	(100)	Cash	10	10	Negligible	[●]
	March 21, 2001	Preferential allotment	20,000	Cash	10	10	0.02	[●]
	June 26, 2001	Transfer of Equity Shares from Rajendra B.	100	Cash	10	6	Negligible	[●]

Name of Promoter	Date of allotment/ transfer	Nature of transaction	No. of Equity Shares	Nature of consideration	Face value per Equity Share (₹)	Issue price/ transfer price per Equity Share (₹)	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%)*
		Patel						
	August 28, 2001	Transfer of Equity Shares from Ghanshyambhai S. Patel	5,000	Cash	10	3	0.01	[●]
	March 30, 2007	Preferential allotment	20,000	Cash	10	50	0.02	[●]
	September 14, 2004	Preferential allotment of Equity Shares to Brijesh Kanubhai Patel (as first holder) jointly with Kanubhai Mafatlal Patel	35,000	Cash	10	10	0.04	[●]
	March 31, 2015	Bonus issue in the ratio of 4:1	1,074,800(5)	-	10	-	1.26	[●]
	March 30, 2016	Bonus issue in the ratio of 4:1	5,374,000(6)	-	10	-	6.29	[●]
	July 13, 2016	Renunciation of his interest (of first holder) as joint shareholder in the Equity Shares held jointly with Kanubhai Mafatlal Patel	(875,000)	Nil	10	-	(1.02)	[●]
	July 13, 2016	Gift of Equity Shares to Kanubhai Mafatlal Patel	(5,837,500)	-	10	-	(6.83)	[●]
	February 9, 2017	Further issue pursuant to the approval of the Composite Scheme of Arrangement by the Hon'ble High Court of Gujarat vide its order dated December 2, 2016(4)	22	Other than cash	10	-	Negligible	[●]
	March 21, 2017	Gift of Equity Shares to Mrunal Kanubhai Patel (on behalf of Kanubhai Trust)	(22)	-	10	-	Negligible	[●]
	July 14, 2017	Gift of Equity Shares held jointly by Jagdeep Chandulal Patel and Rekha Jagdeep Patel	720	-	10	-	Negligible	[●]

Name of Promoter	Date of allotment/ transfer	Nature of transaction	No. of Equity Shares	Nature of consideration	Face value per Equity Share (₹)	Issue price/ transfer price per Equity Share (₹)	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%)*
	February 24, 2018	Bonus issue in the ratio of 1:3	1,907	-	10	-	Negligible	[●]
Total (C)			**7,627**				**0.01**	
Mrunal Kanubhai Patel	February 6, 2002	Transfer of Equity Shares from Dinaben Kanubhai Patel	10	Cash	10	10	Negligible	[●]
	September 14, 2004	Preferential allotment of Equity Shares to Mrunal Kanubhai Patel (as first holder) jointly with Kanubhai Mafatlal Patel	235,000	Cash	10	10	0.27	[●]
	March 30, 2007	Preferential allotment	30,000	Cash	10	50	0.04	[●]
	March 31, 2015	Bonus issue in the ratio of 4:1	1,060,040(7)	-	10	-	1.24	[●]
	March 30, 2016	Bonus issue in the ratio of 4:1	5,300,200(8)	-	10	-	6.20	[●]
	July 13, 2016	Renunciation of his interest (of first holder) as joint shareholder in the Equity Shares held jointly with Kanubhai Mafatlal Patel	(5,875,000)	Nil	10	-	(6.87)	[●]
	July 13, 2016	Gift of Equity Shares to Kanubhai Mafatlal Patel	(745,500)	-	10	-	(0.87)	[●]
	July 13, 2016	Gift of Equity Shares from Alpa B. Patel	250	-	10	-	Negligible	[●]
	February 9, 2017	Further issue pursuant to the approval of the Composite Scheme of Arrangement by the Hon'ble High Court of Gujarat vide its order dated December 2, 2016(4)	21	Other than cash	10	-	Negligible	[●]
	March 21, 2017	Gift of Equity Shares to Mrunal Kanubhai Patel (on behalf of Kanubhai Trust)	(21)	-	10	-	Negligible	[●]
	July 14, 2017	Gift of Equity Shares held	720	-	10	-	Negligible	[●]

Name of Promoter	Date of allotment/ transfer	Nature of transaction	No. of Equity Shares	Nature of consideration	Face value per Equity Share (₹)	Issue price/ transfer price per Equity Share (₹)	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%)*
		jointly by Jagdeep Chandulal Patel and Rekha Jagdeep Patel						
	February 24, 2018	Bonus issue in the ratio of 1:3	1,907	-	10	-	Negligible	[●]
Total (D)			**7,627**				**0.01**	
Total (A+B+C+D)			**85,479,790**				**99.98**	

* *Assuming full subscription in the Offer and Allotment pursuant thereto.*

(1) On July 13, 2016, Dinaben Kanubhai Patel renounced her interest as the joint holder in 312,500 Equity Share (held jointly with Kanubhai Mafatlal Patel) in favour of Kanubhai Mafatlal Patel.

(2) Out of such 1,570,280 Equity Shares, 50,000 Equity Shares were allotted to Kanubhai Mafatlal Patel (as first holder) jointly with Dinaben Kanubhai Patel. On July 13, 2016, Dinaben Kanubhai Patel renounced her interest as the joint holder in 312,500 Equity Share (held jointly with Kanubhai Mafatlal Patel) in favour of Kanubhai Mafatlal Patel.

(3) Out of such 7,845,000 Equity Shares, 250,000 Equity Shares were allotted to Kanubhai Mafatlal Patel (as first holder) jointly with Dinaben Kanubhai Patel. On July 13, 2016, Dinaben Kanubhai Patel renounced her interest as the joint holder in 312,500 Equity Share (held jointly with Kanubhai Mafatlal Patel) in favour of Kanubhai Mafatlal Patel.

(4) For details in relation to the Composite Scheme of Arrangement, see the section "History and Certain Corporate Matters", beginning on page 192.

(5) Out of such 1,074,800 Equity Shares, 140,000 Equity Shares were allotted to Brijesh Kanubhai Patel (as first holder) jointly with Kanubhai Mafatlal Patel.

(6) Out of such 5,374,000 Equity Shares, 700,000 Equity Shares were allotted to Brijesh Kanubhai Patel (as first holder) jointly with Kanubhai Mafatlal Patel.

(7) Out of such 1,060,040 Equity Shares, 940,000 Equity Shares were allotted to Mrunal Kanubhai Patel (as first holder) jointly with Kanubhai Mafatlal Patel.

(8) Out of such 5,300,200 Equity Shares, 470,000 Equity Shares were allotted to Mrunal Kanubhai Patel (as first holder) jointly with Kanubhai Mafatlal Patel.

- All the Equity Shares held by Kanubhai Trust, Kanubhai Mafatlal Patel, Brijesh Kanubhai Patel and Mrunal Kanubhai Patel were fully paid-up on the respective dates of acquisition of such Equity Shares.

- Except as disclosed in "– *Notes to the Capital Structure – History of the Equity Share Capital held by Promoters*", on page 86, Kanubhai Trust, Kanubhai Mafatlal Patel, Brijesh Kanubhai Patel and Mrunal Kanubhai Patel have not undertaken any sale of Equity Shares of our Company since incorporation.

- As on the date of this Draft Red Herring Prospectus, Kanubhai Trust, Kanubhai Mafatlal Patel, Brijesh Kanubhai Patel and Mrunal Kanubhai Patel have not pledged any of the Equity Shares that they hold in our Company.

- The details of the Equity Shares held by the Promoters, and the members of the Promoter Group as on the date of filing of this Draft Red Herring Prospectus are set forth in the table below:

Sr. No.	Name of the Shareholder	Pre-Offer		Post-Offer	
		No. of Equity Shares	Percentage of total Equity Shareholding (%)	No. of Equity Shares	Percentage of total Equity Shareholding (%)*
Promoters					
1.	Kanubhai Trust	85,456,909	99.95	[●]	[●]

Sr. No.	Name of the Shareholder	Pre-Offer		Post-Offer	
		No. of Equity Shares	Percentage of total Equity Shareholding (%)	No. of Equity Shares	Percentage of total Equity Shareholding (%)*
2.	Kanubhai Mafatlal Patel	7,627	0.01	7,627	[●]
3.	Brijesh Kanubhai Patel	7,627	0.01	7,627	[●]
4.	Mrunal Kanubhai Patel	7,627	0.01	7,627	[●]
	Total (A)	**85,479,790**	**99.98**	[●]	[●]
Promoter Group					
1.	Dinaben Kanubhai Patel	7,627	0.01	7,627	[●]
2.	Alpa Brijesh Patel	960	Negligible	960	[●]
3.	Janki Mrunal Patel	960	Negligible	960	[●]
	Total (B)	**9,547**	**0.01**	**9,547**	[●]
	Total (A+B)	**85,489,337**	**99.99**	[●]	[●]

* *Assuming full subscription to the Offer and Allotment pursuant thereto.*

7. **Details of Promoter's contribution and lock-in**

(i) Pursuant to Regulations 32 and 36 of the SEBI Regulations, an aggregate of 20% of the fully diluted post-Offer Equity Share capital of our Company held by the Promoters shall be locked in for a period of three years as minimum promoter's contribution from the date of Allotment, and the Promoter's shareholding in excess of 20% of the fully diluted post-Offer Equity Share capital shall be locked in for a period of one year from the date of Allotment.

(ii) Details of the Equity Shares to be locked-in for three years as minimum Promoter's contribution are set forth in the table below:

Name of the Promoters	Date of allotment of the Equity Shares	Date of transaction and when made fully paid-up	Nature of transaction	No. of Equity Shares	Face value (₹)	Issue/ acquisition price per Equity Share (₹)	No. of Equity Shares locked-in[(1)]	Percentage of the pre-Offer paid up capital (%)	Percentage of the post-Offer paid-up capital (%)[(1)]
Kanubhai Trust	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Total							**[●]**	[●]	[●]

[(1)] *Subject to finalisation of the Basis of Allotment*

(iii) The minimum Promoters' contribution has been brought in to the extent of not less than the specified minimum lot and from the persons defined as 'promoter' under the SEBI Regulations. Our Company undertakes that the Equity Shares that are being locked-in are not ineligible for computation of Promoters' contribution in terms of Regulation 33 of the SEBI Regulations. In this connection, we confirm the following:

(a) The Equity Shares offered for Promoters' contribution do not include (a) Equity Shares acquired in the three immediately preceding years for consideration other than cash, and revaluation of assets or capitalisation of intangible assets; or (b) bonus Equity Shares out of revaluation reserves or unrealised profits of our Company or bonus Equity Shares issued against Equity Shares, which are otherwise ineligible for computation of Promoter's contribution;

(b) The Promoters' contribution does not include any Equity Shares acquired during the immediately preceding one year and at a price lower than the price at which the Equity Shares are being offered to the public in the Offer;

(c) Our Company has not been formed by the conversion of a partnership firm into a company; and

(d) The Equity Shares forming part of the Promoters' contribution are not subject to any pledge.

8. **Other lock-in requirements**

(i) In addition to the 20% of the fully diluted post-Offer shareholding of our Company held by the Promoters and locked in for three years as specified above, the entire pre-Offer Equity Share capital of our Company, other than the

Equity Shares being offered in the Offer for Sale but including any unsubscribed portion of the Offer for Sale by the Selling Shareholder, will be locked-in for a period of one year from the date of Allotment.

(ii) Pursuant to Regulation 40 of the SEBI Regulations, the Equity Shares held by the Promoters, which are locked-in may be transferred to and among the members of the Promoter Group or to any new Promoter 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, as applicable.

(iii) Pursuant to Regulation 39(a) of the SEBI Regulations, the Equity Shares held by the Promoters, which are locked-in for a period of three years from the date of Allotment 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 loans have been granted by such bank or institution for the purpose of financing one or more of the objects of the Offer and pledge of the Equity Shares is a term of sanction of such loans.

(iv) Pursuant to Regulation 39(b) of the SEBI Regulations, the Equity Shares held by the Promoters which are locked-in for a period of one year from the date of Allotment 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 such loans.

(v) The Equity Shares held by persons other than the Promoters and locked-in for a period of one year from the date of Allotment in the Offer may be transferred to any other person holding the Equity Shares which are locked-in, subject to continuation of the lock-in in the hands of transferees for the remaining period and compliance with the SEBI Takeover Regulations.

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

9. **Build-up of Equity Shares held by Selling Shareholder in our Company**

For details in relation to the build-up of Equity Shares of the Selling Shareholder, see "– *Notes to the Capital Structure – History of the Equity Share Capital held by Promoters*", on page 86.

Shareholding Pattern of our Company

The table below presents the shareholding pattern of our Company as on the date of this Draft Red Herring Prospectus:

Category (I)	Category of 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) (VIII) As a % of (A+B+C2)	Number 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 percentage 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 form (XIV)
								No. of voting Rights			Total as a % of (A+B+C)			Number (a)	As a % of total shares held (b)	Number (a)	As a % of total shares held (b)	
								Class-Equity	Class eg : y	Total	Total as a % of (A+B+C)							
(A)	**Promoter & Promoter Group**	7	85,489,337	-	-	85,489,337	99.99	85,489,337		85,489,337	99.99	-	99.99	-	-	-	-	85,489,337
(B)	**Public**	2	10,666	-	-	10,666	0.01	10,666		10,666	0.01	-	0.01	-	-	**NA**		10,666
(C)	**Non promoter-Non Public**									**NA**								
(C1)	**Shares underlying DRs**	-	-	-	-	-	-	-		-	-	-				**NA**		
(C2)	**Shares held by Employee Trusts**	-	-	-	-	-	-	-		-	-	-				**NA**		
	Total	**9**	**85,500,003**	**-**	**-**	**85,500,003**	**100.00**	**85,500,003**		**85,500,003**	**100.00**	**-**	**100.00**	**-**	**-**	**-**	**-**	**85,500,003**

10. **Details of Equity Shareholding of the 10 largest Equity Shareholders of our Company**

The 10 largest Equity Shareholders and the number of Equity Shares held by them:

- As on the date of filing of this Draft Red Herring Prospectus and 10 days prior to the date of filing of this Draft Red Herring Prospectus is set forth in the table below:

Sr. No.	Name of the Shareholder	No. of Equity Shares	Percentage of the pre- Offer Equity Share Capital (%)
1.	Kanubhai Trust	85,456,909	99.95
2.	Kanubhai Mafatlal Patel	7,627	0.01
3.	Brijesh Kanubhai Patel	7,627	0.01
4.	Mrunal Kanubhai Patel	7,627	0.01
5.	Dinaben Kanubhai Patel	7,627	0.01
6.	Suhas Vasant Joshi	5,333	0.01
7.	Nareshkumar Pranshankar Suthar	5,333	0.01
8.	Alpa Brijesh Patel	960	Negligible
9.	Janki Mrunal Patel	960	Negligible
	Total	**85,500,003**	**100.00**

- Two years prior to the date of filing of this Draft Red Herring Prospectus are as follows:

Sr. No.	Name of the Shareholder	No. of Equity Shares	Percentage of the pre- Offer Capital (%)
1.	Montecarlo Projects	12,000,000	18.71
2.	Montecarlo Engineering	12,000,000	18.71
3.	Montecarlo Infrastructure	10,625,000	16.57
4.	Kanubhai Mafatlal Patel (1)	9,806,250	15.29
5.	Brijesh Kanubhai Patel (2)	6,717,500	10.48
6.	Mrunal Kanubhai Patel (3)	6,625,250	10.33
7.	Dinaben Kanubhai Patel (4)	6,337,750	9.88
8.	Suhas Vasant Joshi	4,000	0.01
9.	Nareshkumar Pranshankar Suthar	4,000	0.01
10.	Rekha Jagdeep Patel	2,500	Negligible
10.	Jagdeep Chandulal Patel	2,500	Negligible
	Total	**64,124,750**	**99.99**

(1) 312,500 Equity Shares were jointly held with Dinaben Kanubhai Patel.

(2) 875,000 Equity Shares were jointly held with Kanubhai Mafatlal Patel.

(3) 5,875,000 Equity Shares were jointly held with Kanubhai Mafatlal Patel.

(4) 5,000,000 Equity Shares were jointly held with Kanubhai Mafatlal Patel.

11. **Details of Equity Shares held by Directors and Key Management Personnel of our Company**

(i) Details of the Equity Shares held by the Directors in our Company as on the date of this Draft Red Herring Prospectus are set forth in the table below.

Sr. No.	Name	No. of Equity Shares	Percentage of the pre-Offer share capital (%)	Percentage of the post-Offer share capital (%)
1.	Kanubhai Mafatlal Patel	7,627	0.01	[●]
2.	Brijesh Kanubhai Patel	7,627	0.01	[●]
3.	Mrunal Kanubhai Patel	7,627	0.01	[●]
4.	Nareshkumar Pranshankar Suthar	5,333	0.01	[●]
5.	Suhas Vasant Joshi	5,333	0.01	[●]

(ii) Other than the Equity Shares held by the Directors of our Company, as stated above, none of the Key Management Personnel of our Company holds any Equity Shares of our Company as on the date of this Draft Red Herring Prospectus.

12. All Equity Shares transferred pursuant to the Offer will be fully paid-up at the time of Allotment and there are no partly-paid up Equity Shares as on the date of this Draft Red Herring Prospectus.

13. As on the date of this Draft Red Herring Prospectus, the BRLMs and their respective associates (as defined under the Companies Act) do not hold any Equity Shares in our Company.

14. Other than as disclosed in "– *Notes to the Capital Structure –Equity Share Capital History of our Company*", on page 82, as on the date of this Draft Red Herring Prospectus, our Company has not allotted any Equity Shares pursuant to any scheme approved under Sections 391 to 394 of the Companies Act, 1956 or Sections 230 to 232 of the Companies Act, 2013.

15. Our Company has not made any public issue or rights issue of any kind or class of securities since its incorporation.

16. Our Company does not have an employee stock option plan.

17. No payment, direct or indirect in the nature of discount, commission and allowance or otherwise shall be made either by us or the Promoters to the persons who are Allotted Equity Shares.

18. Other than the allotment made pursuant to bonus issue by our Company on February 24, 2018, none of the members of the Promoter Group, or the Directors, or their immediate relatives have purchased or sold any securities of our Company during the period of six months immediately preceding the date of filing of this Draft Red Herring Prospectus with the SEBI.

19. As on the date of this Draft Red Herring Prospectus, the total number of our Shareholders is 9.

20. Neither our Company, the Selling Shareholder nor the Directors have entered into any buy-back, safety net and/or standby arrangements for purchase of Equity Shares from any person. Further, the BRLMs have not entered into any buy-back, safety net and/or standby arrangements for purchase of Equity Shares from any person.

21. Any oversubscription to the extent of 10% of the Offer can be retained for the purposes of rounding off to the nearest multiple of minimum allotment lot.

22. Other than the sale of Equity Shares by the Selling Shareholder in the Offer for Sale, the Promoters and the Promoter Group will not participate in the Offer.

23. There have been no financing arrangements whereby the members of the Promoter Group, the Directors and their relatives have financed the purchase by any other person of securities of our Company, other than in the normal course of business of financing entity, during a period of six months immediately preceding the date of filing of this Draft Red Herring Prospectus.

24. There will be no further issue of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from filing of this Draft Red Herring Prospectus with SEBI until the Equity Shares have been listed on the Stock Exchanges. However, if our Company enters into acquisitions, joint ventures or other arrangements (including for the purposes of bidding for large scale projects), our Company may, subject to necessary approvals, consider raising additional capital to fund such activity or use Equity Shares as currency for acquisitions or participation in such joint ventures.

25. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law.

26. Our Company shall comply with such disclosure and accounting norms as may be specified by the SEBI from time to time.

27. No person connected with the Offer, including, but not limited to, the BRLMs, the Syndicate Members, our Company, the Directors, the Promoters, members of the Promoter Group, and the Group Companies, shall 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.

28. There are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into, or which would entitle any person any option to receive Equity Shares, as on the date of this Draft Red Herring Prospectus.

29. Our Company presently does not intend or propose to alter its 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 by way of 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 Equity Shares, or on a rights basis, or by way of further public issue of Equity Shares, or qualified institutions placement, or otherwise. The foregoing restrictions do not apply to the issuance of any Equity Shares pursuant to this Offer.

30. The Offer is being made in accordance with Rule 19(2)(b) of the SCRR,. The Offer is being made through the Book Building Process in accordance with Regulation 26(1) of the SEBI Regulations, wherein 50% of the Offer shall be allocated on a proportionate basis to QIBs. Our Company and the Selling Shareholder may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis, out of which one-third shall be reserved for domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Offer Price, in accordance with the SEBI Regulations. 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion 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 Bidders and not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Offer Price. Under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or a combination of categories at the discretion of our Company and the Selling Shareholder, in consultation with the BRLMs and the Designated Stock Exchange. Such inter-se spill over, if any, would be effected in accordance with applicable laws. Our Company and the Selling Shareholder may, in consultation with the BRLMs, offer a Retail Discount in accordance with the SEBI Regulations.

31. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group between the date of filing of the Red Herring Prospectus with the RoC and the date of closure of the Offer shall be intimated to the Stock Exchanges within 24 hours of such transaction.

32. Our Company has not raised any bridge loans which are proposed to be repaid from the proceeds of the Offer.

OBJECTS OF THE OFFER

The Offer comprises a Fresh Issue by our Company and an Offer for Sale by the Selling Shareholder.

The Offer for Sale

Our Company will not receive any proceeds from the Offer for Sale by the Selling Shareholder.

The Fresh Issue

Our Company proposes to utilise the Net Proceeds of the Fresh Issue towards funding of the following objects:

(a) Working capital requirements of our Company;

(b) Investment in MHHHPL for part-financing of six-laning and strengthening of Hubli-Haveri section of NH-48 (old NH-4) from 340.00 km to 403.40 km in Karnataka (the "**Hubli Haveri HAM Project**"); and

(c) General corporate purposes.

In addition, our Company expects to receive the benefits of listing of the Equity Shares on the Stock Exchanges.

The main objects clause and the objects ancillary to 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.

Offer Proceeds

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

Sr. No.	Particulars	Amount (in ₹ million)
(a)	Gross Proceeds of the Fresh Issue	Upto 4,500.00
(b)	(Less) Offer related expenses in relation to the Fresh Issue*	[●]
(c)	Net Proceeds of the Fresh Issue**	[●]

* *To be finalized upon determination of Offer Price. Other than lisitng fees which will be borne by our Company, all expenses with respect to the Offer will be borne by our Company and the Selling Shareholder in proportion to the Equity Shares sold by them, respectively, through the Offer.*

Utilization of Net Proceeds

The Net Proceeds will be utilized as set forth in the table below:

S. No.	Particulars	Amount (in ₹ million)
1.	Working capital requirements of our Company	3,000.00
2.	Investment in MHHHPL for part-financing of the Hubli Haveri HAM Project	500.00
3.	General corporate purposes*	[●]
Total*		**[●]**

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

Proposed Schedule of Implementation and Deployment of Funds

Our Company proposes 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.

(in ₹ million)

S. No.	Particulars	Amount proposed to be funded from the Net Proceeds	Estimated utilisation in Fiscal 2019	Estimated utilisation in Fiscal 2020
1.	Working capital requirements of our Company	3,000.00	1,000.00	2,000.00
2.	Investment in MHHHPL for part-financing of the Hubli Haveri HAM Project	500.00	200.00	300.00
3.	General corporate purposes*	[●]	[●]	[●]
Total		**[●]**	**[●]**	**[●]**

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

Means of Finance

As indicated above, our Company proposes to deploy the entire Net Proceeds towards the objects as described above during the Fiscals 2019 and 2020. However, if the Net Proceeds are not completely utilised for the objects stated above by the Fiscals 2019 and 2020 due to factors such as (i) economic and business conditions; (ii) increased competition; (iii) delay in completion of construction of the project; (iv) market conditions outside the control of our Company and its management; and (v) other commercial considerations such as availability of alternate financial resources, the same would be utilised (in part or full) in a subsequent period as may be determined by our Company in accordance with applicable law. Any such change in our plans may require rescheduling of our expenditure programs and increasing or decreasing expenditure for a particular object vis-à-vis the utilization of Net Proceeds. For further details, see "*Risk Factors – Any variation in the utilisation of the Net Proceeds as disclosed in this Draft Red Herring Prospectus shall be subject to certain compliance requirements, including prior Shareholders' approval*", on page 40.

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

We confirm that we are in compliance with the requirement to make firm arrangements of finance under Regulation 4(2)(g) of the SEBI Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Fresh Issue and identifiable internal accruals.

Details of the Objects of the Offer

The details in relation to objects of the Offer are set forth herein below.

1. Funding working capital requirement of our Company

Our business is working capital intensive and our Company avails a majority of our working capital in the ordinary course of our business from various lenders. As of March 31, 2018, our Company's secured working capital facility consisted of an aggregate fund based limit of ₹ 3,360.00 million and an aggregate non-fund based limit of ₹ 13,250.00 million, and our Company's unsecured working capital facility consisted of an aggregate fund based limit of ₹ 600.00 million and an aggregate non-fund based limit of ₹ 1,500.00 million, on a consolidated basis. As of March 31, 2018, the aggregate amounts outstanding under the fund based and non-fund based secured working capital facilities were ₹ 1,948.83 million and ₹ 11,759.12 million, respectively and the aggregate amounts outstanding under the fund based and non-fund based unsecured working capital facilities were ₹ 0.00 million and ₹ 1,244.50 million, respectively. For further details of the working capital facility currently availed by us, see the section "*Financial Indebtedness*", beginning on page 442.

Our Company requires additional working capital for executing its outstanding order book and any future orders that may be received, for funding future growth requirements of our Company and for other strategic, business and corporate purposes. For instance, as on December 31, 2017, the unexecuted order book of our Company was ₹ 53,078.78 million. For further details of our outstanding order book, see the section "*Our Business*", beginning on page 163.

Basis of estimation of working capital requirement

The details of our Company's composition of net current assets or working capital as at March 31, 2017 and December 31, 2017, as certified by M/s Surana Maloo & Co., independent chartered accountant on May 9, 2018 and source of funding of the same are as set out in the table below:

(In ₹ million)

Sr. No.	Particulars	Amount (As at March 31, 2017)	Amount (As at December 31, 2017)
I.	***Current Assets***		
1.	Inventories		
(a).	*Raw material*	1,287.64	1,224.73
(b).	*Work-in-progress*	2,201.92	5,479.50

Sr. No.	Particulars	Amount (As at March 31, 2017)	Amount (As at December 31, 2017)
(c).	*Finished goods*	-	-
2.	Trade Receivables	3,327.41	1,281.69
3.	Cash and bank balances	195.66	234.31
4.	Loans and advances	1,741.70	932.42
5.	Other current asset	2,721.48	2,320.32
	Total current assets (A)	**11,475.81**	**11,472.97**
II.	***Current Liabilities***		
1.	Trade Payable	3,091.47	3,166.49
2.	Other current liabilities and provisions	21.89	2,587.23
3.	Short-term provisions	4,250.08	28.01
	Total current liabilities (B)	**7,363.44**	**5,781.73**
III.	**Total Working Capital Requirements (A - B)**	**4,112.37**	**5,691.24**
IV.	**Funding Pattern**		
1.	Working Capital funding from banks	2,750.00	3,360.00
2.	Internal accruals	1,716.02	1,062.83

The details of our Company's expected working capital requirements for the Fiscals 2019 and 2020 are as set out in the table below:

Sr. No.	Particulars	Amount (In ₹ million)	
		For Fiscal 2019	For Fiscal 2020
I.	***Current Assets***		
1.	Inventories		
(a).	*Raw material*	1,344.58	1,386.52
(b).	*Work-in-progress*	3,266.05	3,937.57
(c).	*Finished goods*		
2.	Trade Receivables	4,354.73	5,250.09
3.	Cash and bank balances	237.13	237.98
4.	Loans and advances	2,999.18	2,692.23
5.	Other current asset	3,910.37	4,753.04
	Total current assets (A)	**16,112.03**	**18,257.43**
II.	***Current Liabilities***		
1.	Trade Payable	3,932.44	4,631.01
2.	Other current liabilities and provisions	4,183.55	3,849.50
3.	Short-term provisions	75.00	125.00
	Total current liabilities (B)	**8,190.99**	**8,605.51**
III.	**Total Working Capital Requirements (A – B)**	**7,921.04**	**9,651.92**

Our Company expects that the funding pattern for working capital requirements for Fiscal 2019 and Fiscal 2020 will comprise of working capital facilities, internal accruals and Net Proceeds.

Assumptions for working capital requirements

<u>Holding Levels and justifications for holding period levels</u>

Holding Levels

Sr. No.	Particulars	No. of days			
		For Fiscal 2017 (Actual)	For nine months ended December 31, 2017 (Actual)	For Fiscal 2019 (Projected)	For Fiscal 2020 (Projected)
1.	Inventories				
(a).	*Raw material*	90	123*	90	90

Sr. No.	Particulars	No. of days			
		For Fiscal 2017 (Actual)	For nine months ended December 31, 2017 (Actual)	For Fiscal 2019 (Projected)	For Fiscal 2020 (Projected)
(b).	*Work-in-progress/ un-billed*	41	112*	45	45
(c).	*Finished goods*	-	-	-	-
2.	*Debtors*	61	26*	60	60
3.	*Creditors*	70	81*	65	65

**The days calculated are non-annualised.*

Justifications for holding period levels

Particulars	Details
Raw materials	Raw material days are computed from the historic Restated Standalone Financial Statements (consumption of material). Our Company has assumed the holding level for raw materials as 90 days of consumption of material for the Fiscals 2019 and 2020.
Work-progress/ un-billed work	Work in progress days are computed from the historic Restated Standalone Financial Statements (revenue from operations). Our Company has assumed the holding level for work in progress as 45 days of revenue from operations for the Fiscals 2019 and 2020.
Finished goods	-
Debtors	Debtors are computed from the historic Restated Standalone Financial Statements (revenues from operations). Our Company has assumed the holding level for work in progress as 60 days of revenue from operations for the Fiscals 2019 and 2020.
Creditors	Trade payables are expected to grow in line with expected business growth. Creditors are computed from the historic Restated Standalone Financial Statements (construction expense and consumption of material). Our Company has assumed the holding level for creditors as 65 days of construction expense and consumption of material from operations for the Fiscals 2019 and 2020.

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Other Material Assumptions

Element of Working Capital	Basis for Assumption	For Fiscal 2019	For Fiscal 2020
Loans & advances	% of Contract Receipts	11.32	8.43
Other current liabilities	% of Contract Receipts	9.71	7.01
Short term provisions	% of Total Expenses	0.30	0.42
Working capital funding available		₹ 3,400.00 million*	₹ 3,400.00 million*
Interest rate on working capital loan		11.00%	11.00%

**Our Company had various credit facilities of fund based limits unsecured aggregating to ₹ 560.00 million which has not been renewed since March 31, 2018.*

2. Investment in MHHHPL for part-financing of Hubli Haveri HAM Project

Our Company proposes to utilise in aggregate ₹ 500.00 million, from the Net Proceeds, towards part-financing of the Hubli Haveri HAM Project, which is being developed by MHHHPL, one of the step down subsidiaries of our Company, on HAM basis. Under the MHHHPL Loan Facility (as defined hereinafter) and the sponsor support undertaking dated October 30, 2017 ("**MHHHPL SSU**"), our Company as the sponsor and MPIL, a Subsidiary of our Company as the promoter of MHHHPL, are required to contribute in aggregate ₹ 1,056.50 million, constituting 10.10% of the estimated project cost in MHHHPL, by way of subscription to equity shares, preference shares, non-convertible debentures of MHHHPL and/or by way of sub-ordinate debt.

Our Company proposes to invest ₹ 500.00 million from the Net Proceeds in MHHHPL, either directly or indirectly through MPIL, one of the Subsidiaries of our Company. The investment into MHHHPL may be in the form of debt or equity or in any other manner, and the actual mode of investment has not been finalised as on the date of this Draft Red Herring Prospectus. Our Company expects to benefit from the operations of the Hubli Haveri HAM Project pursuant to this investment. For further details, see, "*Our Business – Our Business Description – Highways*", beginning on page 169.

The Hubli Haveri HAM Project involves six-laning and strengthening of 340.00 km to 403.40 km of Hubli-Haveri section of NH-48 (old NH-4) in Karnataka under which an exclusive right/concession to construct, operate and maintain the project is granted by NHAI. The project was awarded to our Company on March 21, 2017 and a concession agreement was entered into between MHHHPL and the NHAI on June 5, 2017.

The concession period of the Hubli Haveri HAM Project is 17 years from the appointed date, involving a construction period of two years and operation and maintenance period of 15 years from the commercial operation date (the "**COD**") of the project. The appointed date for this project was February 22, 2018, and accordingly, the construction period for the project has commenced. For further details, see the section "*Our Business*", beginning on page 163.

Estimated Project Cost

In terms of the MHHHPL Loan Facility (as defined hereinafter) and as certified by Surana Maloo & Co., independent chartered accountants, *vide* certificate dated May 9, 2018, the total estimated cost of the Hubli Haveri HAM Project is ₹ 10,440 million. The detailed break-up of such estimated cost of development of the Hubli Haveri HAM Project as per the MHHHPL Loan Facility, and as certified by Surana Maloo & Co., independent chartered accountants *vide* certificate dated May 9, 2018, and the cost incurred towards such development until March 31, 2018 are set forth below:

(in ₹ million)

Particulars	Estimated Expenditure	Application of funds until March 31, 2018*
EPC cost	9,200.00	-
Other cost, contingency	905.00	29.17
Financing cost, IDC	335.00	-
Total	**10,440.00**	**29.17**

* *The amount deployed by our Company as of March 31, 2018 in the form of investment in equity shares of MHHHPL and sub-ordinate debt to MHHHPL as per certificate dated May 9, 2018 from Surana Maloo & Co., Chartered Accountant.*

Proposed Schedule of Implementation

The expected schedule of implementation of the development of the Hubli Haveri HAM Project as per the concession agreement dated June 5, 2017 is set out below.

Milestones	Activity to be completed prior to milestones	Estimated date of completion
Project Milestone – I	Commencement of construction of the project and achievement of 20% physical progress along with expenditure of at least 20% of the total capital cost	160th day from the appointed date being February 22, 2018
Project Milestone – II	Commencement of construction of the project and achievement of 35% physical progress along with expenditure of at least 35% of the total capital cost (with at least 70% of that expenditure being on physical works)	360th day from the appointed date being February 22, 2018
Project Milestone – III	Commencement of construction of the project and achievement of 75% physical progress along with expenditure of at least 75% of the total capital cost	480th day from the appointed date being February 22, 2018
COD	Completion of project	730th day from the appointed date being February 22, 2018

Means of finance

In relation to the project cost for the Hubli Haveri HAM Project, MHHHPL has entered into, with Standard Chartered Bank, (i) a sanction letter dated September 26, 2017; and (ii) a facility agreement dated October 30, 2017 (as amended by the amendment agreement dated November 24, 2017), for a rupee facility aggregating to ₹ 4,227.50 million (collectively referred to as the "**MHHHPL Loan Facility**"). As per the MHHHPL Loan Facility, the estimated project cost will be funded as follows:

Sources of fund	Amount (in ₹ million)	Percentage (%)
NHAI Grant	5,156.00	49.40
MHHHPL Loan Facility	4,227.50	40.50
Promoters' Contribution (MPIL being the promoter of MHHHPL)	1,056.50	10.10
Estimated Project Cost	**10,440.00**	**100**

As indicated above, our Company and/or MPIL (as applicable), being the sponsor and promoter of MHHHPL, respectively, is required to contribute ₹ 1,056.50 million in MHHHPL by way of equity contribution. As of March 31, 2018, our Company has invested directly or through MPIL (as applicable) an aggregate amount of ₹ 29.17 million in MHHHPL, by way of equity investment and sub-ordinate debt (as certified by Surana Maloo & Co., Chartered Accountants pursuant to certificate dated May 9, 2018). Our Company proposes to invest ₹ 500.00 million from the Net Proceeds in MHHHPL, either directly or through MPIL and the remaining contribution of ₹ 528.00 million will be funded from identifiable internal accruals.

Additionally, in terms of the MHHHPL SSU, certain additional funding obligations of our Company include:

(a) Funding of any cost overrun;

(b) Funding of shortfall in internal cash accruals in meeting major maintenance expense and operation and maintenance expense;

(c) Funding of shortfall in termination payment against outstanding amounts in the event of termination of the concession agreement;

(d) Funding of requisite funds in the event the scope of the project is increased as per the concession agreement; and

(e) Funding of shortfall in cash to meet actual operation and maintenance expenses, in the event the actual expenses of the project are higher than the operation and maintenance expenses as per the business plan.

Any additional funding obligations pursuant to the above will be funded from a combination of debt, equity and/or internal accruals.

3. General corporate purposes

The Net Proceeds will first be utilized for the objects as set out above. Subject to this, our Company intends to deploy any balance left out of the Net Proceeds, aggregating to ₹ [●] million, towards general corporate purposes and the business requirements of our Company and the Subsidiaries, as approved by our management, from time to time, subject to such utilization for general corporate purposes not exceeding 25% of the Gross Proceeds, in compliance with the SEBI Regulations. Such general corporate purposes may include, but are not restricted to, (i) strategic initiatives; (ii) funding growth opportunities; (iii) strengthening marketing capabilities and brand building exercises; (iv) meeting ongoing general corporate contingencies; and (v) any other purpose, as may be approved by the Board or a duly constituted committee thereof, subject to compliance with applicable law, including provisions of the Companies Act.

The allocation or quantum of utilization of funds towards the specific purposes described above will be determined by the Board, based on our business requirements and other relevant considerations, from time to time. Our management, in accordance with the policies of the Board, shall have the flexibility in utilising surplus amounts, if any.

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 Book Running Lead Managers, fees payable to legal counsels, fees payable to the Registrar to the Offer, Escrow Collection Bank 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. All expenses in relation to the Offer shall be borne by our Company. Any payments by our Company in relation to the Offer expenses on behalf of the Selling Shareholder shall be reimbursed by the Selling Shareholder to our Company inclusive of taxes. The break up for the estimated Offer expenses is as follows:

Activity	Estimates expenses(1) (in ₹ million)	As a % of total estimated Offer expenses(1)	As a % of the total Offer size(1)
BRLMs fees and commissions (including underwriting commission, brokerage and selling commission)	[●]	[●]	[●]
Commission/processing fee for SCSBs and Bankers to the Offer(2)	[●]	[●]	[●]
Brokerage and selling commission and bidding charges for Members of the Syndicate, Registered	[●]	[●]	[●]

Activity	Estimates expenses(1) (in ₹ million)	As a % of total estimated Offer expenses(1)	As a % of the total Offer size(1)
Brokers, RTAs and CDPs(3)(4)			
Registrar to the Offer	[●]	[●]	[●]
Other advisors to the Offer	[●]	[●]	[●]
Others	[●]	[●]	[●]
- listing fees, SEBI filing fees, bookbuilding software fees	[●]	[●]	[●]
- printing and stationery	[●]	[●]	[●]
- fee payable to legal counsels	[●]	[●]	[●]
- advertising and marketing	[●]	[●]	[●]
- miscellaneous	[●]	[●]	[●]
Total estimated Offer expenses	[●]	[●]	[●]

(1) Amounts will be finalised on determination of Offer Price.

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

*Portion for Retail Individual Investors**	*[●]% of the Amount Allotted (plus applicable taxes)*
*Portion for Non-Institutional Investors**	*[●]% of the Amount Allotted (plus applicable taxes)*

* *Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.*

Selling Commission payable to the SCSBs will be determined on the basis of the bidding terminal id as captured in the Bid Book of BSE or NSE

(3) No processing fees shall be payable by our Company and the Selling Shareholder to the SCSBs on the applications directly procured by them.

Processing fees payable to the SCSBs on the portion for Retail Individual Bidders and Non-Institutional Bidders which are procured by the members of the Syndicate/sub-Syndicate/Registered Broker/RTAs/ CDPs and submitted to SCSB for blocking, would be as follows:

*Portion for Retail Individual Bidders**	*₹ [●] per valid application (plus applicable taxes)*
*Portion for Non-Institutional Bidders**	*₹ [●] per valid application (plus applicable taxes)*

* *Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.*

(4) Selling commission on the portion for Retail Individual Bidders, Non-Institutional Bidders which are procured by members of the Syndicate (including their sub-Syndicate Members), Registered Brokers, RTAs and CDPs would be as follows:

Portion for Retail Individual Bidders	*[●]% of the Amount Allotted* (plus applicable taxes)*
Portion for Non-Institutional Bidders	*[●]%of the Amount Allotted* (plus applicable taxes)*

* *Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.*

The Selling Commission payable to the Syndicate / Sub-Syndicate Members will be determined on the basis of the application form number / series, provided that the application is also bid by the respective Syndicate / Sub-Syndicate Member. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate / Sub-Syndicate Member, is bid by an SCSB, the Selling Commission will be payable to the SCSB and not the Syndicate / Sub-Syndicate Member.

Bidding Charges payable to members of the Syndicate (including their sub-Syndicate Members), RTAs and CDPs on the portion for Retail Individual Bidders and Non-Institutional Bidders which are procured by them and submitted to SCSB for blocking, would be as follows: ₹ [●] plus GST, per valid application bid by the Syndicate (including their sub-Syndicate Members), RTAs and CDPs.

The selling commission and Bidding Charges payable to Registered Brokers the RTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the Bid Book of BSE or NSE.

Interim use of Net Proceeds

Our Company, in accordance with the policies established by the Board from time to time, will have the flexibility to deploy the Net Proceeds. Pending utilization of the Net Proceeds for the purposes described above, our Company will temporarily invest the Net Proceeds in deposits in one or more scheduled commercial banks included in the Second Schedule of Reserve Bank of India Act, 1934 as may be approved by the Board . In accordance with Section 27 of the Companies Act, 2013, our Company confirms that it shall not use the Net Proceeds for any investment in the equity markets.

Bridge Loan

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

Monitoring of Utilization of Funds

In terms of Regulation 16(1) of the SEBI Regulations, our Company has appointed [●] as the monitoring agency to monitor the utilization of the Net Proceeds. Our Company undertakes to place the report(s) of the Monitoring Agency on receipt before the Audit Committee without any delay. Our Company will disclose the utilization of the Net Proceeds, including interim use under a separate head in its balance sheet for such fiscal periods as required under the SEBI Regulations, the SEBI Listing Regulations and any other applicable laws or regulations, clearly specifying the purposes for which the Net Proceeds have been utilized. Our Company will also, in its balance sheet for the applicable fiscal periods, provide details, if any, in relation to all such Net Proceeds that have not been utilized, if any, of such currently unutilized Net Proceeds.

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

Variation in Objects of the Offer

In accordance with Sections 13(8) and 27 of the Companies Act, 2013, our Company shall not vary the Objects of the Offer unless our Company is authorized to do so by way of a special resolution of its Shareholders. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the "**Postal Ballot Notice**") shall specify the prescribed details and be published in accordance with the Companies Act, 2013. The Postal Ballot Notice shall specify the prescribed details as required under the Companies Act, 2013. The Postal Ballot Notice shall specify the prescribed details as required under the Companies Act, 2013. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in Gujarati, the vernacular language of the jurisdiction where the Registered Office is situated. Pursuant to the Companies Act, 2013, the Promoters or controlling Shareholders will be required to provide an exit opportunity to the Shareholders who do not agree to such proposal to vary the objects, subject to the provisions of the Companies Act, 2013 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 Regulations.

Appraising Agency

None of the Objects of the Offer 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 the Promoters, members of the Promoter Group, the Directors, the Group Companies or key managerial employees. Our Company has not entered into or is not planning to enter into any arrangement/ agreements with the Promoters, the Directors, the Key Management Personnel or the Group Companies in relation to the utilization of the Net Proceeds of the Offer. Further, except in the ordinary course of business, there is no existing or anticipated interest of such individuals and entities in the objects of the Fresh Issue as set out above.

BASIS FOR THE OFFER PRICE

The Offer Price will be determined by our Company and the Selling Shareholder, in consultation with the BRLMs, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of quantitative and qualitative factors as described below. 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 read the sections "*Our Business*", "*Risk Factors*" and "*Financial Statements*", beginning on pages 163, 16 and 232, respectively, to have an informed view before making an investment decision.

Qualitative Factors

We believe that some of the qualitative factors which form the basis for computing the Offer Price are as follows:

- Strong execution and implementation skills with established track record;
- Robust Order Book;
- Diversified infrastructure portfolio with diverse geographical presence;
- Consistent financial performance and credit profile; and
- Experienced and professional management team with end to end execution capabilities.

For further details, see "*Our Business - Our competitive strengths*", on page 165, and the section "*Risk Factors*", beginning on page 16.

Quantitative Factors

Certain information presented below, relating to our Company, is based on the Restated Financial Statements. For details, see the section "*Financial Statements*", beginning on page 232.

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

1. Basic and Diluted EPS, as adjusted for changes in capital:

As per Restated Consolidated Financial Statements:

Financial Period	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
Fiscal 2017	14.73	14.73	3
Fiscal 2016	14.16	14.16	2
Fiscal 2015	5.71	5.71	1
Weighted Average	**13.04**	**13.04**	
December 31, 2017	7.44	7.44	

* *Not annualized*

As per Restated Standalone Financial Statements:

Fiscal	Basic EPS (In ₹)	Diluted EPS (In ₹)	Weight
Fiscal 2017	15.41	15.41	3
Fiscal 2016	15.04	15.04	2
Fiscal 2015	6.91	6.91	1
Weighted Average	**13.87**	**13.87**	
December 31, 2017	8.56	8.56	

* *Not annualized*

Notes:

(1) *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*
(2) *The figures disclosed above are based on the restated financial information of our Company.*
(3) *The face value of each Equity Share is ₹ 10.*
(4) *Earnings Per Share (₹)= Profit after tax excluding exceptional items before other comprehensive income attributable to equity shareholders for the year/Weighted Average No. of equity shares* [* # ^ @]
(5) *Basic EPS and Diluted EPS calculations are in accordance with the Ind AS 33 accounting standard and Rule 7, Companies (Accounts) Rules, 2014.*

The notes below should be read together:

* *Subsequent to the balance sheet date our Company issued 21,375,001 Equity Shares by way of a bonus issuance to the Shareholders in the ratio of 3:1. As per the requirement IND AS 33 for the purpose of computing Basic and diluted EPS, the weighted average number of Equity Shares outstanding have been adjusted.*

[#] *During the financial year ending on March 31, 2016, our Company has issued four Equity Shares by way of a bonus issuance against each fully paid-up Equity Shares.*

^ *During the financial year ending on March 31, 2015, our Company has issued four Equity Shares by way of a bonus issuance against each fully paid-up Equity Shares.*

@ *Total number of Equity \Shares outstanding at the end of the periods have been adjusted for Equity Shares by way of a bonus issuance issued as given preceding three notes.*

2. Price/Earning ("P/E") Ratio in relation to Price Band of ₹ [●] to ₹ [●] per Equity Share:

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 & diluted EPS for the nine month period ended December 31, 2017 on a standalone basis	[●]	[●]
Based on basic & diluted EPS for the nine month period ended December 31, 2017 on a consolidated basis	[●]	[●]
Based on basic & diluted EPS for Fiscal 2017 on a standalone basis	[●]	[●]
Based on basic & diluted EPS for Fiscal 2017 on a consolidated basis	[●]	[●]

3. Average Return on Net Worth ("RoNW")

As per Restated Consolidated Financial Statements of our Company:

Particulars	RoNW %	Weight
Fiscal 2017	29.05	3
Fiscal 2016	35.29	2
Fiscal 2015	23.06	1
Weighted Average	**30.14**	
December 31, 2017*	13.40	

* *Not annualized*

As per Restated Standalone Financial Statements of our Company:

Particulars	RoNW %	Weight
Fiscal 2017	28.32	3
Fiscal 2016	34.82	2
Fiscal 2015	24.50	1
Weighted Average	**29.85**	
December 31, 2017*	14.17	

* *Not annualized*

Notes:

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

(2) Average Return on Net Worth (%) = Net Profit after Tax before other comprehensive income (as restated) divided by Net worth at the end of the year/period excluding revaluation reserve.

(3) Net worth for ratios mentioned represents sum of equity share capital, reserves and surplus (securities premium, general reserve and surplus in the Statement of Profits and Losses)

4. Minimum Return on increased net worth after the Offer needed to maintain Pre-Offer EPS for Fiscal 2017:

Particulars	At Floor Price	At Cap Price
To maintain pre-Offer basic EPS (after adjusting bonus shares)		
On standalone basis	[●]%	[●]%
On consolidated basis	[●]%	[●]%

5. Net Asset Value per Equity Share of face value of ₹ [●] each

(i) Net asset value per Equity Share as on March 31, 2017 and December 31, 2017 on a restated consolidated basis is ₹ 50.69 and ₹ 55.50, respectively.

(ii) Net asset value per Equity Share as on March 31, 2017 and December 31, 2017 on a restated standalone basis is ₹ 54.43 and ₹ 60.36, respectively.

(iii) After the Offer on a consolidated basis:
(a) At the Floor Price: ₹ [●]
(b) At the Cap Price: ₹ [●]

(iv) After the Offer on a standalone basis:
(a) At the Floor Price: ₹ [●]
(b) At the Cap Price: ₹ [●]

(v) Offer Price: ₹ [●]

Notes:

(1) Offer Price per Equity Share will be determined on conclusion of the Book Building Process.

*(2) Net Asset Value Per Equity Share = Net worth as per the restated financial information / Number of equity shares outstanding as at the end of the period * # ^ @*

(3) *Net worth has been computed by aggregating paid-up share capital and reserves and surplus as per the restated financial information. There is no revaluation reserve or miscellaneous expenditure (to the extent not written off).*

The notes below should be read together:

* *Subsequent to the balance sheet date our Company issued 21,375,001 Equity Shares by way of a bonus issuance to the Shareholders in the ratio of 3:1. As per the requirement IND AS 33 for the purpose of computing Basic and diluted EPS, the weighted average number of Equity Shares outstanding have been adjusted.*

During the financial year ending on March 31, 2016, our Company has issued four Equity Shares by way of a bonus issuance against each fully paid-up Equity Shares.

^ *During the financial year ending on March 31, 2015, our Company has issued four Equity Shares by way of a bonus issuance against each fully paid-up Equity Shares.*

@ *Total number of Equity \Shares outstanding at the end of the periods have been adjusted for Equity Shares by way of a bonus issuance issued as given in the preceding three notes.*

6. Comparison of Accounting Ratios with listed industry peers as of March 31, 2017

For the Fiscal 2017								
S. No.	**Name of the Company**	**Face Value (₹)**	**Standalone/ Consolidated**	**Revenue from operations (1) (in ₹ million)**	**Basic EPS (2) (₹)**	**P/E (3)**	**RONW (4) (%)**	**NAV (5) (₹)**
1	Montecarlo Limited#	10	Standalone	19,801.54	15.41	[●]	28.32	54.43
			Consolidated	19,801.54	14.73	[●]	29.05	50.69
	Peer Group##							
1	NCC Limited	2	Standalone	78,920.73	4.06	32.67	6.55	61.92
			Consolidated	90,005.70	0.57	NM	0.92	62.02
2	Simplex Infrastructures Limited	2	Standalone	56,075.10	24.31	24.74	7.86	309.32
			Consolidated	56,124.90	27.65	21.75	8.93	309.75
3	Dilip Buildcon Limited	10	Standalone	50,976.25	27.81	41.78	19.48	135.48
			Consolidated	53,191.57	27.56	42.16	20.81	125.68
4	Sadbhav Engineering Limited	1	Standalone	33,203.05	10.95	33.89	11.31	96.81
			Consolidated	45,700.06	-3.15	NM	NM	52.83
5	Ashoka Buildcon Limited	5	Standalone	20,519.04	9.83	28.66	9.87	99.61
			Consolidated	29,820.90	-0.53	NM	NM	89.32
6	PNC Infratech Limited	2	Standalone	16,891.14	8.17	19.84	13.34	61.28
			Consolidated	22,523.32	4.62	35.09	8.10	56.95
7	Gayatri Projects Limited	2	Standalone	21,153.51	3.97	51.06	9.50	41.81
			Consolidated	21,153.51	-0.02	NM	NM	28.85
8	KNR Constructions Limited	2	Standalone	15,410.53	11.18	28.48	17.56	63.68
			Consolidated	16,795.88	8.17	38.98	14.12	57.88
9	HG Infra Engineering Limited###	10	Standalone	9,702.94	9.87	33.98	30.32	32.54
			Consolidated	10,548.94	9.87	33.98	30.32	32.54
Industry Composite			**Standalone**			**32.79**		
			Consolidated			**34.39**		

NM: Denoted as NM in table above as a) EPS is negative, resulting in a negative P/E ratio or b) Net loss after tax for Fiscal March 31, 2017 is leading to a negative RONW or c) P/E ratio is more than 100

Notes:

Based on the Restated Consolidated Financial Statements for the year ended March 31, 2017

Based on standalone and consolidated financials from the filings/annual reports made by the respective companies for Fiscal 2017 on BSE/corporate websites

Based on the restated consolidated financial statements for the year ended March 31, 2017 as per the red herring prospectus of HG Infra Engineering Limited

(1) *Based on income from operations (net) as reported in company filings, excluding other income*

(2) *Basic EPS as reported in company filings*

(3) *Price earnings ratio calculated by dividing the closing price of equity shares of the company as on May 04, 2018 on BSE, by the basic EPS of the company for Fiscal 2017*

(4) *RoNW has been computed as Net profit after tax for Fiscal 2017 divided by the net worth as at March 31, 2017*

(5) *Net asset value (NAV) per equity share has been computed as net worth as at March 31, 2017 divided by the total number of equity shares outstanding as at March 31, 2017*

The Offer Price of ₹ [●] has been determined by our Company and the Selling Shareholder, in consultation with the BRLMs, on the basis of assessment of market demand from investors for Equity Shares through the Book Building Process, and is justified in view of the above qualitative and quantitative parameters. Bidders should read the above information along with the sections "*Risk Factors*", "*Our Business*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and "*Financial Statements*", beginning on pages 16, 163, 444 and 232, respectively, to have a more informed view. The trading price of the Equity Shares could decline due to factors described in the section "*Risk Factors*", beginning on page 16 and you may lose all or part of your investments.

7. The Offer Price is [●] times of the face value of the Equity Shares.

STATEMENT OF TAX BENEFITS

To,
The Board of Directors
Montecarlo Limited
706, 7th Floor, Shilp Building,
CG Road, Ahmedabad 380 009

Sub: Statement of possible special Income-tax benefits (the "Statement") available to Montecarlo Limited (the "Company") and its Shareholders, prepared in accordance with the requirements under Schedule VIII Part A – Clause (VII)(L) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended

We refer to the proposed offering of the shares of the Company. We enclose herewith the statement showing the current position of special tax benefits available to the Company and to its shareholders as per the provisions of the Income-tax Act, 1961 ("**the Act**") and Income-tax Rules, 1962 (together the "**Tax Laws**") presently in force in India, as applicable to the assessment year 2019-20 relevant to the financial year 2018-19 for inclusion in the Draft Red Herring Prospectus (the "**DRHP**"), the Red Herring Prospectus (the "**RHP**") and the Prospectus (collectively, the "**Offer Documents**") for the proposed issue of shares and offer for sale.

These possible special Income-tax benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company or its shareholders to derive these possible special income-tax benefits is dependent upon their fulfilling such conditions, which is based on business imperatives the Company may face in the near future and accordingly, the Company or its shareholders may or may not choose to fulfill.

The benefits discussed in the enclosed Statement cover only possible special income-tax benefits available and do not cover any general tax benefits available to the Company or its shareholders. 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 "**Proposed Offer**") by the Company, particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail. Neither we are suggesting nor advising the investor to invest money based on this Statement.

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

i) the Company or its shareholders will continue to obtain these possible special income-tax benefits in future; or

ii) the conditions prescribed for availing the possible special income-tax benefits have been/would be met with; or

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

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

LIMITATIONS

Our views expressed in the statement enclosed are based on the facts and assumptions indicated above. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. Reliance on the statement is on the express understanding that we do not assume responsibility towards the investors who may or may not invest in the proposed issue relying on the statement.

This statement has been prepared solely in connection with the Proposed Offer by the Company under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended.

For **Deloitte Haskins & Sells, LLP**
Chartered Accountants
ICAI Firm Registration Number: 117366W/W - 100018

Yogesh G Shah
*Partne*r
Membership No. 40260

Ahmedabad
Date: May 9, 2018

The statement of possible special Income-tax benefits available to Montecarlo Limited (the "Company") and its shareholders

The information provided below sets out the possible direct tax benefits available to the Company and its shareholders in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the subscription, ownership and disposal of the equity shares of the Company ("**Equity Shares**"), under the current tax laws presently in force in India.

A. Special Income-tax benefits to the Company

1. Tax holiday under section 80IA of the Income-tax Act, 1961 (the "Act")

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

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

a. A road including toll road, a bridge or a rail system

b. A highway project including housing or other activities being an integral part of the highway project.

c. A water supply project, water treatment system, irrigation project, sanitation and sewerage system or solid waste management system.

d. A port, airport, Inland waterway, inland port or navigational channel in the sea.

The deduction shall not available in respect of development or operation and maintenance or development, maintenance and maintenance of an infrastructure facility under a works contract awarded by any person (including the Central or State Government).

The deduction shall not be available to an enterprise which starts the development or operation and maintenance of the infrastructure facility on or after April 1, 2017.

Further, the additional conditions for claiming deduction under this section for a business of developing or operating and maintaining or developing, operating and maintaining, any infrastructure facility are mentioned below:

a. it is owned by a company registered in India or by a consortium of such companies or by an authority or a board or a corporation or any other body established or constituted under any Central or State Act;

b. it has entered into an agreement with the Central Government or a State Government or a local authority or any other statutory body for (i) developing or (ii) operating and maintaining or (iii) developing, operating and maintaining a new infrastructure facility;

c. it has started or starts operating and maintaining the infrastructure facility on or after the April 1, 1995.

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

2. Tax benefits under section 35AD of the Act

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

The specified business has been *inter-alia* defined to include developing or maintaining and operating or developing, maintaining and operating a new infrastructure facility.

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

a. A road including toll road, a bridge or a rail system;

b. A highway project including housing or other activities being an integral part of the highway project;

c. A water supply project, water treatment system, irrigation project, sanitation and sewerage system or solid waste management system;

d. A port, airport, inland waterway, inland port or navigational channel in the sea

Further, the additional conditions for claiming deduction under this section for a business of developing or operating and maintaining or developing, operating and maintaining, any infrastructure facility are mentioned below:

a. The business is owned by a company registered in India or by a consortium of such companies or by an authority or by a board or a corporation or any other body established or constituted under any Central or State Act;

b. Entity referred to above has entered into an agreement with the Central Government or a State Government or a local authority or any other statutory body for developing or operating and maintaining or developing, operating and maintaining a new infrastructure facility.

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

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

No depreciation shall be allowed in respect of an asset, the capital expenditure whereof has been claimed and allowed as a deduction under this section.

Further, the above said provision is also not applicable while computing tax liability under MAT liability of the Company under Section 115JB of the Act.

B. Special tax benefits available to Shareholders

There are no special tax benefits available to the shareholders of the Company under the provisions of the Income Tax Act, 1961.

Notes:

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

2. The special income-tax benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such prescribed conditions under the tax laws.

3. This statement does not discuss any tax consequences in the country outside India of an investment in the Equity Shares. The shareholders / investors in the country outside India are advised to consult their own professional advisors regarding possible income tax consequences that apply to them.

SECTION IV: ABOUT OUR COMPANY

INDUSTRY OVERVIEW

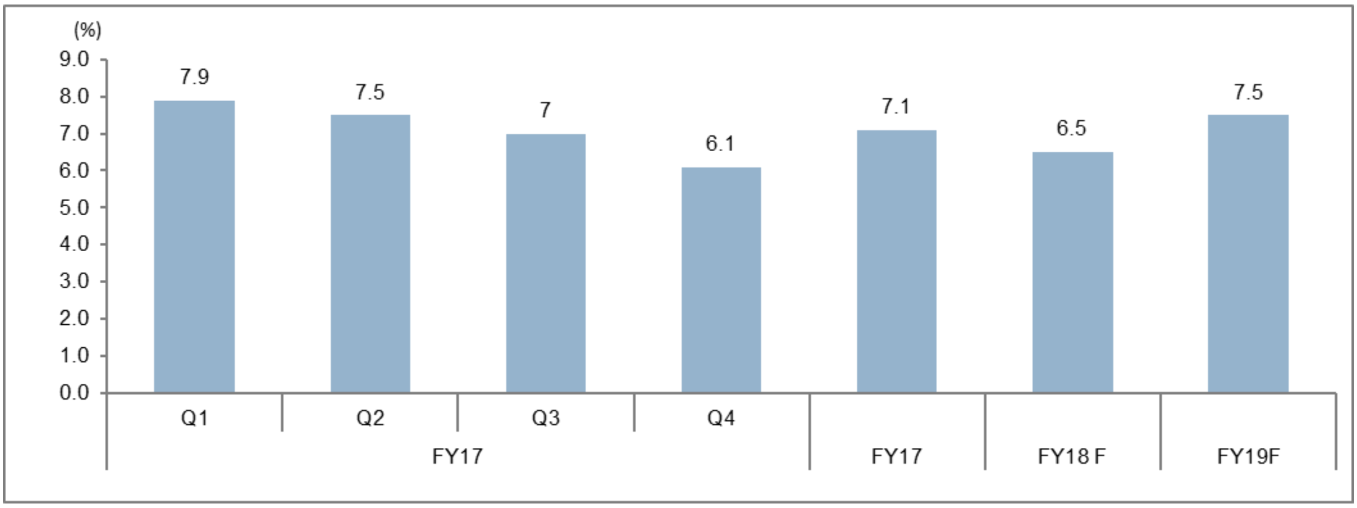
The information in this section has been obtained from the CRISIL Report that includes publically available information and third party data sources. We have commissioned the CRISIL Report in connection with the Offer. Neither we, nor any of the Book Running Lead Managers, nor any other person connected with the Offer has verified the information in the CRISIL Report. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends.

Indian Economy

GDP logged 6.9% CAGR over the past 5 years

In early 2015, India adopted a new base year (Fiscal 2012) to calculate the GDP based on which absolute GDP shot up from ₹ 87 trillion in Fiscal 2012 to Rs 122 trillion in Fiscal 2017, a 6.9% compound annual growth rate (CAGR). As per the Central Statistics Organisation's (CSO) provisional estimates, India's GDP in Fiscal 2017 stood at 7.1%, well above the world average of 3.1%, but down from 8% in Fiscal 2016. One of the major reasons for this was demonetisation.

Real GDP growth (% on-year)



F: Forecast

Source: CSO, CRISIL Research

GDP growth to rebound to 7.5% in Fiscal 2019

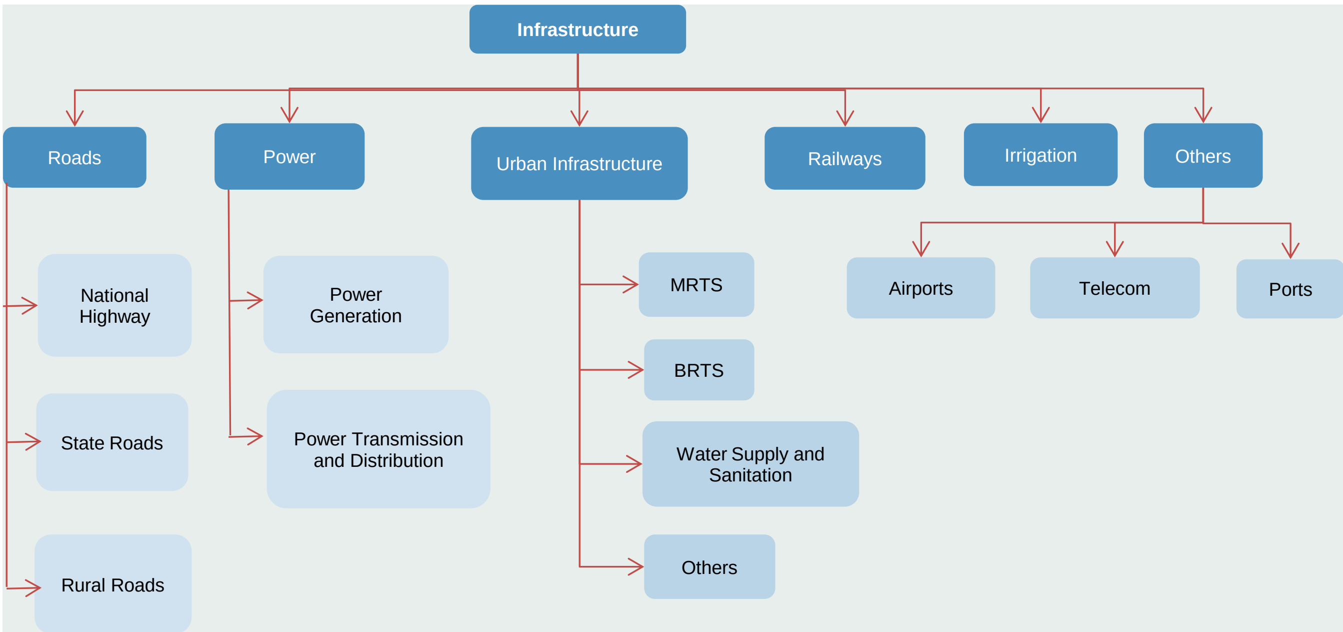
CRISIL Research believes that real GDP growth would rebound to 7.5% in Fiscal 2019 from 6.6% this Fiscal as the transitory disruption from GST implementation would wane and a low base would help. Growth would continue to be consumption-led as interest rates are expected to remain soft and inflation under control. Implementation of the Seventh Pay Commission hikes at the state level would help. Growth would also be mildly supported by public spending (with a rural focus) in infrastructure, especially roads. The government's ₹ 0.21 million bank recapitalisation plan would mean that the banks would be sufficiently funded to support growth. On the external front, too, synchronised global recovery is expected to gather pace, which should help Indian exports that were held back to some extent on account of GST-related glitches.

Urbanisation to cross 35% by 2021

Urban population has been consistently rising over the years. People from rural areas move to cities for better job opportunities, education, better quality of life, etc. Entire families or only a few people (generally earning member or students) may migrate, while a part of the family continues to hold on to the native house. The urban population as of 2011 was 377 million, marking a compound annual growth of 2.8%; rural population stood at 833 million, clocking a CAGR of 1.16%. Urbanisation levels have risen from 28% in 2001 to ~31% in 2011. A United Nations report, World Urbanization Prospects: The 2011 Revision, expects nearly 36% of the country's population to live in urban areas by 2020.

Indian construction industry

The Indian construction industry consists of 3 broad segments i.e. Infrastructure construction, building construction and industrial construction. CRISIL Research expects the construction opportunity of ₹ 47.8 trillion over the next 5 year period. Of this 49% will be contributed by the infrastructure industry followed by building construction 47% and the industrial segment contributing only 4%.



Source: CRISIL Research

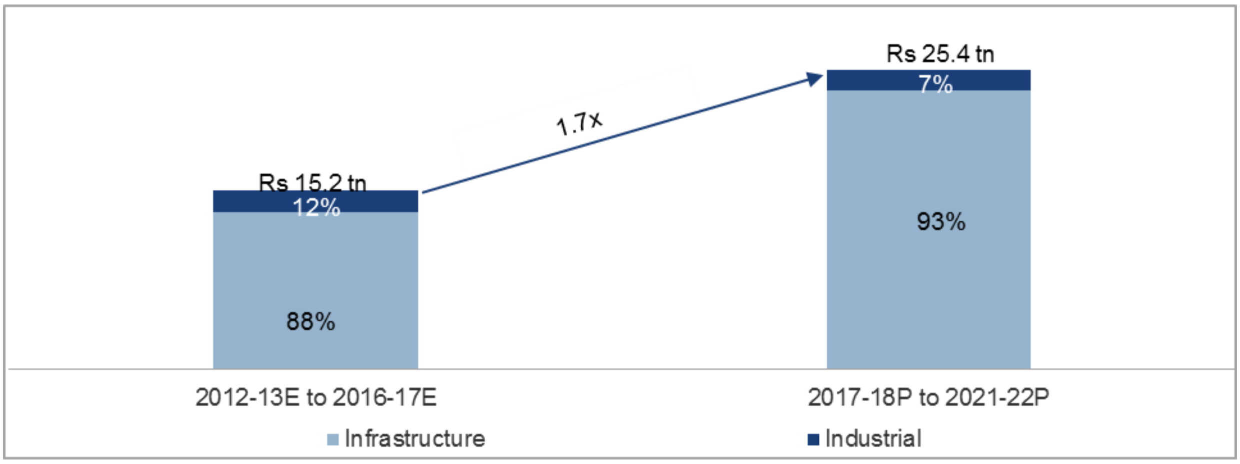
1.2.1 Outlook on construction spends under key infrastructure segments

Infrastructure projects will provide the bulk of construction opportunity over the next five years.. The Central government's focus on roads, urban infrastructure and railways will boost infrastructure investment. Conversely, spending on industrial projects is expected to be low as companies in the metals, petrochemicals and cement sectors delay their expansion plans amid low utilisation and muted demand.

Industrial investments are expected to remain muted over the next five years; however, infrastructure spending is expected to pick up

We expect overall construction opportunity in infrastructure and industrial to growth at an average of 12-13% annually over the next five years from 2017-18 to 2021-22. Total construction spending for infrastructure and industrial is expected to increase to ₹ 25.4 trillion in the 2017-18 to 2021-22 period which is 1.7 times the spending in last 5 years.

Total construction spending on infrastructure and industrial (at current prices)



E: Estimated; P: Projected

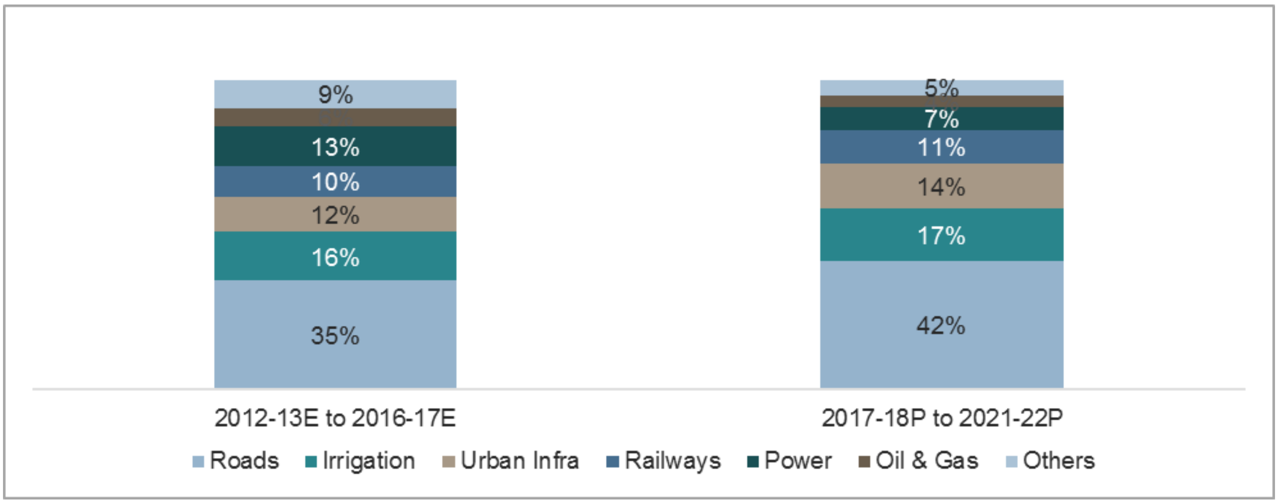
Note: Real estate not included in the analysis.

Source: CRISIL Research

Roads to lead way

Within the infrastructure space, road projects will be a critical investment driver, from 2017-18 to 2021-22. CRISIL Research also expects metro rail, water supply and sanitation, and railway projects to be implemented rapidly, given that a sizable budgetary allocation and government focus will spur investment.

Share of segments in overall construction spending



E: Estimated; P: Projected

Source: CRISIL Research

The below table provides a snapshot of expected construction opportunities across key sectors:

Sector-wise construction spends

		FY 13-17	FY 18-22 P	Increase/decrease	Sector-wise outlook on investments
		(₹ trillion)		(x times)	
Infrastructure	Roads	5.0	9.9	2.0	Investments in national highways to pick up, while those on state highways to grow moderately. Strong pipeline of projects under Bharatmala to boost investment in NH
	Power (Generation, Transmission and Distribution)	2.2	1.7	0.8	Transmission and distribution to drive investments.
	Irrigation	2.4	4.2	1.7	Investments to be moderate in key states like Maharashtra & Karnataka, while high growth is expected in states like Telangana, Orissa and Madhya Pradesh
	Urban Infrastructure	1.8	3.6	2.0	Seen as a key focus area for the new government. Budget provides funding for smart cities and water supply & sanitation projects.
	Railways	1.5	3.6	2.4	Investments growth at higher pace, compared to past. Network decongestion will be key area.
	Others (Airports, Ports and Telecom towers)	0.4	0.5	1.0	Investments likely to be moderate in sectors like ports and telecom towers.
	Total Infrastructure	**13.3**	**23.5**	**1.8**	
Industrial	Oil & Gas	0.9	1	1.2	R&M to drive investments. E&P capacity additions slower, compared to the past.
	Metals	0.4	0.3	0.6	Steel and aluminum both to witness a

		FY 13-17	FY 18-22 P	Increase/decrease	Sector-wise outlook on investments
		(₹ trillion)		(x times)	
					decline in investments due to lower utilisation rates.
	Automobiles	0.2	0.3	1.2	Auto components, tyres and cars will be the only segment to see growth in investments.
	Others	0.4	0.3	0.8	Investments lower in sectors like petrochemicals due to low capacity utilisation.
	Total Industrial	**1.9**	**1.9**	**1.0**	

Source: CRISIL Research

Growth drivers for the infrastructure industry

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

Economic growth

Freight traffic growth is a function of economic activity, as it further necessitates road development. Primary freight in billion tonne km (BTKM) is expected to have grown by ~6% in FY18 over a low base created due to demonetisation in FY17. Primary fright had grown by ~3% on-year in FY17, continuing from a similar growth seen in FY16. Freight demand plunged post demonetisation in FY17, but recovered by the start of FY18. As per the South Asia Economic Focus (Fall 2017), the World Bank estimates India's GDP growth to be about 7.3% in FY19 and increase to 7.4% in FY20. This is expected to boost overall freight demand in the country.

Policy measures to boost infrastructure investment, driving construction sector

Delays in project awards and clearances, along with poor financials of players, stifled investments in the construction sector over the past two-three years. The central government has focused on reducing hurdles for new projects and clearing stalled projects, thus reducing delays in construction. For example in roads, a major cause of delays had been non-availability of land for a part of the project, after the construction has begun. This has been managed by the government by ensuring that 80-90% of land has been acquired before awarding.

Construction spending is expected to grow over the next five years with the government's increased focus towards infrastructure spending, such as:

- Introduction of new schemes like Smart cities, Pradhan Mantri Awas Yojana (PMAY), Swaccha Bharat
- Streamlining of existing schemes for eg. Atal Mission for Rejuvenation and Urban Transformation (AMRUT), clubbing 4 major irrigation schemes under Pradhan Mantri Krishi Sinchayee Yojana (PMKSY)
- Payment of 75% of arbitration claims in case of case having won by the private player in the lower tribunal
- Awarding national highway projects only after 80-90% of the required land is in possession of the government
- Launching of schemes to help developers improve cash flow and repay debt, such as rescheduling premiums in road projects and permitting developers to offload stake in the build-operate-transfer projects.

In the 2018-19 budget, capital outlay for the infrastructure sector is ₹ 4 trillion. Of this ₹ 1.5 trillion is through budgetary allocation; the rest is through Internal and Extra Budgetary Resources (IEBR). Railways saw the highest boost, with a rise 22% over RE. Roads saw a increase of 10% over RE.

Capital outlay for infrastructure segments:

(Figures in ₹ million)	Revised 2017-18			Budget 2018-19			Growth in outlay
	Budget Support	I.E.B.R	Total	Budget Support	I.E.B.R	Total	vs FY18 RE
Ministry of Road Transport and Highways	508,641	592,790	1,101,430	594,400	620,000	1,214,400	10%
Ministry of Urban Development	194,220	155,582	349,802	164,154	162,525	326,679	-7%
Ministry of Civil	18,437	71,480	89,917	7,210	46,010	53,220	-41%

(Figures in ₹ million)	Revised 2017-18			Budget 2018-19			Growth in outlay
	Budget Support	I.E.B.R	Total	Budget Support	I.E.B.R	Total	vs FY18 RE
Aviation							
Ministry of Power	18,963	643,177	662,140	22,115	534,690	556,805	-16%
Ministry of Railways	400,000	800,000	1,200,000	530,600	934,400	1,465,000	22%
Ministry of Shipping	1,922	51,586	53,508	3,617	48,298	51,915	-3%
Ministry of Rural Development	53	90,000	90,053	53	-	53	-100%
Ministry of Water Resources	3,881	90,200	94,081	7,079	60,000	67,079	-29%
Ministry of New and Renewable Energy	10	94,657	94,667	404	103,168	103,572	9%
Pradhan Mantri Gram Sadak Yojana*	169,000	-	169,000	190,000	-	190,000	12%
Total	**1,315,126**	**2,589,472**	**3,904,597**	**1,519,630**	**2,509,091**	**4,028,721**	**3%**

* *PMGSY investments have been considered as revenue expenditure in the Ministry of Rural Development allocations; however, the investments include construction of roads*

Source: Union Budget 2018-19

Make in India to boost investments

Started in September 2014, the Make in India campaign is directed towards encouraging MNCs across 25 sectors in the economy to manufacture in India. This will not just boost the overall economic growth, but also increase the need for transportation of goods, thus increasing freight traffic. In FY16 and FY17 combined, India received an FDI equity inflow of ₹ 83.5 billion compared with ₹ 55.2 billion in FY14 and FY15 combined, marking a rise of 51%.

Review of road infrastructure in India

India has the second-largest road network in the world, at ~5.4 million km. Roads are the most used mode of transportation, accounting for ~86% share of passenger traffic and close to 65% share of freight traffic. In India, national highways, with length of close to 120,543 km, constitute a mere 2.2% of the road network, but carry ~40% of the total road traffic.

Road network in India in Fiscal 2018

Road network	Length (km)	Percentage of total		Connectivity to
		Length	Traffic	
National highway	120,543	2.20	40	Union capital, state capitals, major ports, foreign highways
State highway	155,222	2.83	60	Major centres within the states, national highways
Other roads	5,207,044	94.97		Major and other district roads, rural roads - production centres, markets, highways, railway stations
Total	5,482,809	100.00		

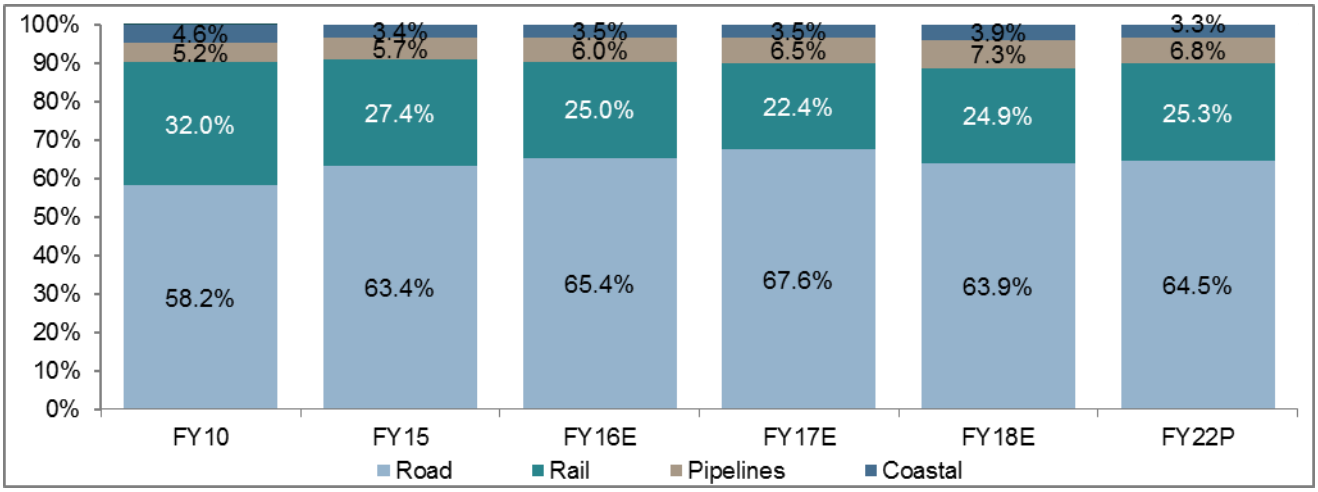
Source: MoRTH Annual report 2017-18 (Dec-17), CRISIL Research

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

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 2018, it is estimated that 63.9% of total freight was via road when compared with railways. In Fiscal 2010, roads accounted for ~58.2% of the total freight traffic.

Share of roads in total freight movement – in BTKM terms



E: Estimated; P: Projected

BTKM: Billion tonne km

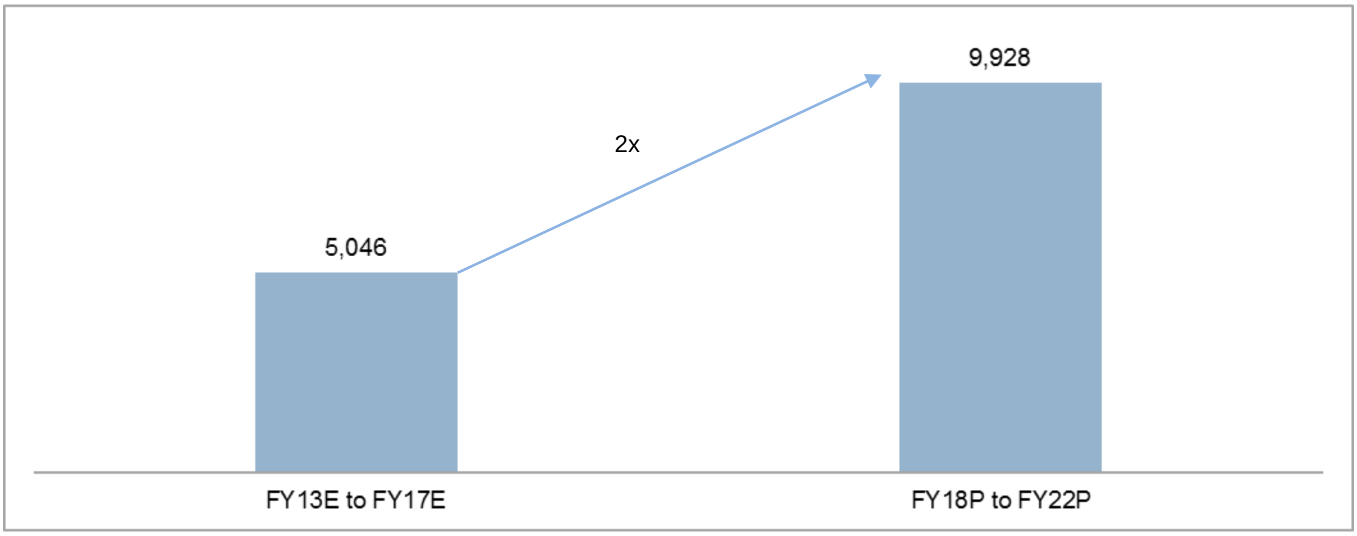
Source: CRISIL Research

Over the long term, the share of rail freight traffic is projected to increase following operationalisation of the dedicated freight corridors (DFCs) and investment in railway capacity augmentation

Investments in roads expected to double in next 5 years

Road sector saw investments of ₹ 5.05 trillion during FY 2013-17. CRISIL Research expects the spend to almost double over Fiscals 2018 to 2022, led by the government's focus on roads, and state and national highways. We estimate investment in national highways will triple, driven by public funds. Private players are struggling to infuse funds in BOT-Toll projects because of their highly leveraged balance sheets and overhang of stuck projects awarded between Fiscals 2011 and 2013. However, HAM was instrumental in attracting substantial private funds. Introduced by the end of FY16, HAM constituted more than 46% of the total length awarded by NHAI in FY18. As execution in these projects picks up, private investments are expected to go up.

CRISIL Research's estimate of construction investment in roads

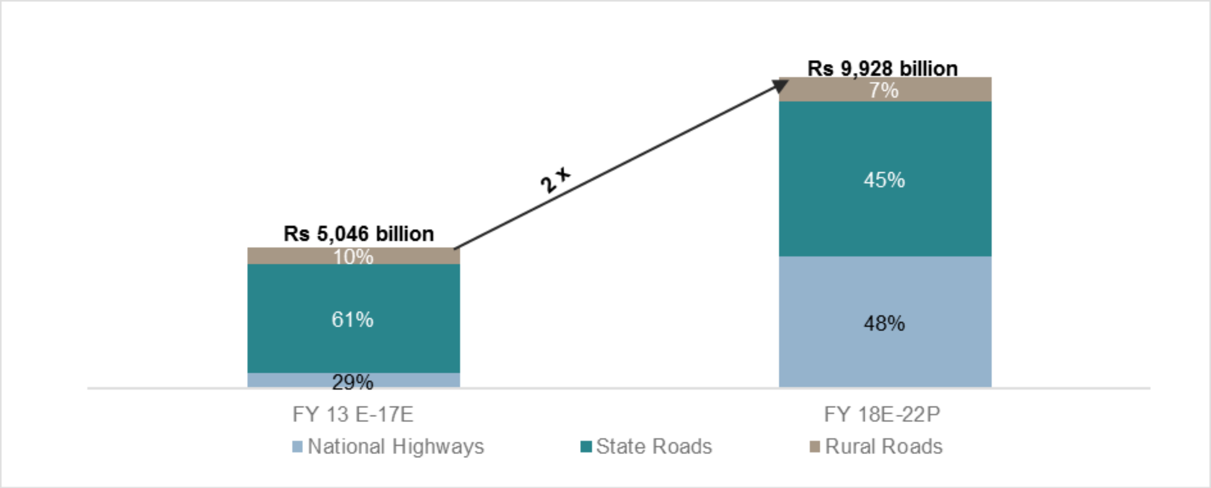


Source: CRISIL Research

Key factors driving investment growth in roads

Investment would largely be driven by expenditure on national highways and rural roads as a result of greater budgetary support. However, the current targets set for the sector may be too optimistic, even with the increase in the budget allocation.

Share of investment across road categories

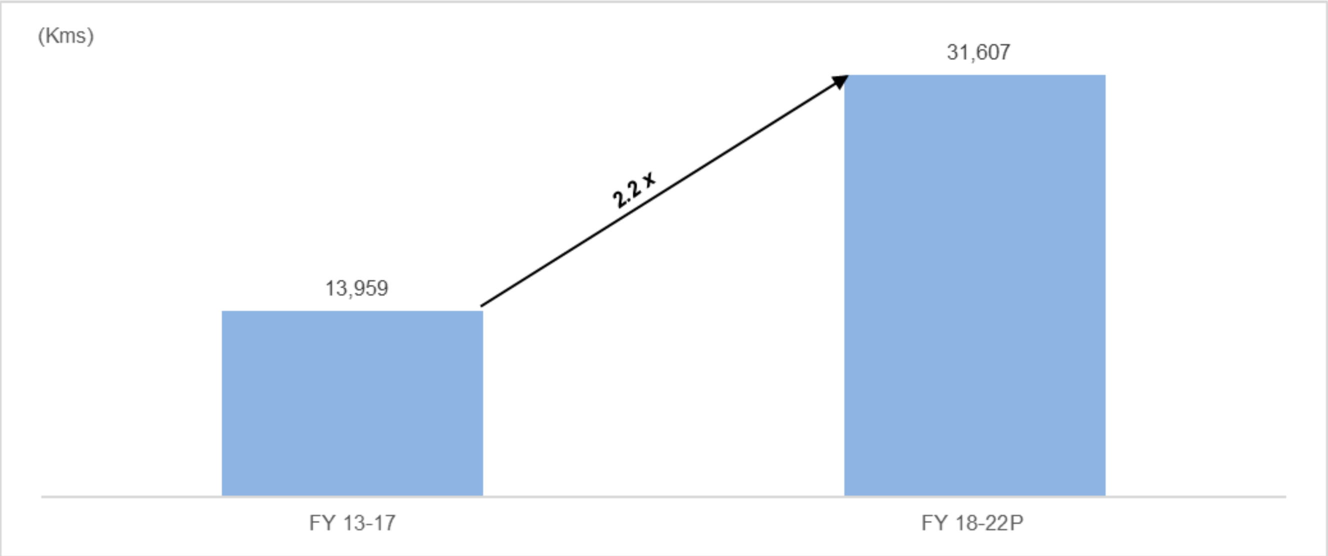


Source: CRISIL Research

The number of national highways awarded and executed in India rose considerably in Fiscal 2016 because of various government policies to remove bottlenecks and an increase in road cess to fund these projects. The execution numbers picked up in Fiscal 2017 and are expected to improve further in Fiscal 2018.CRISIL Research expects the awarding of national highways by NHAI to increase from 13,959 kms during Fiscals 2013-17 to 31,607 kms during Fiscals 2018-22. We expect NHAI to award projects more worth more than ₹ 1000 billion in FY 2019 itself.

Non-NHAI projects awarded by various other departments of the MoRTH also rose substantially in Fiscal 2017. Notably, the government will account for more than half of the investments in the next five years.

Expected road projects to be awarded by NHAI (Length- Km)



P: Projected

Source: CRISIL Research

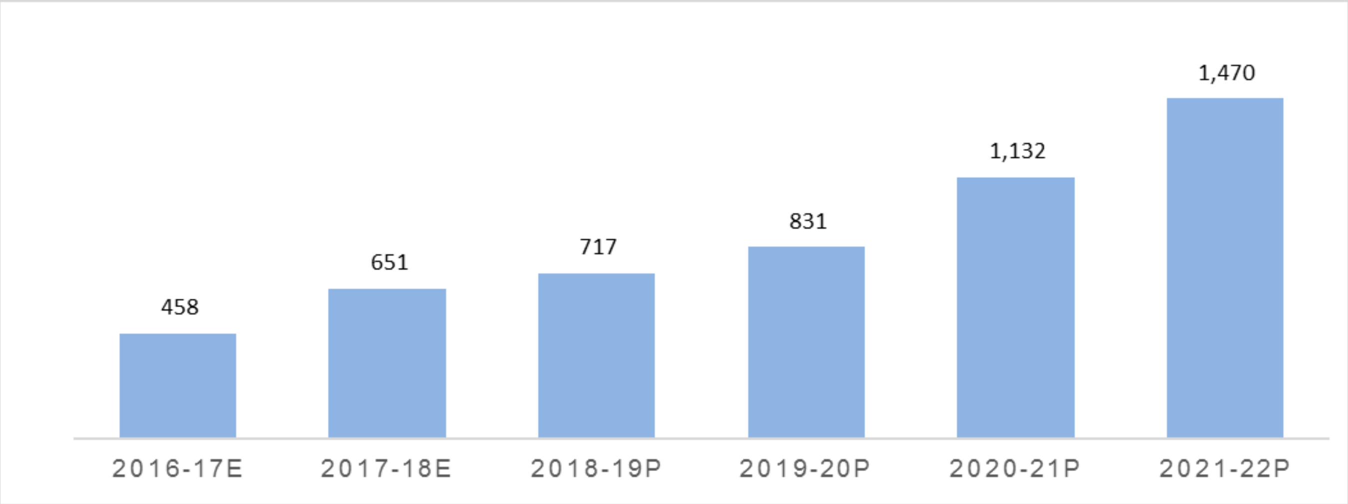
Key growth drivers for road sector

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

CRISIL Research expects investment in road projects to almost double to ₹ 9.9 trillion over the next five years. Investment in state roads is expected to grow steadily, and rise at a faster pace in the case of rural roads, owing to higher budgetary allocation to PMGSY since Fiscal 2016. Government has come out with a new umbrella scheme of Bharat Mala Pariyojana, which plans to construct more than 65,000 km of road projects, taking the length of national highways to ~200,000 km.

Investments in national higways are expected to touch ₹ 4.8 trillion between Fiscals 2018 and 2022. Further, national highway investments are expected to almost 3.3 times over the next five years

National highways: Year-wise investments (₹ billion)



P: Projected

Source: CRISIL Research

Implementation of Bharatmala Pariyojana

Bharatmala Pariyojana (BMP) is the new umbrella scheme, which is expected to supersede the existing NHDP. The programme envisages to construct about 65,000 km of highways, under the following categories: National corridor (North-South, East-West and Golden Quadrilateral), economic corridors, inter corridor roads, feeder roads, international connectivity, border roads, coastal roads, port connectivity roads and expressways. This will include 4,800 km of the existing NHDP programme.

The programme estimates to construct ~24,800 km under various categories of BMP and the balance 10,000 km of NHDP up to Fiscal 2022. The government has pegged overall investments for these projects along with other ongoing schemes such as national highways (original), Special Accelerated Road Development Programme – North East (SARDP-NE), Externally Aided projects (EAP) and Left-Wing Extremism (LWE) projects, at about ₹ 6.9 trillion and estimates mobilisation of about ₹ 3.8 trillion from its traditional sources such as Central Road Fund, toll collections, budgetary support and the newly introduced Toll-Operate-Transfer (TOT) route. The balance funds will be sourced from market borrowings, including funds from institutional investors such as LIC, EPFO, and private funds.

Under the programme, the approval process for projects has also been fast-tracked, with the NHAI Board possessing the authority to approve most of the projects while PPP projects with civil cost (i.e. not containing land acquisition cost) of more than ₹ 2,000 crore and EPC projects having civil cost more than ₹ 1,000 crore will require approval from Cabinet Committee on Economic Affairs (CCEA).

Currently, the project is in a nascent stage with detailed project reports (DPRs) of about 16,000 km of road stretches in various stages of preparation. BMP envisages the construction of 34,800 km of highways, expected to be implemented between Fiscals 2020 and 2022. This is three times the construction seen in the last five years, where just 10,500 km of highways were constructed.

Also, the last two years has seen increasing participation from mid-sized players as most of the larger companies, which used to participate earlier, have been passive on account of sustained financial distress. The execution performance of these relatively new players and the on-ground implementation of the reforms initiated by the government to improve execution will determine the ability of these players to be a part of this programme.

Policy changes to drive execution of national highway projects

The government announced a host of policy changes to reduce delays in project execution. The Union Cabinet allowed NHAI to fund projects stuck because of weak financial health of promoters and where at least 50% of the work has been completed. New amendments to the model concession agreement (MCA) such as back-ending of premium payments and deemed termination on delay of appointed date have been made to reduce delays 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 favour of concessionaires in arbitral proceedings. NHAI terminated projects -- work on ~5,500 km of length was stalled – and re-awarded almost 1,000 km of the terminated projects. 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. Apart from that, the private party will be rewarded for early completion of project. Hence, the government's focus has clearly shifted towards ensuring on-the-ground implementation, instead of merely awarding more projects.

Increased private participation to boost road development

The government has introduced a new model - HAM - which addresses the needs of the private sector and increases their participation.

The government introduced HAM in Fiscal 2016, wherein 40% of the total project cost is to be funded by the government and the remaining by the private developer. The equity requirement in these projects is only about 12-15% of the project cost, which is much lower than a BOT project, and the developer is immune to traffic, inflation and interest rate risk. In Fiscal 2016, this model took off at a rather slower-than-expected pace and only ~350 km were awarded mostly due to the apprehensions of various stakeholders towards a new, untested model. However, the participation of players in these projects improved significantly towards the end of Fiscal 2016. In Fiscal 2018, 46% of the total length awarded was via HAM mode with estimated value of ₹ 670 billion.

Private investments are expected to flow into new operation and maintenance (O&M) models like toll-operate-transfer (TOT), which will help existing players shed off debt sitting on their balance sheets.

New region-specific initiatives to increase road network

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 ongoing projects covering state roads.

Healthy economic growth to push road development

With the economy expected to grow at a healthy pace, per capita income is set to improve, which will increase demand for two-wheelers and passenger vehicles in the country. Initiatives like 'Make in India' and implementation of Goods and Services Tax (GST) are also expected to add to the road freight traffic in India.

E-commerce logistics - A growth driver for road freight

CRISIL Research expects the e-commerce industry to grow at an estimated 28-33% CAGR between FY16 and FY19, to ~₹ 2.5 trillion. Growth is expected to be driven by segments such as the online marketplace, where players will continue to offer huge discounts, deals, and innovations to attract customers. Further, rising penetration of the internet, increasing use of smart phones (with mobile apps), and increasing consumer awareness should support the growth story. As the industry grows, players 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.

Vehicle sales improves, long-term projection looks optimistic

Passenger vehicle sales increased by 9.2% in FY17, and are expected to post a strong growth of 10% in FY18 on-year, over a high base. GST implementation is likely to positively impact growth by 1.5-2%. Over the long term, domestic passenger sales will be driven by rising disposable income and relatively stable cost of ownership, as crude oil prices stabilise at lower levels. Increased urbanisation, expanding working population and easy availability of finance will support sales. As more households come under the addressable market, sales of small cars are likely to increase, while evolving consumer preferences and introduction of new compact utility vehicles will drive demand within passenger vehicles.

Commercial vehicle (CV) sales usually move in cycles; sales bottomed-out in FY15, and picked up thereafter. From a peak of over 809,500 vehicles in FY12, sales declined owing to weak demand and deteriorating economic output. However, it picked up from FY15 with economic recovery, growing by 3.7% in FY16 and 1.4% in FY17. In the first quarter of FY18, demand was low because of advance purchases made in Q4 FY17 to avoid higher prices of BS-IV vehicles. The scenario improved in the second quarter of FY18 because of multiple reasons. The pent-up demand from Q1 FY18 because of uncertainties in GST implementation, supply constraints because of shift to BS-IV along with low base of Q2FY17, in which the industrial output had weakened. Over the long term, CV sales are expected to be buoyant, with the economy picking up, and demand for CVs being robust. Demand for medium and heavy commercial vehicles (MHCV) is expected to grow at a CAGR of 2-4% from FY18 to FY22 whereas, for light commercial vehicles (LCV) it is expected to grow at CAGR of 9-12% in the same period.

New trends in roads sector

The execution speed of roads constructed/upgraded shot up from 1,576 km in Fiscal 2015 to 2,196 km in Fiscal 2016, and further rose to 2,625 km in Fiscal 2017. The execution speed improved further in Fiscal 2018 as 3,071 km of roads has been constructed. The government has tried to improve the rate of awarding over the years. Also, a significant share of awarding has recently been under HAM, which is expected to increase going forward.Private equity investment could pick up further, following recent announcements of exit policy for debt-stressed operators of toll roads. The share of EPC/ cash contract projects is expected to widen, especially in low-traffic-volume projects under NHDP-Phase IV, over the next five years. Dedicated ETC lanes will help reduce congestion at toll plazas and enable seamless movement of vehicles on national highways. The ministry has decided to roll out the ETC programme in the country under the brand name 'FASTag'.

Challenges for the road sector

Limited financial flexibility of PPP road developers

Funding constraints and financial stress thwarted the pace of development in the roads sector. During the intial phase of PPP in the road sector, road developers bid aggressively to bag more BOT-toll projects. Issues pertaining to subdued financing, lower traffic and delayed execution stressed the balance sheets of the developers Delays in project execution and resultant cost overruns

Delay in project execution due to issues like land acqusiion, environmental clearnces, forest clearnces railway clearences and co-rdiantion with different state agencies has been a major hurdle 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.

Hurdles in bank funding for road projects

Banks are reluctant to fund road projects as they are approaching the sector exposure limits. Given the dependence of infrastructure projects on banks for funding, the projects are not able to take off due to such funding constraints. Moreover, elongated working capital cycle in core construction businesses of many entities has also strained their liquidity position and further increased their dependence on borrowed funds.

Reluctance to accept toll

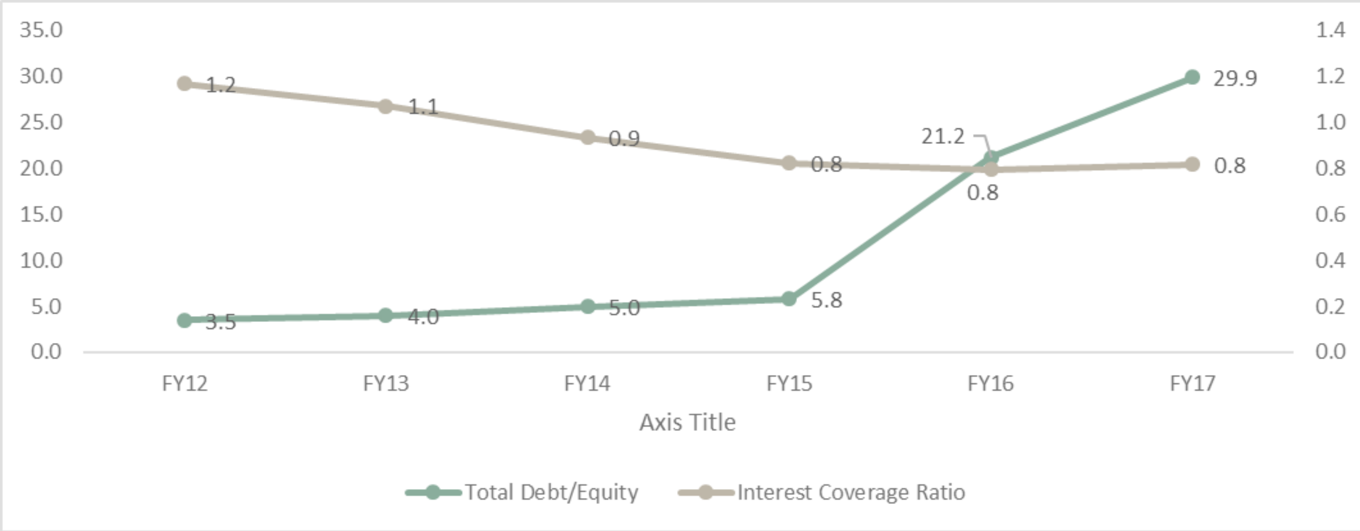
The Indian population has not yet completely accepted the importance of tolls for road construction and improvement of service delivery. The policy of appeasement of people through provision of subsidies has been a major tool for reaping political gains in the country. Such instances have not only deteriorated the sentiment of road developers, but have also affected service delivery within the sector.

Past experience and likely scenario for BOT (toll) in India, including key challenges for the model

Awarding of projects is done via two modes: EPC & PPP. Until a few years back, BOT (Toll) was the most preferred mode of PPP projects, in which entire risk of the project was on the contractor. Most of the projects awarded in the period Fiscal 2008 to Fiscal 2013 were on BOT- toll. However, the players participating in the projects faced multiple issues, many of whom are currently under financial distress. As more and more players were entering the space, the competitiveness of the bids increased, leading to aggressive bidding by the players. Thus, the players were executing projects on low margins. Additionally, on account of delays in procuring the land required for the projects and receiving necessary regulatory clearances, the projects were stalled, leading to time and cost overruns. Apart from that, traffic projections for many projects turned out to be higher than the actual traffic plying on the road, as many announced industrial projects failed to come up. This led to piling of debt on the balance sheets of the construction companies, as they raised more debt to execute new projects. As credit availability fell on account of banking sector reforms, the companies faced financial distress.

Post that situation, the central government developed BOT-HAM model, which appropriated majority of the risks on the government and only execution risk was entrusted to the player. The model was introduced in Fiscal 2016, and since then it has been the preferred mode of PPP projects. We expect BOT-toll to remain less preferable for awarding for next 4-5 years, depending upon the speed of recovery for the past players.

The BOT-toll model involves investment by the private players, who then earn a return based on the traffic on the road. The private players source majority of their funds by leveraging their balance sheet. Following trend in ratios indicates past performance of the players majorly involved in BOT-toll space.



Debt/Equity ratio and interest coverage ratio for major BOT players (times):

Note: Aggregate consolidated financials for IL&FS Transportation Networks India Limited (ITNL}, IVRCL, IRB Infra and Hindustan Construction Company have been used

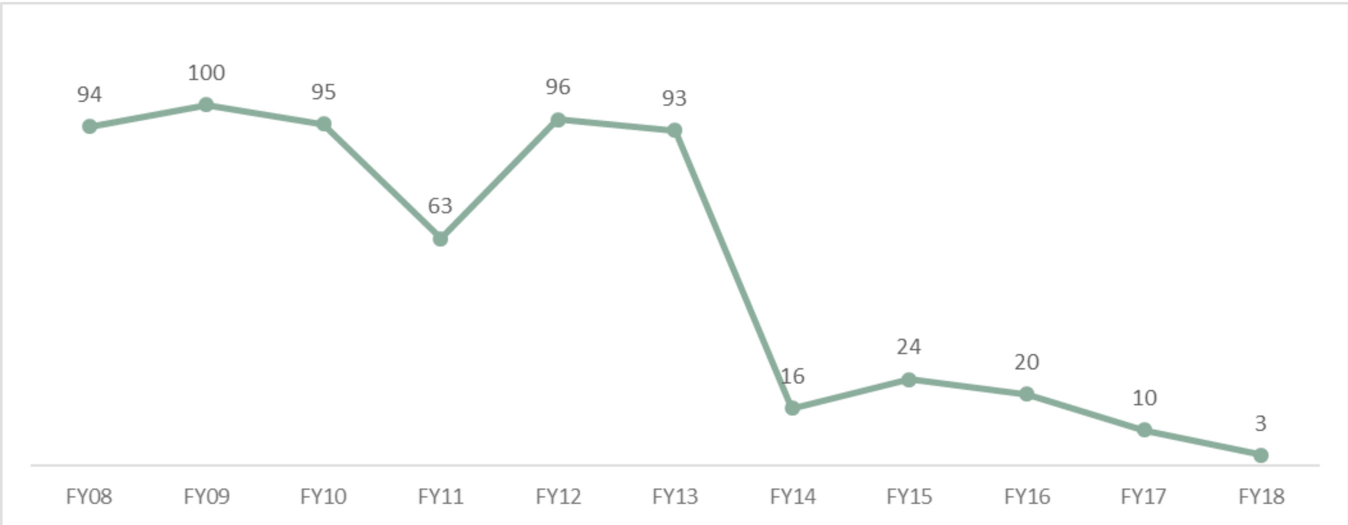
Source: CRISIL Research

The companies operated at a high leverage ratio, increasing their interest cost and burdening the cash flow. This negatively affected the execution capability of the companies, which further impacted their revenue growth and margins.

This led to a fall in the share of BOT-toll projects awarded by NHAI. It started awarding most of the projects on EPC mode and, Fiscal 2016 onwards, HAM mode.

Following is the trend in the share of BOT-toll projects in the total length awarded by NHAI:

Share of BOT-toll in total NHAI awarding (%)



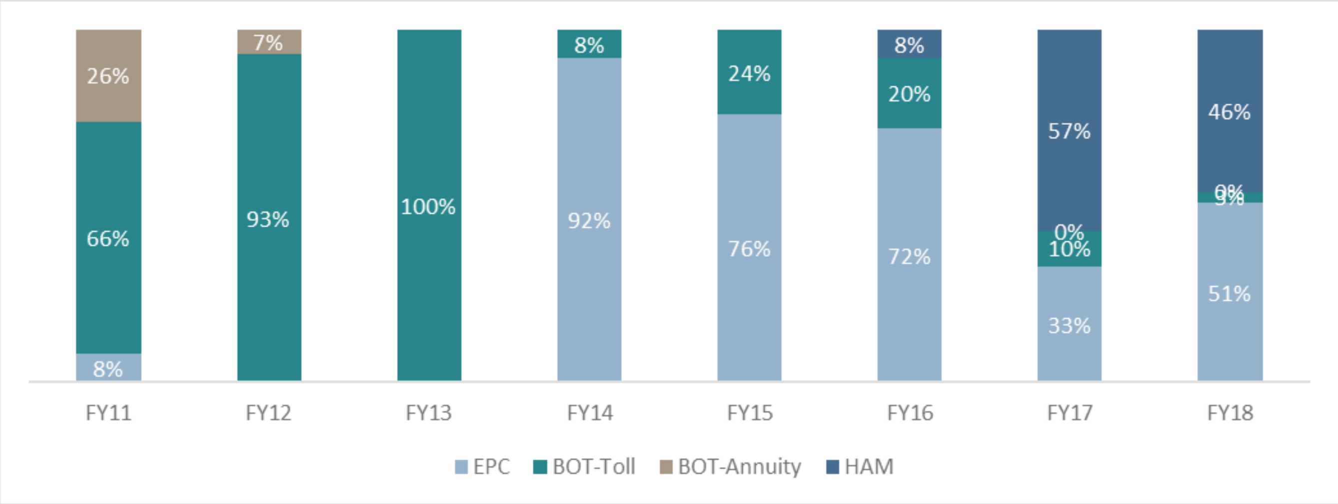
Source: NHAI, CRISIL Research

The falling share of BOT-toll indicates few takers for the model in the past 3-4 years on account of multiple issues, including stagnant credit growth to the sector along with distressed financials of the players.

Review of investment in NHAI projects

The National Highways Authority of India (NHAI) awards projects under different modes – engineering, procurement and construction (EPC), build-operate-transfer (BOT), and the recently introduced hybrid annuity model (HAM). To boost private participation further, the government introduced HAM in Fiscal 2016, wherein 40% of the total project cost is funded by the government and the remaining by the private developer. However, the participation of players in these projects improved significantly towards the end of Fiscal 2016. Almost half of the total length awarded in Fiscal 2017 was via HAM.

NHAI awarding trend: Significant change in past few years



Source: NHAI, CRISIL Research

Private participation is expected to increase over the next two years, with more HAM projects awarded. Yet, in the near term, ~50% of projects will continue to be awarded on an EPC basis. With most policy hurdles cleared, awarding improved in Fiscals 2016 and 2017. After two years of decline, execution of national highways improved, aided by reduction in delays due to reform measures and higher budgetary support.

NHAI awarding reached record high in FY18

Awarding of highway construction projects rocketed 70% to an all-time annual high in Fiscal 2018, spanning ~7,400 km and valued at ₹ 1.2 trillion, data from the National Highways Authority of India (NHAI) showed.

That compares with ~4,300 km projects worth ₹ 0.59 trillion awarded in Fiscal 2017.

CRISIL Research expects both the award and execution of projects to be even faster in Fiscals 2019 and 2020 if the NHAI manages to source funds on time, and over and above the budgetary allocation.

Of the total length awarded by the NHAI in Fiscal 2018, ~51% was through the engineering, procurement and construction (EPC) mode, ~46% through the hybrid annuity model (HAM) and the balance through build-operate-transfer (BOT)-toll mode. In Fiscal 2017, the proportions were 34% EPC, 56% HAM and 10% BOT-toll. Competition remains high in the EPC mode, and low-to-moderate under HAM.

The contract awarding momentum was muted in the first three quarters of Fiscal 2018 at ~1,700 km, and which mainly comprised EPC projects. Most of the HAM projects were bid out in January-March.

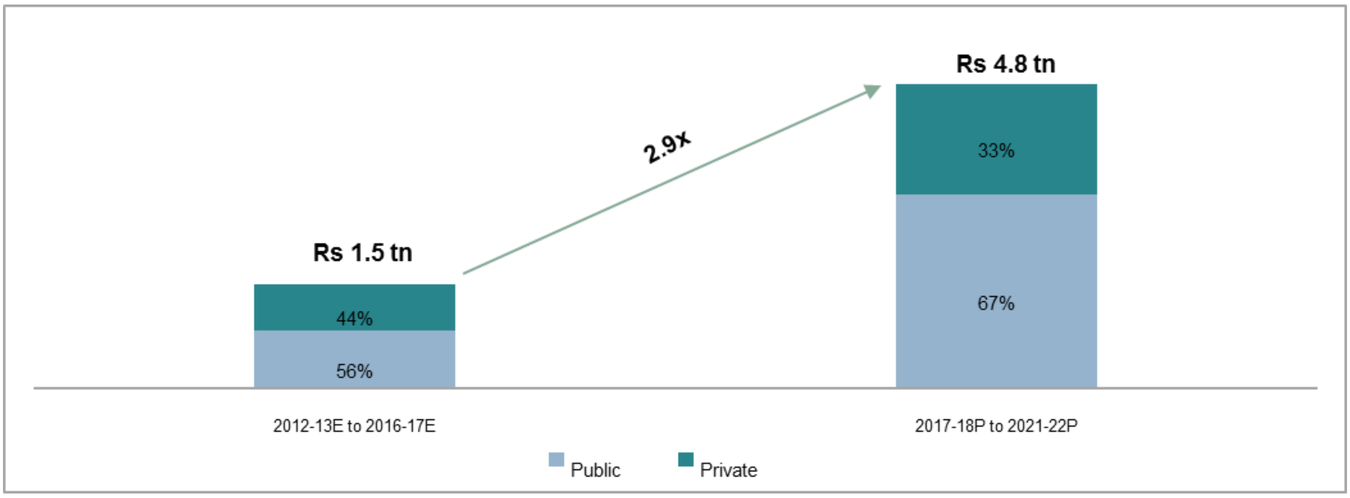
Fewer contractors won most of the HAM projects, which could stretch their management capacity and lead to the overall share of such projects being awarded declining in Fiscal 2019.

Rajasthan saw the highest share of highway contracts, at 17% of the total length awarded, followed by Maharashtra, Odisha and Uttar Pradesh with 10% each.

From Fiscal 2018 to 2022, CRISIL Research expects the NHAI to award more than 31,800 km of projects. With BOT projects losing favour among developers in the past two years, the NHAI has been awarding more projects through the EPC route. We believe that EPC projects would attract higher player interest, as they require limited upfront capital and involve lower risk compared with BOT projects. Moreover, the regular milestone payments from NHAI would provide developers with some cash flow.

The government will account for more than half of the investment. With EPC and HAM execution dominating in the medium term, we believe the funding needs for agencies such as the NHAI will rise substantially.

Financing of national highways



Source: NHAI, CRISIL Research

Review and outlook of funding for national highways

Road projects in India have largely been financed through public funds. State and rural roads are mainly funded by the government, while there is significant private sector participation in national highway projects.

NHDP is funded by the NHAI through:

- Government budgetary support
- Dedicated accruals under the Central Road Fund
- Multilateral agency borrowings or lending by international institutions: World Bank, Asian Development Bank (ADB), Japanese Bank of International Cooperation (JBIC)
- Private financing under PPP
- Market borrowings in the form of NHAI bonds
- National Investment and Infrastructure Fund
- Others: Toll revenue and premium

TOT to account for considerable share of NHAI funding

The toll-operate-transfer (TOT) is a new PPP model introduced by the Ministry of Road Transport and Highways (MoRTH) for the maintenance of roads. The model involves leasing out of operational national highways for periods as long as 30 years to collect toll revenue in return for one-time upfront payment to the government. The successful implementation of this model is essential to the sector given:

- Weak financial position of road developers resulting in most projects now being executed using public funds thereby putting stress on NHAI's funding position
- Increased awarding on EPC contracts will translate into more projects to be maintained by NHAI thereby utilizing NHAI's bandwidth and funds. Around 6500 kms are being maintained by NHAI today and this number is expected to more than double over the next 5 years.
- Weak participation of O&M players in existing PPP models for maintenance (OMT) due to problems experienced in the past. Only about 6-7 O&M players in the country continue to participate in OMT projects today.

Under this model, NHAI had shortlisted a list of 75 stretches to be bid out in the initial stages. They aggregate a length of 4500 km. CRISIL Research estimates they can fetch the NHAI ₹ 380 billion to ₹ 420 billion. Considering the average cost of constructing a four-lane highway to be ₹ 140 million (excluding land costs), these funds can aid the construction of approximately 2,800 km of national highways.

In March 2018, the first bundle, comprising six road stretches in Andhra Pradesh and three in Gujarat, was bid out at ₹ 96.8 billion, which is considerably higher than ₹ 62.6 billion estimated by NHAI. It received in all four bids. All the bidders had a foreign investor partnering with an Indian entity. NHAI expects the response to improve for future bundles as more foreign investors take note of the model.

TOT is a cyclical source of funds. Existing assets can be monetized to invest in construction of new assets which can then be monetized further. This will partially ease the funding requirements for NHAI, required for execution of EPC and HAM projects. Given the success of the first bundle, NHAI is expected to dole out more bundles under TOT in coming Fiscals.

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 to the sector:

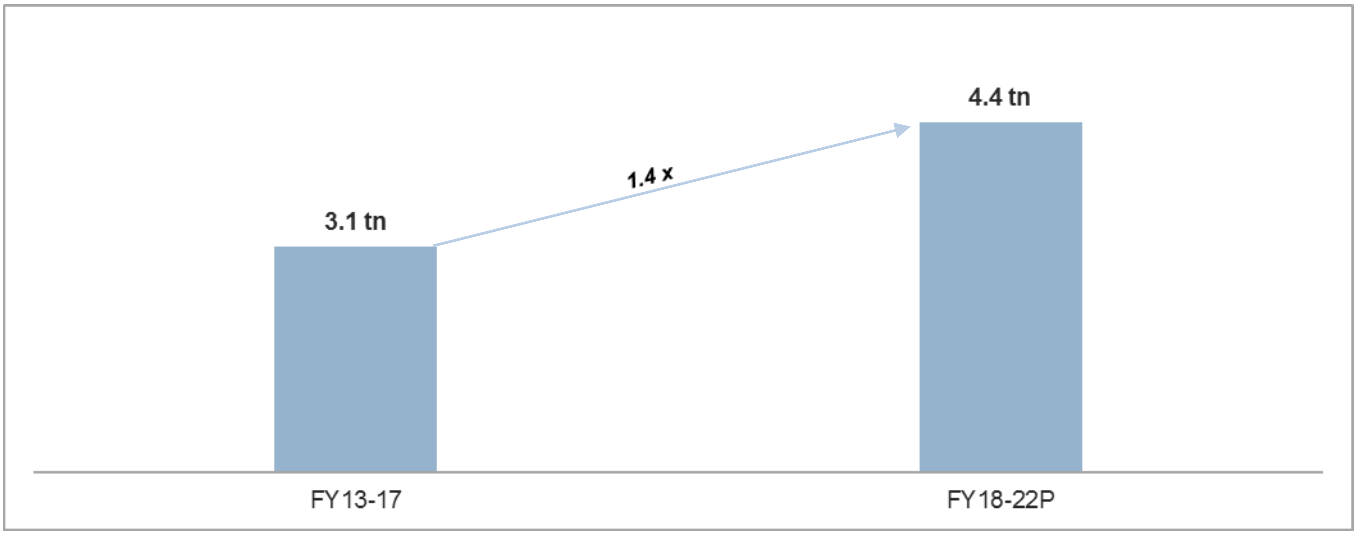
- 100% foreign direct investment (FDI) has been allowed in road sector projects
- The private party is to be rewarded for early completion of project. In the case of EPC, the contractor is to receive 0.03% of total project cost for each day by which the project completion date precedes the scheduled completion date, capped at total 5%. In the case of HAM, if the concessionaire achieves COD more than 30 days prior to the scheduled date, it will receive 0.5% of the 60% of BPC for every 30 days saved in achieving COD
- Dispute resolution will be in line with Arbitration and Conciliation Act 1996, based on the United Nations Commission on International Trade Law provisions
- Higher concession period (up to 30 years) has been granted
- Provision has been made for capital subsidy of up to 40% of the project cost to make projects commercially viable
- Provision has been made for unencumbered site for work, i.e., the government will meet all expenses relating to land and other pre-construction activities
- As per a recent Reserve Bank of India 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

State roads: Review and outlook

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 ~18% of the country's total road network and handle ~40% of road traffic. Through this period, the central government's contribution to state roads through the Central Road Fund (CRF) has remained more or less constant. Currently, 15-16% of the total investment in state road projects is channelled through the public-private partnership (PPP) route. A total investment of ₹ 3.1 trillion was made in state roads between Fiscals 2013 and 2017.

The total investment in state roads between Fiscals 2018 and 2022 is expected to be ₹ 4.4 trillion. We expect private participation in state road projects to remain steady in future, too. Gujarat, Madhya Pradesh, Maharashtra, and Rajasthan are expected to lead the way in implementing state highway projects through the PPP route.

State roads: Outlook on investments (₹ trillion)



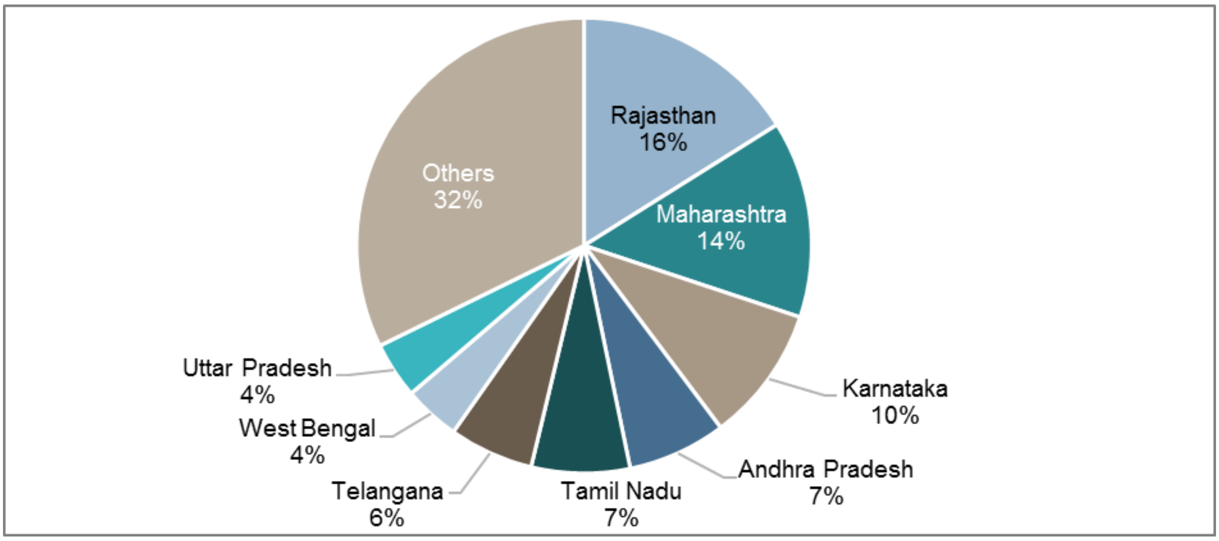
P: Projected

Source: CRISIL Research

Central assistance for state roads

State roads fall under the jurisdiction of the respective state governments. However, the central government also provides financial assistance to states through various schemes for road network development. The estimated amount released under Central Road Fund to states in Fiscal 2017 was ₹ 50.7 billion. In the Fiscal 2018, an alloaction of ₹ 47 billion has been made under the scheme upto December'17.About 570 projects, amounting to ₹ 110 billion, were approved under the scheme in Fiscal 2016, compared with only 210 projects totalling ₹ 37 billion in Fiscal 2015.

State-wise released under CRF in FY17



Source: MORTH, CRISIL Research

About 10% of the amount collected under CRF for state roads is reserved for road development under the following schemes:

World Bank and other external assistance to state roads

The World Bank is providing continued assistance for the construction of state highways and improvement in the efficiency of road management agencies of respective states. Assistance from the World Bank has been provided so far in Andhra Pradesh, Gujarat, Assam, Himachal Pradesh, Karnataka, Kerala, Mizoram, Odisha, Punjab, Tamil Nadu and Uttar Pradesh.

In a number of states, the World Bank is helping upgrade state highways and raising the operational efficiency of the states' main road management agencies. It is helping identify the core network of roads, building better information and asset management systems, piloting new contracting approaches, introducing innovative ways of involving the private sector, and improving road safety.Projects have been supported in Andhra Pradesh, Assam, Gujarat, Himachal Pradesh, Karnataka, Kerala, Mizoram, Orissa, Punjab, Tamil Nadu, and Uttar Pradesh.

A road improvement project in Andhra Pradesh and Telangana, aimed at the widening and improvement of state highways, provision of long-term maintenance for a broader network of roads, and road safety improvement is undertaken. This project is co-financed by IBRD (World Bank) and the Government of India (GOI). IBRD initially committed to a loan of 239 million USD over the course of the project odf which 168.01 been disbursed, and 70.9 remains to be disbursed as on June, 2017.

India signed an agreement with World Bank for IBRD assistance of USD $ 175 Million loan for Second Gujarat State Highways Project in february 2014. The project was aimed at improving the condition, capacity and safety of about 625 km of the 6,444 km core state road network. The project has three components which are (i) Highway Improvement Component (Total Cost: US$ 290 million); (ii) Sector Policy and Institutional Development Component (Total Cost: US$ 12 million); and (iii) Road Safety Management Component (Total Cost: US$ 22 million). As per the Gujarat State highway project -II reports, two stretches of the highway - (Dabhoi-Bodeli- 33.88 km) and (Atkot-Gondal- 36km) have been completed till Dec-17. The World Bank has disbursed USD $ 53.07 Million till December -17.

The Asian Development Bank (ADB) and the Government of India signed a $250 million loan on January 2018 to finance the construction of 6,254 kilometers (km) of all-weather rural roads in the states of Assam, Chhattisgarh, Madhya Pradesh, Odisha, and West Bengal under the prime minister's rural roads program (PMGSY). The loan's first tranche is part of the $500 million Second Rural Connectivity Investment Program for India approved by ADB in December 2017. The program is aimed at improving rural connectivity, facilitating safer and more efficient access to livelihood, and socio-economic opportunities for rural communities through improvements to about 12,000 km of rural roads across the 5 states.

The Asian Development Bank (ADB) and the Government of India signed a $350 million loan in March 2017 for improving about 1,500 kilometers of major district roads in Madhya Pradesh in line with the State's Road Development Plan. The Project will involve upgrading roads with concrete pavements, strengthening culverts and bridges, and maintaining the improved road assets for a period of five years after construction, on a performance based payment format.Recent initiatives in the development of state roads

Road Requirement Plan-I (RRP-I) was unveiled by the Ministry of Road Transport and Highways (MORTH) for the improvement of road connectivity in 34 LWE affected districts of eight states, namely, Andhra Pradesh, Bihar, Chhattisgarh, Jharkhand, Madhya Pradesh, Maharashtra, Odisha and Uttar Pradesh. Under the scheme, construction of 5422 km road lengths and 8 critical bridges was envisaged of which 4523 km of roads and 2 bridges have been completed by Dec 2017.

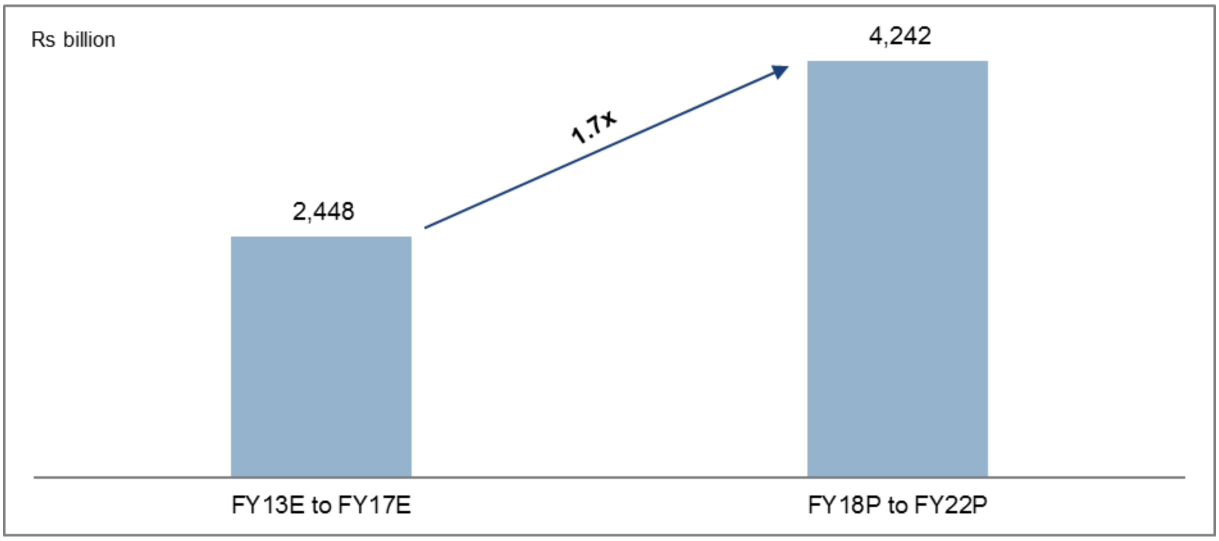
Irrigation

Irrigation spend to rise on increased government support

CRISIL Research projects investments in irrigation to increase 1.7 times between Fiscals 2018 and 2022. With irrigation being a state subject, most of the investments will flow from state governments which will account for 85-90% of the total investment. Majority of the investments are expected to focus on completing existing major and medium-sized irrigation projects.

CRISIL Research believes construction spend in irrigation will rise sharply to ₹ 4,242 billion till Fiscal 2022 compared with ₹ 2,448 billion over the past five years (Fiscals 2012 to 2017). As much as ₹ 72.8 billion was released in Fiscal 2016 and ₹ 77.7 billion in Fiscal 2017 under the Pradhan Mantri Krishi Sinchayee Yojana (PMKSY) scheme. A new micro-irrigation fund with a corpus of ₹ 50 billion is to be set up.

Estimated construction investments in irrigation (₹ billion)



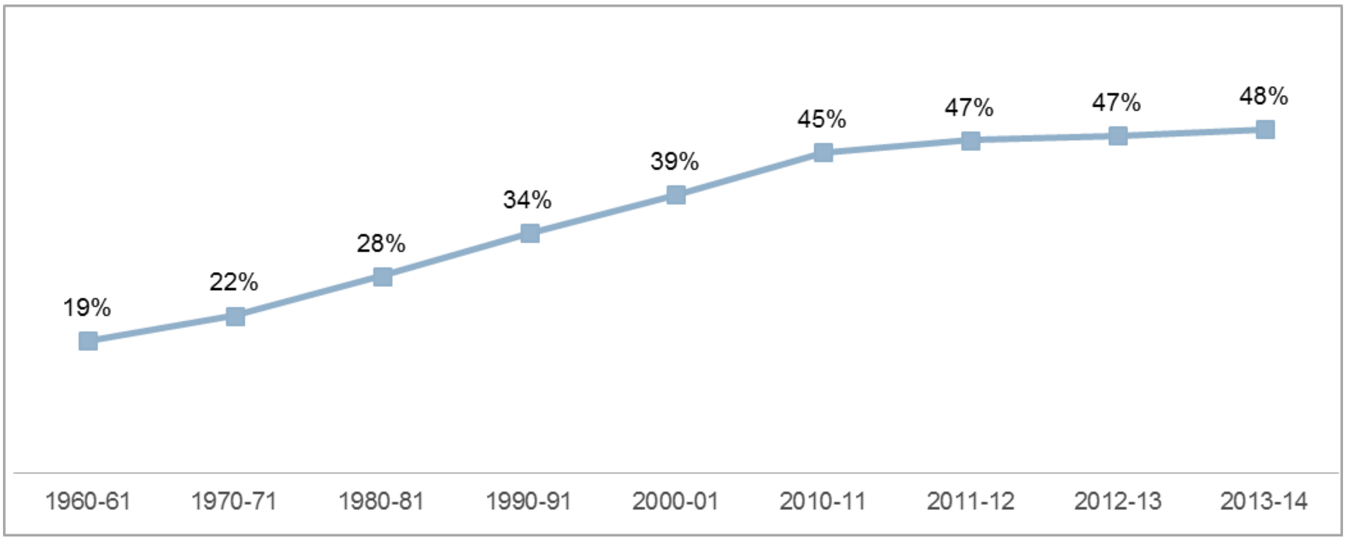
Source: CRISIL Research

Key growth drivers for irrigation sector

Low irrigation penetration levels

In India, ~142 million hectares was cultivated, as of Fiscal 2014, of which less than 50% was irrigated. Indian farmers are forced to keep an eye on the sky for a good crop, despite investments totalling ₹ 5,390 billion in the past 10 years and multiple schemes for irrigation.

Irrigation penetration levels in India



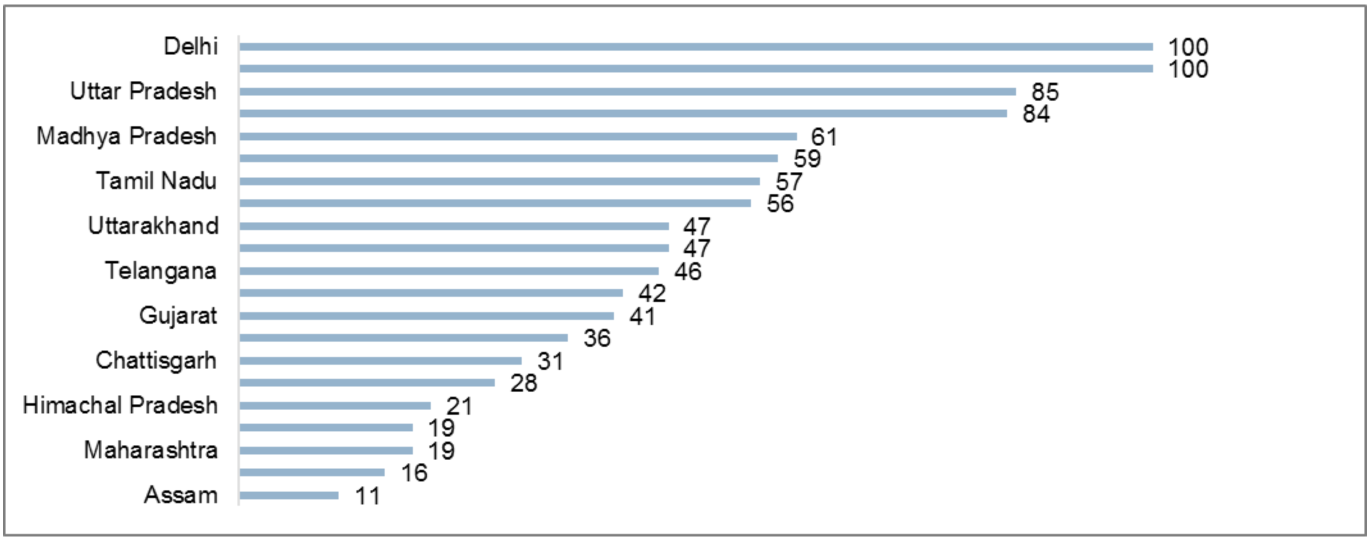
Note: Irrigation is measured in terms of net area irrigated (per cent) as a percentage of net sown area.

Source: Ministry of Agriculture, CRISIL Research

However, with less than 50% of the land irrigated, the country has huge unharnessed potential for further investments in the space.

Besides high-yielding crop varieties and increased use of fertilisers, the Green Revolution also put the spotlight on irrigation. The initial beneficiaries were the Gangetic plain states of Punjab, Uttar Pradesh, and Haryana. As a result, irrigation penetration is substantially higher in these states, with penetration levels at 100% in Punjab, 84% in Haryana, and 85% in Uttar Pradesh. In contrast, the penetration levels in Jharkhand, Maharashtra, Odisha, Chhattisgarh, Karnataka, Gujarat, Andhra Pradesh, Telangana, and Rajasthan are lower than the national average.

Irrigation penetration by state, as of 2013-14 (%)



Note: This is the latest data available.

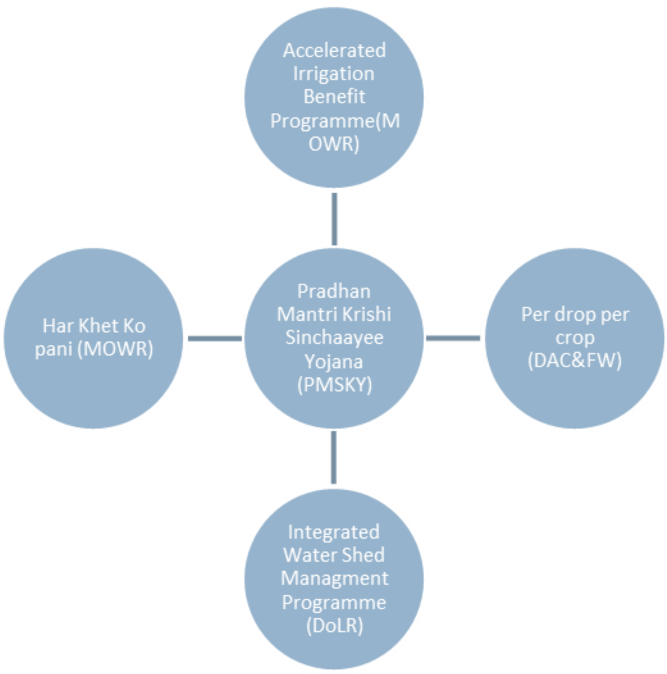
Source: Ministry of Agriculture, CRISIL Research

Clubbing of all centrally sponsored schemes under one umbrella

Aiming to enhance the area under cultivation by 2.85 million hectares in 2016-17 and by 8 million hectares by 2020, the central government converged irrigation schemes under the Pradhan Mantri Krishi Sinchayee Yojana (PMKSY) in Fiscal 2016, with a spending target of ₹ 500 billion until 2020. Key schemes converged include Accelerated Irrigation Benefit Programme (AIBP), Integrated Water Shed Management Programme, On Farm Water Management, and Per Drop More Crop.

The PMKSY has four major components: Accelerated Irrigation Benefit Programme (AIBP), Integrated Watershed Management Programme (IWSMP), On Farm Water Management (OFWM or Har Khet ko Pani) and Per Drop More Crop.

Convergence of various schemes under one umbrella



Source: CRISIL Research

Improved monitoring from central government

The government has started to take a bottom-up approach, with each district asked to prepare a district irrigation plan. All states have to prepare a state irrigation plan based on their district irrigation plans.

Secure access to land and water, driven by policy reforms

Projects have been delayed due to issues in land acquisition and clearances. The sector also faces delays due to water disputes with neighbouring states. Providing a framework for fast-tracking dispute resolution, in effect reducing delays, will make the industry more attractive for private players.

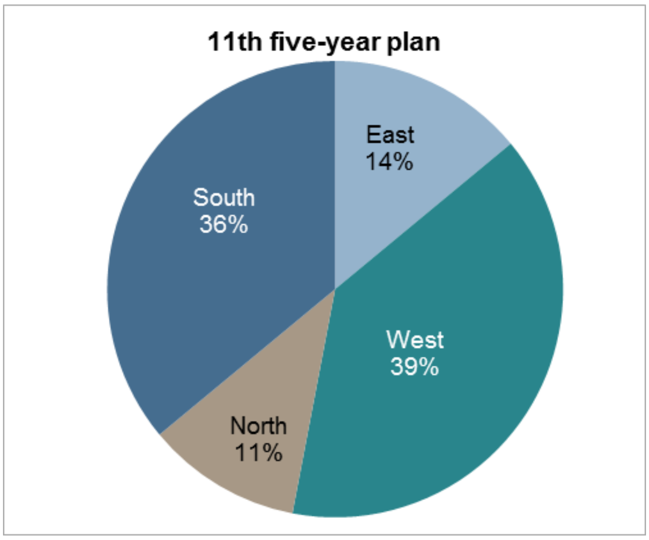
Increasing penetration of micro-irrigation

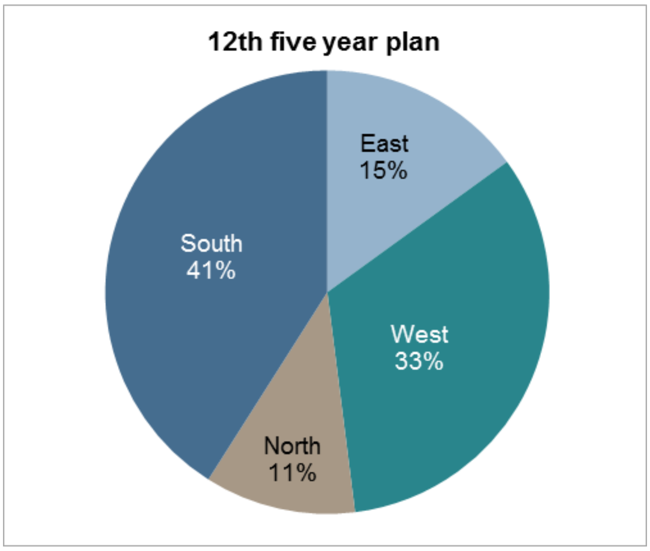
The potential for micro-irrigation in India is very high, given that only 8.8-9.0 million ha out of a potential ~69.5 million ha has been covered under such systems (as of March 2017), even as water scarcity issues loom large. Aiming to converge irrigation investment at the field level to maximise its impact, the government initiated the PMKSY in Fiscal 2016 with a spending target of ₹ 500 billion until 2020. Key schemes converged include the AIBP, IWSMP, OFWM or Har Khet ko Pani, and Per Drop More Crop, of which micro-irrigation is a component. An area of 2.86 million ha is proposed to be irrigated during Fiscal 2018, under PMKSY.

Region wise share of irrigation investments

The share of southern states is estimated to have grown to 41% over the Twelfth Five-Year Plan from 36% during the Eleventh Five-Year Plan. Larger states such as Andhra Pradesh, Telangana and Karnataka have significantly increased their budget outlays over Fiscals 2013 to 2017.

Region-wise proportion of investments - Eleventh Five-Year Plan vis-a-vis Twelfth Five-Year Plan

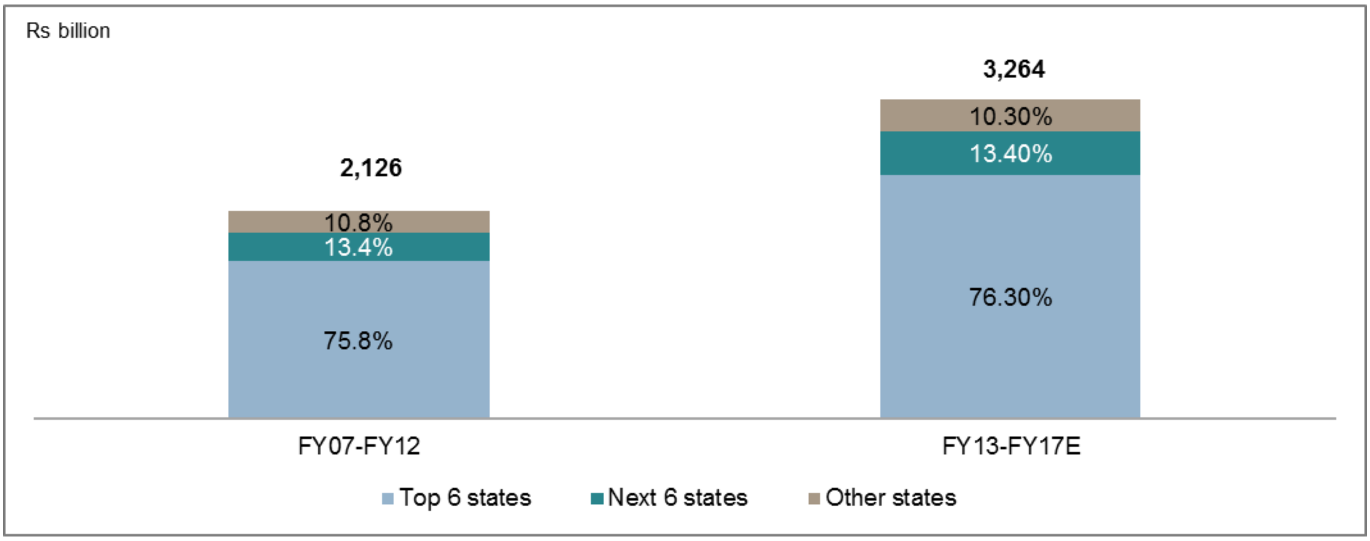




Source: CRISIL Research

Irrigation investments are heavily skewed, with the top six states - Andhra Pradesh (including Telangana), Maharashtra, Karnataka, Gujarat, Madhya Pradesh and Uttar Pradesh - accounting for nearly 75% of the total investments from 2012 to 2017. The share of Bihar, Orissa, Jharkhand, Chhattisgarh, Tamil Nadu, and West Bengal together was ~13%.

Share of states in irrigation investments (₹ billion)



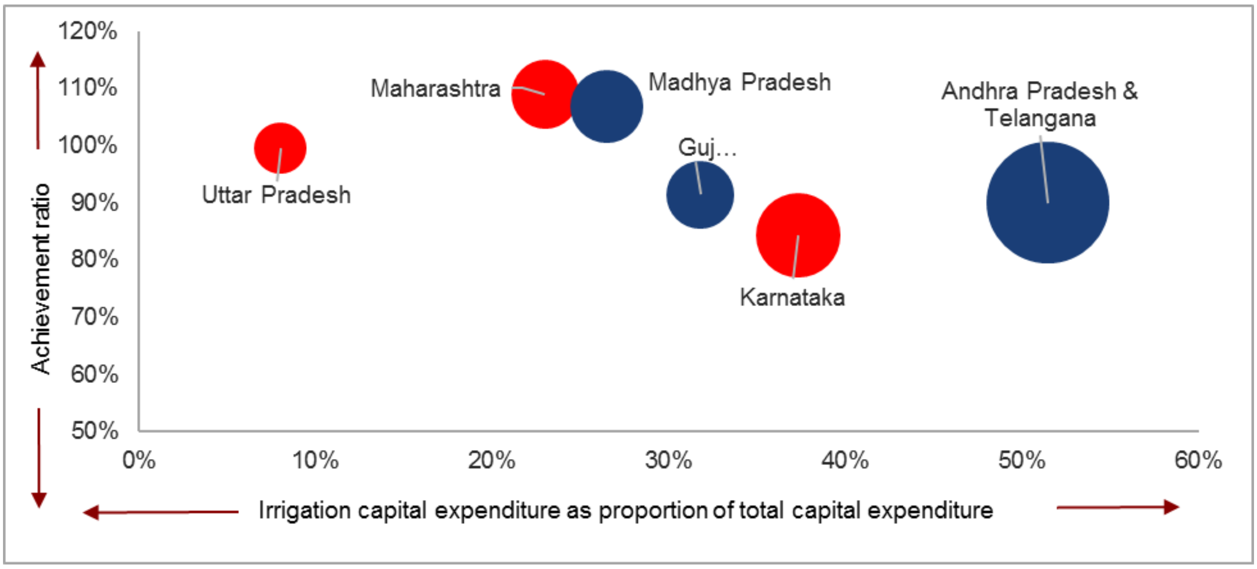
Note: Top 6 states include AP, Telangana, Maharashtra, Karnataka, Gujarat, MP and UP.

Source: CRISIL Research

Overview of irrigation projects in the states

In India, irrigation is a state subject. Hence, most projects are awarded, implemented and invested by the state government. Cash contracts are awarded (for which the state government has a standard concession policy) and the government follows a competitive bidding process. The top six states are expected to continue to account for the lion's share in investments.

Top six states account for 75% of the overall irrigation investment



Note: Size of the bubble indicates investments in 2017-18. And the states coloured in red are states which have announced farm loan waivers in this Fiscal.

Source: State budgets, CRISIL Research

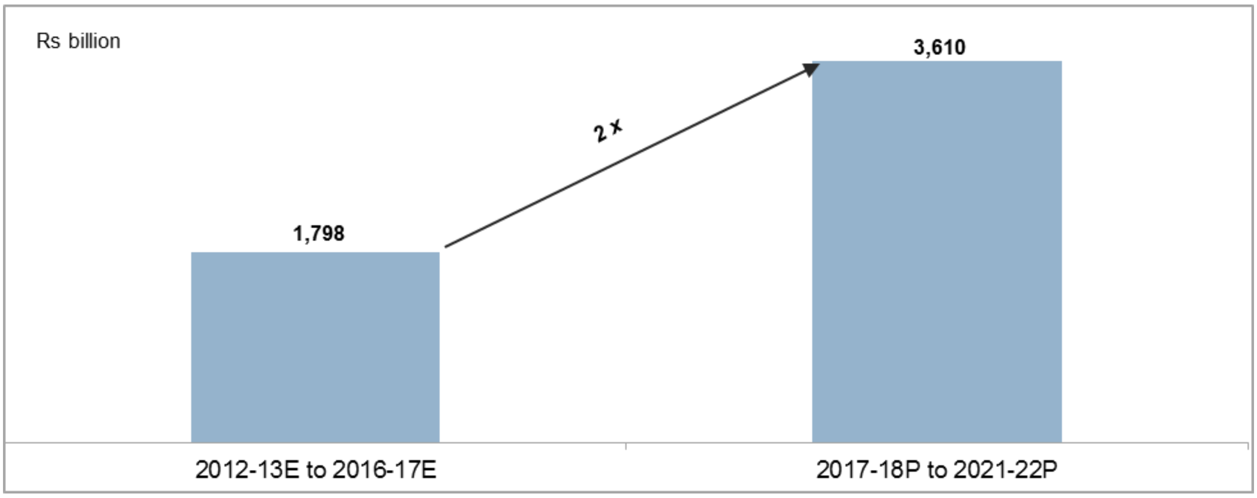
The achievement ratio for these states has been more than 80% on average, with some states such as Maharashtra and Madhya Pradesh registering achievement ratios of more than 100%. Also, Andhra Pradesh, Telangana and Karnataka, irrigation forms a major chunk of their capital expenditure, indicating high focus on irrigation.

States where farm loan waivers are announced are at risk. The farm loan waiver for Uttar Pradesh, Maharashtra and Karnataka amounts to ₹ 782 billion and the Fiscal deficit of these three states, according to the respective governments' estimates for Fiscal 2018, stands around ₹ 1,133 billion. Assuming a three-year payment, the deficit of these states can go up by 21% in Fiscal 2018 to ₹ 1,368 billion, provided other expenses are not cut.

Urban infrastructure in India

The government's thrust on urban infrastructure development will be the predominant force driving investment in the sector over the next 5 years. CRISIL Research expects construction spend in urban infrastructure to touch ~₹ 3.6 trillion between Fiscals 2018 and 2022, twice the spend in the previous 5 years.

Construction spends in urban infrastructure (₹ billion, current prices)



E: Estimated; P: Projected

Source: CRISIL Research

Key growth drivers for urban infrastructure

Urban infrastructure includes construction-intensive mass rapid transit system (MRTS), bus rapid transit system (BRTS), water supply and sanitation (WSS) projects, smart cities, and related infrastructure development.

CRISIL Research expects investment in India's urban infrastructure to grow at a robust pace, driven by government schemes such as AMRUT, Swachh Bharat, and Clean Ganga. Water supply and sanitation (WSS) projects and metro construction in major Indian cities are expected to boost urban infrastructure investment in the next five years. The progress of work on 90 smart cities announced so far will also be a key monitorable.

Swachh Bharat Mission (SBM) to boost WSS projects

Government schemes such as the SBM and the National Mission for Clean Ganga (NMCG) are likely to boost WSS investments.

On October 2, 2014, the Prime Minister of India launched the Swachh Bharat Mission to focus on sanitation and accelerate efforts to achieve universal sanitation coverage. It comprises two sub-missions - Swachh Bharat Mission (Gramin) and Swachh Bharat Mission (Urban) - aiming to achieve Swachh Bharat by 2019. Components of the mission are: construction of household toilets, community toilets, public toilets, including conversion of insanitary latrines into pour-flush latrines; solid waste management; and public awareness.

Under the National Mission for Clean Ganga (NMCG) the aims and objective is to ensure effective abatement of pollution and rejuvenation of the river Ganga by adopting a river basin approach to promote inter-sectoral coordination for comprehensive planning and management. It also aims to maintain minimum ecological flows in the river Ganga with the aim of ensuring water quality and environmentally sustainable development. The government has released ₹ 36.3 billion between 2014-15 and 2016-17 for cleaning the Ganga and beautifying ghats along it

AMRUT will also drive WSS spend

Atal Mission for Rejuvenation and Urban Transformation (AMRUT) focuses on basic infrastructure services such as water supply, sewerage, storm water drains, transport, and development of green spaces and parks. The government allocated ₹ 500 billion for five years (2015-16 to 2019-20) under this scheme, as against ₹ 360 billion spent under JNNURM over the past five years. However, only 8.7% of ₹ 500 billion was released till March 2017. Out of the total allocated central government share to the SAAPs for the years FY16 and FY17, only 20% had been released, indicating sluggishness in the on-ground implementation of the project.

Metro construction: Second-largest urban infra investment contributor

In order to provide safe and sustainable transport in urban areas, up to 326 km of metro lines have been made operational in different cities, and over 500 km of metro lines are at different stages of construction in 12 cities. In addition, over 550 km of metro rail projects and 381 km of regional rapid transport systems are under planning and consideration.

CRISIL Research estimates that construction spends on metros in India will increase 1.9 times to ~₹ 1.1 trillion over the next 5 years, making it the second-largest contributor to urban infrastructure investments. CRISIL Research estimates that ~70% of the total investment in the MRTS between Fiscals 2018 and 2022 will be in these key projects: Delhi Metro Rail Project - Phase III and IV, Bangalore Metro - Phase II, Colaba-Bandra-Seepz Project, Dahisar-Charkop-Bandra Metro Line 2, Wadala-Ghatkopar-Teen Hath Naka Metro Line 4 and Dahisar-Andheri Metro, Nagpur Metro, Greater Noida Metro Project, and Kolkata Metro Project Phase II.

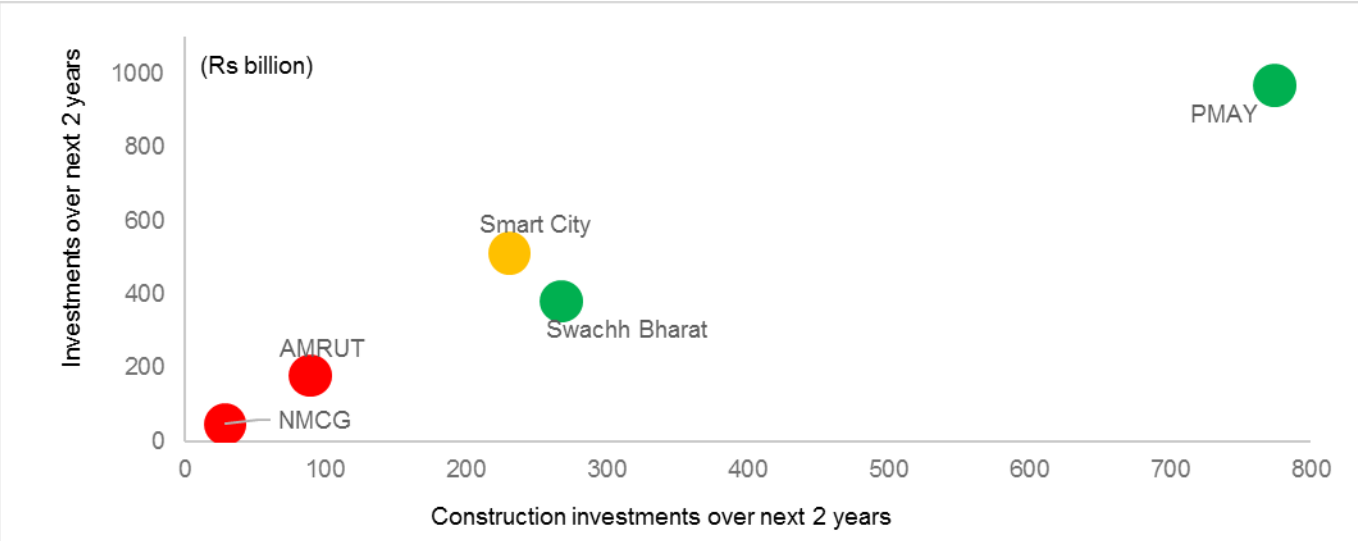
Smart cities to boost urban infra spends

The government approved a budget of ₹ 480 billion for the development of 100 smart cities over 5 years beginning Fiscal 2017, with a focus on adequate and clean water supply, sanitation, solid waste management, efficient transportation, affordable housing for the poor, power supply, robust IT connectivity, e-governance, safety and security of citizens, health, and education. 99 smart cities announced; only 29 cities showing reasonable activity in terms of tendering and execution

Out of the 60 smart cities declared in the rounds 1, 2 and the fast rack round, only about 29 cities are experiencing reasonable amount of activity. Of the first 20 cities announced, only 10 cities have progressed in terms of execution. About 8 cities have no or marginal progress in terms of execution as against initially planned.

For the balance 39 cities selected in rounds 3 and 4, tendering is in a very nascent stage for the newly formed SPVs, and for some cities, the SPV is yet to be formed.

Swachh Bharat and Smart City missions to show good progress



Note: The colour of the bubble indicates pace of execution: red - below average, green - above average, and yellow - average.

Source: CRISIL Research

Other government policies and schemes for the sector

Interlinking of rivers (ILR)

Under the National Perspective Plan (NPP), the National Water Development Agency (NWDA) has identified 30 links (16 under peninsular component and 14 under the Himalayan component) for preparation of feasibility reports. Four priority links under the peninsular rivers component have been identified for preparation of detailed project reports (DPR), viz, the Ken-Betwa link, Phase – I & II, Damanganga-Pinjal link, Par-Tapi-Narmada link, and Mahanadi-Godavari link.

Inland waterways

India has about 14,500 km of navigable waterways which comprise rivers, canals, backwaters, creeks, etc. About 55 million tonne of cargo is being moved annually by inland water transport, a fuel-efficient and environment-friendly mode. As per feasibility reports of the new National Waterways (NWs) completed so far, 36 NWs have been found technically viable for development.

Riverfronts

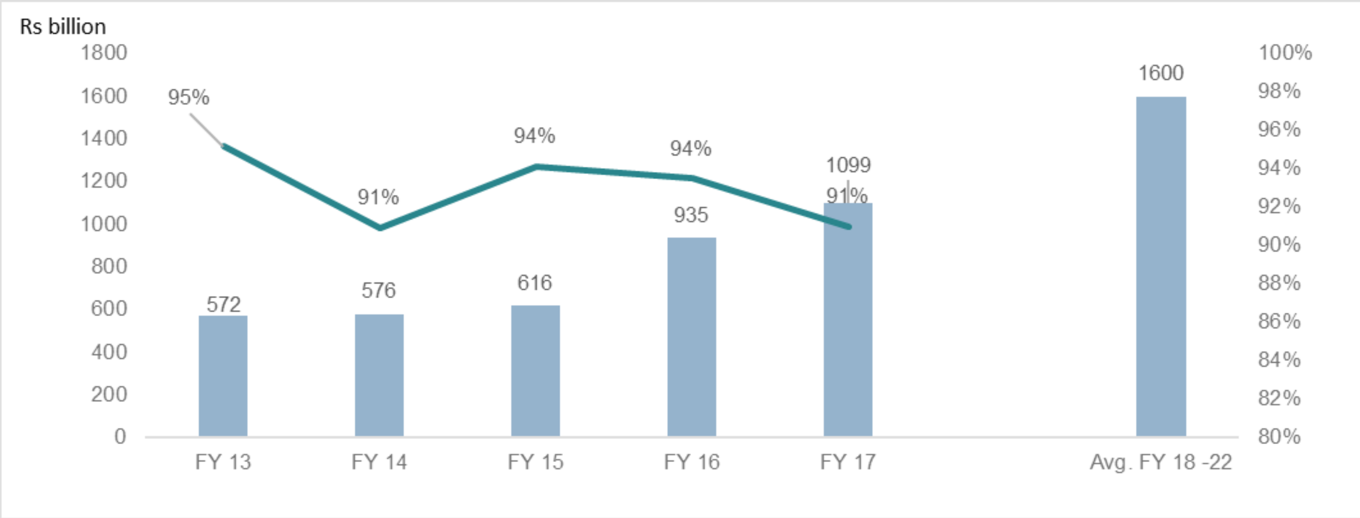
Often, in larger cities that border a river, the riverfront is lined with marinas, docks, parks, trees, or minor attractions. Today, many riverfronts are a staple of modernism and city beautification. Sabarmati Riverfront in Ahmedabad, Gomti Waterfront in Uttar Pradesh,Yamuna Riverfront Development, Hindon River, Godavari and Pune Riverfront are in variou stages of development.

EPC opportunities in railways

Railway investments to touch ₹ 8.0 trillion over Fiscals 2018-2022

CRISIL Research expects the investments in railway sector to increase from ₹ 3.9 trillion during FY13-17 to ₹ 8.0 trillion in Fiscals FY18-22., led by an increased thrust on raising funds through new channels such as LIC and multilateral agencies.

Railway investments post steep growth from FY2016



Note: During FY19, budgetary allocation for Railways stood at ₹ 1,465 billion

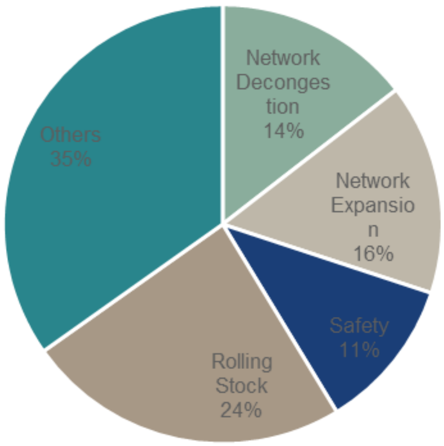
Source: Budget Documents, CRISIL Research

The growth in investments are driven by

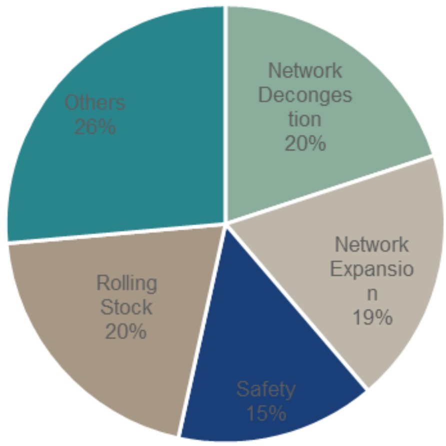
- Availability of funding from Life Insurance Corporation (LIC) and Multilateral agencies
- Improvement in the pace of approvals
- Provision of additional resources such as Rashtriya Rail Sanraksha Kosh (RRSK)
- Increase in private sector participation *(especially in rolling stock, station redevelopment, connectivity projects, etc.)*

The revised estimates for 2017-18 stood at ₹ 1.2 trillion whereas for 2018-19 the budget estimates stood at ₹ 1.46 trillion. This shows a continued upward bias in infrastructure investments in railways.

Split of Investments among railway segments



FY13 – FY17



FY18 – 22P

Note: Others include DFC, HSR

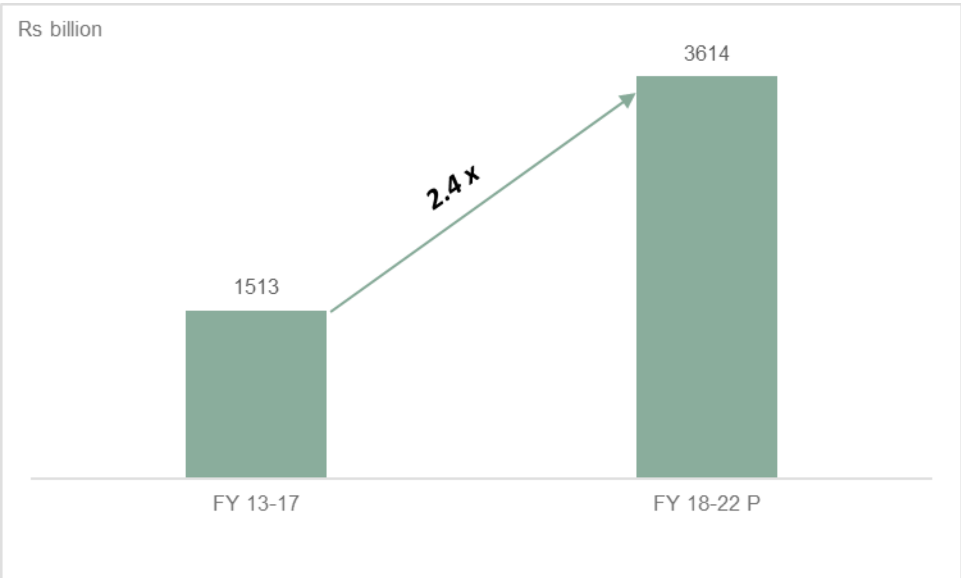
Source: Indian Railways, CRISIL Research

Investment in railways on the rise

During FY 13 to FY-17, the investments in Indian Railways have almost doubled from ₹ 572 billion to ₹ 1,099 billion. Especially, in 2015-16, the investments have jumped by about 52% from ₹ 616 billion to ₹ 935 billion. This was led by an increased thrust on raising funds through new channels such as LIC, Multilateral agencies etc. The revised estimates for 2017-18 stood at ₹ 1.2 trillion whereas for 2018-19 the budget estimates stood at ₹ 1.46 trillion. This shows a continued upward bias in infrastructure investments in railways.

During FY-18-22, the construction opportunity in Railways is expected to double to ₹ 3.6 trillion driven by huge investments especially in Network decongestion, expansion and Safety which account for about 53% of the total investments in railways during this period.

Construction spend in railways (₹ billion at current prices)



Source: CRISIL Research

Outlook on investments

We believe the four-pronged strategy adopted:

1) plucking the low-hanging fruit by prioritising and commissioning vast backlog of projects, amounting to ~₹ 3.3 trillion for the major heads (excluding annual rolling stock procurement);

2) standardising and expediting project sanctioning to ensure a robust project pipeline and facilitating time-bound execution;

3) transforming the DNA of the institution via greater empowerment and accountability to enhance efficiency; and

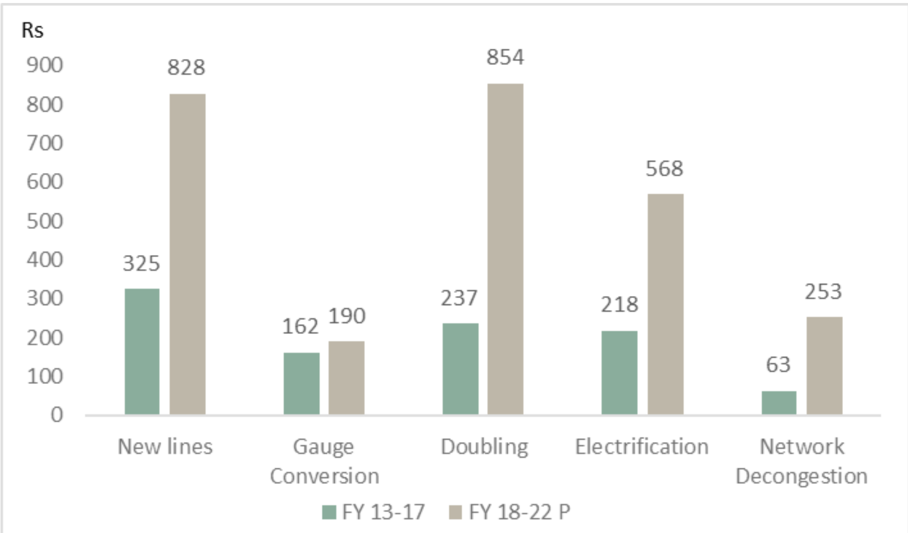
4) focusing on bolstering its own finances will help reinvigorate Indian Railways.

Among the segments, we expect planned capex in network decongestion and rolling stock to largely materialise within the five-year period, and the bulk of the planned spend on station redevelopment and high-speed rail to be incurred beyond Fiscal 2020. Compared with Fiscals 2011-15, we expect investments in network decongestion and rolling stock to grow 4.7x and 1.4x, respectively, during Fiscals 2016-20. Investments in safety and network expansion could grow 2.8x and 2.2x, respectively, falling short of the target set by Indian Railways.

Network decongestion and expansion is a ₹ 1.4 trillion opportunity

Network decongestion incorporates investments in, Gauge Conversion, Doubling and Electrification. CRISIL Research estimates an outlay of ₹ 1.6 trillion (20% of the actual capex) for this segment between FY-18-22 – about 3 times increase in allocation compared to the previous four years.

35-40% of investments towards new lines and decongestion

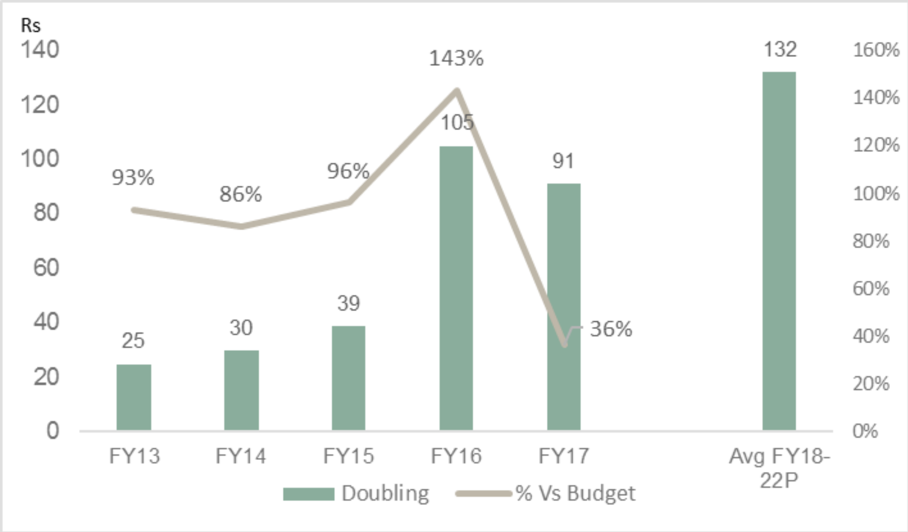


Source: Indian Railways, CRISIL Research

Investments in doubling to double over the next four years

Doubling projects, which involve laying additional line/s along an existing line to ease traffic constraints and increase chartered capacity, are seeing sharper focus on commissioning. The buoyancy comes from a sharp increase in the pace of new sanctions, emphasis on project prioritisation, an assurance of funds from LIC being utilised in addition to Gross Budgetary Support (GBS).

Spend on doubling to increase significantly



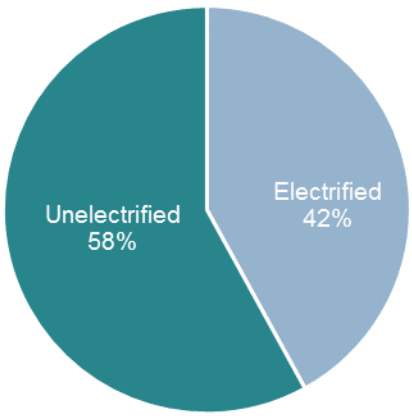
Note: Indian Railways Budget estimate for Fiscal 19 is ₹ 174 billion

Source: Railways performance and outcome budget report, CRISIL Research

Share of electrification on broad gauge to rise; offers potential for EPC players

As per union budget Fiscal 2019, 1646 km of track has been electrified during Fiscal 2017, taking the total electrified track length to 29,645 rkm. Till FY16, electrification has been extended to 27,999 rkm constituting 42% of the total rail network and 46.3% of the broad gauge (BG) line. Completion for electrification increased from 1,375 km in Fiscal 2015 to 1,646 km in Fiscal 2017 aided by Life Insurance Corporation of India infusion. In line with the master plan prepared by Indian Railways, the proposed physical target for Fiscal 2018 has been ramped up to 4,000 rkm. The government's plan till FY 2020-21 is to touch electrification pace of 10,500 km every year. The push has been supported by a significant rise in allocations – with the latest Union Budget revising the targeted spend for Fiscal 2018 to ₹ 50 billion and proposing an even higher outlay for Fiscal 2019.

Over half of total network pending for electrification



Source: Indian Railways

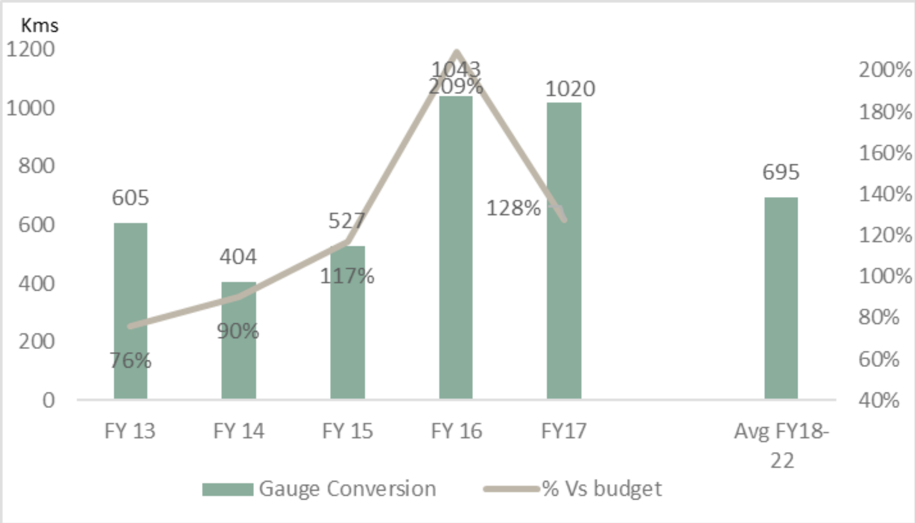
Indian Railways has targeted electrification of additional 37,844 rkm between Fiscals 2018 and 2022. The government is targeting an electrification ramp up from ~1,646 km in Fiscal 2017 to 4,000 km in Fiscals 2018 and eventually to 10,500 km per annum by Fiscal 2022. This translates into a huge opportunity, more than our estimate of 19,000-20,000 rkm of electrification, implying an upward bias to electrification.

92% of lines are under broad gauge, with rest targeted for conversion in 4-6 years

Conversion from metre gauge to broad gauge is undertaken to ensure seamless movement of traffic on Indian Railways network. Broad gauge is used for regular trains, while metre gauge and narrow gauge are used for smaller and unconventional engines and coaches.

As of Fiscal 2016, 60,510 rkm are under broad gauge, while the rest are under metre gauge or Narrow gauge. Considering the network expansion and gauge conversion carried out during Fiscal 2017, CRISIL Research estimates about 92% of the railway network is under broad gauge.

Steady completion of ~ 700 km expected in gauge conversion over FY18 – FY22



Source: Ministry of Railways performance and outcome budget report, CRISIL Research

Project completions in gauge conversion are driven by a focus on increasing the pace of commissioning, effective 2015-16, with funds from Life Insurance Corporation of India being utilised in addition to the gross budgetary support.

Over Fiscal 18-22, CRISIL Research expects gauge conversion of about 3474 rkm, indicating that about ~98% of the network will be on broad gauge by Fiscal 22.

Key growth drivers for the railway industry

DFC execution to be a major opportunity for construction players

The DFC project is estimated to cost ₹ 814 billion for the eastern (1,856 km) and western (1,504 km) sectors, which includes cost of land acquisition (₹ 81 billion) and construction (₹ 734 billion). The project cost is higher, as it excludes 538 km stretch of EDFC, which the government proposes to implement through PPP. The length of the project is 3,360 km.

Status of DFC

DFC will offer significant scope for construction as around 96% of the 10,589 hectares required (except for the PPP stretch) has been acquired across both corridors as of January 2017. For EDFC (except PPP stretch) 95% of the land, for WDFC 96.5% of land, and for the PPP stretch, 47.5% of land has been acquired.

Also, 92% of civil, 82% of electrical, and 82% of signal contracts have been awarded. Physical progress of the civil contracts awarded is about 37%. Expenditure up to December 2016 (including land) for both DFCs was ₹ 283.9 billion (34.8% of total estimated cost). We believe construction spend in both DFCs will amount to ₹ 520 billion over five years.

DFC is well-funded. EDFC (estimated cost of ₹ 266.7 billion, excluding the PPP stretch) is being funded by the World Bank through a loan of $2.725 billion (approximately ₹ 163.5 billion). WDFC (estimated cost of ₹ 467.2 billion) is being funded by JICA through ₹ 387.2 billion loan.

As per 2018-19 Budget, about 12,000 wagons, 5,160 coaches and approximately 700 locomotives will be procured during the year for the Eastern and Western Dedicated Freight Corridors.

National Transport Master Plan (NTMP)

The central government is working on National Transport Master Plan (NTMP) that will provide seamless movement of freight and passengers across multiple modes of transport. This will be jointly developed by the ministries of road transport and highways, shipping, aviation and railways. NTMP will provide a strategic framework and investment plan for sustainable development of transport infrastructure.

The roads ministry plans to develop 10 multi-modal hubs across the country in partnership with railways and shipping ministries. Construction work for these hubs could be given to the National Highways Authority of India (NHAI). The plan will include construction of multi-modal transport hubs that will home railway stations, light railway stations (metro) and bus terminals under one roof.

Overview of EPC in Power segment

Investments in the transmission segment are expected to grow strongly over the next five years, led by robust investments in inter-regional transmission by Power Grid Corporation of India Ltd, coupled with steady investments from various states to augment their intrastate networks. This is on account of sub-par investments in T&D as compared to the investments in generation in past 5 years. Rising private sector participation will also support the transmission segment's investments. The distribution segment's investments are expected to be driven by an increased outlay from the Central government on various distribution-related schemes and state investments to reduce AT&C (aggregate technical and commercial) losses. However, transmission and distribution (T&D) projects have a lower construction intensity of about 10%.

The transmission segment plays a key role in transmitting power continuously to various distribution entities across the country. The total length of transmission lines in the country has increased from 257,481 circuit kilometers (ckm) in 2011-12 to around 367,851 ckm in 2016-17. In India, the T and D system is a three-tier structure comprising distribution networks, state grids and regional grids. Most inter-state transmission links are owned and operated by PGCIL.

Distribution is the last and critical leg in the supply of electricity, reaching end consumers such as residential, commercial, agricultural and industrial segments. Distribution business is largely dominated by state government promoted distribution companies, with private participation being marginal (~5- 7 per cent of the total).

Review of past trends and outlook on the sectoral investments

Investments in the transmission sector grew at a CAGR of ~12.5% over the last five years to ₹ 2.5 trillion. While installed transformation capacity increased to 741 GVA as of March 2017 from 473 GVA in March 2013, the total installed capacity of transmission lines at 220kV and above increased to 367,851 ckm from 274,588 ckm over the same period.

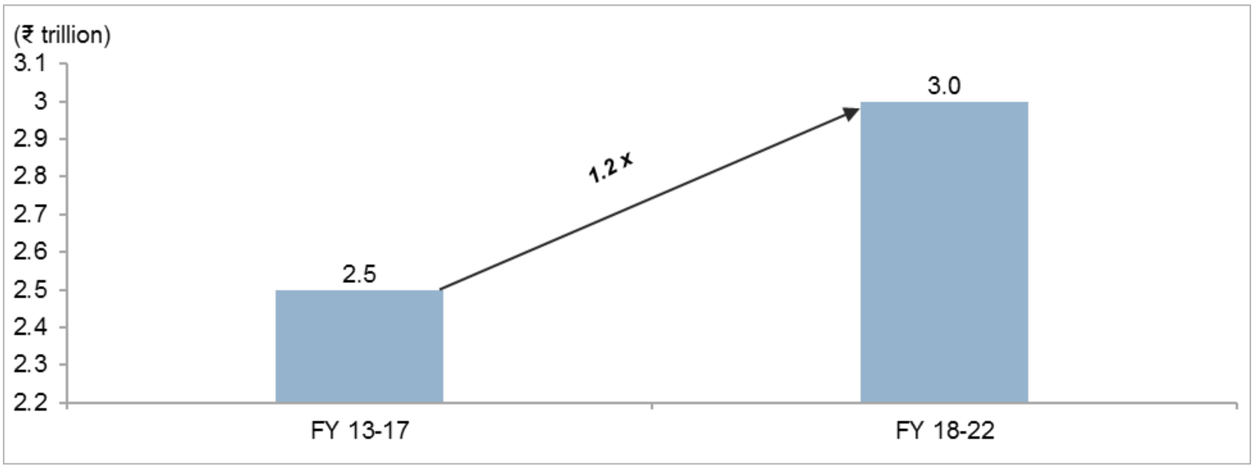
Lower transformation capacity results in line congestion, which has been visible particularly in inter-state transmission of power. Around 300 GVA transformation capacity is expected to be commissioned till March 2022. The estimated investment in the transmission sector is expected to be ~₹ 3 trillion over the next five years.

Transmission segment investments to rise to ₹ 3 trillion over next five years

The estimated investment in the transmission sector is expected to be ~₹ 3 trillion over the next five years, largely to be driven by the need for robust and reliable transmission system, support continued generation additions, strong push for renewable energy sector, and rural electrification. Also, strong execution capability coupled with healthy financials of PGCIL will drive investments. Moreover, rising private sector participation with favorable risk-return profile of transmission projects will also aid investments.

With the introduction of TBCB and viability gap funding (VGF) schemes for intra-state projects, share of private sector players in the power transmission sector is expected to increase gradually over the next five years.

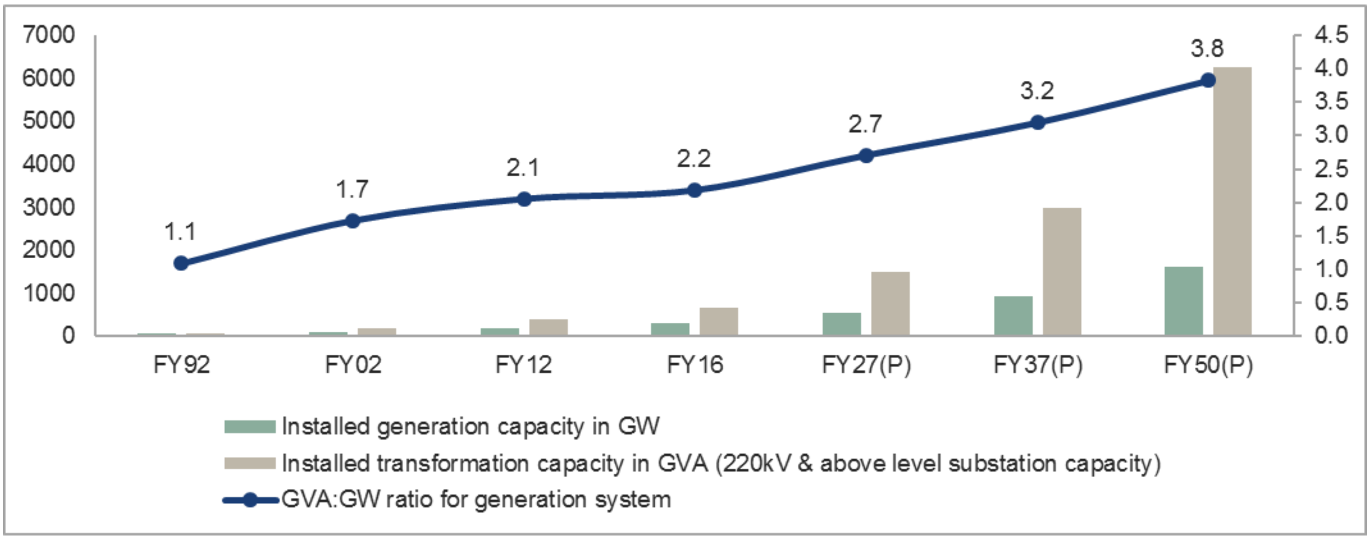
Estimated investments in transmission sector (FY18-22)



Source: CEA, Planning Commission, CRISIL Research

Healthy line additions in transmission segment to drive investments

To ensure free and uninterrupted power supply, every MW of new generation capacity needs a certain transformation capacity added to the system. In the Indian context, 220 kV and above level transformation to generation addition ratio (MVA: MW) has remained low over the years. At the end of March 1985, this ratio was 1.1 times and has only improved to 2.2 times by March 2017. Lower transformation capacity results in line congestion, which has been visible particularly in inter-state transmission of power. With government's focus on alleviating congestion, transmission capacities are expected to witness robust growth in transformation capacity additions during the Thirteenth Five-Year Plan.



Source: CEA, PFC, CRISIL Research

Around 300 GVA transformation capacity is expected to be commissioned in the next five years, i.e., till March 2022. In transmission line segment, we expect robust growth in high voltage (HV) 400kV and 765kV lines due to its importance in inter-state transmission lines. Higher voltage level enhances power density, reduces losses and efficiently delivers bulk power. Moreover, it reduces requirement of right-of-way, a key challenge facing the transmission sector. Thus, CRISIL Research believes the MVA:MW ratio would further improve to around 2.4 by March 2022.

Distribution investments to pick up on higher budgetary support from Centre

Distribution investments are expected to improve to ₹ 2.9 trillion over Fiscals 2018 to 2022 as compared with ₹ 1.9 trillion over the previous five years led by the new government's thrust on improving access to electricity and providing 24x7 power to all. Besides, central government schemes such as Integrated Power Development Scheme (IPDS) and Deendayal Upadhyaya Gram Jyoti Yojana (DDUGJY) will support development of T&D segment.

The IPDS was launched with the objective of strengthening sub-transmission and distribution network in urban areas, metering of distribution transformers/ feeders / consumers and IT enablement of distribution sector. The component of IT enablement of distribution sector and strengthening of distribution network approved by CCEA in June 2013 in the form of R-APDRP for Twelfth and Thirteenth Five-Year Plans is subsumed in this scheme. The total cost of the projects envisaged under this scheme is approximately ₹ 700 billion.

Approved cost and grant under IPDS (in ₹ billion)

Total 12th and 13th Plan (in ₹ Bn)	Approved /estimated cost	Approved Grant/Budgetary support
IPDS	253	157
R-APDRP	440	227

Source: Ministry of Power, CRISIL Research

DDUGJY, which was launched in December 2014, cover works related to strengthening of rural power infrastructure and encompasses the erstwhile RGGVY program. Key objectives of DDUGJY include feeder separation of agricultural and non-agricultural feeders, strengthening and augmentation of T&D infrastructure in rural areas, including metering of transformers/feeders/consumers and boost rural electrification (RE) along with decentralised distributed generation (DDG).

Sanctioned funds and release under DDUGJY (in ₹ billion)

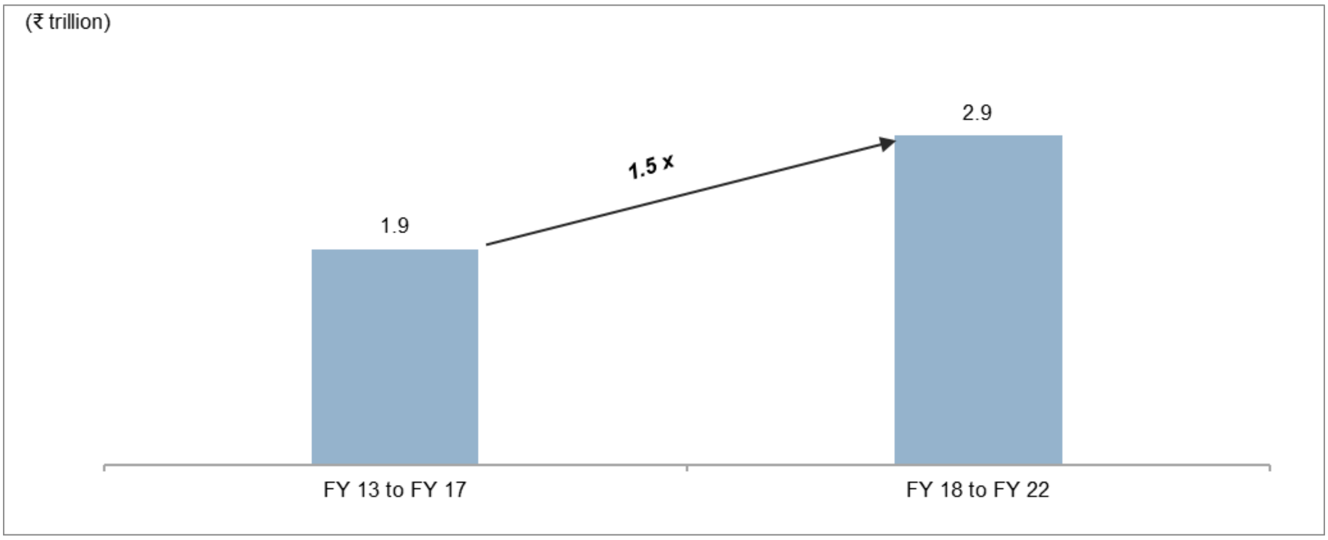
Investments under DDUGJY	Total 12th Plan (in ₹ billion)
Sanctioned	663
Released	79

Source: Ministry of Power, CRISIL Research

As seen in the above table, out of total sanctioned funds under DDUGJY, only 12% has been released during the Twelfth Five-Year Plan and a substantial portion of target rural electrification is yet to be achieved. Given the government's thrust on strengthening the T&D infrastructure, disbursements/ investments through DDUGJY are expected to sharply increase during the next five years.

With almost all major states (except West Bengal) joining UDAY scheme and ₹ 2.3 trillion worth of bonds being issued (86.5% of target) as of March 2017, debt and interest burden on discoms has been reduced, resulting in higher liquidity. Improved liquidity with discoms would enable them to invest in strengthening of distributions networks. Increasing grants from the centrally funded schemes as part of UDAY scheme, which envisages reduction in AT&C losses to 15% by Fiscal 2019 from 24.6% in Fiscal 2015, will also support investment.

Expected investments in distribution sector (FY18-22)



Source: CEA, Planning Commission, CRISIL Research

Key growth drivers for the power transmission and distribution industry

Development in T&D network to assist demand growth

With government's focus on alleviating congestion, transmission capacities are expected to witness robust growth. About 300-310 GVA transformation capacity (above 220 kV level) is expected to be added during Fiscals 2018 to 2022 to reach cumulative transformation capacity of 1,050 GVA by March 2022 at ~7% CAGR.

'Saubhagya' scheme to improve household electrification

The government is aiming to boost residential power demand through the Saubhagya scheme. Assuming monthly consumption of such households at 100 kwh/ month, the scheme, if implemented successfully, has the potential to increase power demand by 45-50 BUs (~4% of the power demand in Fiscal 2017).

Electric vehicles to support demand growth, albeit over longer term

India is aiming to have an all-electric car fleet by 2030. Although evolution of EVs would boost power demand , CRISIL Research believes that the larger impact would be seen over the long term (i.e., post Fiscal 2020)

Domestic segment to lead the growth drive

Electricity consumption in the domestic segment is estimated to increase at around 8.5-9.0% during 2018-22 and its share in total electricity consumption is expected to increase to 25% in Fiscal 2021 from 23% in Fiscal 2016. This growth will be led by high latent demand, rapid urbanisation and government initiatives such as rural electrification and 24x7 power for all by Fiscal 2019.

Measures under DDUGJY to boost demand from rural households

Rural electrification, segregation of agricultural and non-agricultural feeders, strengthening and augmentation of T&D infrastructure in rural areas, and metering of transformers/feeders/consumers are expected to boost power demand in the agriculture sector in next five years.

While 95% rural electrification has been completed as of May 2017, there still exist 44 million un-electrified households, and 45% of the villages are yet to be intensively electrified.

Industrial segment will continue to hold largest share in overall power consumption

Industrial segment is expected to grow steadily on account of a gradual pick-up in manufacturing and mining activities led by government's thrust on increasing domestic manufacturing and increase in captive mining.However, as pace of urbanisation, rural electrification and growth of services sector is expected to be higher than industrial growth, we expect the share of the industrial segment to reduce to 41% in 2022 as compared with 44% in 2015.

Key initiatives by the government

Integrated Power Development Scheme (IPDS)

The aim of implementing IPDS is to attain reliable and verifiable baseline data of revenue and energy over an IT platform in its project areas and AT&C loss reduction on a sustained basis, thus making it more financially attractive and performance oriented. The estimated cost of the present scheme with the components of strengthening of sub-transmission and distribution networks, including metering of consumers in the urban areas is ₹ 326 billion

Restructured Accelerated Power Development and Reforms Programme (R-APDRP)

The R-APDRP program focuses on establishment of base line data, increasing accountability in the system, reduction of AT&C losses up to 15% level through strengthening and up-gradation of sub-transmission and distribution network and adoption of information technology.

Rajiv Gandhi Grameen Vidyutikaran Yojana (RGGVY) scheme

Under RGGVY, subsidy towards capital expenditure to the tune of 90% of the project cost is provided by REC, which serves as the nodal agency for implementation of the scheme. The remaining 10% is provided by REC as soft loan. Moreover, 100% capital subsidy is provided at a rate of ₹ 2,200 per connection for projects undertaken for electrification of BPL households.

Deendayal Upadhyaya Gram Jyoti Yojana (DDUGJY)

The main objectives of DDUGJY scheme are to provide access to power to all rural households and reduction of AT&C losses as per the trajectory finalised in consultation with states by the Ministry of Power, so as to achieve 24X7 power supply for non-agricultural consumers and adequate power supply for agricultural consumers through defined project components.

Current status of UDAY scheme

With almost all major states (except West Bengal) joining the UDAY scheme and ₹ 2.3 trillion worth bonds being issued (86.5% of target) as of March 2017, debt and interest burden on discoms has been reduced, resulting in higher liquidity. The operational parameters have also shown signs of improvement, with ACS-ARR gap and AT&C losses reducing to ₹ 0.46/unit and 20.1%, respectively, in March 2017 scheme

Coal/lignite mining in India

India is the third largest energy consumer after China and the US. Like many developing countries, coal is the dominant energy source of the country's consumption basket, because of its abundant domestic availability and affordability. India is the third-largest coal producer in the world. India's total coal production rose to ~662 million tonne (MT) in Fiscal 2017 from ~556 MT in Fiscal 2013, with Coal India Ltd (CIL) accounting for bulk of the increase.

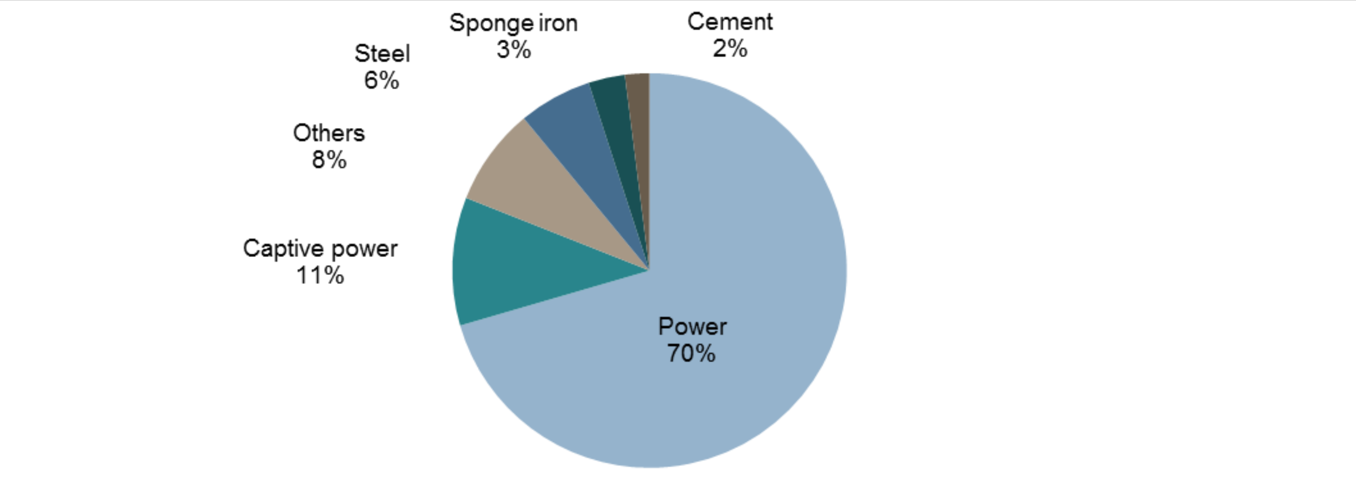
Coal production

(in million tonnes)	2012-13	2013-14	2014-15	2015-16	2016-17
Company-wise coal production	**Actual**	**Actual**	**Actual**	**Actual**	**Provisional**
Total CIL	452.2	462.4	494.2	536.5	554.1
SCCL	53.2	50.5	52.5	60.4	60.4
Captive /others	51	52.9	65.7	42.5	47.4
Grand total	556.4	565.8	612.4	639.4	661.9

Source: Ministry of Coal, CRISIL Research

Coal meets almost 57% of country's total energy requirement. It is used for power generation (by utilities and captive plants), and by the steel sector as a reducing agent to be mixed with the raw material. The power sector (including captive plants) accounts for a major proportion of the total coal demand (82% in Fiscal 2017) due to its easy and cheap availability. Other major end-user sectors of coal include cement, sponge iron, textiles, chemicals and paper.

Sector-wise demand of coal in FY17 (915 MT, estimated)



Source: CRISIL Research

Despite abundant reserves of coal, domestic coal production in India had consistently lagged due to various issues such as delays in getting environment and forest approvals and hurdles in land acquisition. Consequently, India had to increasingly rely on coal imports to meet domestic coal demand.

Coal *imports* in India

	2012-13	2013-14	2014-15	2015-16	2016-17
Coking	35.6	36.9	43.7	44.6	41.6
Non-coking	108.5	123.8	149	131.5	134.5
Coke	3	4.2	3.3	3	4.4
Total	147.1	164.9	196	179.1	180.5

Source: Department of Commerce, CRISIL Research

Policy and regulatory framework of the industry

Recognising the importance of coal to the national economy and the large investments needed to cater to its increasing demand, the industry was nationalised in two phases in 1971 and 1973. Since then, the industry has been under the government's control and operates under a strictly controlled regime. However, after 1993, there have been certain legislative changes that enabled limited private-sector participation in coal mining.

The major legislations and policies concerning the coal industry are:

- Mines and Minerals (Development and Regulation) Act, 1957
- Coal Mines (Nationalisation) Act, 1973
- Coal Mines (Special Provisions) Act, 2015
- Colliery Control Order, 1945
- Colliery Control Order, 2000

Past trends in mining investments

Coal mines in India were nationalised in 1972-1973, with an objective to reorganise and restructure coal mines. . Nationalisation was done in two phases, the first with the nationalisation of coking coal mines in 1971-1972 and then with the nationalisation of non-coking coal mines in 1973. The policy of allotment of captive coal blocks was adopted by the Central government in 1993. As per this policy, by the end of Fiscal 2014, of the allocated 218 coal blocks, 87 were de-allocated due to non-performance and seven have been reallocated, resulting in an unallocated 138 coal blocks and 28 lignite blocks under the category of captive coal block by the end of Fiscal 2014.

During Fiscal 2015, by virtue of the judgment dated August 25, 2014, read with the order dated September 24, 2014, of the Hon'ble Supreme Court of India, of the 218 captive coal blocks, allocations of 204 coal blocks were cancelled, except the allocations of 12 coal blocks for UMPPs and one coal block each allocated to NTPC and SAIL (i.e., a total of 14 blocks).

Technology

EPC players are adopting new technologies like Enterprise Resource Planning (ERP) to improve efficiency by better resource planning and utilisation. ERP systems integrates the financial side of the business with every other segment making it possible to track each cost throughout the whole project lifecycle to take timely action and improve effciency.There are various ERP software packages in use like SAP, ORACLE, Infor, Netsuite, Microsoft, Epicor, RAMCO etc.

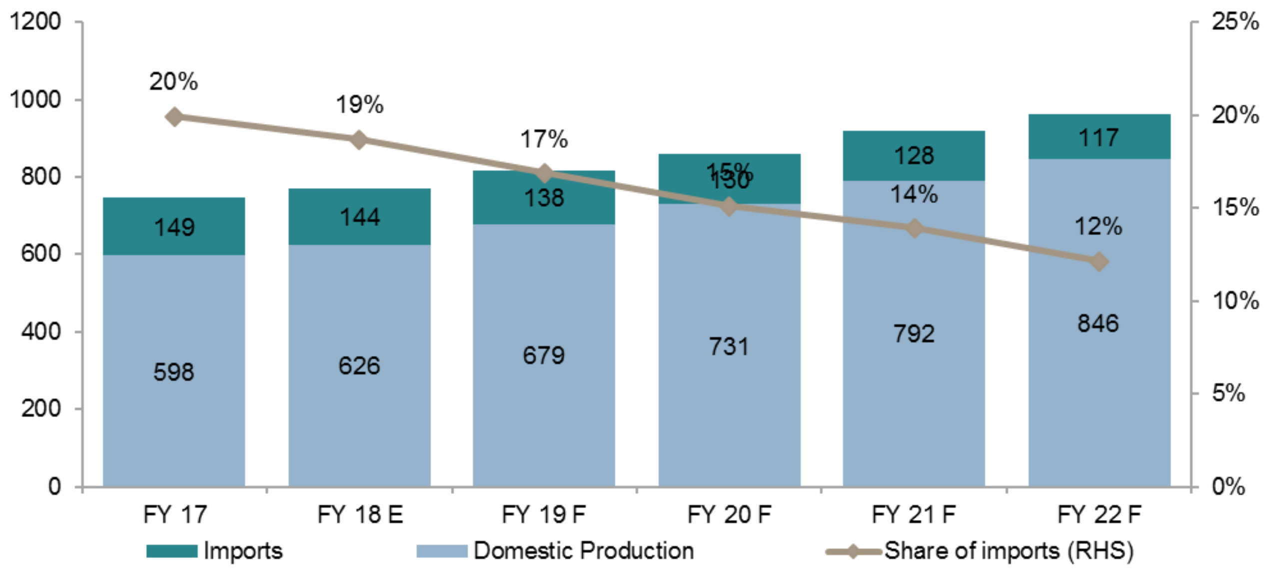
Open cast coal mining accounts for largest share of mining methods in India and efforts are being made to improve mine productivity by reducing costs and enhance safety while reducing the impact on environment. Mining companies are using advanced software packages for mine planning and design. However,technology used for production planning and operational scheduling is still in nascent stages in India. With the cost of fuel continuing to rise and being one of the single biggest expenditures for mine development cum operator companies, efficient and productive use of fleet is most important.Few players providing solutions for fleet management and fuel refuelling systems are MineStar Health, JHealth, Ctrack, Wenco, Hectronics etc.

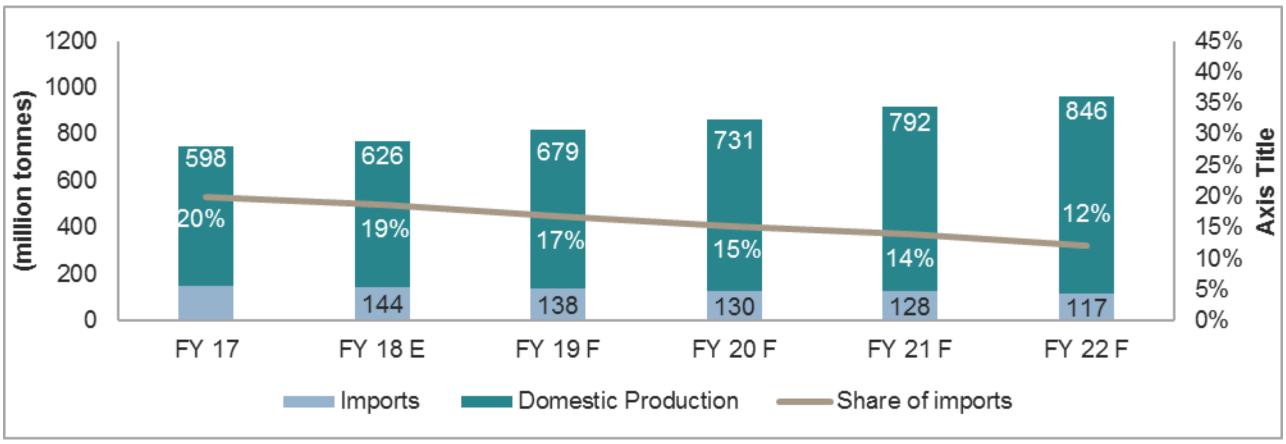
Outlook of total demand-supply scenario of non-coking coal

CRISIL Research expects non-coking coal consumption to grow at a CAGR of 5%, rising to about 963 MT in FY2022 from 747 MT in FY2017. Our end-user wise analysis suggests that coal based power capacities would continue to drive coal consumption.

Domestic production of non-coking coal is estimated to increase at a faster pace (as compared to the previous 5 years) of 7.2% CAGR, rising to about 846 million tonnes in FY2022 (600 MT in FY2017). We expect Coal India Limited (CIL) to account for the majority (~68%) of the incremental supply, whil e captive mines are estimated to account for large proportion of the balance. With a sharp improvement in domestic coal supply, non-coking coal imports are expected to decline to 117 MT in FY2022 (149 MT in FY2017). Consequently, share of imports in total consumption is expected to fall to 11% in FY2022 (20% in FY2017).

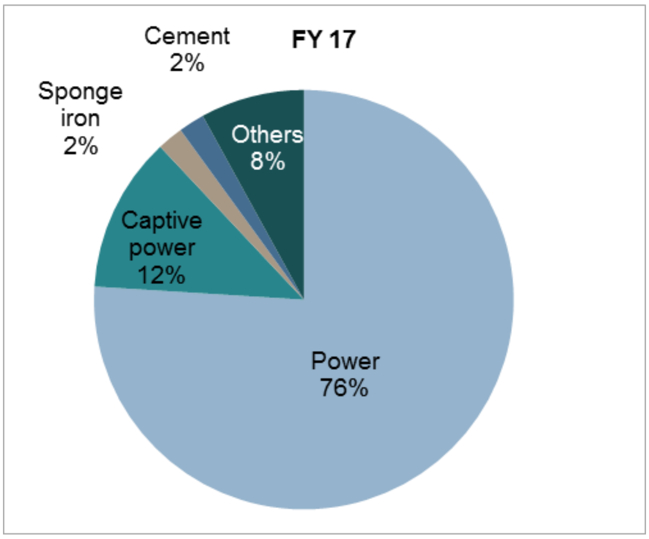
Outlook *of* total demand-supply scenario of non-coking coal

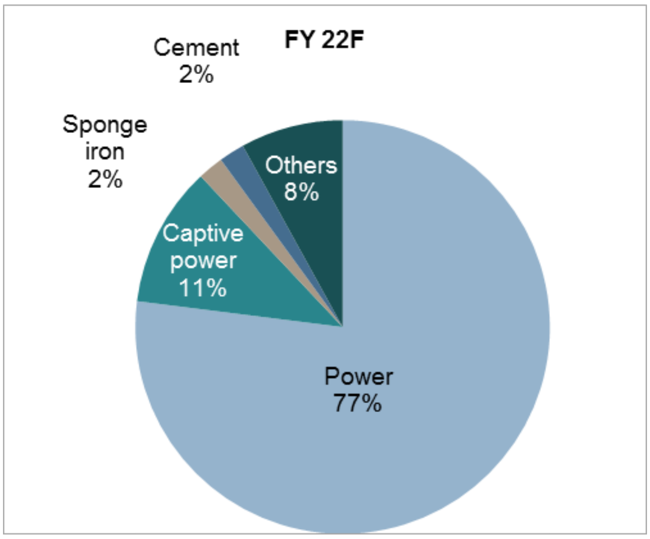




Source: CRISIL Research

Sectoral break-up of non-coking coal demand





Source: CRISIL Research

Power capacity addition of 30 GW to drive coal demand

Coal is the dominant fuel for power generation in India due to its low cost of generation coupled with abundant domestic reserves. Thus, coal based power capacities account for 60% or 194 GW of the total installed base of 329 GW at the end of FY2017. CRISIL Research expects ~35 GW of coal based capacity additions (excluding captive power plants) over the next five years (FY2022).

Coal demand from the power sector is expected to be driven by ~35 GW of capacity addition as well as increase in PLF to ~62% by FY2022. Rising domestic coal production is also expected to support consumption. We believe that higher fuel availability will be more beneficial for plants commissioned post 2009 as incremental domestic supply will be utilized to improve domestic supply under post 2009 fuel supply agreements (FSAs).

Consumption of non-coking coal in the power sector is forecast to grow at 6% CAGR to 795 MT in FY2022 (592 MT in FY2017). However, the share of imports is expected to reduce over the next five years to 8% by FY2022, as domestic supplies are expected to improve from CIL and captive mines. The SHAKTI policy announced by the government to provide long-term domestic coal linkage to the power sector will support consumption. Overall, in absolute terms, imports of non-coking coal to the power sector are estimated be around 67 million tonnes in FY2022. Despite improving supplies, imports are unlikely to decline further as some of the power plants would continue to rely on imported coal due to operational constraints (those designed to operate on imported coal) and favourable cost economics (those which are far from mines, particularly coastal power plants in states like Tamil Nadu).

Key growth drivers for coal industry

Power sector to drive non-coking coal consumption

CRISIL Research expects non-coking coal consumption to grow at a CAGR of 5%, rising to about 963 MT in FY2022 from 747 MT in FY2017. CRISIL Research's end-user wise analysis suggests that coal based power capacities would continue to drive coal consumption.

Coal demand from the power sector is expected to be driven by ~35 GW of capacity addition as well as increase in PLF to ~62% by FY2022. Rising domestic coal production is also expected to support consumption. The SHAKTI policy announced by the government to provide long-term domestic coal linkage to the power sector will support consumption. Overall, in absolute terms, imports of non-coking coal to the power sector are estimated be around 67 million tonnes in FY2022.

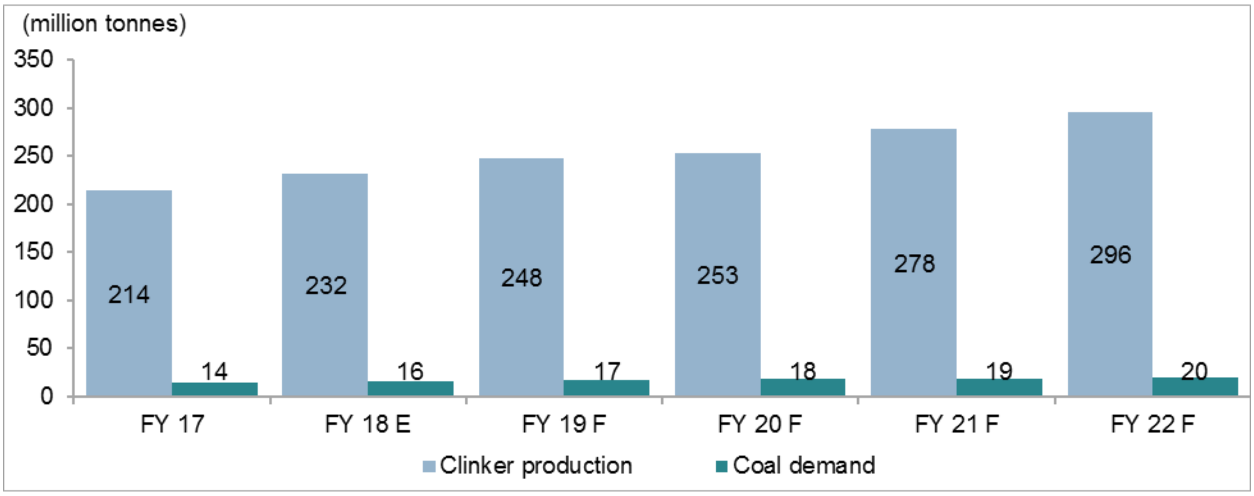
Rising steel production to drive domestic metallurgical coking coal demand

Rising steel production to drive metallurgical coking coal demand over next 5 years; however, substitution by PCI will constrain metallurgical coking coal demand growth. Consequently, we expect demand for metallurgical coking coal to increase to 64 MT in FY2021 from 50 MT in FY2017, a CAGR of 5%. Over the same period, domestic supply is anticipated to increase from 14 million tonnes to 19 million tonnes. Consequently, share of imports is forecast to remain elevated at 75-77 per cent over the next five years.

Pick-up in cement consumption to lead to healthy coal demand, but threat from petcoke to persist

CRISIL Research expects consumption of cement to grow at a CAGR of ~6%, owing to increased spends on roads and railways, push towards affordable housing by central government, materialisation of pent-up demand, particularly in rural housing and low base. Consequently, non-coking coal consumption is estimated to increase at 7% CAGR to 20 million tonnes in FY2022. However, we expect increasing penetration of alternate fuels such as pet coke to limit growth in coal demand from the cement sector.

Demand for non-coking coal from the cement sector



Source: CRISIL Research

Key initiatives by the government

SHAKTI (Scheme for Harnessing and Allocating Koyala (Coal) Transparently in India)

The new coal allocation policy for the power sector, 2017 - SHAKTI (Scheme for Harnessing and Allocating Koyala (Coal) Transparently in India), proposes to replace the old linkage allocation policy with more transparent bidding-based linkages. It segregates coal-based power plants in India in the following six categories and stipulates different mechanisms to provide fuel supply to plants, which don't have FSAs/coal linkages.

Plants with LoA	• LoA to be converted to FSA subject to commissioning before March 31, 2022 • To receive coal at 75% of annual contracted quantity; supply to increase based on coal availability
Plants with PPA based on domestic coal but no LoA	• Bid for discount in existing PPA tariff (paise/unit) • A minimum discount in tariff to be determined by the government • Discount to be adjusted from gross amount at the time of billing
Plants without PPA & FSA/ LoA	• Bid for linkages over CIL notified price (Forward e-auction) • Long-term / medium-term PPA to be submitted within 2 years
Plants with PPA based on imported coal	• Coal linkages based on transparent bidding process (forward e-auctions)
UMPPs	• Coal linkages for full normative quantity of UMPPs on tariff-based competitive bidding
State / Central Gencos & their JVs	• To get coal linkages as per Ministry of Power recommendations

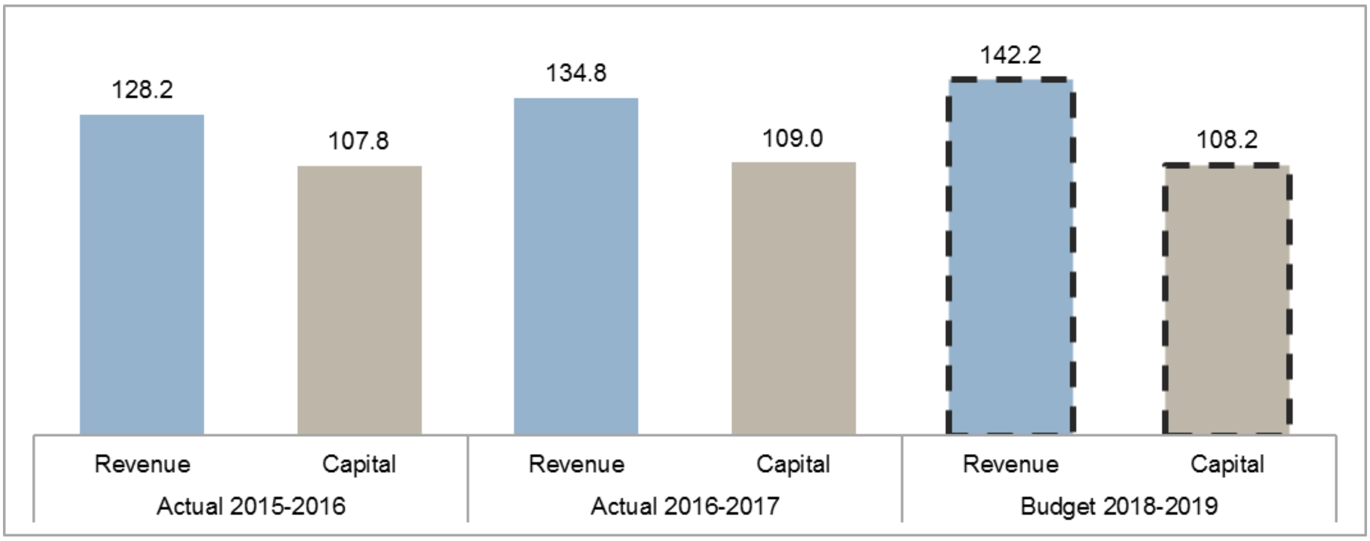
Defence sector

As per the 13th five-year defence plan (2017-22), an allocation of ₹ 27,000 billion has been envisaged for the period. Taking the past three-year trend of allocations for construction works, works and central sector schemes/ projects, CRISIL Research expects construction works to be allocated ~3% of the total allocation during this period, while works and central sector schemes/projects are to be allocated ~5% and 1%, respectively, of the total allocation. Therefore, together, a total allocation (revenue + capital) of ₹ 2,370 – ₹ 2,375 billion is expected for construction-related works in the during 2017-22.

For 2018-19, India's defence budget has been hiked by 7.81% to ₹ 2,955.11 billion from ₹ 2,741.14 billion in 2017-18, which accounts for 12.1% of the total Central Government expenditure.

Of the total allocation for the year, ₹ 79.7 billion is the capital expenditure for the construction works undertaken by the Indian Army, the Navy and the Air Force. Similarly, ~₹ 133.9 billion of revenue expenditure has been allocated for works (including expenditure on maintenance of buildings, water and electricity etc.) undertaken by the Army, the Navy, the Air Force, ordnance factories, and R&D. Also, miscellaneous expenditure (capital + revenue) on central sector schemes/ projects such as works executed by Border Roads Development Board, Housing, Public Works, amount to ~₹ 36.8 billion.

Actual Expenditure in last two years for the construction works



Source: Ministry of Defence, Union Budget 2018-19

1.2.2 EPC (Construction) Potential in building construction Industry

The building construction segment in India consists of urban housing, commercial real estate, healthcare construction, logistics parks and education institutes construction. Urban housing forms about 84% of the total building construction potential.

Sector-wise EPC potential

Sector	Timeline	EPC Potential (₹ Billion)
Urban Housing	FY18 to FY22	18,900
Commercial real estate	FY18 to FY22	760
Healthcare	FY18 to FY22	770
Logistics Parks (primarily include ambient industrial warehousing)	FY18 to FY22	620
Education	FY18 to FY22	1,400

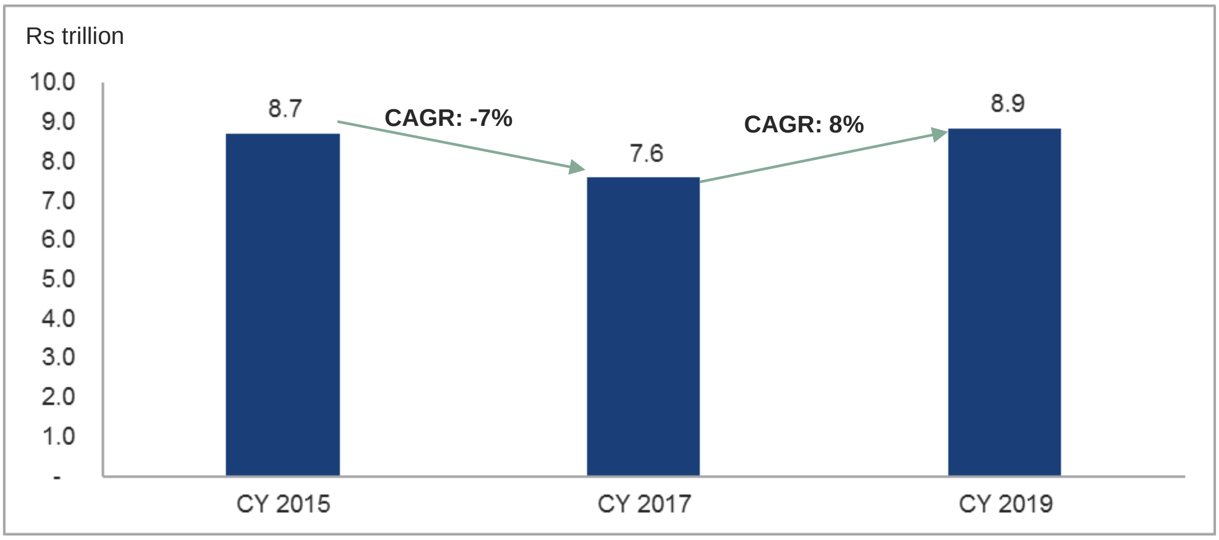
Source: CRISIL Research

Housing industry in India

The Indian real estate industry (residential and commercial) is projected to grow 8% p.a. over the next two years to ₹ 8.5-9.0 trillion by 2019 from ₹ 7.5-8.0 trillion in 2017.

A large part of the industry's growth will be supported by increase in housing stock in metro and non-metro cities in the long term on account of implementation of government schemes such as Pradhan Mantri Awas Yojana-Urban (PMAY-U) as well as the smart city mission.

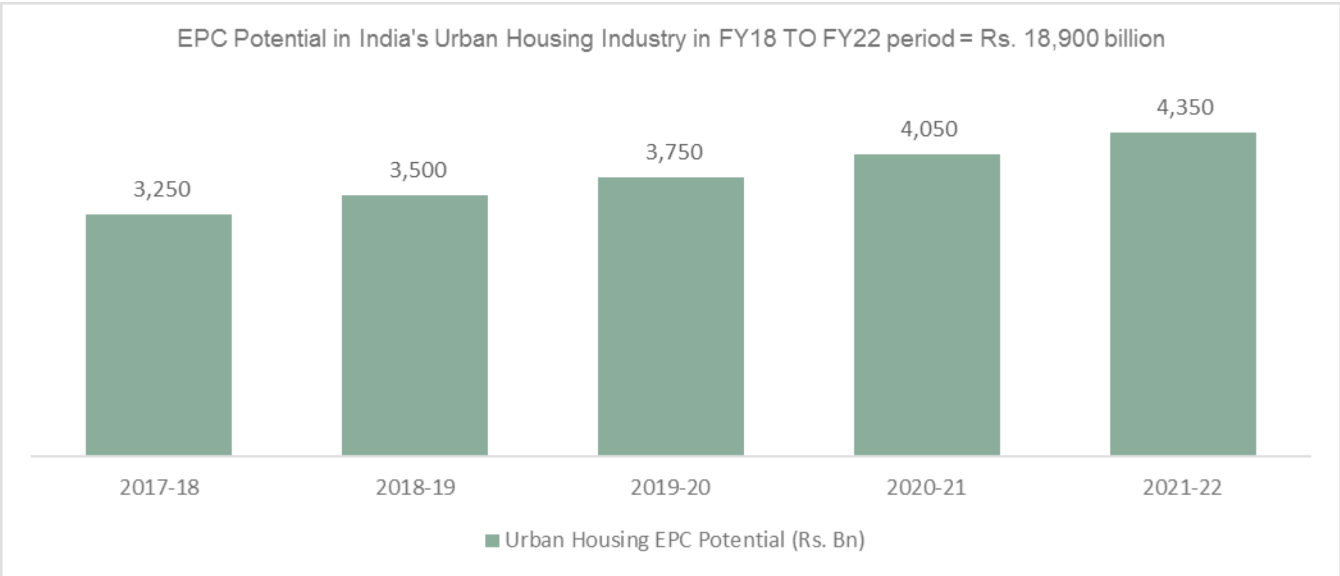
Market size of the real *estate* industry



Source: CRISIL Research

CRISIL Research projects a total of ₹ 18,900 billion as the EPC potential in India's urban housing industry in the 2017-18 to 2021-22 period. Post demonetisation and RERA implementation, overall launches in the residential market dropped sharply, with developers focusing on completing on-going projects. But with the government taking several initiatives to push affordable housing, it has given developers a new area to explore. Going ahead, a noticeable amount of supply is expected to come up in the affordable segment.

EPC Potential in India's urban housing industry



Source: CRISIL Research

The government's thrust on affordable housing[1] is the biggest game changer

Developers' focus on mid- / luxury/ premium housing projects over the past few years led to huge unsold inventory of unaffordable units in several micromarkets. Upshot – slowdown in the Indian real estate sector.

The situation has changed since owing to regulatory developments such as setting up of the Real Estate Regulatory Authority (RERA), the demonetisation move, focus on affordable housing, budgetary announcements, and implementation of the Good and Services Tax (GST).

1 For the purpose of the CRISIL Rreport, the following definition has been used for housing projects under the category of affordable housing (as per the Ministry of Finance, Department of Economic Affairs-Infrastructure definition to affordable housing) - a housing project using at least 50% of the floor area ratio or floor space index (FSI) for dwelling units with carpet area of not more than 60 square meters

Also, banks, which previously lent to developers of mid- and premium housing projects, have shifted focus to affordable housing. Developers, too, are focusing on project completion to comply with RERA guidelines, and are in many cases altering their product configuration to smaller units to take advantage of the ‘infrastructure’ status benefits for small ticket size units. To boost sales, several developers have resorted to offering upfront discounts, whereas some have bundled financing and reduced interest. Additionally, home buyers are being offered indirect benefits such as reduced floor charges or premium location charges, etc. Home buyers are also able to avail of various government benefits.

Hence, CRISIL Research believes that end-users, which till now were fence-sitters and preferred buying ready-to-move-in properties because of risks associated with the delivery of under-construction projects, are encouraged with the implementation of RERA. In addition, home loan interest rates were at a seven-year low in Fiscal 2017.

Another knock-on effect on account of RERA implementation is that the share of organised players will increase in the medium term. Developers are required to ensure greater transparency and adopt fair business practices. Fund diversion and construction delays, which were key concerns for end-users, are addressed under the Real Estate (Regulation and Development) Act, 2016. Government regulations and buyers’ emphasis will force developers to realign their business models. During the transition to effective RERA and GST implementation, many smaller developers may find it challenging to operate on account of higher compliance involved. This is likely to increase joint development projects in the medium term, where brand and business processes of larger developers will be leveraged.

In fact, under the new structure of GST, the tax burden on home buyers will largely depend on the benefit transmitted by developers in terms of input tax credit, which will mainly be driven by a higher share of organised players in the supply chain and improved compliance processes.

PMAY-Urban

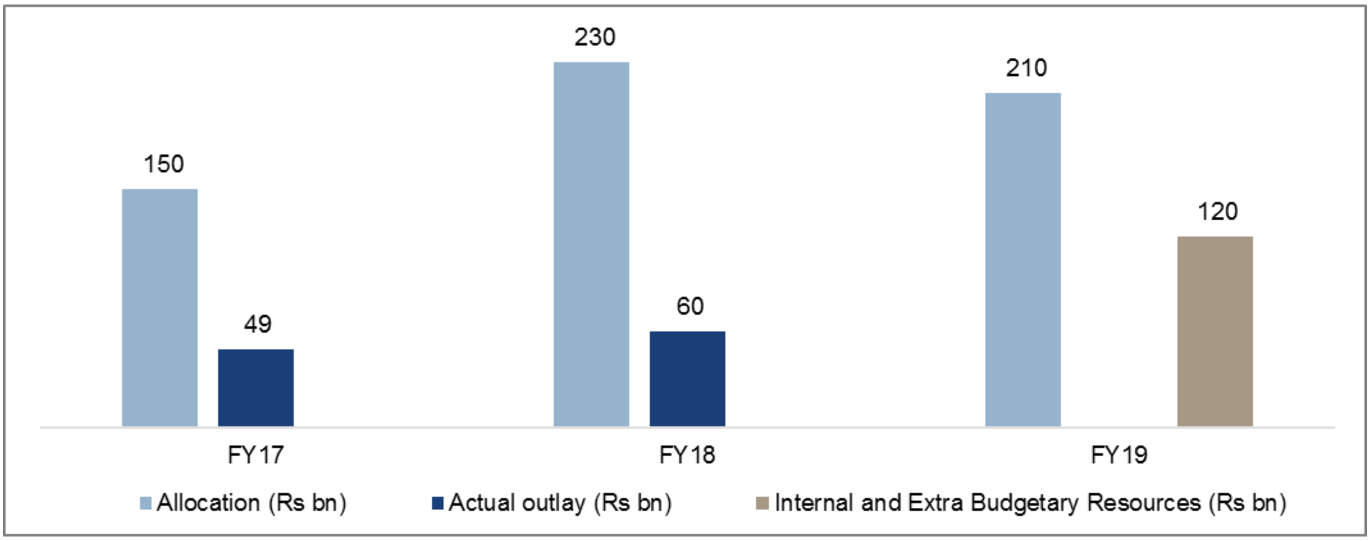
Affordable housing, as a generic term, refers to the segment that can cater to majority of the population. Parameters for categorising a real estate development as an affordable housing project may vary based on the size of apartments, the apartment’s per square feet capital value or the total ticket size of the unit.

PMAY-U mission, under the intervention of affordable housing in partnership with private developers, defines affordable housing project as a housing project where 35% of the houses are constructed for the EWS (economically weaker section) category.

Housing for All by 2022, also known as PMAY, was launched on June 25, 2015. The project aims to minimise housing shortage faced by the urban poor. The Ministry of Housing and Urban Poverty Alleviation has estimated a shortage of nearly 20 million dwelling units for the urban poor. PMAY-U aims to address this by providing central assistance to the implementing agencies through states and union territories to all eligible families/beneficiaries by 2022.

Of the total budgetary support of ₹ 111 billion in the last two Fiscals for PMAY -Urban, the actual outlay was ₹ 110 billion. Continuing the emphasis on Housing for All, 2018-19 budget has allocated ₹ 65 billion to the mission. In addition, the government has also provisioned internal and extra budgetary resource of ₹ 250 billion for the scheme. However, the mechanism and vehicle for raising such resources remain a key monitorable.

Year wise *budget* allocation to Pradhan Manti Awas Yojana- Urban



Source: Budget documents

Outlook

Going forward, assuming the pace to continue on account of robust budget allocation and continued policy focus, an additional investment of around ₹ 4,575 billion is expected to get added and around 3.4 million houses to get completed in the coming three years (by March 2021).

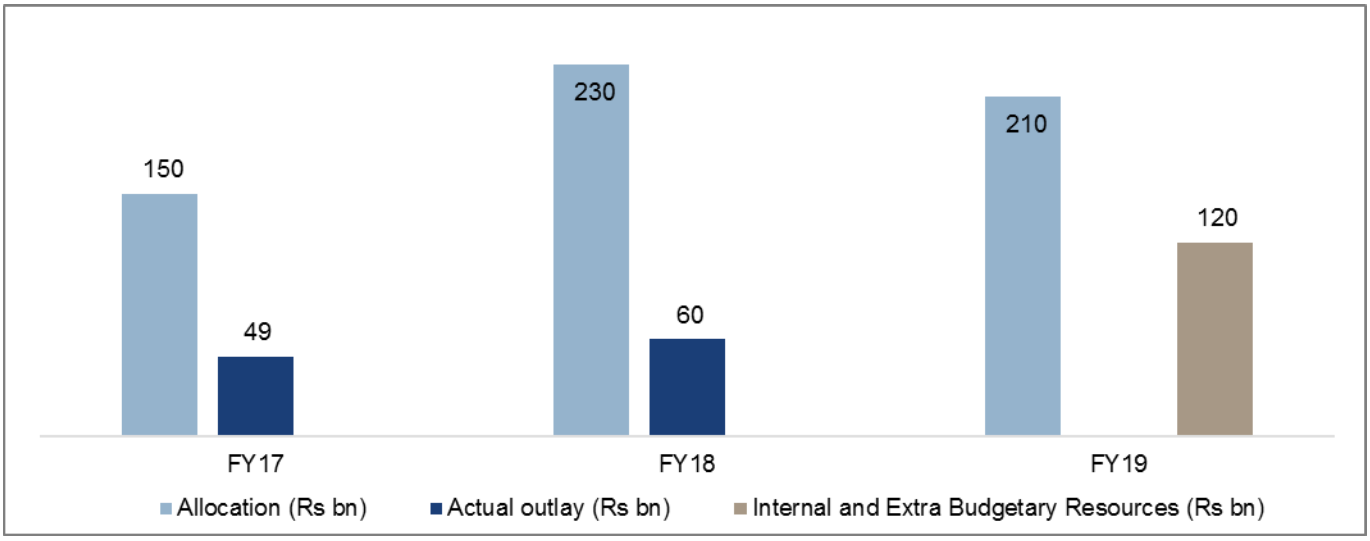
PMAY-Gramin

Under Pradhan Mantri Awaas Yojana-Gramin (PMAY-G), financial assistance of ₹ 0.12 million in plain areas and ₹ 0.13 milion in hilly and difficult areas including IAP districts is provided to the beneficiaries for construction of houses. Under PMAY-G, one crore houses are proposed to be constructed over a period of three years from 2016-17 to 2018-19.

Of the total budgetary support of ₹ 380 billion in the last two Fiscals for PMAY-Gramin, the actual outlay was ₹ 110 billion.

Continuing the emphasis on Housing for All, this year's budget has allocated ₹ 210 billion to the mission. In addition, the government has also provisioned internal and extra budgetary resource of ₹ 120 billion for the scheme. However, the mechanism and vehicle for raising such resources remain a key monitorable.

Year wise *budget* allocation to Pradhan Manti Awas Yojana- Gramin



Source: Budget documents

Outlook

By March 2019, under PMAY – Gramin, the Government aims to construct more than 10 million houses in rural areas.

Future outlook on the market of top 8 cities

Residential

In the 8 cities we have taken into consideration, 1,581 million sq ft of supply is expected to come up in the next three years, of which 9-10% will be in the affordable segment.

Commercial

Demand for commercial real estate is expected to grow at a moderate pace. While the BFSI sector continues to witness few office transactions, slowdown in the IT/ITeS sector is likely to restrict overall absorption of commercial real estate.

In the 8 cities we have taken into consideration, 85 million sq ft of commercial space is expected to come up in the next three years.

Retail

Due to already available supply and vacancy levels, very limited retail supply is likely to get added in the short term. Lease rentals have also been impacted owing to prevailing market conditions.

In the 8 cities we have taken into consideration, 20 million sq ft of retail space is expected to come up in the next three years.

Upcoming supply in top 8 cities

City	Residential (Supply in million square feet coming up in next three years)	Commercial (Supply in million square feet coming up in next three years)	Retail (Supply in million square feet coming up in next three years)
Ahmedabad	66	4	0.2
Bengaluru	257	11	2
Chennai	100	6	3
Hyderabad	142	8	7
Kolkata	119	7	0.4
Mumbai Metropolitan Region (MMR)	248	8	2
National Capital Region (NCR)	538	36	5
Pune	111	5	1
Total	1,581	85	21

Source: CRISIL Research

Key growth drivers for the housing industry

Rising population and migration are the primary reasons for increasing housing needs. The secondary drivers are increasing nuclearisation, income growth, and easy access to finance in major cities. Not to forget tax benefits provided by the government to promote the housing sector.

Urbanisation to cross 35% by 2021

The share of urban population in relation to the total population has been consistently rising over the years. People from rural areas move to cities for better job opportunities, education, better life, etc. Entire families or only a few people (generally earning member or students) may migrate, while a part of the family continues to hold on to the native house. The urban population was 377 million in 2011, marking a CAGR of 2.8%; rural population was 833 million, up at a CAGR of 1.16%. Urbanisation levels rose from 28% in 2001 to about 31% in 2011. A United Nations report, World Urbanization Prospects: The 2011 Revision expects nearly 36% of the country's population to live in urban areas by 2020. The total estimated population was 1,283 million in 2006, up at a CAGR of 1.18% from 2011.

Nuclearisation

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

Changing floor space requirement

Floor space requirement is dependent on the family size as well as affordability determined by income levels. With increasing nuclearisation, the per capita floor space area required reduces as the family size shrinks. As income rises, people shift to bigger houses, thus increasing demand. For lower income groups, floor space required is marginally higher in rural areas than in urban areas. This may be attributed to lower prices in rural areas.

Higher affordability led by increasing disposable income

India's per capita income grew at a healthy rate in the past three years to ₹ 93,653 in 2016-17 (base year 2011-12). In real terms, per capita income is estimated to have grown 5.9% in 2016-17 compared with 6.6% in the preceding Fiscal. The buoyant trend in per capita income is expected to continue. In the short to medium term, disposable income will rise as a result of implementation of the Seventh Pay Commission's recommendations and the One Rank One Pension scheme, and sustained low inflation. This will be an enabler for domestic consumption. Increasing disposable income typically has a positive correlation with demand for housing units as it increases affordability.

Tax incentives by the government

The government has traditionally used tax regulations to promote the housing sector. Some of the tax benefits are as follows:

Tax sops given to housing loan borrowers

Tax sops for the housing sector have been instrumental in driving growth in the housing and housing finance sectors. Tax deduction is available for home loans under two sections of the Income Tax Act of India (excluding home loans from private sources such as friends, family, etc.).

Interest paid on home loan

As per Section 24 (b) of the Income Tax Act, 1961, annual interest payments of up to ₹ 200,000 (₹ 300 for senior citizens) on housing loans can be claimed as deduction from taxable income.

Principal repayment of home loan

As per Section 80 C (read with Section 80 CCE) of the Income Tax Act, principal repayments of up to ₹ 150,000 on home loans are allowed as a deduction from the gross total income. As per Section 80 EE, an additional deduction in respect of interest of ₹ 50,000 p.a. has been provided exclusively for first-time home buyers, given the property value is up to ₹ 5 million, the loan is up to ₹ 3.5 million, and the loan has been sanctioned between April 1, 2016 and March 31, 2017.

Interest subvention scheme

The Cabinet Committee on Economic Affairs approved a proposal to increase the interest subsidy to 6.5% for loans of up to ₹ 0.6 million for EWS and LIG beneficiaries under affordable housing through the CLSS component of the Housing for All by 2020 mission. In February 2017, benefits of CLSS were extended to include MIG households as well.

Exemption from capital gains

Capital gains from the transfer of residential property, if invested in acquiring a residential building (within a defined time frame), are exempt from income tax.

Availability and penetration of housing finance

Growth of the housing sector in India also depends on availability of finance and the cost of obtaining it. Availability of finance can broadly be gauged through finance penetration.

Availability of large number of financiers across categories

The housing finance sector in India comprises a large number of institutions: financial institutions, scheduled commercial banks, scheduled cooperative banks, regional rural banks, agriculture and rural development banks, housing finance companies, state-level apex co-operative housing finance societies, non-banking financial companies, microfinance institutions, and self-help groups. These institutions cater to housing finance requirements across income groups and financing needs.

Financiers offer two types of interest rate loans to customers: fixed and floating interest rate loans. In the former, the interest rate remains constant over the tenure of the loan. In the latter, the borrower has to pay at a rate that is linked to the benchmark lending rates of financiers. Fixed rate loans are typically priced higher compared with floating rate loans owing to higher interest rate risk associated with them. Given the long-term nature of housing loans and medium-term nature of financiers liabilities, financiers prefer to lend at floating rate, as it allows them to reset interest rates as and when their cost of funds increases.

Smart cities to boost urban infra spends

To push infrastructure spending further, the government approved a budget of ₹ 480 billion for the development of 100 smart cities over five years beginning 2016-17, with a focus on adequate and clean water supply, sanitation, solid waste management, efficient transportation, affordable housing for the poor, power supply, robust IT connectivity, e-governance, safety and security of citizens, health, and education.

Selected cities would get central assistance of ₹ 2 billion in the first year and ₹ 1 billion in each of the next four years, and a matching contribution by the respective state.

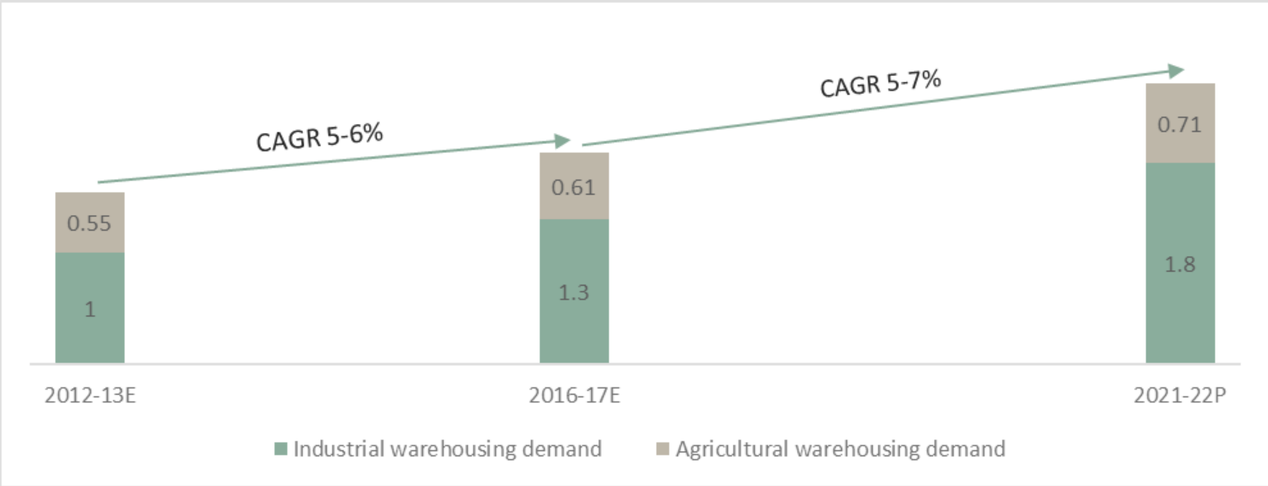
The state and central government funds will meet only part of the cost. The rest will be raised through user fees, municipal bonds, existing central/state schemes such as AMRUT, and public-private participation (PPP).

Construction opportunity in other building construction segments

***Logistics Parks*[2]**

CRISIL Research estimates the warehousing industry as a whole (both agricultural and industrial[3]) to clock 5-7% compound annual growth rate (CAGR), from 2 billion sq ft in Fiscal 2017 to 2.5 billion sq ft in Fiscal 2022P. The industrial segment, which accounts for nearly two-thirds of the industry (agricultural warehousing comprising the remainder), will drive the industry growth.

Industrial warehousing demand to lead growth in overall warehousing industry



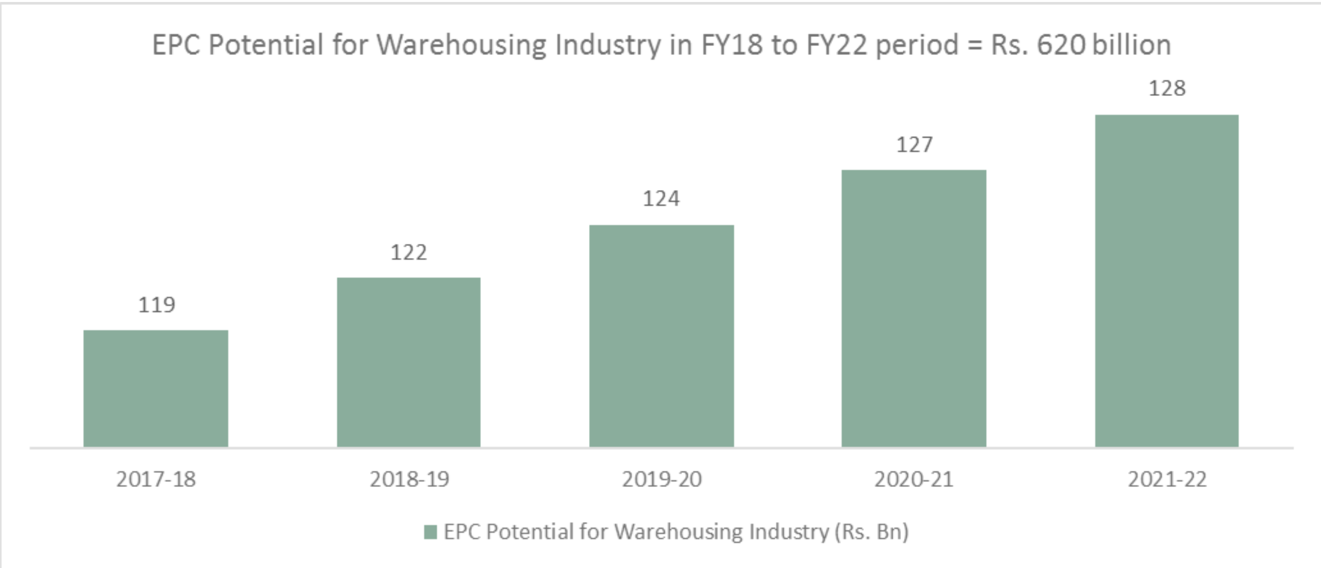
Note: In billion. square. feet.

Source: CRISIL Research

EPC Potential in Warehousing

CRISIL Research projects a total of ₹ 620 billion as the EPC potential in India's warehousing industry for 2017-18 to 2021-22 period, out of which the share of industrial warehousing is around 91% and the remaining is from agricultural warehousing.

EPC opportunity in Warehousing



Source: CRISIL Research

2 Logistic Parks primarily include ambient industrial warehousing
3 Industrial warehouses are PEB/ RCC structures designed to serve industries such as Consumer durables, FMCG, pharmaceuticals, E-commerce, organised retail etc.

Impact of GST on infrastructure

Under the Goods and Services Tax (GST), emphasis on value addition; amalgamation of a large number of central and state taxes into a single tax; and set-off allowance of prior-stage taxes will mitigate the ill effects of cascading. This will also allow free flow of tax credit in intra and inter-state transactions, leading to a more efficient and leaner tax structure.

Infrastructure companies undertake works contracts for various segments like Roads, Railways, Power, irrigation and urban infrastructure. In the pre-GST era central excise at 12.5 %, VAT rate of 5% and CST of 2% was levied. The services rendered under works contract has been revised to 12% under the GST. Though the overall impact of tax has been reduced, the pass on of the benefit to State and central governments who are major customers will lead to neutral impact.

Following is the impact of GST on the industry:

Impact of GST on housing sector- No major impact

Input material (impact on developers)

- From the taxation point, GST will have a marginal impact on players in construction material industry as the finalized GST rates are mostly in line with the pre-GST effective tax incidences. For cement and steel, the finalized GST rates are 28% and 18% respectively. Pre-GST, while both the segments attracted the excise rate of 12.5%, VAT on cement (around 13.5%) was higher than the VAT on steel (around 5%). However, players whose supply chains involved interstate sale of either cement or steel will benefit by 2% as levy of CST will not be applicable under GST.

Service Tax and VAT (impact on buyers): Depends on input tax credit benefit transmitted by developer

- For under construction residential properties, home buyers (pre-GST) were liable to pay appx. 5.5% of total consideration as tax (4.5% of service tax and 1% VAT in Maharashtra; this excludes registration and stamp duty). Under the new regime, home buyers will be required to pay 12% of total consideration as GST. Though the overall tax burden goes up, the benefit transmitted by developer in terms of input tax credit will determine the actual tax implication on home buyers.

Stamp duty and registration (impact on buyers): No change

- The sector is likely to witness increase in share of organized players on account of GST implementation. As supply from registered taxpayers only will be allowed for input tax credit, businesses and stakeholders will insist on registration of their suppliers and traders.

Impact of GST on Road sector - no major impact

- GST rates for key inputs (cement, steel, bitumen) have remained at pre-GST levels. Hence there will be no major impact on the players. In case of interstate supply of cement and steel, players will get the benefit of 2% as levy of CST will not be applicable under GST
- Composite works contract for project where earth work (that is, constituting more than 75% of the value of the works contract) will attract 5% which is positive for EPC players
- Services rendered by sub-contractor to Contractor who undertakes earth projects constituting more than 75% of the value of the works contract will also be levied GST of 5%
- It gives comfort to Contractor as input credit on sales tax was not available previously
- GST has given clarity on operations and bidding

GST rollout to make domestic coal cheaper; however minimal impact expected on coal import trend

- The 5% reduction in delivered prices expected to reduce the input costs of domestic coal based power plants
- The electricity generation cost for domestic coal based power plant expected to fall by ₹ 0.06-0.07/unit
- However, this event (in isolation) not expected to have any material impact on the trend of coal imports
- In fact, we believe that rising domestic coal supply is expected to reduce quantum of imported coal used for blending purpose

Impact of GST on Power sector – no major impact

- Transmission and Distribution has been exempt from GST and was exempt from taxes in pre-GST period.
- Power players will have to bear higher tax liability due to elimination of tax concessions post GST.

Impact of GST on Irrigation- neutral impact

- Works contracts for Canal, dam or other irrigation works, will attract 12% GST

Impact of GST on Urban Infrastructure -no major impact

- Pipeline work for water supply, water treatment and sewerage treatment or disposal works undertaken will attract 12% GST
- Pollution control or effluent treatment plant, except located as a part of a factory will also attract GST rate of 12%
- The overall impact of GST on the urban infrastructure will be neutral after accounting for input credits

Key industry players

Low entry and technology barriers make the construction industry highly fragmented. While low fixed costs narrow the entry barriers, uncertainties on payments drives up working capital requirements.

The large and mid sized EPC players have been operating since decades and have been concentrated in few segments. Some players like L&T, NCC limited,Hindustan Construction company and Montecarlo have presence across the segments while some players are focused towards one or two segments like Ashoka Buildcon Limited and KNR Constructions Limited.

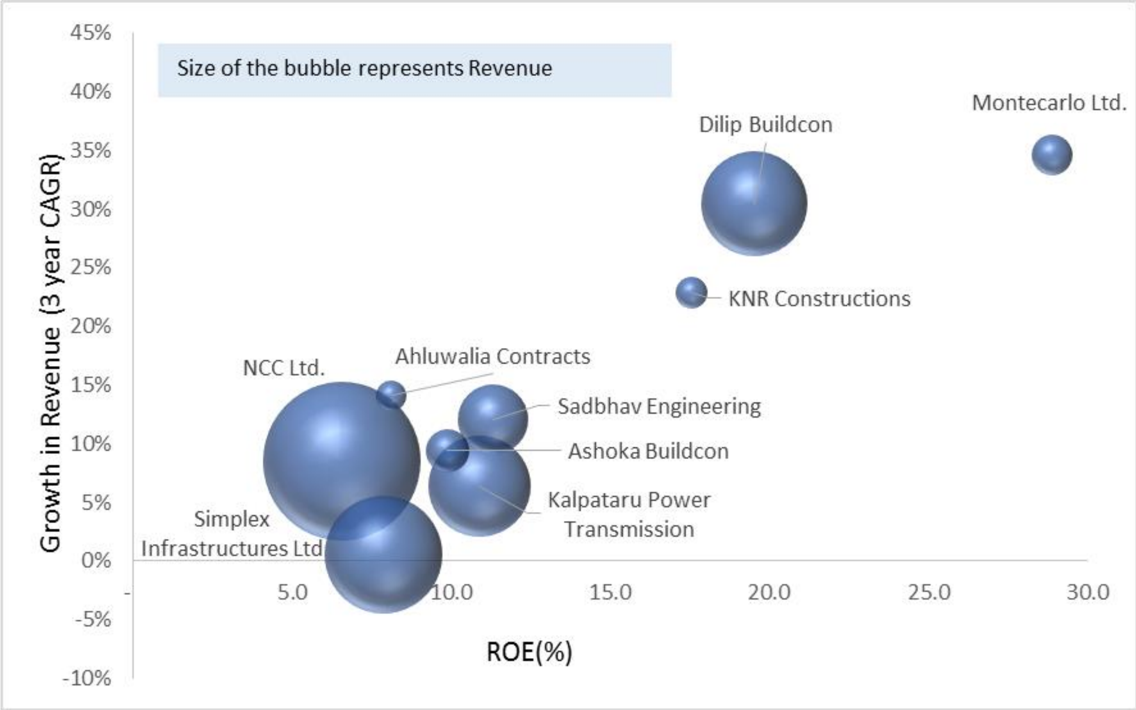
Segmental mix and geographical presence of some key players

Company	Key segments	Geographical presence
Larsen & Toubro Ltd	Diversified	Pan India
NCC Ltd	Diversified	Pan India
Simplex Infrastructures Ltd	Diversified	NA
Dilip Buildcon Limited	Roads and mining	Pan India
Kalpataru Power Transmission Ltd	Power and railways	NA
IRB Infrastructure Developers Limited	Roads	North, West and South
Sadbhav Engineering Ltd	Roads, irrigation and mining	Pan India
Ashoka Buildcon Limited	Roads and Power	Pan India
Montecarlo Limited	Diversified	Pan India
KNR Constructions Limited	Roads and irrigation	South
Ahluwalia Contracts India Limited	Building	North, West and East

NA: Not Available

Source: Company reports, CRISIL Research

Revenue growth and ROE of some key players (Fiscal 17)



Note: L&T not included in the chart above as its size is far larger than the other players

Source: Company reports, CRISIL Research

Larsen & Toubro Ltd, NCC Ltd. and Simplex Infra are some of the large EPC players in India having a diversified porfolio

In terms of revenue growth players like Montecarlo Limited, Dilip Buildcon Limited and KNR Constructions Limited have witnessed high growth rates of above 20% CAGR in last 3 years

ROE also of companies like Montecarlo Limited, Dilip Buildcon Limited, Ahluwalia Contracts India Limited and KNR Constructions is above 15%.

OUR BUSINESS

Some of the information in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read "Forward-Looking Statements" on page 15 for a discussion of the risks and uncertainties related to those statements. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Also read "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations — Key factors Affecting Our Results of Operations and Financial Condition" beginning on pages 16 and 445 for a discussion of certain factors that may affect our business, financial condition or results of operations. Our fiscal year ends on March 31 of each year, and references to a particular fiscal year are to the twelve months ended March 31 of that year.

We have, in this Draft Red Herring Prospectus, included various operational and financial performance indicators, some of which may not be derived from our Restated Financial Statements and may not have not been subjected to an audit or review by our Statutory Auditor. The manner in which such operational and financial performance indicators are calculated and presented, and the assumptions and estimates used in such calculation, may vary from that used by other infrastructure construction and development companies in India and other jurisdictions. Investors are accordingly cautioned against placing undue reliance on such information in making an investment decision should consult their own advisors and evaluate such information in the context of the Restated Financial Statements and other information relating to our business and operations included in this Draft Red Herring Prospectus.

Unless otherwise indicated, industry and market data used in this section has been derived from industry publications and other publicly available information, including, in particular, the CRISIL Report prepared and issued by CRISIL Limited on our request. Unless otherwise indicated, all financial, operational, industry and other related information derived from the CRISIL Report (extracts of which have been appropriately incorporated as part of the section "Industry Overview", beginning on page 118) and included herein with respect to any particular year refers to such information for the relevant Fiscal.

Overview

We are an infrastructure construction and development company, with operations diversified across highways, railways, buildings and factories, mining, energy infrastructure and water and irrigation verticals of the infrastructure sector. As part of our infrastructure construction and development operations, through our Subsidiaries, we are undertaking two highways projects on HAM basis and one mining project on MDO basis.

We have more than two decades of execution experience having completed 66 EPC projects with an Order Book as of December 31, 2017, aggregating to ₹ 53,078.78 million, with 31 ongoing EPC projects, spanning across 11 states and one union territory in India, including the states of Odisha, Karnataka, Gujarat, Uttar Pradesh and Rajasthan and in the union territory of Andaman and Nicobar Islands.

Subsequent to December 31, 2017, we have been awarded 11 new infrastructure construction and development projects spanning across eight states, including the states of Maharashtra, Chhattisgarh and West Bengal aggregating to ₹ 46,622.78 million.

Over the past two decades, we have established a track record in executing majority of our infrastructure construction and development projects in a timely manner. Pursuant to our executional experience, we have been able to develop and establish competencies in the verticals in which we operate. The infrastructure verticals in which we currently operate include:

- *Highways*: We undertake design, construction, widening, strengthening, operation and maintenance of highways, roads, carriageways, major bridges, culverts and road over bridges. As per our Restated Consolidated Financial Statements, our revenue from highways vertical accounted for 46.41% and 36.71% of our contract revenue (including revenue from property development) for the period of nine months ended December 31, 2017 and Fiscal 2017, respectively. Furthermore, as of December 31, 2017, our highways infrastructure construction and development projects accounted for 69.76% of our Order Book;

- *Railways*: We undertake construction of railway stations and bridges, track laying, gauge conversion, electrical signaling and communication works. As per our Restated Consolidated Financial Statements, revenue from our railways vertical accounted for 11.61% and 12.74% of our contract revenue (including revenue from property development) for the period of nine months ended December 31, 2017 and Fiscal 2017, respectively. Furthermore, as of December 31, 2017, our railways infrastructure construction and development projects accounted for 8.62% of our Order Book;

- *Building and Factories*: We undertake construction of commercial complex, district court, housing projects, townships, IT parks, hotels, shopping malls, hospitals and ancillary construction works for industrial buildings. As per our Restated Consolidated Financial Statements, revenue from our building and factories vertical accounted for 19.65% and 22.05% of our contract revenue (including revenue from property development) for the period of nine months ended December 31, 2017 and Fiscal 2017, respectively. Furthermore, as of December 31, 2017, our building and factories projects accounted for 9.77% of our Order Book;

- *Mining*: We undertake blast-hole drilling, removal of overburden, removal of inter-burden and excavation of coal and lignite, as part of infrastructure construction and development activities under the mining vertical. As per our Restated Consolidated Financial Statements, revenue from our mining vertical accounted for 15.59% and 14.65% of our contract revenue (including revenue from property development) for the period of nine months ended December 31, 2017 and Fiscal 2017, respectively. Furthermore, as of December 31, 2017, our mining infrastructure construction and development projects accounted for 7.54% of our Order Book;

- *Energy infrastructure*: We undertake design, installing, laying testing and commissioning of electricity transmission lines, electricity distribution lines and electricity sub-stations, respectively. As per our Restated Consolidated Financial Statements, revenue from our energy infrastructure vertical accounted for 3.90% and 9.49% of our contract revenue (including revenue from property development) for the period of nine months ended December 31, 2017 and Fiscal 2017, respectively. Furthermore, as of December 31, 2017, our energy infrastructure construction and development projects accounted for 0.87% of our Order Book; and

- *Water and Irrigation*: We undertake construction of, canals, water supply projects, aqueducts and sewage drainage pipelines. As per our Restated Consolidated Financial Statements, revenue from our water and irrigation vertical accounted for 2.84% and 4.36% of our contract revenue (including revenue from property development) for the period of nine months ended December 31, 2017 and Fiscal 2017, respectively. Furthermore, as of December 31, 2017, our water and irrigation projects accounted for 3.44% of our Order Book.

For further details in relation to our business activities, see "- *Our Business Description*" on page 169.

As of December 31, 2017, our Order Book for our ongoing infrastructure construction and development projects aggregated to ₹ 53,078.78 million. The following table sets forth a vertical wise summary of our Order Book as of December 31, 2017:

Verticals	No. of Contracts	Outstanding order value*#	% of total outstanding order value#
Highways	9	37,027.80	69.76
Railways	4	4,573.77	8.62
Buildings and factories	10	5,186.50	9.77
Mining	4	4,001.02	7.54
Energy infrastructure	2	462.83	0.87
Water and Irrigation	2	1,826.86	3.44
Total	**31**	**53,078.78**	**100.00**

* *in ₹ million.*

\# *calculated after deducting the provisional GST payable by our Company.*

Our major clients include NHAI, RVNL, BCCL, MPMKVVCL and WBPDCL. As of December 31, 2017, approximately 98.34% of our Order Book comprised of projects being undertaken by the Government, relevant State Governments or other government undertakings.

Additionally, we own and maintain a large fleet of modern construction equipment in India. We own modern construction equipment, which we believe will meet majority of the requirements for our ongoing projects. As of December 31, 2017, we maintained a fleet of 1,241 modern construction equipment which allows us to undertake multiple projects simultaneously. Furthermore, we have implemented advanced technology systems like SAP, Wenco mining system and Hectronic diesel consumption system at our project sites to enable us to undertake our operations efficiently.

We received the award for the third fastest growing construction company in medium category at the Construction World Annual Awards, 2017. We also received the "*Excellence in Best Achiever of the Year 2016*" award by Gujarat Contractors Association at Gujarat Vibrant Summit, 2016.

For the nine months ended December 31, 2017 and for Fiscals 2017, 2016 and 2015, as per the Restated Consolidated Financial Statements, our revenue from operation was ₹ 13,202.75 million, ₹ 19,801.54 million, ₹ 16,842.67 million and ₹ 10,113.99 million, respectively. For the nine months ended December 31, 2017 and for Fiscals 2017, 2016 and 2015, as per the Restated Consolidated Financial Statements, our PAT was ₹ 714.46 million, ₹ 1,317.49 million, ₹ 1,285.87 million and ₹ 590.56 million, respectively. Additionally, for Fiscal 2015 to Fiscal 2017, we achieved a CAGR of 39.92% in revenue and 49.36% in PAT, as per the Restated Consolidated Financial Statements.

Our competitive strengths

Strong execution and implementation skills with established track record

We have more than two decades of execution experience having cumulatively completed 6 EPC projects as of December 31, 2017, of which, we completed, 17 projects, covering approximately 2,600 lane km of highways and roads as part of the highways vertical, seven projects as part of the buildings and factories vertical, three mining infrastructure construction and development projects with an excavation of approximately 4.03 million tonnes of coal as part of the mining vertical, 11 projects as part of the energy infrastructure vertical and 28 projects as part of the water and irrigation vertical. We believe that due to our strong management skills, manpower management and advanced technology, the total number of infrastructure construction and development projects completed by us grew from approximately 25 projects in Fiscal 2013 to 66 projects as of December 31, 2017.

- *Project Management:* We believe our Company is 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. We have an established track record of executing a majority of our infrastructure construction and development projects in a timely manner and we believe that we have established a track record of completing projects with high quality. We have also received ISO 9001:2008 (QMS) certification for our quality management system.

- *Modern Construction Equipment:* We believe ownership of modern construction equipment provides us with a competitive advantage, as with multiple projects in progress at any given time, ready access to such modern construction equipment enables us to complete existing projects on time and bid for additional projects. As of December 31, 2017, we owned and regularly maintained a modern fleet of 1,241 construction equipment and we believe that our fleet of modern construction equipment is sufficient to meet majority of the requirements for our ongoing projects. We have invested a total amount of ₹ 2,622.54 million in the Fiscals 2015, 2016 and 2017 for purchase of modern construction equipment.

- *Manpower management*: We have in-house capabilities for design, engineering, bid surveys, tendering for projects, preparing financial models, construction and maintenance of our projects. We undertake selective and need-based recruitment every year to maintain the size of our workforce. We also hire manpower on a contractual basis from various agencies from time to time. As of December 31, 2017, our Company had 3,491 employees on our rolls, of which we had a total of 236 in-house engineers as part of our workforce.

- *Advanced technology:* We have a robust inventory management system which enables us to efficiently manage our inventory and monitor the supply of modern construction equipment and mobilisation of resources in a cost effective and timely manner. We have implemented a SAP based enterprise resource planning system since September, 2008, to maintain greater control over our operations and to improve efficiency by better resource planning and utilisation. Our head office and majority of our project site offices are SAP configured and raw material which is procured at our sites is accounted for at our site offices and then verified at our Registered Office. Our SAP based enterprise resource planning system enables us to maximise our productivity and efficiency by improving financial visibility of our projects and optimal collaboration among stakeholders involved. Ready access to historical data through our SAP based system, enables us to effectively estimate and bid for new projects and to procure materials for them. Additionally, we have implemented Wenco mining system, for our 'Mata no Madh' mining project which has facilitated real time monitoring of our mining trucks and shovelling equipment for such mining project by providing real time updates enabling us to produce accurate schedules for our mining trucks and shovelling equipment. Furthermore, our Hectronic diesel consumption system ensures that pilferage of fuel is minimized by effective monitoring of fuelling and refuelling processes.

Robust Order Book provides visibility for growth

The Order Book is considered as an indicator of future performance as it represents a portion of anticipated future revenue. We believe that by diversifying our skillset and Order Book across different business verticals and geographical regions, we have been able to pursue a broader range of project tenders and therefore, maximize our business volume. As of December 31, 2017, our Order Book for our ongoing infrastructure construction and development projects aggregated to ₹ 53,078.78 million.

The following table sets out vertical wise summary of our Order Book as of December 31, 2017:

Business vertical	Number of projects	Outstanding order value*#	% of total Order Book value#
Highways	9	37,027.80	69.76
Railways	4	4,573.77	8.62
Building and Factories	10	5,186.50	9.77
Mining	4	4,001.02	7.54

Business vertical	Number of projects	Outstanding order value*#	% of total Order Book value#
Energy infrastructure	2	462.83	0.87
Water and Irrigation	2	1,826.86	3.44
Total	**31**	**53,078.78**	**100.00**

* *in ₹ million.*

\# *calculated after deducting the provisional GST payable by our Company.*

In the past we have been able to qualify to bid for projects of reputed government undertakings such as MoRTH, NHAI, RVNL, Northern Coal, NVDA, SSNNL and MPRDCL. Our Order Book, as of December 31, 2017, includes contracts from various government undertakings amongst others, MoRTH, NHAI, DGMAP, RVNL, Northern Coal, BCCL, WBPDCL, GMDCL and municipal corporations of Sagar and Seoni under PMAY. Additionally as of December 31, 2017, our Order Book had a high concentration of government undertakings with approximately 98.34% of the Order Book, accounting for contracts with various government entities. We believe that since government contracts forms a major part of our Order Book, our payments under the contracts are more secure and the risk with respect to default in payment for completed work is substantially reduced. For further details in relation to our ongoing projects forming part of our Order Book, see "- *Our Business Description –Order Book description*" on page 177.

Diversified infrastructure portfolio with diverse geographical presence

We believe that our growth is largely attributable to our diversified business model based on our careful selection of projects. Our strategy of selective expansion has assisted us in mitigating concentration related risks. Our business operations are currently diversified across highways, railways, building and factories, mining, energy infrastructure and water and irrigation verticals of the infrastructure sector. We believe that by maintaining a diversified portfolio for our ongoing projects, we benefit from the consistent liquidity and cash flow for our operations and the risk of volatility of market conditions and price conditions, which we may face as a result of concentrating our operations in a particular vertical of infrastructure, stands reduced. Through our diversified business model, we have developed our competencies and established a track record of executing majority of our infrastructure construction and development projects in a timely manner, and accordingly, we believe that we currently meet the requirements of the central, state and local governmental authorities for the majority of their infrastructure construction and development projects pertaining to highways, railways and buildings and factories in terms of having the requisite experience, expertise and a strong balance sheet. Further, we believe that our established track record for majority of projects across mining, energy infrastructure and water and irrigation verticals of the infrastructure sector will allow us to undertake projects more opportunistically. By diversifying our Order Book across different infrastructure verticals such as highways, railways, buildings and factories, mining, energy and water and irrigation, we believe we are able to pursue a broad range of project tenders and therefore, maximise our business volume and buffer ourselves against slowdown in awarding of contracts in a particular vertical.

Set forth is the state wise break up of our geographical footprint in terms of our ongoing projects forming part of our Order Book as of December 31, 2017:

State/union territory	Number of Projects	% of total outstanding order value
Andaman Nicobar	1	0.45
Andhra Pradesh	3	1.28
Arunachal Pradesh	1	5.08
Bihar	2	7.87
Gujarat	4	13.67
Haryana	2	0.27
Jharkhand	1	3.15
Karnataka	1	19.02
Madhya Pradesh	4	3.99
Odisha	1	20.39
Rajasthan	5	12.05
Uttar Pradesh	6	12.78
Total	**31**	**100.00**

Furthermore, while our projects historically had been concentrated in Gujarat and Madhya Pradesh, our Company was undertaking projects, as of December 31, 2017, across six verticals in which we operate across 11 states and in one union territory, including Rajasthan, Uttar Pradesh, Bihar, Gujarat, Madhya Pradesh, Arunachal Pradesh, Andhra Pradesh, Odisha, Karnataka, Haryana and Jharkhand, and Andaman and Nicobar Islands due to our diversified business model. Geographical diversification of our projects, as a result of our growth strategy, has allowed us to capitalize on different growth trends in the different states and broaden our revenue base and reduced risks of volatility of market conditions and price fluctuations which may result from concentrating our resources in any geographical region in India.

Consistent financial performance and credit profile

Our business growth and strong order book has contributed significantly to our financial strength. Driven by our business growth and execution track record, we have exhibited consistent financial performance and stable credit profile over the last few Fiscals. We have never defaulted in the repayment of our borrowings, which, together with our consistent financial performance helps us to present a strong credit profile to our lenders and keeps alternate sources of financing available to us. We have maintained consistent financial performance, despite of slowdown in the infrastructure sector in the interim, by focusing on profitable projects and achieving their timely completion. For Fiscal 2015 to Fiscal 2017, we achieved a CAGR of 39.92% in revenue and 49.36% in PAT, as per the Restated Consolidated Financial Statements. Additionally, we achieved a ROE of 29.05%, 35.29% and 23.06% on the basis of our Restated Consolidated Financial Statements as of Fiscal 2017, Fiscal 2016 and Fiscal 2015, respectively.

The debt to equity ratio of our Company as of December 31, 2017 was 0.86 as per the Restated Consolidated Financial Statements. Our strong balance sheet coupled with low level of debt to equity ratio enable us to fund our strategic initiatives and pursue opportunities for growth of our business. Furthermore, we have improved our credit ratings for long term cash credit facilities in the past three Fiscals. According to India Ratings & Research, our Company was rated IND A + with outlook stable for a period of one year from March 9, 2018.

We believe that we have nurtured strong relationships with financial institutions which coupled with our financial strength, in terms of steady cash flows and consistent revenue growth, has enabled us to explore options of issuing bonds or other infrastructure sector specific debt instrument which helps us to achieve timely financial closure for our projects. For instance, we issued non-convertible debentures to various institutions on a private placement basis in 2017, which are listed on BSE Limited.

Experienced and Professional Management team with end to end execution capabilities

Our Company has qualified, experienced, and dedicated management team and a skilled workforce with significant experience in the industry and execution capabilities. The management is responsible for the growth in our business operations. In particular, one of the Promoters and Chairman and Managing Director, Kanubhai Mafatlal Patel, has over 42 years of experience in the areas of infrastructure including construction, development and operation. He was awarded the Patidar Udyog Ratna at Sardardham Global Patidar Business Summit 2018 in 2018 and Bharat Udyog Ratan by All India Business Development Association in 2015. Additionally, we benefit from the expertise of our Whole Time Directors, Suhas Vasant Joshi and Nareshkumar Pranshankar Suthar, who have over 32 years of experience in the areas of construction, operation, management and procurement of building and factories, bridge, build-operate-transfer, urban infrastructure, power plants etc and over 28 years of experience in the areas of infrastructure projects, respectively. Furthermore, diversification of our Company's business has been facilitated by the expertise of the Promoters and Joint Managing Directors, Brijesh Kanubhai Patel and Mrunal Kanubhai Patel, who have played significant role in our growth. For further details of the roles and experience of the Board and the Key Managerial Personnel, see the section "*Management*", beginning from page 204.

Our Strategies

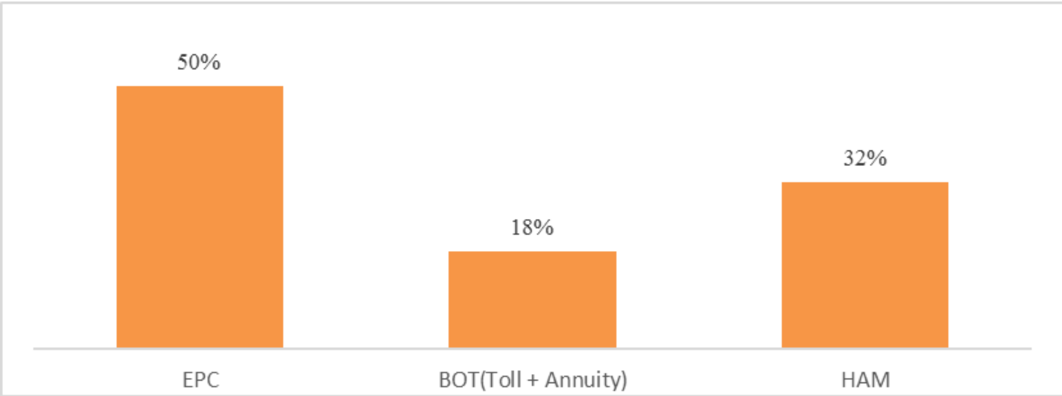
Continued focus on further enhancing execution efficiency and capability in our infrastructure construction and development business

We strive to be leaders in the industry whilst cultivating strong client relationships, dedicated workforce and strong reputation as a top-quality infrastructure construction and development company with the capability to execute projects without project delays or significant cost overruns. As a part of our strategy, we intend to continue to focus on enhancing efficient project execution capabilities by adopting best practices prevalent in the industry and advanced technologies to deliver high quality projects to the satisfaction of our clients. We believe that this continued focus will help us improve our operating margins and simultaneously enhance our reputation amongst our existing as well as new customers. Further, we intend to leverage our existing infrastructure and human capital by utilizing advanced project management tools/software so as to increase productivity and maximize asset utilization on capital intensive projects. Additionally, we will continue to invest in and upgrade our modern construction equipment, manpower resources and information and communication technology infrastructure for our operations in order to improve our ability to execute projects with quality and efficiency. Our growing dependence on the IT infrastructure, applications, and data and other internal processes has caused us to have a vested interest in its reliability and functionality. We intend to strengthen our IT systems and other internal processes to reduce manual intervention and improve reliability and efficiency of our business and operation, for instance our SAP based enterprise resource planning system has assisted us in maximizing our productivity by improving financial visibility of our projects and optimal collaboration among stakeholders involved. Ready access to historical data through our SAP system, enables us to effectively estimate and bid for new projects and to procure materials for them. Furthermore, we intend to continue to optimize our internal management systems to optimize operating margins and reduce overhead costs. We believe that our experience and track record in the infrastructure construction and development business will provide us with significant advantage in our pursuit of opportunities in the industry in which we operate.

Focus on existing verticals and selective expansion into opportunistic areas

We believe that we have developed our qualification for undertaking infrastructure construction projects of a large size in highways, railways and building and factories verticals, we will also strive to develop our capabilities and enhance our qualification for infrastructure construction projects in energy infrastructure and mining vertical. We intend to establish our competency and enhance our skillset in each of the verticals we operate in and to opportunistically execute large projects with higher profit margins. For instance, increasing government focus and investment in highways and railways has enabled us to further develop our business and achieve higher profitability under these verticals. Additionally, we may undertake infrastructure development projects with low risk of revenue across the verticals, in which we operate, as and when the opportunity arises.

As per the CRISIL Report, the share of private investments in HAM is expected to remain low because of execution driven by EPC, where entire investments are through public funds of the concessionaire, and projects undertaken on HAM basis, where 40% of investments are through public funds of the concessionaire. Set forth is a depiction of the expected investment in national highways through different models:



(Source: CRISIL Report)

According to the CRISIL Report, of the total ₹ 4.8 trillion forecasted investment in national highways during the period between Fiscal 2018 and Fiscal 2022, ₹ 1.5 trillion will be through the HAM basis.

We believe that projects on HAM basis are more favorable due to reasons such as low financial burden and project risk on the concessionaire during project-implementation phase and accordingly, we intend to take up more projects on HAM basis in the highways vertical that corresponds to our corporate profile, project experience and execution capabilities. For instance, we are currently undertaking two road projects based on HAM with bid project costs aggregating to ₹ 26,200 million. As part of our business, we will continue bidding for potentially profitable infrastructure construction and development projects across all verticals including highways, railways, building and factories, mining, and energy infrastructure in an opportunistic manner that will ensure maximisation of our returns. Consequently, we may also expand our geographical footprint. However, we are selective when we expand to a new location and typically look to geographies where we may face less competition, get higher profit margins and 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 concentration related risks.

Attract, train and retain skilled personnel

We benefit from our skilled workforce which is responsible for different aspects of the projects being undertaken, including, identification of prospective projects to its execution and completion. As of December 31, 2017, our Company had 3,491 employees on our rolls, of which we had a total of 236 in-house engineers as part of our workforce. We intend to further strengthen our workforce through undertaking comprehensive training in advanced and basic engineering and develop skilled manpower for execution of our projects. In particular, we intend to have additional on-site training for our employees. We intend to strive to further reduce the employee attrition rate and retain more of our skilled workers for our future expansion by providing them with better pay packages and a safe and healthier working environment. With our strong human resource system and processes, we intend to continue to focus on improving health, safety and environment for our employees and provide various programs and benefits for the personal well-being and career development of our employees.

Maintain financial discipline

Maintaining financial discipline has contributed to our financial performance. We intend to continue our practices of strict cost control through (i) ownership and maintenance of modern construction equipment and centralizing procurement of major construction equipment and raw materials; (ii) careful selection of projects; and (iii) cautious expansion into new businesses and new geographical areas. While aiming for higher profitability, we intend to avoid over-leveraging our balance sheet.

Our Business Description

In our projects, we are required to prepare project specific architectural and/or structural designs that adhere to regulatory requirements, procure raw materials and modern construction equipment for the relevant project and effect the actual construction of the project. As part of our projects we undertake the following:

Engineering: Our engineering work normally includes work related to project layout, construction process, control systems and instrumentation, equipment usage planning, civil works, mine planning, designing cost control measures and scheduling.

Procurement: Following the engineering stage, we arrange our modern construction equipment and place orders for the raw materials required for the project through our centralized procurement system. Due to the large size of our orders, we are often able to negotiate bulk discounts on our purchases.

Construction: We commence construction after the engineering and design aspects are finalized and the required equipment and raw materials are purchased or arranged. We mobilize our workforce and construction machinery to the worksite according to the schedule in the contract. Our work also involves construction of different ancillary structures depending on the projects we undertake, for instance we may be required to undertake works relating to embankment, cross drainage, bridge works over rivers railway tracks and canals in the construction of highways.

Our Business operation

As part of our business, we undertake infrastructure construction and development activities across the following verticals:

- Highways;
- Railways;
- Building and Factories;
- Mining;
- Energy infrastructure; and
- Water and Irrigation.

<u>Highways</u>

As part of the highways vertical, we are primarily engaged in the execution of highways and road construction projects and undertake design, widening, strengthening, operation and maintenance of highways, roads, carriageways, culverts, major bridges and road over bridges. We also undertake widening and strengthening of existing carriageways, rehabilitation and upgrading of existing highways and roads, construction of bridges and bypasses As of December 31, 2017, we completed 17 road projects, covering approximately 2,600 lane km of highways and roads, across four states in a timely manner.

Our revenue, as per our Restated Consolidated Financial Statements, from our highways vertical aggregated to ₹ 6,102.56 million, ₹ 7,259.69 million, ₹ 6,520.16 million and ₹ 3,303.53 million for nine months ended December 31, 2017 and Fiscals 2017, 2016 and 2015, respectively.

While we have traditionally focused on providing EPC services in the highways vertical, we have also started undertaking road projects on HAM basis in an opportunistic manner. As of December 31, 2017, our Company had a portfolio of nine ongoing road EPC projects, including EPC agreement for two ongoing HAM road projects awarded to our Subsidiaries and one operational DBFOT (toll) project.

Our completed and ongoing EPC projects in the highways vertical are spread across various states in India, including Madhya Pradesh, Gujarat, Bihar, Rajasthan, Maharashtra, Uttar Pradesh, Karnataka and Odisha. Our Order Book for EPC projects in the highways vertical aggregated to ₹ 37,027.80 million with nine road projects across seven states, accounting for 69.76% of our total Order Book.

The following table sets forth the details of our major EPC highway projects completed as of December 31, 2017:

Project details	**Total Contract Value***	**Start date**	**Completion date**	**Total length in single lane****	**Total length of the road ****	**State**
Construction of intermediate state highway no. 22 from Jabalpur to Amarkantak for MPRDCL	2,095.36	April 9, 2006	December 15, 2008	222.00	444.00	Madhya Pradesh

Project details	Total Contract Value*	Start date	Completion date	Total length in single lane**	Total length of the road **	State
Construction of road with major and minor bridge, cross drainage work between Lakhnadon to Mandla and Mandla to Dindori for MPRDCL	1,592.33	October 24, 2007	December 21, 2009	151.65	303.30	Madhya Pradesh
Construction of roads from Ranchi to Patratu Dam to Ramgarh for JRPICL	5,685.22	December 18, 2009	April 30, 2014	62.39	249.55	Jharkhand
Construction of road with major and minor bridge, cross drainage work between Agar and Jawra (state highway no. 41) for MPRDCL	1,571.20	July 4, 2011	May 25, 2013	108.70	217.40	Madhya Pradesh
Four-laning of Pune to Nasik section of national highway (NH-50) from Pune to Nasik for ITNL	7,307.73	February 7, 2014	September 30, 2017	66.88	266.72	Maharashtra

* *in ₹ million.*

** *In (km) where applicable.*

The following table sets forth the details of our ongoing EPC highway projects as of December 31, 2017:

Project name	Customer	Total Contract Value*	Outstanding order value*#	Scheduled completion date	Total length in single lane**	Total length of the road**	State
Singhara – Binjhabahal^^	NHAI^^	10,820.32^^	10,820.32^^	910th day from appointed date	104.18	416.70	Odisha
Haveri – Hubli^^^	NHAI^^^	10,094.68^^^	10,094.68^^^	February 21, 2020	63.40	380.40	Karnataka
Gorakhpur Bypass	NHAI	5,103.35	4,768.61	May 7, 2019	18.25	73.00	Uttar Pradesh
Fatuah – Harnaut – Barh	MoRTH	5,750.93	3,903.23	August 5, 2019	69.60	139.20	Bihar
Kota – Darah	MoRTH	3,933.18	2,837.52	August 10, 2018	32.95	131.80	Rajasthan
Kanubari – Longding	NHIDCL	3,837.81	2,696.71	November 27, 2018	47.21	94.42	Arunachal Pradesh
Timmapuram – Gurjanpalli	MoRTH	920.90	681.33	January 4, 2019	15.01	30.02	Andhra Pradesh
Barmer – Sanchor	NHAI	3,509.08	952.26	February 12, 2018^	106.30	425.20	Rajasthan
Arisabad-Aurangabad-Hariharganj	MoRTH	3,106.57	273.14	June 30, 2018	154.63	309.26	Bihar
Total		**47,076.82**	**37,027.80**	**-**	**611.57**	**2,000.20**	**-**

* *in ₹ million.*

** *In (km) where applicable.*

\# *calculated after deducting the provisional GST payable by our Company.*

^ *Our Company has requested an extension of time pursuant to the terms of the EPC agreement.*

^^ *This reflects the EPC contract value executed with between our Company and MSBHPL for the HAM project being undertaken by MSBHPL.*

^^^ *This reflects the EPC contract value executed with between our Company and MHHHPL for the HAM project being undertaken by MHHHPL.*

HAM projects

As part of our business under the highways vertical, we also undertake projects on HAM basis, where we build, operate and transfer highways and roads pursuant to concession agreements with our counterparties. Under HAM projects, the risk of toll revenue is on the relevant concessioning authority and the developers get assured cash flows in the form of fixed annuities on a predetermined schedule. Therefore, the risk of income fluctuations, which is inherent in DBFOT projects with a toll component, is eliminated in HAM projects. As of December 31, 2017, through our Subsidiaries, we were undertaking two HAM road projects, with bid project cost aggregating to ₹ 26,200 million.

HAM projects are partly financed by the concessionaire who recovers its investment and costs through payments made by the authority in accordance with the terms and conditions of the concession agreement. For our ongoing road projects on HAM basis, NHAI will fund 40% of the bid project cost which are payable in five equal instalments linked to physical progress or completion of the project. We are required to fund, through debt and equity, the remaining 60% of the bid project cost, which will be paid by the authority in the form of 30 bi-annual annuity payments, after the commercial operational date of the projects. Additionally, our Subsidiaries are entitled to receive two bi-annual payments every year, for a period of 15 years, for operation and maintenance of the projects. Our Subsidiaries are also entitled to receive bonus payments upon early completion of our HAM projects.

Following are the details of our current road projects on HAM basis:

- *Singhara to Binjhabahal road project*: This project involves rehabilitation and upgradation by four-laning of Singhara to Binjhabahal Section of NH-6 (new NH-49) from 311.00 km to 414.00 km in Odisha for which an exclusive right to construct, operate and maintain the project is granted by NHAI. The project was awarded to us on March 29, 2017 and the concession agreement was entered into between our Subsidiary, MSBHPL, and NHAI on July 10, 2017. The bid project cost for the project is ₹ 14,200 million, which is subject to revision from time to time under the concession agreement. The project tenure is for 17.5 years from the appointed date, involving a construction period of 910 days and a subsequent operation and maintenance period of 15 years. The project is being undertaken by our Subsidiary, MSBHPL. The financial closure for the project is complete and we await the appointed date for the project.

- *Hubli to Haveri road project*: This project involves six-laning and strengthening of km 340.00 to km 403.40 of Hubli-Haveri section of NH-48 (old NH-4) in Karnataka under which an exclusive right to construct, operate and maintain the project is granted by NHAI. The project was awarded to us on March 21, 2017 and the concession agreement was entered into between our Subsidiary, MHHHPL, and NHAI on June 5, 2017. The bid project cost for the project is ₹ 12,000 million, which is subject to revision from time to time under the concession agreement. The project tenure is for 17 years from the appointed date, involving a construction period of two years and a subsequent operation and maintenance period of 15 years. The appointed date for this project was February 22, 2018, and accordingly the construction period for the project has commenced. The scheduled date for completion is 730th day from the appointed date being February 22, 2018.

DBFOT (toll) project

In addition to our two ongoing HAM projects, we also hold 23% of the equity share capital in an Associate company undertaking Bijapur Hungud Toll Project on DBFOT (toll) basis. The project involved augmentation of the existing road from km 102.00 to km 202.00 (approximately 97.22 km) by four-laning of Bijapur-Hungud section on NH-13 in Karnataka on DBFOT toll basis. The project was awarded by NHAI for a concession period of 20 years, involving 2.5 years of construction period and 17.5 period for toll collections, and operation and management of the toll project. The total project cost was ₹ 12,571 million. The project became operational in April 9, 2012 and our Associate company BHTPL, in which we hold 23% of the equity share capital, is entitled to collect tolls over the concession period of 17.5 years.

<u>Railways</u>

We entered the railway vertical in Fiscal 2015. As part of our business under this vertical, we undertake activities such as track laying, gauge conversion, electrical signaling and communication works and construction of railway stations and bridges. Our revenue, as per our Restated Consolidated Financial Statements, from our railways vertical aggregated to ₹ 1,526.85 million, ₹ 2,520.67 million, ₹ 1,816.77 million and ₹ 505.19 million, for nine months ended December 31, 2017 and Fiscals 2017, 2016 and 2015, respectively.

As of December 31, 2017, our Order Book consists of four railways infrastructure construction and development projects across Gujarat and Andhra Pradesh, aggregated to ₹ 4,573.77 million and accounted for 8.62% of our total Order Book. The following table sets forth the details of our ongoing railways infrastructure and development projects as of December 31, 2017:

Project name	Customer	Total Contract Value*	Outstanding order value*#	Scheduled completion date	State

Project name	Customer	Total Contract Value*	Outstanding order value*#	Scheduled completion date	State
Kothgangad to Botad Gauge Conversion, Package -2	RVNL	3,675.72	2,742.28	October 11, 2019	Gujarat
Kidiyanagar and Chhansara, Package-3	RVNL	2,369.26	1,831.49	June 6, 2020	Gujarat
Railway Civil Work, Package - 2, Nellore	RVNL	2,015.40	-	March 31, 2018^	Andhra Pradesh
Railway Civil Work, Package -1, Nellore	RVNL	2,386.46	-	January 14, 2018^	Andhra Pradesh
Total		**10,446.84**	**4,573.77**	-	-

* *in ₹ million.*

\# *calculated after deducting the provisional GST payable by our Company.*

^ *Our Company has requested an extension of time pursuant to the terms of the EPC agreement.*

Building and Factories

We entered the building and factories vertical in Fiscal 2014. As part of our business under this vertical, we undertake construction of commercial complex, district court, housing projects, townships, IT parks, hotels, shopping malls, hospitals and infrastructure and ancillary construction works for industrial buildings. We believe that the business in this vertical has been promising and our clients include government and private entities. The recent trend in the building and factories vertical has provided us with an opportunity to further develop our presence in this vertical.

Our revenue, as per our Restated Consolidated Financial Statements, from buildings and factories vertical aggregated to ₹ 2,584.02 million, ₹ 4,361.82 million, ₹ 3,489.17 million and ₹ 578.27 million for the nine months ended December 31, 2017 and Fiscals 2017, 2016 and 2015, respectively.

As of December 31, 2017, we completed seven buildings and factories projects and our Order Book for buildings and factories projects aggregated to ₹ 5,186.50 million with 10 projects across five states and one union territory, accounting for 9.77% of our Order Book. Our Order Book for the building and factories vertical contains contract with private sector clients and government entities. The following table sets forth the details of our major buildings and factories projects completed as of December 31, 2017:

Project details	Total Contract Value*	Start date	Completion date	State
Civil structural works of club house, EWS, blocks 5 and 6 and finishing works for certain other blocks at Kasauli for Princeton Infrastructure Private Limited	260.35	September 1, 2014	September 5, 2017	Himachal Pradesh
Infrastructure developments work for industrial park at Vidisha for Madhya Pradesh Audyogik Kendra Vikas Nigam Limited	211.63	February 16, 2014	March 27, 2016	Madhya Pradesh
Civil structural works at Badwai IT park at Bhopal for Madhya Pradesh Housing and Infrastructure Development Board	199.01	March 3, 2014	December 31, 2016	Madhya Pradesh
Construction of power plant and undertaking other ancillary civil works for Sasan Power Limited	442.03	March 1, 2015	March 25, 2017	Madhya Pradesh

* *in ₹ million.*

The following table sets forth the details of our ongoing building and factories infrastructure and development projects as of December 31, 2017:

Project name	Customer	Total Contract Value*	Outstanding order value*#	Scheduled completion date	State/union territory
BCCL Township	BCCL	3,582.60	1,671.30	May 24, 2018	Jharkhand
Construction of EWS, LIG and MIG Houses PMAY, Sagar	UADD	1,052.03	942.26	July 23, 2018	Madhya Pradesh
Construction of EWS, LIG and MIG Houses (PMAY),	UADD	766.43	766.43	October 26, 2018	Madhya Pradesh

Project name	Customer	Total Contract Value*	Outstanding order value*#	Scheduled completion date	State/union territory
Seoni					
NTPC Barh Super Thermal Power Project Township	NTPC limited	411.51	411.51	March 15, 2019	Uttar Pradesh
Regal Emporia, Noida	Regal Emporia Infratech Private Limited	970.02	585.90	April 5, 2019	Uttar Pradesh
Jabalpur District Court Phase- I	PWD, Government of Madhya Pradesh	1,765.90	272.39	March 30, 2018^	Madhya Pradesh
Sintex Corporate House	Sintex Industries Limited	307.65	153.10	May 31, 2018	Gujarat
Dwelling Units, Port Blair	DGMAP	4,392.91	242.00	May 15, 2018	Andaman and Nicobar Islands
TATA Value Home, Bahadurgarh	Tata housing	546.46	86.99	September19, 2018	Haryana
TATA Primanti, Gurgaon	Tata housing	493.02	54.62	March 31, 2018^	Haryana
Total		**14,288.53**	**5,186.50**	**-**	**-**

* *in ₹ million.*

\# *calculated after deducting the provisional GST payable by our Company.*

^ *Our Company has requested an extension of time pursuant to the terms of the EPC agreement.*

Mining

We actively entered the mining vertical in Fiscal 2011. As part of our business in this vertical, we specialize in blast-hole drilling, removal of overburden, removal of inter-burden and excavation of coal and lignite.

Our revenue, as per our Restated Consolidated Financial Statements, from mining vertical aggregated to ₹ 2,049.05 million, ₹ 2,896.59 million, ₹ 3,066.80 million and ₹ 3,341.57 million for nine months ended December 31, 2017 and Fiscals 2017, 2016 and 2015, respectively. While we have been traditionally focused on providing EPC services in the mining vertical, opportunistically we also undertake mining projects on MDO basis.

As of December 31, 2017, our Order Book for mining projects on EPC basis aggregated to ₹ 4,001.02 million, with four projects in hand across three states, accounting for 7.54% of our Order Book. As of December 31, 2017, we completed three mining infrastructure projects on an EPC basis with an excavation of approximately 4.03 million tonnes of coal. The following table sets forth the details of our major mining projects on EPC basis completed as of December 31, 2017:

Project details	Total Contract Value*	Appointed date	Completion date	State
Removal of approximately 46.29 million BCM overburden at Bina extension OCP of Northern Coal	2,983.80	January 14, 2011	September 25, 2014	Madhya Pradesh
Removal of approximately 25 million cubic meters of overburden and excavation of approximately 4.03 million tonnes coal in Juna Kunada open cast mine at Manjri for Western Coalfields Limited	1,296.29	February 1, 2012	March 2, 2016	Maharashtra

* *in ₹ million.*

The following table sets forth the details of our ongoing mining EPC projects as of December 31, 2017:

Project Name	Customer	Total Contract Value*	Outstanding order value*#	Scheduled completion date	State
Mata no Madh mining project	GMDCL	6,689.51	2,526.40	January 27, 2019	Gujarat
Khadia OCP mining project	Northern Coal	4,305.20	712.86	June 2, 2018	Uttar Pradesh
Krishnashila OCP mining project	Northern Coal	3,067.18	219.41	May 9, 2018^	Uttar Pradesh
Barmer mining project	Rajasthan State Mines and Minerals Limited	1,322.99	542.35	August 29, 2018	Rajasthan
Total		**15,384.88**	**4,001.02**	-	-

* *in ₹ million.*

\# *calculated after deducting the provisional GST payable by our Company.*

^ *This project is nearing completion and our Company will raise the final bill in terms of the EPC agreement.*

MDO project

While we have been traditionally focussed on undertaking mining infrastructure projects on EPC basis, we also undertake MDO activities for mining project. Our Barjora (North) Coal Mine Project involves development, operation and maintenance on MDO basis of a three MT per annum open cast coal mine situated in Bankura district of West Bengal. The project will be undertaken by MBMPL, which is required to excavate and deliver approximately 56 MT of coal, over a period of 19 years in accordance with the annual production programme, to WBPDCL at the base mining rate of ₹ 742 per tonne which is subject to revision every quarter in the manner stipulated under the agreement. The coal mining agreement was executed on October 17, 2016, however, the project is not operational as of the date of this DRHP due to delays on behalf of the WBPDCL in procuring the requisite environmental approvals. Additionally, subsequent to the MDO Agreement, our Company has received a letter of award from MBMPL to undertake the EPC work of this mining project undertaken on MDO basis in West Bengal, pursuant to revised mine plan for seven years, amounting to ₹ 8,577.50 million.

<u>*Energy infrastructure*</u>

We entered the energy infrastructure vertical in Fiscal 2011. As part of our business in this vertical, we undertake design, installing, laying, testing and commissioning of electricity transmission lines, electricity distribution lines and electricity sub-stations, respectively. As of December 31, 2017, we completed 11 energy infrastructure construction and development projects in a timely manner.

Our revenue, as per our Restated Consolidated Financial Statements, from energy infrastructure construction and development projects aggregated to ₹ 512.27 million, ₹ 1,877.07 million, ₹ 379.04 million and ₹ 1,297.10 million for nine months ended December 31, 2017 and Fiscals 2017, 2016 and 2015, respectively.

As of December 31, 2017, our Order Book for energy infrastructure construction and development projects aggregated to ₹ 462.83 million with two projects in hand, accounting for 0.87% of our Order Book. The following table sets forth the details of our major energy infrastructure construction and development projects completed as of December 31, 2017:

Project details	Total Contract Value*	Appointed date	Completion date	State
Supply, installation , test and commission of 11 KV ring mains unit, package sub-stations, 11 KV high tension cables and low tension cables for underground power distribution network in the area of Bol, Gujarat Industrial Development Corporation park at Bavla for Uttar Gujarat Vij Company Limited	454.89	September 27, 2013	August 31, 2015	Gujarat
Supply of materials, undertaking survey, installation, test, commissioning and maintenance for five years of 33/11KV power distribution sub stations, feeders and lines in towns of Satna and Maihar for MPPKVVCL	458.37	April 6, 2011	August 12, 2015	Madhya Pradesh
Supply of materials, undertaking survey, installation, test, commissioning and maintenance for five years of 33/11KV power distribution sub stations, feeders and lines in Bhopal for MPMKVVCL	2,147.01	March 14, 2011	March 31, 2015	Madhya Pradesh
Supply of materials, undertaking survey, installation, test, commissioning and maintenance for five years power distribution sub stations, feeders and lines in Gwalior for MPMKVVCL	1,882.34	March 14, 2011	December 31, 2014	Madhya Pradesh
Construction of two 220/132/33KV pooling stations on turnkey basis, covering design, engineering, supply of material, equipment and successful erection, testing and commissioning of such pooling stations and associated civil works in Bikaner and handholding of each pooling station for 12 months for Rajasthan Solarpark Development Company Limited	943.04	September 15, 2015	March 1, 2017	Rajasthan

* *in ₹ million.*

The following table sets forth the details of our ongoing energy infrastructure construction and development projects as of December 31, 2017:

Project details	Customer	Total Contract Value*	Outstanding order value*#	Scheduled completion Date	State
Construction and installation of 400 KV transmission lines between Barmer and Bhinmal	RRVPNL	909.75	374.89	July 29, 2018	Rajasthan
Construction and installation of 220 KV transmission lines between Allahabad – Azamgadh	UPTCL	1047.34	87.94	April 20, 2018^	Uttar Pradesh
Total		**1,957.09**	**462.83**	-	-

* *in ₹ million.*

\# *calculated after deducting the provisional GST payable by our Company.*

^ *Our Company has requested an extension of time pursuant to the terms of the EPC agreement.*

Water and Irrigation

Our Company has more than two decades of experience in construction and development of water and irrigation projects. We undertook our first water and irrigation project in Fiscal 1996. Under the water and irrigation vertical, we undertake construction of, canals, water supply projects and sewage drainage pipelines. Since inception, our Company has successfully completed various main and branch canal projects under this vertical for SSNNL and Madhya Pradesh NVDA.

Our revenue, as per our Restated Consolidated Financial Statements, from the water and irrigation vertical aggregated to ₹ 372.77 million, ₹ 862.39 million, ₹ 1,555.07 million, and ₹ 1,074.03 million for the nine months ended December 31, 2017 and Fiscals 2017, 2016 and 2015, respectively. As of December 31, 2017, our Order Book for water and irrigation construction projects aggregated to ₹ 1,826.86 million, accounting for 3.44% of our total Order Book.

As of December 31, 2017, we completed 28 water and irrigation projects of which majority have been completed in a timely manner. As of December 31, 2017, we had two water and irrigation projects under construction across two states. The following table sets out details of our major water and irrigation infrastructure construction and development projects completed as of December 31, 2017:

Project details	Total Contract Value*	Appointed date	Completion date	State
Construction of Nagod (Satna) branch canal and distribution system for NVDA	2,215.70	February 27, 2009	July 30, 2015	Madhya Pradesh
Construction of Satna (Rewa) main canal for NVDA	1,866.40	February 27, 2009	July 30, 2015	Madhya Pradesh
Construction of hydraulic structure of canal near Barna for NVDA	823.67	August 8, 2013	December 7, 2016	Madhya Pradesh
Construction of Kachch branch canal project (package IR-9) for SSNNL	463.85	August 26, 2014	August 31, 2016	Gujarat

* *in ₹ million.*

** *In (km) where applicable.*

The following table sets out details of our ongoing water and irrigation infrastructure construction and development projects as of December 31, 2017:

Project name	Customer	Total Contract Value*	Outstanding order value*#	Scheduled completion date	State
Sewer System, Package - 2, Bhadra and Suratgarh	RUIFDCO	2,128.15	1,689.26	August 24, 2017^	Rajasthan
Pawai Canal Project	Water resource Department, Government of Madhya Pradesh	725.58	137.60	June 30, 2018	Madhya Pradesh
Total		**2,853.73**	**1,826.86**	-	-

* *in ₹ million.*

\# *calculated after deducting the provisional GST payable by our Company.*

^ *Our Company has received an extension of time pursuant to the terms of the EPC agreement till April 9, 2018 and June 30, 2018 Suratgarh and Bhadra, respectively. Additionally, our Company has applied for an additional extension of time for Suratgarh pursuant to the terms of the EPC agreement.*

Subsidiaries, Associates and Joint Ventures

Subsidiaries

On August 18, 2016, we incorporated a wholly owned Subsidiary namely, MPIL. Further, MBMPL, MHHPL and MSBHPL became our step down subsidiaries through MPIL on August 19, 2016, April 5, 2017 and April 7, 2017, respectively.

Associates

We have one Associate company namely, BHTPL, in which we currently hold 23% of the equity share capital. BHTPL was incorporated on February 22, 2010 to undertake design, develop, construction, commission, operation and maintenance the four lane road on Bijapur-Hungund section of NH-13 from km 102.00 to km 202.00 in Karnataka under NHDP Phase-III on DBFOT (toll) basis. Our Associate is currently the operator of the road project and therefore, is entitled to levy, demand and collect toll fee from vehicles and persons using the said road or any part thereof till September 2030.

Joint Ventures

Our net worth and track record qualify us to bid for a large number of the projects in India. To bid for certain higher value contracts, at times we seek to form Joint Ventures, mainly as AoPs, with other experienced and qualified companies. We enter into a memorandum of understanding with other companies to meet technical requirements that may be required as part of the qualification for bidding or execution of the contract. As on this Draft Red Herring Prospectus, we have 14 Joint Ventures which are constituted as AoPs and details of such Joint Ventures are set forth:

Sr. No.	Name of Joint Venture (AoP)	Name of partners	Percentage of holding (in %)
1	MCL-KSIPL (JV)	Montecarlo Limited	90.00
		Kunal Structure (India) Private Limited	10.00
2	MCL-ITL Odisha (JV)	Montecarlo Limited	95.00
		Iron Triangle Limited	5.00
3	MCL-Premo-Alcon (JV)	Montecarlo Limited	72.00
		Premco Rail Engineers Limited	20.00
		Alcon Builders and Engineers Limited	8.00
4	MCL-KSIPL Dhanbad (JV)	Montecarlo Limited	90.00
		Kunal Structure (India) Private Limited	10.00
5	VPRPL-MCL (JV)	Montecarlo Limited	40.00
		Vishnu Prakash R. Punglia Limited	60.00
6	MCL-LAXYO-VNR (JV)	Montecarlo Limited	78.00
		Laxyo Energy Limited	8.00
		VNR Infrastructure Limited	14.00
7	MCL-BEL Bihar (JV)	Montecarlo Limited	90.00
		Iron Triangle Limited	10.00
8	MCL-JBPL Rajasthan (JV)	Montecarlo Limited	60.00
		Jyoti Buildtech Private Limited	40.00
9	Montecarlo-JPCPL (JV)	Montecarlo Limited	95.00
		Jyoti Power Corporation Private Limited	5.00
10	Montecarlo-Laxyo-Technocom (JV)	Montecarlo Limited	84.00
		Laxyo Energy Limited	8.00
		M/s. Technocom	8.00
11	MCL-KSIPL Gurajanpalli (JV)	Montecarlo Limited	51.00
		Kunal Structure (India) Private Limited	49.00
12	MCL-BEL Gorakhpur (JV)	Montecarlo Limited	90.00
		Iron Triangle Limited	10.00
13	MCL-SIIPL (JV)	Montecarlo Limited	51.00
		Shreeji Infrastructure India Private Limited	49.00
14	MCL-BECPL MP (JV)	Montecarlo Limited	60.00
		Bhavna Engineering Company Private Limited	40.00

Though we had undertaken two project through Joint Ventures in the past, we were undertaking nine projects through our Joint Ventures, as of December 31, 2017. The following table sets forth details of ongoing projects undertaken by our Company through Joint Ventures as of December 31, 2017:

Sr. No.	Project name	Name of Joint Venture	Total Contract Value*	Outstanding order value*#
	Highways			
1.	Fatuah - Harnaut – Barh	MCL-BEL Bihar (JV)	5,750.93	3,903.23
2.	Gorakhpur Bypass	MCL-BEL Gorakhpur (JV)	5,103.35	4,768.61
3.	Timmapuram – Gurjanpalli	MCL-KSIPL Gurajanpalli (JV)	920.90	681.33
	Railways			
4.	Kothgangad to Botad Gauge Conversion, Package – 2	MCL-Laxyo-VNR (JV)	3,675.72	2,742.28
5.	Kidiyanagar and Chhansara, Package - 3	Montecarlo-Laxyo-Technocom (JV)	2,369.26	1,831.49
	Building and factories			
6.	Dwelling Units, Port Blair	MCL-KSIPL (JV)	4,392.91	242.00
7.	BCCL Township	MCL-KSIPL Dhanbad (JV)	3,582.60	1,671.30
	Energy infrastructure			
8.	400 KV transmission lines between Barmer and Bhinmal	Montecarlo-JPCPL (JV)	909.75	374.89
	Water and irrigation			
9.	Sewer System, Package - 2, Bhadra and Suratgarh (Rajasthan)	MCL-JBPL Rajasthan (JV)	2,128.15	1,689.26
	Total		**28,833.57**	**17,904.39**

* *in ₹ million.*

\# *calculated after deducting the provisional GST payable by our Company.*

Order Book description

"Order Book" as of any particular date represents the Total Contract Value of all Existing Contracts of our Company as reduced by revenue billed by our Company for works certified with respect to such Existing Contracts. "Total Contract Value" as of any particular date means the entire value of a project being undertaken by our Company which is the contractually agreed value as adjusted by price escalation and other claims/or variations, in the contract works which have been accepted by the client and for projects undertaken by way of Joint Venture, value of work awarded to our Company for such project "Existing Contracts" as of any particular date means EPC work orders, letter of awards or contracts for ongoing and new projects awarded to/entered into by our Company or its Joint Ventures.

Our total Order Book was ₹ 53,078.78 million as of December 31, 2017, and only indicates the outstanding value of work under the relevant contracts existing as of that particular date and should not be misconstrued to include value of works awarded to our Company subsequent to December 31, 2017. Furthermore, our Order Book as of December 31, 2017, includes a portion which has already been realized as revenue by our Company subsequent to December 31, 2017 but remains unquantified as on date of this Draft Red Herring Prospectus. Our order book is not audited and does not necessarily indicate our future earnings. We may not be able to achieve our expected margins or may even suffer losses on one or more of these contracts. For further information, see "*Risk Factors – Our Order Book may not be representative of our possible future results as projects included in our Order Book and our future projects may be cancelled, modified or delayed for reasons which may be considered to be beyond our control and such cancellation, modification or delay may materially and adversely affect our business, future prospects, reputation, financial condition and results of operation.*" on page 16.

The following table sets forth the breakdown of our Order Book as of December 31, 2017 by kind of clients or ownership:

Client types	Number of contracts	Total Contract Value*	Outstanding order value*#	% of total outstanding order value
Government				
NHAI	4	29,527.42	26,635.87	50.18
MoRTH	4	13,711.59	7,695.22	14.50
RVNL	4	10,446.84	4,573.77	8.62
Northern Coal	2	7,372.38	932.27	1.76
UADD	2	1,818.46	1708.69	3.21
Others	11	26,814.05	10,652.35	20.07
Subtotal (A)	**27**	**89,690.74**	**52,198.17**	**98.34**
Private				
Tata housing	2	1,039.48	141.61	0.27
Sintex Industries Limited	1	307.65	153.10	0.29
Regal Emporia Infratech Private	1	970.02	585.90	1.10

Client types	Number of contracts	Total Contract Value*	Outstanding order value*#	% of total outstanding order value
Limited				
Subtotal (B)	**4**	**2,317.15**	**880.61**	**1.66**
Total (A + B)	**31**	**92,007.89**	**53,078.78**	**100.00**

* *in ₹ million.*

\# *calculated after deducting the provisional GST payable by our Company.*

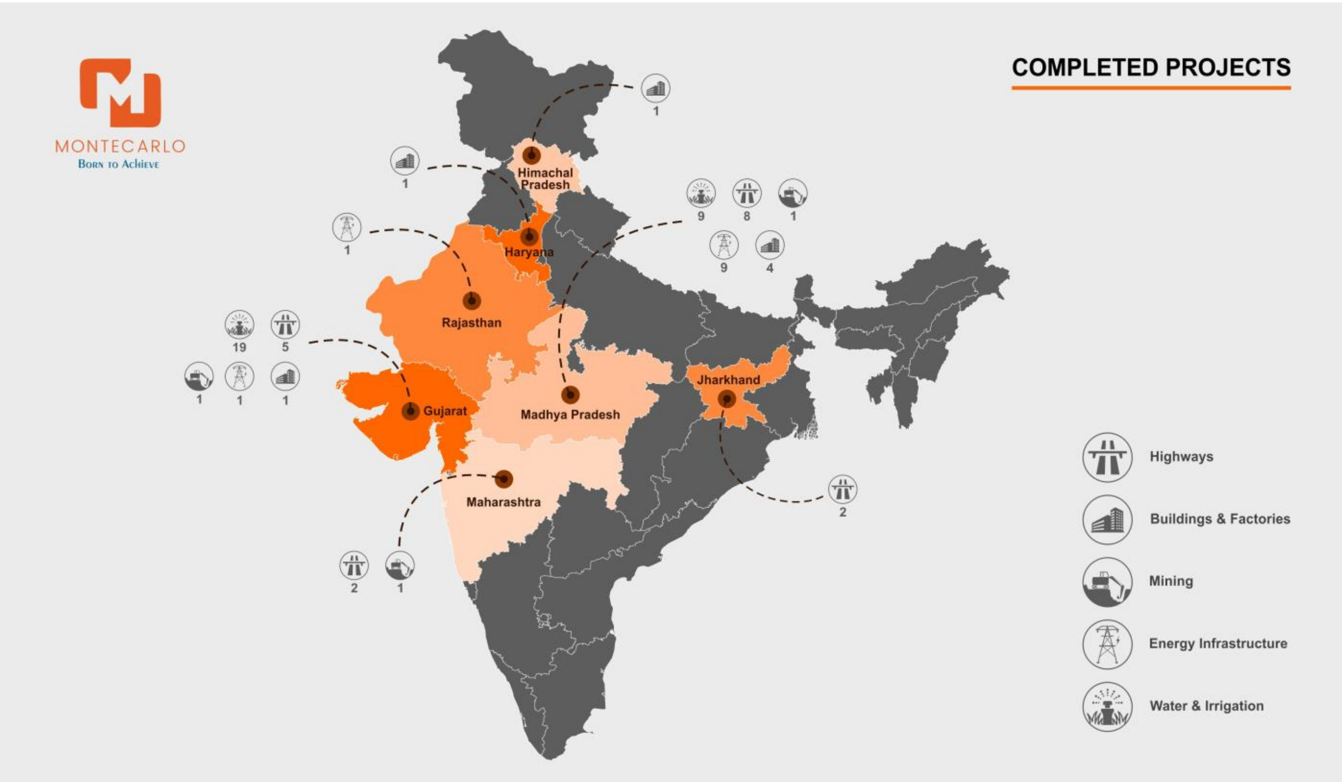
The share of government undertakings in our client base has increased over the years on account of our growing capability to undertake more complex projects and strengthened relationships with government entities. Orders from government undertakings accounted for 85.32%, 87.33%, 93.71%, 97.25% and 98.34% of our Order Book as of Fiscals 2014, 2015, 2016 and 2017 and nine months ended December 31, 2017, respectively.

Orders received subsequent to December 31, 2017:

Subsequent to December 31, 2017, we have received letter of awards for 11 new infrastructure construction and development projects, aggregating to ₹ 46,622.78 million, spanning across eight states. Under the highways vertical, our Company received letters of award for five EPC projects, aggregating to ₹ 23,725.46 million in terms of the value stipulated as part of the respective letters of award, in the states of Odisha, Madhya Pradesh and Maharashtra. Additionally, under the railways vertical, our Company through one of its joint ventures received the letter of award for one railways infrastructure construction and development projects, amounting to ₹ 8,306.00 million, in the state of Andhra Pradesh. Further, under the building and factories vertical, our Company received the letter of award for two infrastructure construction and development projects, amounting to ₹ 1,624.43 million, in the states of Karnataka and Chhattisgarh. Furthermore, under the energy infrastructure vertical, our Company received the letter of award for two energy infrastructure construction and development projects, aggregating to ₹ 4,389.39 million, in the state of Bihar. As part of our mining vertical, our Company received the letter of award for one mining infrastructure construction and development projects, aggregating to ₹ 8,577.50 million, in the state of West Bengal.

Our Geographical Footprint

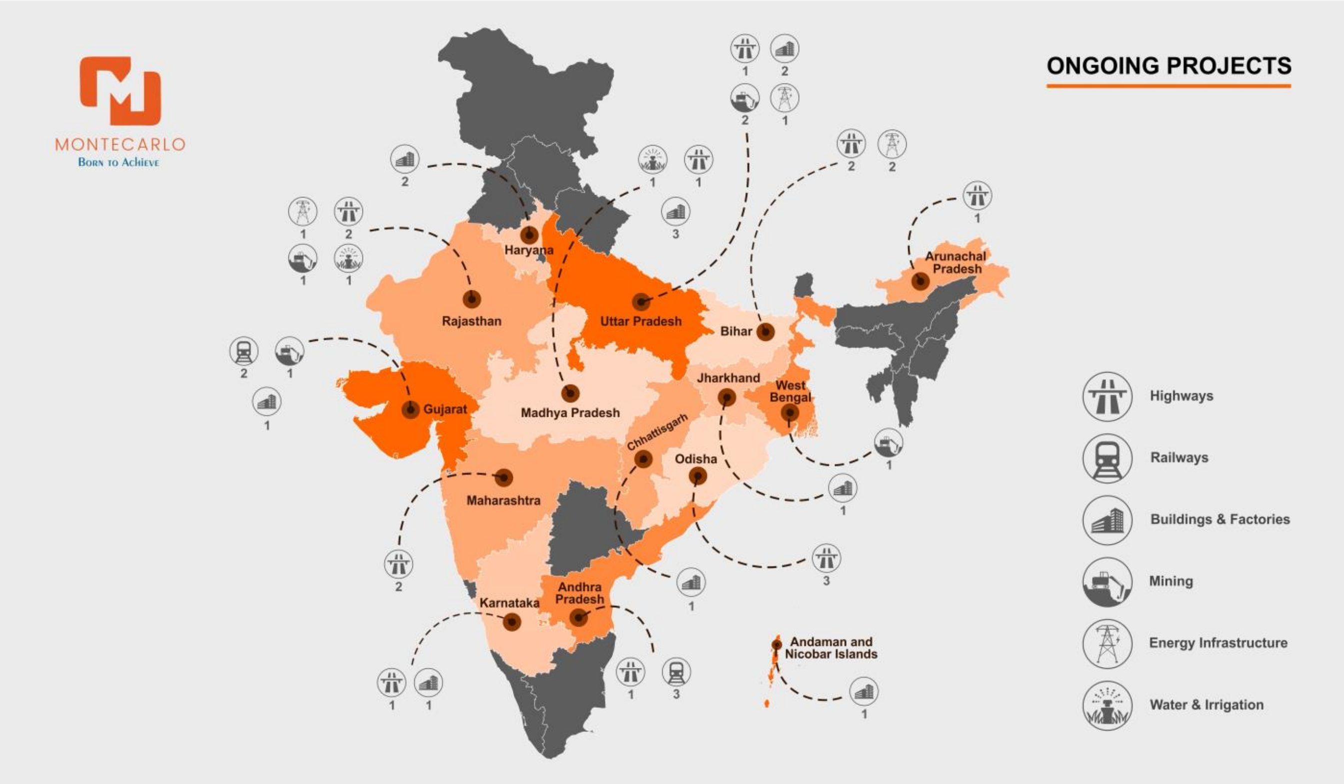
We started our operations in Gujarat and have gradually expanded in other states including Rajasthan, Uttar Pradesh, Bihar, Gujarat, Madhya Pradesh, Jharkhand, Odisha, Maharashtra and West Bengal. Of 66 infrastructure construction and development projects completed by us, 32 projects were situated in Madhya Pradesh and 27 projects were situated in Gujarat. Set forth is the illustration of our geographical footprint of our completed projects as of December 31, 2017:



Our business has actively diversified in Fiscals 2014, 2015 and 2016 as a result of growth of our road construction business, increasing government support in the infrastructure sector and rising opportunities in the railways, mining and building and factories vertical. We have further expanded our business and are currently undertaking two HAM road projects and one mining project on MDO basis. Geographical diversification of our projects has allowed us to capitalize on different growth trends in the different states and broaden our revenue base and reduced risks of volatility of market conditions and price fluctuations which may result from concentrating our operations in any geographical region in India.

As of December 31, 2017, we were undertaking 31 infrastructure construction and development projects spread across 11 states and one union territory in India. Our Order Book consists of orders from outside Gujarat and Madhya Pradesh, represent approximately 82.34% of our Order Book as of December 31, 2017. We believe our geographically diversified portfolio gives us significant leverage to hedge against risks in specific areas or projects and protects us from fluctuations resulting from business concentration in limited geographical areas. We expect to continue to diversify across various states and union territories as part of our growth strategy.

Set forth is the illustration of our geographical footprint of projects forming part of our Order Book and new projects awarded to us subsequent to December 31, 2017:



Business Development

We enter into contracts primarily through a competitive bidding process, which often requires qualification in terms of technical capacity and financial strength. Detailed project planning is undertaken to estimate resources, cost of completion and profitability. Once all of these items are determined and after final negotiations, an infrastructure construction and development contract is signed with the client.

We have a business development process that helps us focus on selecting the right projects. Qualification is the maximum contract value for which our company is qualified, should it choose to bid which is determined based on its technical capacity and financial strength. The qualifications are adjusted every year in tandem with our business growth, profile and reputation. In case we do not possess the qualification to take up certain projects independently and the project allows association of more than one company to participate and bid for the project, then we can form Joint Ventures and bid for the project by polling in their resources. Significant increases in qualifications have helped us increase our target market size and will help us maintain growth momentum of our Order Book growth.

We submitted more new bids during each of Fiscals 2016, 2017 and 2018 than in Fiscal 2015. We are striving to improve our bid-win ratio as we are now bidding for larger EPC projects and HAM projects awarded by government agencies, which usually attract more national competition than for smaller projects with private sector clients.

Tendering and awarding of contract: If we qualify independently or through Joint Ventures we bid for the contract by submitting a technical bid and financial bid. The bidder is also required to furnish a bid security along with the bid application. On being selected as a successful bidder, the bid security is replaced with the performance guarantee.

Project Life Cycle:

The various stages involved in project management are detailed below: -

Phase I - Awarding the contract:

- Expression of interest - called for by the project owner;
- Request for qualification;
- Invitation to tender / request for proposal;
- Obtain document- purchase of tender document;
- Site visit and pre-bid queries;
- Post -qualification / technical documentation and financial bid;
- Submission of the tender along with earnest money deposit;
- Award of the contract to the lowest bidder and issue of letter of intent; and
- Signing of the contract along with submission of performance securities and refund of earnest money deposit.

Phase II - Execution of the project:

- Prepare the project cost and analysis for execution, detailed execution plan, detailed resource plan and expenditure plan;
- Kick-off meetings;
- Mobilization of resources;
- Purchase of materials required in the project;
- Execution of the project as per execution plan; and
- Raising monthly (as per tender condition) interim payment certificates

Phase III - Project Closure:

- Implement all project completion activities to the satisfaction of the client;
- Raising of final bill;
- Taking substantial completion certificate;
- Taking handing over certificate;
- Implementing defect liability / operation and management period, if there is any; and
- Receive the final retention money after defect liability period.

Quality Management

We are an ISO 9001:2008 (QMS), ISO 14001:2004 (EMS), OHSAS 18001:2007 (OHSAS) certified company for design, construction and project management of civil engineering, mining infrastructure, power transmission and distribution and other infrastructure development work. We motivate our employees to constantly improve quality standards, undertake innovative engineering and quality execution of projects in order to develop strong relationship with our clients and community. Our quality management system is developed with the focus on the following objectives:

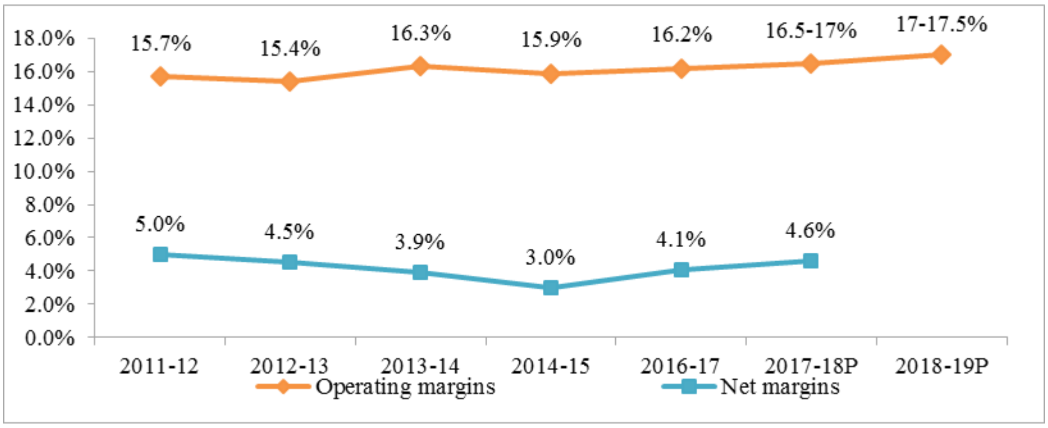
- cost efficient and timely delivery of quality services and products;

- development of healthy and safe work atmosphere;
- effective utilization of resource; and
- constant training of the employees.

Competition

We operate in a competitive atmosphere. We compete against various domestic engineering, construction and infrastructure companies. 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.

According to the CRISIL Report, profitability of construction companies remained under pressure in past few years, despite benign raw material costs and faster project execution, aided by government's policy push in roads sectors, is likely to reduce overhead costs and stabilise working capital requirements. According to the CRISIL Report, the aforementioned developments may be positive for profitability, overhang of legacy projects will limit the rise in operating margins, which remained more or less stable in Fiscal 2017, and are expected to increase gradually in fiscal 2018, on account of improved execution. Set forth is a description of the recovery in profit margins in fiscal 2018:



Note: Standalone data for 65 companies

E: Estimated, P: Projected

(Source: CRISIL Report)

While service quality, technical ability, performance record, experience, health and safety records and the availability of skilled personnel are key factors in client decisions among competitors, price often is the deciding factor in most tender awards. Certain of our competitors may have larger financial resources or access to lower cost funds, or may have stronger engineering or technical capabilities in executing complex projects, or projects with certain specifications or in certain geographies. They may also benefit from greater economies of scale and operating efficiencies. Further, the premium placed on having experience may cause some of the new entrants to accept lower margins in order to be awarded a contract. The nature of the bidding process may cause us to accept lower margins in order to be awarded the contract. In certain instances, certain competitors may choose to under-bid, which may adversely impact our market share, margins, revenues and financial condition.

Major Events

For major events and milestones achieved by our Company, see "*History and Certain Corporate Matters - Major Events and Milestones of our Company*" on page 197.

Infrastructure Facilities

We have invested in a large fleet of modern construction equipment including crushers, hot mix plant, pavers, excavators, dumpers, dozers and cranes consisting of 1,241 modern construction equipment, we are able to dispatch our modern construction equipment to worksites where they can be utilized at an efficient level without delay. With high control and availability of our modern construction equipment, we can take measures to use and maintain our fleet of modern construction equipment to improve our efficiency and profitability and decide the usage of our modern construction equipment pursuant to the needs of our projects.

We undertake procurement of major raw materials and engineering items including cement, steel, construction chemicals, bitumen, highway and runway lighting, steel girders through a centralized system. We procure materials in bulk which has brought in economies in production as well as developed our relationship with vendors. Our project sites have procurement managers who understand and oversee the local material requirement and report the same to specific project managers, thereby ensuring a personalized understanding of material requirement from a project to project basis. We have also entered into memorandum of understanding with certain of our suppliers for major materials like oil and bitumen which we believe has been commercially viable for us while also ensuring timely availability of materials due to long term relationships with our suppliers.

IT at our project sites allow accessibility and communication among on-site project managers and each site office. Management information systems help us plan and monitor progress of project execution in terms of time, cost, quality parameters, efficiency, utilization and deployment of modern construction equipment and manpower resources across locations. Further, we have installed and implemented a SAP system which enables us to enhance our budgeting and estimation process for our projects, effectively monitor our operations at our project sites and track raw materials and components supplied to us. Our SAP system ensures real-time information delivery, reduces risk of leakage and enhances transparency. Furthermore, our Wenco mining system enables us to maximize our efficiency for our mine projects and Hectronic diesel consumption system ensures optimum utilization of fuel used at various project sites.

Health, Safety, Environment and Social Responsibility

We strive to create and maintain a healthy and safe working environment for our employees. We are an ISO 14001:2004 (EMS) and OHSAS 18001:2007 (OHSAS) certified company.

- *Safety and health*: Through strict enforcement of our code of conduct for safety and security, we promote our employee's safety awareness. We provide special programs and training to our project related staff workers and make fire safety demonstrations at our work sites to show how to properly handle fire extinguishers. We provide our employees with safety precautions such as safety jacket, belt, and helmet when they work in construction zones.

- *Community*: We strive to develop a healthy relationship with the communities where we have set up our operations. For instance, we provide financial assistance to certain charitable institutions providing education and educational facilities for the girl child in the state of Gujarat.

- *Environment management*: We conduct our construction business through an environment management system and take a number of measures to protect the environment for our employees. We strictly prohibit employment of child labor.

Intellectual Property

We hold 21 registered trademarks in India, for further details see the section "*Government and Other Approvals*", beginning on page 474. We believe that we are not dependent on any of our intellectual property rights individually, although collectively, they are material to our business**.**

Customers

Our Company has nurtured a strong relationship with our customers by ensuring timely completion of majority of our projects. Our major clients in the past across the various infrastructure verticals in which we operate include government undertakings such as NHAI, RVNL, BCCL, MPMKVVCL and WBPDCL and private sector clients such as ITNL and Regal Emporia. As of December 31, 2017, our Order Book had a high concentration of contracts with government entities.

Insurance

We maintain a range of insurance policies to cover our assets, risks and liabilities. Substantially all of our insurance policies relate to the coverage of our buildings, plant and machinery, stocks, goods-in-transit and liabilities towards our employees. The policies provide appropriate coverage in relation to fire, explosions, floods, inundations, windstorms, earthquakes, landslides, theft and burglary. Our assets are insured for their estimated replacement value. We also maintain directors' and officers' liability policy to insure against loss arising from any claims made against the directors' or officers' of our Company. We also have group personal accident insurance policy for our employees. For all our projects, we maintain insurance cover with the appropriate endorsements and clauses. We constantly evaluate the risks in an effort to be sufficiently covered for all known risks. We believe that the amount of insurance coverage presently maintained by us represents an appropriate level of coverage required to insure our business and operations and is in accordance with the industry standard in India.

Human Resources

Our human resource department plays a key function in our Company. It is operated by professionally qualified and experienced personnel and receives attention from senior management. We believe an effective human resource system results in greater employee satisfaction and higher retention. Our major human resource practices are:

- *Recruitment and manpower planning:* In this system, resource requirement and manpower planning are planned for every stage of the project or as required. After the resource plan is finalized, the talent acquisition team starts the recruitment process. Candidate profiles are then matched with job descriptions. Personal records, such as previous employment records, pay slips, bank statements and certificates are examined. After the candidate joins our Company, they are briefed about our Company and various human resources and employee benefit policies.

- *Employee management:* Company policies are implemented for expense re-imbursements and travel allowances. Payrolls are set up. Centralized biometric attendance system is introduced across majority of our locations to effectively track our work-force. We track monthly manpower expenses against the project expenses, analyze the data and submit reports to the senior management of our Company. We have implemented performance reviews for our employees (excluding few categories of employees such as drivers and machine operators). We strive to retain capable employees.

- *Employee benefits:* We administer retirement benefit such as provident fund and gratuity and welfare scheme such as group personal accident insurance policy and staff welfare fund scheme for our employees. We also have in place insurance policy for workmen and certain other employee benefits.

As of December 31, 2017, our Company had 3,491 employees on our rolls. In addition to our workforce, we also engage manpower on a contractual basis.

Property

Our Company has its Registered Office at 706, 7th Floor, Shilp Building, Near Municipal Market, C.G. Road, Navrangpura, Ahmedabad – 380 009, which is our own property. Additionally, our Company also enters into short term leases and leave and license agreements for land and building for establishing site offices, staff quarters, storage of inventory and modern construction equipment, as required at the construction sites from time to time.

Corporate Social Responsibility

We demonstrate our commitment towards our communities by committing our resources and energies to social development and other causes. For Fiscal 2017, our Company approximately incurred an expense of ₹ 20.88 million as part of our corporate social responsibility activities. Through the Sarvodaya Arogya Mandal, we have assisted in establishing an ophthalmology centre in the state of Gujarat rendering eye care facilities. We have also been involved with hospitals and healthcare institutions for providing medical and healthcare facilities for the benefit of underprivileged members of society. We have consistently extended our support to charitable institutions, including Shree Saibaba Sansthan Trust, Ashirwad Education Trust and Sarvodaya Arogya Mandal undertaking charitable activities for providing socio-economic, educational and health facilities. Additionally, we have been involved with certain charitable institutions for providing education and educational facilities for the girl child. Furthermore, we plan to associate with Montecarlo Foundation, a charitable trust, for undertaking certain of our CSR activities in the future.

REGULATIONS AND POLICIES

The following description is a summary of certain sector specific laws and regulations in India, which are applicable to our Company. The information detailed below has been obtained from various legislations, including rules and regulations promulgated by regulatory bodies, and the bye laws of the respective local authorities that are available in the public domain. The regulations set out below may not be exhaustive, and are only intended 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, see the section "Government and Other Approvals", beginning on page 474.

Laws in relation to our Business

Regulation of the Road Sector

The primary central legislations governing the roads sector are the National Highways Act, 1956 (the "**NH Act**") and the National Highways Authority of India Act, 1988 (the "**NHAI Act**").

NH Act

Under 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 and declaration of such 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.

The GoI is responsible for the development and maintenance of national highways. However, it may, by notification in the official gazette, direct that such functions may also be exercised by governments of the states in which the highway is located, or by any officer or authority sub-ordinate to the GoI or to the state government. Notwithstanding the aforesaid provision, the GoI has the power to enter into an agreement with any person for the development and maintenance of a part or whole of a national highway. Such person would have the right to collect and retain fees at such rates as may be notified by the GoI having regard to the expenditure involved in building, maintenance, management and operation of the whole or part of such national highway, interest on the capital invested, reasonable return, the volume of traffic and the period of the agreement. The National Highways Rules, 1957 (the "**NH Rules**") further provide procedure for technical approval and financial sanction by the GoI or executive agency and related reporting for execution of works in relation to the operation and maintenance of national highways.

National Highways Fee (Determination of Rates and Collection) Rules, 2008 (the "NH Fee Rules")

The NH Fee Rules regulate the collection of fee for the use of national highways. The NH Fee Rules supersede (a) the National Highways (Temporary Bridges) Rules, 1964; (b) the National Highways (Collection of Fees by any Person for the Use of Section of National Highways/ Permanent Bridge/ Temporary Bridge on National Highways) Rules, 1997 (the "**1997 Fee Rules**"); (c) the National Highways (Fees for the use of National Highways Section and Permanent Bridges – Public Funded Project) Rules, 1997; and (d) the National Highways (Rate of Fees) Rules, 1997, other than in respect of things done or omitted to be done under such rules prior to supersession. The NH Fee Rules do not apply to the concession agreements executed or bids invited prior to the publication of such rules i.e. prior to December 5, 2008.

Pursuant to the NH Fee Rules, the 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, 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 collection of fee shall commence within 45 days from the date of completion of the section of a national highway, 'permanent bridge', bypass or tunnel constructed through a public funded project. The NH Fee Rules further provides for the base rate of fees applicable for the use of a section of the national highway and applicable to different categories of vehicles. The base rate shall be increased, without compounding, by 3% each year with effect from April 1, 2008 and such increased rate will be deemed to be the base rate for the extension of fees in the subsequent years. The NH Fee Rules also provide for, *inter alia*, an annual revision of the base rate of fees with effect from April 1st each year to reflect the increase in the WPI between the week ending on January 6, 2007 and WPI for the month of December of the year in which such revision is undertaken but such revision shall be restricted to a 40% of the increase in WPI. The various modalities for collection of fee are also outlined in the NH Fee Rules. Under the 1997 Fee Rules (which are applicable to concession agreements executed prior to December 5, 2008), the GoI may enter into an agreement with any person for the development and maintenance of the whole or any part of a national highway, 'permanent bridge' or temporary bridge on a national highway and such person is entitled to collect at such rate and for such period as may be notified by GoI.

Indian Tolls Act, 1851 (the "Tolls Act")

Pursuant to 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, 1851, are deemed to be 'public revenue'. The collection of tolls can be placed under any person as the State Governments deem fit under the said 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 in relation to 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 Tolls Act, the State Governments have been vested with the power to levy tolls at such rates as they deem fit.

Financing of the National Highways Development Programme ("NHDP")

The GoI, under the Central Road Fund Act, 2000 (the "**Fund**") created a dedicated fund for NHDP. Certain sources for financing of NHDP are through securitization of cess as well as involving the private sector and encouraging public private partnership (PPP). The NHDP is also being financed through long-term external loans from the World Bank, the ADB and the JBIC as well as through tolling of roads.

Private Participation in NHDP

In an effort to attract private sector participation in the NHDP, the NHAI has formulated model concession agreements where a private entity (the "**Concessionaire**") is awarded a concession to build, operate and collect toll on a road for a specified period of time, which is usually up to 30 years.

The bidding for the projects takes place in two stages as per the process provided below:

- in the pre-qualification stage, the 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, the NHAI invites commercial bids from the pre-qualified bidders on the basis of which the right to develop the project is awarded.

In a 'Build Operate Transfer' project, the private entity meets the upfront 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 GoI. 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 the 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.

Tax incentives which are being provided to the private entity are 100% tax exemption for any consecutive 10 years out of the first 20 years, after completion of a project. The GoI 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 NH Act")

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 GoI 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.

Regulation of the Building and Factories Sector

Urban Land (Ceiling & Regulation) Act, 1976 (the "ULCA")

It prescribes the maximum limit up to which an individual can hold land in an urban area. The ULCA also provides for the imposition of a ceiling on vacant land in urban areas, acquisition of excess land by the government and the regulation of construction of buildings on such land to prevent the concentration of land in the hands of a few individuals and regulates construction of buildings to bring about equitable distribution of urban land. Even though the aforesaid legislation has been repealed by the Urban Land (Ceiling & Regulation) Repeal Act, 1999, ULCA remains in force in certain states.

National Building Code of India, 2016 (the "NBC")

It is a comprehensive code for regulating the building construction activities across the country. NBC serves as a 'Model Code' for adoption by all agencies involved in building construction works such as Public Works Departments, other government construction departments, local bodies and private construction agencies. NBC contains directions with respect to administrative regulations, development control rules and general building requirements; fire safety requirements; stipulations regarding materials, structural design and construction (including safety) and building and plumbing services.

Transfer of Property Act, 1882 (the "TPA")

The TPA establishes the general principles relating to transfer of property in India. It forms a basis for identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property. It also provides for the rights and liabilities of the vendor and purchaser in a transaction for sale of land.

Registration Act, 1908 (the "Registration Act")

The Registration Act has been enacted with the objective of providing public notice of the execution of documents affecting, inter alia, the transfer of interest in immovable property. The purpose of the Registration Act is the conservation of evidence, assurances, title and publication of documents and prevention of fraud. It details the formalities for registering an instrument. Section 17 of the Registration Act identifies documents for which registration is compulsory and includes, among other things, any non-testamentary instrument which purports or operates to create, declare, assign, limit or extinguish, whether in present or in future, any right, title or interest, whether vested or contingent, in any immovable property of the value of one hundred rupees or more, and a lease of immovable property for any term exceeding one year or reserving a yearly rent. A document will not affect the property comprised in it, nor be treated as evidence of any transaction affecting such property (except as evidence of a contract in a suit for specific performance or as evidence of part performance under the TPA or as collateral), unless it has been registered. Evidence of registration is normally available through an inspection of the relevant land records, which usually contains details of the registered property. Further, registration of a document does not guarantee title of land.

Stamp Act

Under the Stamp Act, stamp duty is payable on instruments evidencing a transfer or creation or extinguishment of any right, title or interest in immovable property. Stamp duty must be paid on all instruments specified under the Stamp Act at the rates specified in the schedules to the Stamp Act. The applicable rates for stamp duty on instruments chargeable with duty vary from state to state. Instruments chargeable to duty under the Stamp Act, which are not duly stamped, are incapable of being admitted in court as evidence of the transaction contained therein. It also provides for impounding of instruments that are not sufficiently stamped or not stamped at all. However, the instruments which have not been properly stamped can, in certain cases, be validated by paying a penalty of up to 10 times of the proper duty or deficient portion thereof payable on such instruments.

Indian Easements Act, 1882 (the "Easements Act")

An easement is a right which the owner or occupier of land possesses for the beneficial enjoyment of that land and which permits him to do or to prevent something from being done, in or upon, other land not his own. Under the Easements Act, a license is defined as a right to use property without any interest in favour of the licensee. The period and incident may be revoked and grounds for the same may be provided in the license agreement entered in between the licensee and the licensor.

Land Acquisition Act, 1894

As per the Act, land holdings are subject to the Land Acquisition Act which provides for the compulsory acquisition of land by the Central Government or appropriate State Government for public purposes, including planned development and town and rural planning. A person having an interest in such land has the right to object to such compulsory acquisition and has the right to compensation. Some states have their own land acquisition statutes and the Company has to abide by state legislations in those states in which it conducts its business.

The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (the "2013 Land Acquisition Act")

The 2013 Land Acquisition Act has replaced the Land Acquisition Act, 1894 and aims at establishing a participative, informed and transparent process for land acquisition for industrialization, development of essential infrastructural facilities and urbanization. While aiming to cause least disturbance to land owners and other affected families, it contains provisions aimed at ensuring just and fair compensation to the affected families whose land has been acquired or is proposed to be acquired. It provides for rehabilitation and resettlement of such affected persons. The 2013 Land Acquisition Act has been amended by the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement (Amendment) Ordinance, 2014 (the "**2014 Ordinance**"). Under the 2014 Ordinance, land acquired for certain projects is exempted from the applicability of certain sections of the 2013 Land Acquisition Act relating to determination of social impact and public purpose and safeguarding of food security. The exempted projects are those in the area of (i) national security or defence of India; (ii) rural infrastructure including electrification; (iii) industrial corridors and building social infrastructure including public private partnership where ownership of land continues to be vested with the government; (iv) affordable housing and housing for poor people and (v) industrial corridors. The 2013 Land Acquisition Act has been further amended by the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement (Amendment) Ordinance, 2015 (the "**2015 Ordinance**"). Under the 2015 Ordinance, some of the key changes introduced are, compensation in accordance with the First Schedule and rehabilitation and resettlement specified in the Second and Third Schedules of the 2013 Land Acquisition Act are extended to the thirteen Acts mentioned in the Fourth Schedule of the 2013 Land Acquisition Act and appropriate governments have been empowered to take steps for exemption from "Social Impact Assessment" and "Special Provisions for Safeguarding Food Security" in order to expedite the process of land acquisition for strategic and development activities such as, national security or defence of India including, preparation for defence and defence production, rural infrastructure including electrification, affordable housing and housing for poor.

Further, in case of acquisition of land under the 1894 Act where an award has been made five years or more prior to the commencement of the 2013 Land Acquisition Act and physical possession of the land has not been taken or compensation has not been made, the proceedings will be deemed to have lapsed and the government may start fresh proceedings under the 2013 Land Acquisition Act.

In addition to the applicability of the above-mentioned legislations, we would additionally be subject to the applicable laws of the states where we intend to develop projects in the future and we would have to ensure compliance with the same.

Regulation of the Energy Sector

Electricity, being an entry in the Concurrent List (Entry 38, List III) of the Seventh Schedule to the Constitution of India, is governed by the laws of both the Government of India and the State Governments. The central legislation governing the sector is the Electricity Act, 2003, (the "**Electricity Act**"), a comprehensive legislation governing various aspects of the power sector including transmission, supply and use of electricity and central and state electricity regulatory commissions.

Electricity Act

The Electricity Act regulates and governs the generation, transmission and distribution of electricity in India, including by specification of safety standards in relation to electrical supply. The Electricity Act further controls the transmission and use of electricity, including through specifying action to be taken in relation to any electric line or appliance under the control of a consumer for the purpose of eliminating or reducing the risk of personal injury or damage to property or interference with its use. Accordingly, it requires every licensee including transmission and distribution companies under the Electricity Act to supply electricity only through the installation of a correct meter in accordance with regulations made by the Central Electricity Authority (the "**CEA**") in this regard.

The Central or state Electricity Regulatory Commission is empowered to adjudicate in respect of any non-compliance with such requirement. Additionally, the Electricity Act levies penalties, including imprisonment, for tampering with and unauthorized use of meters.

Electricity Rules, 2005

The Electricity Rules, 2005, as amended, were framed under the Electricity Act and provide the requirements in respect of captive generating plants and generating stations. The authorities constituted under these rules may give appropriate directions for maintaining the availability of the transmission system of a transmission licensee.

National Electric Code (the "NEC")

The NEC is an advisory framework prepared by the BIS in 1985 and subsequently revised in 2011, which contains various established codes of practice to provide assistance on the economic selection, installation and maintenance of electric equipment. The provisions of the NEC are presently not mandatory but are expected to serve as a model for adoption, promoting safety and economy, intending to keep Indian electrical installation practices on par with international best practices. The NEC provides guidelines on the general characteristics of electrical installations, supply characteristics and parameters, including those for switchgears and protection devices, service lines and meters. The NEC is applicable to electrical installations in, amongst others, domestic dwellings, commercial centres and industrial premises, and is applicable to circuits other than internal wiring of electrical apparatus. However, the NEC excludes the requirements falling under the purview of power utilities and tariff related guidance.

National Electricity Policy (the "NEP")

The GoI notified the NEP on February 12, 2005, under Section 3 of the Electricity Act. The key objectives of the NEP are amongst other things stipulating guidelines for accelerated development of the power sector, providing supply of electricity to all areas and protecting interests of consumers. The NEP vests the CTU and the STUs with the responsibility for transmission system planning and development on the national and regional and the intrastate levels, respectively, and requires the CTU to coordinate with the STUs for eliminating transmission constraints in a cost-effective manner. The NEP provides that the network expansion be planned and implemented keeping in view anticipated transmission needs that would be incident on the system in the open access regime. The NEP encourages private investment in the transmission sector, and states that prior agreement with beneficiaries would not be a pre-condition for network expansion and the CTU and STUs should undertake network expansion after identifying requirements in consultation with stakeholders and obtaining due regulatory approvals.

Tariff based Competitive-bidding Guidelines for Transmission Service, 2006

The Ministry of Power issued the Guidelines for Encouraging Competition in Development of Transmission Projects on April 13, 2006 and the Tariff based Competitive-bidding Guidelines for Transmission Service, 2006 (collectively the "**TBCB Guidelines**") on April 17, 2006, framed under the provisions of Section 63 of the Electricity Act. The TBCB Guidelines apply to procurement of transmission services for transmission of electricity through tariff based competitive bidding. The TBCB Guidelines aim at promoting, among other things, competitive procurement of transmission services, transparency and fairness in procurement processes and to encourage private investment in transmission lines.

The TPCB Guidelines provide that a bid process coordinator, (the "**BPC**"), would be responsible for coordinating the bid process for procurement of required transmission services. For procurement of transmission services, required for any inter-state transmission projects, the Central Government shall notify any Central Government Organization/ Central Public Sector Undertaking or its wholly owned subsidiary (special purpose vehicle) to be the BPC and for intra-state transmission, the appropriate State Government may notify any organization/state public sector undertaking especially engaged for this purpose by the appropriate State Government or BPC notified by the Central Government to be the BPC for the state. For procurement of transmission services, the BPC may, at its option, either adopt a two-stage process featuring separate request for qualification and request for proposal or adopt a single stage two envelope tender process combining both.

The successful bidder shall seek transmission license from the appropriate regulatory commission, if it is not a deemed licensee. Upon obtaining such license the bidder shall be designated as the transmission service provider and shall take up execution of the transmission scheme.

Regulation of the Mining Sector

The Mines Act, 1952, the Mines and Minerals (Development and Regulations) Act, 1957, (the "**MMDR Act**") and the Mineral Concession Rules, 1960 (the "**MC Rules**"), primarily regulate the mining rights and the operations of mines in India. The GoI announced the National Mineral Policy, 1993, (the "**Mineral Policy**"), and has also made subsequent amendments to the Mineral Policy to reflect principles of sustainable development. The MMDR Act and the MC Rules have been amended from time to time to reflect the Mineral Policy. Mining leases are granted under the MMDR Act, which was expressly enacted to provide for the development and regulation of mines and minerals under the control of the Union of India.

Brief descriptions on certain legislations in respect of the mining industry are as follows:

The Mines Act, 1952 (the "Mines Act")

The Mines Act was enacted with an object to amend and consolidate the law relating to the regulation of labour and safety in mines. Under this Act, every person who is the immediate proprietor or lessee or occupier of a mine is responsible for giving notice to inspectors and to ensure that all the provisions of this Act and allied acts and rules, regulations and bye-laws are complied with.

The Mines and Minerals (Development and Regulation) Act, 1957

It was enacted with a view to bring the regulation of mines and the development of minerals, under the control of the Union to a certain extent. The Act primarily regulates (a) the conditions, procedure and manner of granting licenses for prospecting and reconnaissance operations in the mining sector and matters incidental thereto; and (b) the conditions, procedure and manner of granting and renewal of mining licenses.

The Act also regulates the extent of the activities of the license holders and constitutes and empowers authorities to ensure that the license holders are carrying out their activities within the scope of the provisions of the Act and their respective licenses.

The Mining Leases (Modification of Terms) Rules, 1956

These were enacted under the Mines and Minerals (Development and Regulation) Act, 1957, in order to bring into conformity with the Act, the leases that were entered into before the enactment of the Act.

The Mineral Concession Rules, 1960

These were enacted under the Mines and Minerals (Development and Regulation) Act, 1957. The Rules regulate the process of application for licenses under the Act and also the subsequent activities of the lease/license holders.

National Mineral Policy

In 2008, the GoI approved a National Mineral Policy designed to simplify India's mining regulations. The Policy enunciates measures, such as providing an assured right to next stage mineral concession, transferability of mineral concessions and transparency in allotment of concessions. The Policy also states that Private Public Participation will be the basis on which mining infrastructure will be built. The Policy discusses the need to make the regulatory environment conducive to private investment, such as the procedures for grant of mineral concessions of all types, including Reconnaissance Permits, Prospecting Licenses and Mining Leases. Further, the Policy states that security of tenure shall be guaranteed to the concessionaries along with transferability of concessions.

Regulation of the Water & Irrigation Sector

The Dam Safety Bill, 2010

The Bill seeks to provide for the surveillance, inspection and operation of all dams of certain parameters to ensure their safe functioning. The law is applicable to Andhra Pradesh and West Bengal (and Union Territories) because their Legislatures passed a resolution for an Act of Parliament. It may apply to any other state if they pass a resolution on the matter. Every dam owned by a public sector undertaking or any institution owned by the government is within the scope of this law. As per the Bill, the construction of new dams or alterations are to be undertaken only with the approval of a competent authority as may be specified by the central or state government. All new specified dams to be investigated, designed and constructed by the organizations empowered to do so. The Bill lays down the regulatory procedure to be followed before initial filing of reservoirs. Every owner is required to get his dams inspected periodically and have a minimum number of instrumentations installed. Dam owners of non-specified dams have to undertake measures to ensure safety of the dams and comply with guidelines of state governments. The Bill also lays down measures of dam safety if they lie outside the territory of India.

Hydro Projects

Under the Electricity Act, specific provisions have been made for hydro projects. The generating company intending to set up a hydro project station is required to submit any scheme which is estimated to involve a capital expenditure exceeding such sum as may be fixed by the Central Government before the CEA for approval. The CEA is required to look into whether the proposed river-works will prejudice the best development of the river or its tributaries for power generation. Further factors such as drinking water, irrigation, navigation, flood-control or other public purposes are also required to be considered. The CEA is also required to consider whether the proposed scheme meets the norms regarding dam design and safety.

Regulatory approval of CERC for development and execution of certain identified transmission systems for evacuation of power from various generation projects planned to be promoted by independent power producers (IPPs).

Other Laws

The laws above are specific to the regulations specifically applicable to an operating business. The generic regulations that are applicable to our Company include environmental laws, labour laws and other applicable laws.

Environment Regulation

The major statutes in India which seek to regulate and protect the environment against pollution related activities in India include the Water (Prevention and Control of Pollution) Act, 1974 (the "**Water Pollution Act**"), the Air (Prevention and Control of Pollution) Act, 1981 (the "**Air Pollution Act**") and the Environment Protection Act, 1986 (the "**Environment Act**"). The basic purpose of these statutes is to control, abate and prevent pollution. In order to achieve these objectives, Pollution Control Boards (the "**PCBs**"), which are vested with diverse powers to deal with water and air pollution, have been set up in each state. The PCBs are responsible for setting the standards for maintenance of clean air and water, directing the installation of pollution control devices in industries and undertaking inspection to ensure that industries are functioning in compliance with the standards prescribed. These authorities also have the power of search, seizure and investigation if the authorities are aware of or suspect pollution that is not in accordance with such regulations. All industries and factories are required to obtain consent orders from the PCBs, which are indicative of the fact that the factory or industry in question is functioning in compliance with the pollution control norms. These consent orders are required to be renewed annually.

With respect to forest conservation, the Forest (Conservation) Act, 1980 prevents state governments from making any order directing that any forest land be used for a non-forest purpose or that any forest land is assigned through lease or otherwise to any private person or corporation not owned or controlled by the Government without the approval of the GoI. The Ministry of Environment and Forests (the "**MoEF**") mandates that Environment Impact Assessment (the "**EIA**") must be conducted for projects. In the process, the Ministry receives proposals for the setting up of projects and assesses their impact on the environment before granting clearances to the projects.

The EIA Notification S.O. 1533, issued on September 14, 2006 (the "**EIA Notification**") under the provisions of the Environment Act, prescribes that new construction projects require prior environmental clearance from the MoEF. The environmental clearance must be obtained from the MoEF according to the procedure specified in the EIA Notification. No construction work, preliminary or other, relating to the setting up of a project can be undertaken until such clearance is obtained. Under the EIA Notification, the environmental clearance process for new projects consists of four stages – screening, scoping, public consultation and appraisal. After completion of public consultation, the applicant is required to make appropriate changes in the draft 'EIA Report' and the 'Environment Management Plan.' The final EIA Report has to be submitted to the concerned regulatory authority for appraisal. The regulatory authority is required to given its decision within 105 days of the receipt of the final EIA Report.

Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 (the "Hazardous Rules 2016")

The Hazardous Rules 2016 impose an obligation on each occupier and operator of any facility generating hazardous waste to dispose of such hazardous wastes properly and also imposes obligations in respect of the collection, treatment and storage of hazardous wastes. Each occupier and operator of any facility generating, processing, treating, packaging, storing, using, collecting, offering for sale, converting or transferring hazardous waste is required to obtain an approval from the relevant state pollution control board for collecting, storing and treating the hazardous waste. The Hazardous Rules 2016 supersede the Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008, except as respects things done or omitted to be done before such supersession.

Public Liability Insurance Act, 1991

The Public Liability Insurance Act, 1991 (the "**Public Liability Act**"), imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. A list of 'hazardous substances' covered by the legislation has been enumerated by the Government by way of a notification. The owner or handler is also required to take out an insurance policy insuring against liability under the legislation. The rules made under the Public Liability Act mandate that the employer has to contribute towards the Environment Relief Fund, a sum equal to the premium paid on the insurance policies. This amount is payable to the insurer.

Laws relating to Employment

The following is an indicative list of labour laws applicable to the business and operations of Indian EPC companies:

- Factories Act, 1948
- Building and other Construction Workers Act, 1996;
- Contract Labour (Regulation and Abolition) Act, 1970;
- Employees' Provident Funds and Miscellaneous Provisions Act, 1952;
- Employees' State Insurance Act, 1948;
- Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979;
- Minimum Wages Act, 1948;
- Payment of Bonus Act, 1965;
- Payment of Gratuity Act, 1972;
- Payment of Wages Act, 1936;

- Maternity Benefit Act, 1961;
- Motor Transport Workers Act, 1961;
- Industrial Disputes Act, 1947;
- Employees' Compensation Act, 1923;
- Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;
- Child and Adolescent Labour (Prohibition and Regulation) Act, 1986;
- Shops and Commercial Establishments Acts, where applicable; and
- Equal Remuneration Act, 1976.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief History of our Company

Our Company was incorporated as Montecarlo Construction Private Limited on March 20, 1995, as a private limited company under the Companies Act, 1956, at Ahmedabad, Gujarat. Subsequently, the name of our Company was changed to Montecarlo Construction Limited, pursuant to its conversion into a public limited company, and a fresh certificate of incorporation, dated April 21, 2006, consequent to the change of name was issued by the RoC. Further, in order to reflect the expanding areas of activities and business scope of our Company, the name of our Company was further changed to Montecarlo Limited and a fresh certificate of incorporation dated March 21, 2012, consequent to the change of name, was issued by the Registrar of Companies, Gujarat, Dadra and Nagar Havelli.

Changes in the Registered Office of our Company

Our Company's registered office was originally situated at 11, Shantiniketan Park Soc., Sardar Patel Colony, Opp. Meghalay Flats, Naranpura, Ahmedabad - 380 014. For better business operations, pursuant to the resolution dated August 1, 1995, passed by the Board, the registered office of our Company was changed to 602, 6th Floor, Shilp Building, Near Municipal Market, C.G. Road, Navrangpura, Ahmedabad - 380 009. Further, to carry out business operations more effectively, pursuant to the Board resolution dated April 11, 2005, the registered office of our Company was again changed from 602, 6th Floor, Shilp Building, Near Municipal Market, C.G. Road, Navrangpura, Ahmedabad - 380 009 to 706, 7th Floor, Ship Building, Near Municipal Market, C.G. Road, Navrangpura, Ahmedabad - 380 009.

Main Objects of our Company

The main objects contained in the Memorandum of Association are set forth below:

1. *To carry on the business as civil, electrical and mechanical contractors, designers and engineers, structural, contractors, earthwork contractors, consulting engineers, architects, developers, builders, general construction contractors, contractors for repairs, reconstructions, renovation, demolitions and construction of canals, irrigation projects, roads, dams, bridges, culverts, ropeways, residential, industrial, commercial buildings, factories, shops and offices, theatres, cinema houses, indoor and outdoor auditoria, stadium, hotels, motels, clubs, restaurants, cafes, bars, wood houses, holiday inns, tourist resort centres, guest houses, water sheds, drains and reservoirs and other conveniences.*

2. *To build, establish, maintain, operate, lease or transfer canals, irrigation, projects, dams, bridges, roads, state and national highways, by pass, railway platforms, air ports, sea ports, theaters, culverts, ropeways, residential, industrial, commercial buildings, factories, shops and offices, hotels, motels, drains, reservoirs, tourist resort centres, guest houses, rest houses, water sheds, anywhere in India and/or outside India under various schemes, such as Build, Operate and Transfer (BOT), Build, Operate, Lease and Transfer (BOLT), Built, Operate, Own and Transfer (BOOT).*

3. *To carry on the business of and act as promoters, organisers and developers of lands, estates, properties, co-operative housing societies, associations, housing schemes, shopping-office complexes, townships.*

4. *To purchase, take on lease or otherwise acquire any land to be used as quarry, to acquire quarry rights and to undertake and to take on carry on business of quarry masters, explorers, prospectors and to manufacture, process, design, import, purchase, sell and generally to deal in and to act as brokers, agents, transporters, stockists, job workers and suppliers of gravel, rubble, grit, kapachi, stones of all types and size, sand.*

5. *To prospect, explore, open and work claims or mines, drill and sink, shafts or wells or drill heads and raise, pump dig and quarry for gold, silver, minerals, ores, diamonds and precious stones, oil petroleum, coal earth and other substances.*

6. *To carry on in India or any part of the world the Business of mechanical, electrical, structural, civil and consulting engineers and to design, survey, foundation erecting, stringing commissioning of power transmission line, railway electrification, substation, as well as manufacture, produce, buy, sell, or deal in all power transmission line materials and railway electrification materials including fabricating, galvanising and supply of transmission like towers for power transmission and distribution, substation structures and equipment, railway electrification structures and equipments, conductors, earth wires, hardware fittings and other components, parts fittings and accessories for transmission line, substation railway electrification works.*

7. *To carry on business of consultancy of power transmission, railway electrification and other electrical, mechanical, civil and structural works including erecting, fabricating, manufacturing of allied materials related to power transmission and distribution, railway electrification and other electrical, mechanical, civil and structural engineering works.*

8. *To generate, distribute, supply, transmit, purchase, sell and deal in conventional and non-conventional energy resources in any or all form(s) including but not limited to renewable energy and to manufacture, develop, construct, fabricate, own, put to use, lease, hire and deal in every kind of energy saving devices, power plants, power generating systems, including solar energy systems, wind energy systems, wind mills, Hydro/Hydel, thermal power and any specifically designated systems/devices which run on such systems including electric generators and pumps, bio-gas plants and bio-gas engines, agricultural and municipal waste, energy conversion devices, equipment for utilising ocean water, waste and thermal energy and/or machinery and plant used in the manufacture of any of the above systems and any applications thereof and to organize, construct, lay down, operate, establish, maintain, undertake, acquire, purchase, sell, export, import, lease, participate, carry on, supply, deal in, enter into the business, as distributors, dealers, authorised representatives, service providers, installers, designers, developers and market at all stages, directly or indirectly on a commercial basis or otherwise power/energy generating stations, including buildings, structures, works, machineries, equipments, cables and to undertake and to carry on the business of managing, owning, controlling, erecting, commissioning, operating, running, leasing or transferring to third person(s), whether in India or Abroad and to broadly undertake all activities encompassing the above object as may be permitted by law and otherwise deal in all apparatuses and things required for or capable of being used in connection with the generation, application, distribution, supply, accumulation and employment of electricity/power/energy.*

9. *To manufacture, buy, sell, exchange, alter, improve, manipulate, prepare for market, import or export and otherwise deal in all kinds of:*

   i. *Aluminium/Alloy Conductors (AAC) Aluminium Conductors Galvanised Steel Reinforced (ACSR), Aluminium Alloy Conductors Steel Reinforced/ Corded (AACSR), All Aluminium Alloy Stranded Conductors (AAAC), Properzi (Aluminium/Alloys Road Rolling) for overhead transmission and distribution lines, bare copper and cadium copper wire round or grooved for tramway, trolley buses, etc. (also suitable for crane operation) bare copper and aluminium bus bars, binders and rotor bars suitable for dynamo, transformer and swirchgear manufacturers, copper and aluminium alloy wire and tapes for lightening conductors, aerials of copper, bronze, phosphor-bronze, aluminium/alloy, Semi-conductors devices and all kinds of cables, wires, conductors and accessories.*

   ii. *Insulated Cables and Wires, Rubber or Plastic insulated Wires and Cables, Cab Tryre Sheathed Wires, Cables and Flexibles, Flexible Cords, Cotton or Silk braided Conduit Wires and Cables with aluminium or brass plated Steel sheath, conduit wires and cables, Low and High Tension Power Cables, Telegraph & Telephone Cables, Paper, Rubber or Bitumen Insulated, Lead Covered Power Cables, Armoured or nonarmoured, Extra High Tension, Shielded and Belted Power Cables, Type, H., H.S.L.etc. Mining Shaft, Submarine and Marine Power Cables, Telephone and Telegraph Cables according to B.S.S. long distance cables, Signalling Cables, lead covered cables for house installations and accessories for power cables, alplast-cable, Cable with seamless aluminium/alloy sheath covered with a second seamless skin of thermoplastic material, overhead materials, bare copper, bronze, aluminium/alloys wires and cables, solid or stranded for telephone, telegraph and signalling purpose.*

10. *To carry on the business by way of entering into an agreement with the State Electricity Boards, Vidyut Boards, Power Utilities, Generating Companies, Transmission Companies, Distribution Companies, Licensees, central Government or a state Government or a local authority or any other statutory body or other captive or independent power producers and distributors on Build-Own-Operate (BOO) or Build-Operate-Transfer (BOT) or on Build-Own-Operate-Transfer (BOOT), Built-own-Lease-Transfer (BOLT) basis wherein the company will provide the necessary and crucial components of infrastructure system and also to provide Engineering, Procurement and Construction (EPC) services as consultancy and advisory services in relation to the promotion, establishment, planning, design, research, development, maintenance, running, operation and management of power and electricity of whatsoever kind and description including relating to captive generating plant, co-generation, conservation of electricity, dedicated transmission line including ultra high voltage (UHV), extra-high voltage (EHV), high voltage (HV), high voltage direct current (HVDC), medium voltage (MV) and low voltage (LV) lines, distributing main, distribution system, electric line, electrical plant, electricity system, generating station or stations, inter-state transmission system, line, main, open access, overhead line, power system, real time operation, service lines, stand alone system, transmission lines, distribution system including a franchisee thereof, transmission system, supply of electricity to any consumer, electric line, meter used for ascertaining the quantity of electricity supplied to any premises, electrical equipment, apparatus or appliances under the control of the consumer, and energy projects and facilities including power stations, substations, transmission and distribution centers, systems and networks and to lay cables, wires, accumulators, plants, motors, meters, apparatus, computers, telecommunication and telemetering equipments and other materials connected with generation, transmission, distribution, supply and other ancillary activities relating to the electrical power and to undertake for and on behalf of others, all these activities in any manner, kind and description.*

Amendments to our Memorandum of Association

The amendments to our Memorandum of Association since the incorporation of our Company are set out below:

Date of shareholders' resolution	Particulars
August 1, 1995	Clause V of the Memorandum of Association was amended to reflect the change in the authorised Equity Share capital of our Company from 10,000 Equity Shares amounting to ₹ 100,000 to 50,000 Equity Shares amounting to ₹ 500,000.
April 6, 1996	Clause V of the Memorandum of Association was amended to reflect the change in the authorised Equity Share capital of our Company from 50,000 Equity Shares amounting to ₹ 500,000 to 150,000 Equity Shares amounting to ₹ 1,500,000.
September 20, 1996	Clause V of the Memorandum of Association was amended to reflect the change in the authorised Equity Share capital of our Company from 150,000 Equity Shares amounting to ₹ 1,500,000 to 250,000 Equity Shares amounting to ₹ 2,500,000.
April 08, 1997	Clause V of the Memorandum of Association was amended to reflect the change in the authorised Equity Share capital of our Company from 250,000 Equity Shares amounting to ₹ 2,500,000 to 500,000 Equity Shares amounting to ₹ 5,000,000.
December 04, 2000	Clause V of the Memorandum of Association was amended to reflect the change in the authorised Equity Share capital of our Company from 500,000 Equity Shares amounting to ₹ 5,000,000 to 1,000,000 Equity Shares amounting to ₹ 10,000,000.
March 31, 2006	(i) Clause I of the Memorandum of Association was amended to reflect the change in name from Montecarlo Construction Private Limited to Montecarlo Construction Limited, upon conversion of our Company from a private limited company to a public limited company. (ii) Sub-clause 1 of Clause IIIA (the 'Main Objects Clause') of the Memorandum of Association was substituted as follows: "*To carry on the business as civil, electrical and mechanical contractors, designers and engineers, structural, contractors, earthwork contractors, consulting engineers, architects, developers, builders, general construction contractors, contractors for repairs, reconstructions, renovation, demolitions and construction of canals, irrigation projects, roads, dams, bridges, culverts, ropeways, residential, industrial, commercial buildings, factories, shops and offices, theatres, cinema houses, indoor and outdoor auditoria, stadium, hotels, motels, clubs, restaurants, cafes, bars, wood houses, holiday inns, tourist resort centres, guest houses, water sheds, drains and reservoirs and other conveniences.*" (iii) Clause IIIA of the Memorandum of Association was amended to include the following sub-clause 2 to the 'Main Objects Clause' of the Memorandum of Association: "*To build, establish, maintain, operate, lease or transfer canals, irrigation, projects, dams, bridges, roads, state and national highways, by pass, railway platforms, air ports, sea ports, theaters, culverts, ropeways, residential, industrial, commercial buildings, factories, shops and offices, hotels, motels, drains, reservoirs, tourist resort centres, guest houses, rest houses, water sheds, anywhere in India and/or outside India under various schemes, such as Build, Operate and Transfer (BOT), Build, Operate, Lease and Transfer (BOLT), Built, Operate, Own and Transfer (BOOT).*" (iv) The following sub-clause 3 of Clause IIIA of the Memorandum of Association was renumbered and placed after the sub-clause 2 to the 'Main Objects Clause' of the Memorandum of Association: "*To carry on the business of and act as promoters, organisers and developers of lands, estates, properties, co-operative housing societies, associations, housing schemes, shopping-office complexes, townships.*" (v) Clause V of the Memorandum of Association was amended to reflect the change in the authorised Equity Share capital of our Company from 1,000,000 Equity Shares amounting

Date of shareholders' resolution	Particulars
	to ₹ 10,000,000 to 5,000,000 Equity Shares amounting to ₹ 50,000,000.
February 12, 2007	Clause IIIA of the Memorandum of Association was amended to include the following sub-clause 4 to the 'Main Objects Clause' of the Memorandum of Association: "*To purchase, take on lease or otherwise acquire any land to be used as quarry, to acquire quarry rights and to undertake and to take on carry on business of quarry masters, explorers, prospectors and to manufacture, process, design, import, purchase, sell and generally to deal in and to act as brokers, agents, transporters, stockists, job workers and suppliers of gravel, rubble, grit, kapachi, stones of all types and size, sand.*"
February 27, 2008	(i) Sub-clause 5 of Clause IIIA (the 'Main Objects Clause') of the Memorandum of Association was substituted as follows: "*To prospect, explore, open and work claims or mines, drill and sink, shafts or wells or drill heads and raise, pump dig and quarry for gold, silver, minerals, ores, diamonds and precious stones, oil petroleum, coal earth and other substances.*" (ii) Sub-clause 6 of Clause IIIA (the 'Main Objects Clause') of the Memorandum of Association was substituted as follows: "*To carry on in India or any part of the world the Business of mechanical, electrical, structural, civil and consulting engineers and to design, survey, foundation erecting, stringing commissioning of power transmission line, railway electrification, substation, as well as manufacture, produce, buy, sell, or deal in all power transmission line materials and railway electrification materials including fabricating, galvanising and supply of transmission like towers for power transmission and distribution, substation structures and equipment, railway electrification structures and equipments, conductors, earth wires, hardware fittings and other components, parts fittings and accessories for transmission line, substation railway electrification works.*" (iii) Sub-clause 7 of Clause IIIA (the 'Main Objects Clause') of the Memorandum of Association was substituted as follows: "*To carry on business of consultancy of power transmission, railway electrification and other electrical, mechanical, civil and structural works including erecting, fabricating, manufacturing of allied materials related to power transmission and distribution, railway electrification and other electrical, mechanical, civil and structural engineering works.*" (iv) Sub-clause 8 of Clause IIIA (the 'Main Objects Clause') of the Memorandum of Association was substituted as follows: "*To generate, distribute, supply, transmit, purchase, sell and deal in conventional and non-conventional energy resources in any or all form(s) including but not limited to renewable energy and to manufacture, develop, construct, fabricate, own, put to use, lease, hire and deal in every kind of energy saving devices, power plants, power generating systems, including solar energy systems, wind energy systems, wind mills, Hydro/Hydel, thermal power and any specifically designated systems/devices which run on such systems including electric generators and pumps, bio-gas plants and bio-gas engines, agricultural and municipal waste, energy conversion devices, equipment for utilising ocean water, waste and thermal energy and/or machinery and plant used in the manufacture of any of the above systems and any applications thereof and to organize, construct, lay down, operate, establish, maintain, undertake, acquire, purchase, sell, export, import, lease, participate, carry on, supply, deal in, enter into the business, as distributors, dealers, authorised representatives, service providers, installers, designers, developers and market at all stages, directly or indirectly on a commercial basis or otherwise power/energy generating stations, including buildings, structures, works, machineries, equipments, cables and to undertake and to carry on the business of managing, owning, controlling, erecting, commissioning, operating, running, leasing or transferring to third person(s), whether in India or Abroad and to broadly undertake all activities encompassing the above object as may be permitted by law and otherwise deal in all apparatuses and things required for or capable of being used in connection with the generation, application,*

Date of shareholders' resolution	Particulars
	distribution, supply, accumulation and employment of electricity/power/energy." (v) Sub-clause 9 of Clause IIIA (the 'Main Objects Clause') of the Memorandum of Association was substituted as follows: *"To manufacture, buy, sell, exchange, alter, improve, manipulate, prepare for market, import or export and otherwise deal in all kinds of:* *i. Aluminium/Alloy Conductors (AAC) Aluminium Conductors Galvanised Steel Reinforced (ACSR), Aluminium Alloy Conductors Steel Reinforced/ Corded (AACSR), All Aluminium Alloy Stranded Conductors (AAAC), Properzi (Aluminium/Alloys Road Rolling) for overhead transmission and distribution lines, bare copper and cadium copper wire round or grooved for tramway, trolley buses, etc. (also suitable for crane operation) bare copper and aluminium bus bars, binders and rotor bars suitable for dynamo, transformer and swritchgear manufacturers, copper and aluminium alloy wire and tapes for lightening conductors, aerials of copper, bronze, phosphor-bronze, aluminium/alloy, Semi-conductors devices and all kinds of cables, wires, conductors and accessories.* *ii. Insulated Cables and Wires, Rubber or Plastic insulated Wires and Cables, Cab Tyre Sheathed Wires, Cables and Flexibles, Flexible Cords, Cotton or Silk braided Conduit Wires and Cables with aluminium or brass plated Steel sheath, conduit wires and cables, Low and High Tension Power Cables, Telegraph & Telephone Cables, Paper, Rubber or Bitumen Insulated, Lead Covered Power Cables, Armoured or nonarmoured, Extra High Tension, Shielded and Belted Power Cables, Type, H., H.S.L.etc. Mining Shaft, Submarine and Marine Power Cables, Telephone and Telegraph Cables according to B.S.S. long distance cables, Signalling Cables, lead covered cables for house installations and accessories for power cables, alplast-cable, Cable with seamless aluminium/alloy sheath covered with a second seamless skin of thermoplastic material, overhead materials, bare copper, bronze, aluminium/alloys wires and cables, solid or stranded for telephone, telegraph and signalling purpose."*
March 15, 2012	(i) Clause I of the Memorandum of Association was amended to reflect the change in name from Montecarlo Construction Limited to Montecarlo Limited. (ii) Sub-Clause 10 of Clause IIIA (the 'Main Objects Clause') of the Memorandum of Association was substituted as follows: "*To carry on the business by way of entering into an agreement with the State Electricity Boards, Vidyut Boards, Power Utilities, Generating Companies, Transmission Companies, Distribution Companies, Licensees, central Government or a state Government or a local authority or any other statutory body or other captive or independent power producers and distributors on Build-Own-Operate (BOO) or Build-Operate-Transfer (BOT) or on Build-Own-Operate-Transfer (BOOT), Built-own-Lease-Transfer (BOLT) basis wherein the company will provide the necessary and crucial components of infrastructure system and also to provide Engineering, Procurement and Construction (EPC) services as consultancy and advisory services in relation to the promotion, establishment, planning, design, research, development, maintenance, running, operation and management of power and electricity of whatsoever kind and description including relating to captive generating plant, co-generation, conservation of electricity, dedicated transmission line including ultra high voltage (UHV), extra-high voltage (EHV), high voltage (HV), high voltage direct current (HVDC), medium voltage (MV) and low voltage (LV) lines, distributing main, distribution system, electric line, electrical plant, electricity system, generating station or stations, inter-state transmission system, line, main, open access, overhead line, power system, real time operation, service lines, stand alone system, transmission lines, distribution system including a franchisee thereof, transmission system, supply of electricity to any consumer, electric line, meter used for ascertaining the quantity of electricity supplied to any premises, electrical equipment, apparatus or appliances under the control of the consumer, and energy projects and facilities including power stations, substations, transmission and distribution centers, systems and networks and to lay cables, wires, accumulators, plants, motors, meters, apparatus, computers, telecommunication*

Date of shareholders' resolution	Particulars
	and telemetering equipments and other materials connected with generation, transmission, distribution, supply and other ancillary activities relating to the electrical power and to undertake for and on behalf of others, all these activities in any manner, kind and description." (iii) Sub-clause 11 of Clause IIIC (the 'Other Objects Clause') of the Memorandum of Association was substituted as follows: "*To carry on the business of taking/giving on hire and rent all classes and kinds of plants and machineries, lands and buildings and other properties.*" (iv) Sub-clause 38 of Clause IIIC (the 'Other Objects Clause') of the Memorandum of Association was substituted as follows: "*To buy, sell, import and export, manufacture, fabricate, repair, convert, alter, let on hire and deal in plant, machinery, equipments, implements, tools, instruments, accessories or whatsoever description and material and rolling stock, locomotives, wagons, carriage boilers, turbines, engines, industrial engineering bearings, dynamos, motors, meters, batteries, pumps, accumulators, transformers, compressors, cylinders, laboratory equipments and other apparatus ad metal goods and generally as machinists, refiners, spinners, forgers, turners, polishers, metal workers, dye casters and sinkers, oxidizers, bronzers, lacquers, enamellers, galvanizers, japnners, annealers, planters and painters*."
March 10, 2015	Clause V of the Memorandum of Association was amended to reflect the change in the authorised Equity Share capital of our Company from 5,000,000 Equity Shares amounting to ₹ 50,000,000 to 20,000,000 Equity Shares amounting to ₹ 200,000,000.
March 29, 2016	Clause V of the Memorandum of Association was amended to reflect the change in the authorised Equity Share capital of our Company from 20,000,000 Equity Shares amounting to ₹ 200,000,000 to 80,000,000 Equity Shares amounting to ₹ 800,000,000.
December 2, 2016*	Clause V of the Memorandum of Association was amended to reflect the change in the authorised Equity Share capital of our Company from 80,000,000 Equity Shares amounting to ₹ 800,000,000 to 82,550,000 Equity Shares amounting to ₹ 825,500,000.
February 22, 2018	Clause V of the Memorandum of Association was amended to reflect the change in the authorised Equity Share capital of our Company from 82,550,000 Equity Shares amounting to ₹ 825,500,000 to 125,000,000 Equity Shares amounting to ₹ 1,250,000,000.

* *Date of the order of Hon'ble High Court of Gujarat passed in the matter of Composite Scheme of Arrangement involving inter alia amalgamation of Montecarlo Projects, Montecarlo Infrastructure, Montecarlo Engineering and Montecarlo Energy with our Company and demerger of the 'Consolidated Business Support Undertaking' (as defined in the said scheme) of our Company and its transfer to Montecarlo Realty and demerger of the 'Real Estate Undertaking' (as defined in the said scheme) of our Company and transfer of the same to Montecarlo Construction. The Hon'ble High Court of Gujarat, pursuant to its order dated September 30, 2016, dispensed with the meeting of the shareholders of our Company.*

Major Events and Milestones of our Company

The key events in the history of our Company are provided in the table below:

Calendar Year	Particulars
1995	Incorporation of the Company as Montecarlo Construction Private Limited
	Awarded first project under the water and irrigation vertical
1999	Awarded first project under the highway vertical
2008	Income crossed ₹ 1,000 million
2010	Actively entered into mining vertical
2011	Awarded first project under the energy infrastructure vertical
2013	Awarded first project under the building and factories vertical
2014	Awarded first project under the railways vertical
2015	Revenue crossed ₹ 10,000 million
2016	Approval of the Composite Scheme of Arrangement by the High Court of Gujarat

Calendar Year	Particulars
2017	Listing of NCDs on BSE
	Awarded the Hubli to Haveri road project for six-laning and strengthening of Hubli-Haveri section of NH-48 in Karnataka on HAM basis under NHDP Phase-V, for the bid project cost of ₹ 12,000 million
	Awarded the Singhara to Binjhabahal project for rehabilitation and upgradation by four-laning of Singhara to Binjhabahal Section of NH-6 in Odisha on HAM basis under NHDP-IV, for the bid project cost of ₹ 14,200 million

Awards, Accreditations and Accolades received by our Company

The key awards, accreditations and accolades received by our Company are provided in the table below:

Year	Particulars
2016	Awarded for 'Excellence in Best Achiever of the Year-2016' at the Gujarat Vibrant Summit and Awards, 2016 by the Gujarat Contractors Association
2017	Award for the fastest growing construction company in medium category at the Construction World Annual Awards, 2017

Corporate Profile of our Company

For further details of our Business, geographical presence, growth, competition, services, suppliers, customers, capacity build-up, technology, and managerial competence, see the sections "*Management*", "*Our Business*", "*Industry Overview*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and "*Financial Statements*", beginning on pages 204, 163, 118, 444 and 232, respectively.

Holding Company

As on the date of this Draft Red Herring Prospectus, our Company has no holding company.

Subsidiaries, Associates and Joint Ventures

As on the date of this Draft Red Herring Prospectus, our Company has four Subsidiaries, 14 Joint Ventures and one Associate Company. For details regarding the Subsidiaries, see the section *"Subsidiaries"*, beginning on page 201.

Capital-raising Activities through Equity and Debt

For details regarding our Company's capital-raising activities through equity and debt, as applicable, see the sections "*Capital Structure*", "*Financial Indebtedness*", and "*Financial Statements*", beginning on pages 81, 442 and 232, respectively.

As on the date of this Draft Red Herring Prospectus, our Company has nine Shareholders. For further details, see the section "*Capital Structure*", beginning on page 81.

Time and Cost Over-runs

Our Company may have experienced time and cost overruns in relation to certain projects executed by us. For details of related risks in this respect, see the section "*Risk Factors*", beginning on page 16.

Defaults or Re-scheduling of Borrowings and Conversions of Loans into Equity

There have been no defaults or re-scheduling of the outstanding borrowings of our Company with financial institutions or banks.

None of our outstanding loans have been converted into Equity Shares.

Lock-outs or Strikes

There have been no lock-outs or strikes at any time in our Company.

Injunctions or Restraining Orders

Other than as stated in *"Outstanding Litigation and Material Developments - Litigation involving our Company - Litigation filed against our Company",* on page *462*, our Company is not presently operating under any injunction or restraining order.

Details regarding Acquisition of Business/Undertakings/Mergers and Amalgamation/Revaluation of Assets

Except as detailed below, our Company has not acquired any business or undertaking, or undertaken any mergers or amalgamations or revaluation of assets.

Composite Scheme of Arrangement amongst our Company, Montecarlo Projects, Montecarlo Infrastructure, Montecarlo Engineering, Montecarlo Energy, Montecarlo Realty, Montecarlo Construction

On March 30, 2016, the Board approved a composite scheme of arrangement under Sections 391 to 394 read with Sections 100 to 103 and other relevant provisions of the Companies Act, 1956, and Sections 13, 52 and other relevant provisions of the Companies Act, 2013, amongst our Company, Montecarlo Projects, Montecarlo Infrastructure, Montecarlo Engineering, Montecarlo Energy, Montecarlo Realty, Montecarlo Construction and their respective shareholders and creditors (the "**Composite Scheme of Arrangement**") with the appointed date as April 1, 2016 for *inter alia*, simplification of the corporate structure within our Company, enabling elimination of duplication in administrative costs, enabling segregation of businesses which will result in a distinct, greater and enhanced focus on the operations of these businesses and accordingly an enhanced value for the shareholders. The Composite Scheme of Arrangement, *inter alia*, involved amalgamation of Montecarlo Projects, Montecarlo Infrastructure, Montecarlo Engineering and Montecarlo Energy (collectively, the "**Transferor Companies**"), respectively with our Company (the "**Amalgamation**") and demerger of (i) 'consolidated business support undertaking' of Montecarlo Infrastructure (which entailed provision of residential properties to our Company on a leave and license basis for providing support to our Company's business activities) and our Company (which *inter alia* entailed provision of office spaces to its group companies on a leave and license basis for the support of its business activities), into Montecarlo Realty; and (ii) the 'real estate undertaking' from our Company into Montecarlo Construction (the "**Demerger**"), with effect from the appointed date, being April 1, 2016.

A brief description of the business undertaken by the Transferor Companies, prior to the Amalgamation, is as follows:

Montecarlo Projects was engaged in the business of *inter alia*, construction activities and execution of contracts pertaining to civil engineering. Montecarlo Infrastructure was engaged in the business of *inter alia*, construction activities, execution of contracts pertaining to civil engineering and to purchase, take on lease or otherwise acquire, sell and generally deal in any land to be used as quarry. Montecarlo Engineering was engaged in the business of *inter alia*, construction activities, execution of contracts pertaining to civil engineering and manufacturing of all types of plants, machineries, equipment etc. Montecarlo Energy, was engaged in the business of *inter alia*, undertaking works as mechanical, electrical, structural, civil and consulting engineers and to carry on business of consultancy of power transmission, railway electrification and other electrical, mechanical and civil works.

The Hon'ble High Court of Gujarat had, *vide* its order dated December 2, 2016, sanctioned the Composite Scheme of Arrangement and as of the effective date of the Composite Scheme of Arrangement, the entire business and undertakings of the Transferor Companies including all its properties, assets, liabilities, rights, duties and obligations were transferred to our Company, and the entire 'Consolidated Business Support Undertaking' of our Company including all its properties, assets, liabilities, rights, contracts, duties and obligations were transferred to Montecarlo Realty and the 'real estate undertaking' of our Company was transferred to Montecarlo Construction. In accordance with the Composite Scheme of Arrangement, for the purposes of Amalgamation, (i) equity shares issued by our Company to Montecarlo Projects, Montecarlo Infrastructure and Montecarlo Engineering stood cancelled and no further equity shares were issued as these companies were amalgamated into our Company; and (ii) our Company issued (a) 12,000,000 Equity Shares to the shareholders of Montecarlo Projects in proportion of the number of shares held by them in Montecarlo Projects; (b) 10,625,000 Equity Shares to the shareholders of Montecarlo Infrastructure; (c) 12,000,000 Equity Shares to the shareholders of Montecarlo Engineering; and (d) 1 Equity Share to each of the two shareholders of Montecarlo Energy. Further, for the purposes of the Demerger, (i) Montecarlo Realty issued its equity shares to the equity shareholders of our Company, whose names appear in the Register of Members of our Company, as on February 10, 2017, in the ratio of 1 equity share in Motecarlo Realty of ₹ 10 each, for every 64 Equity Shares; and (ii) Montecarlo Construction issued 100,000 equity shares of ₹ 10 each to the shareholders of our Company, whose names appear in the Register of Members of our Company, as on February 10, 2017.

Strategic or Financial Partners

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

Shareholders' Agreements

Except as provided below, as on the date of this Draft Red Herring Prospectus, our Company has not entered into any shareholders' agreements that are subsisting:

1. **Shareholders Agreement dated July 9, 2010 entered into between SEL, SIPL, the Company (collectively, the "BHTPL Shareholders") and BHTPL**

Our Company, SEL, SIPL and BHTPL have entered into a shareholders agreement dated July 9, 2010 (the "**BHTPL SHA**") to regulate the relationship and the respective rights and obligations of the BHTPL Shareholders in BHTPL. The BHTPL SHA confers certain rights and obligations upon the BHTPL Shareholders, including *inter alia* the following:

(i) our Company and its associates (the "**MCL Shareholders Group**") have the right to appoint one out of four directors on the board of directors of BHTPL (the "**BHTPL Board**") till the MCL Shareholders Group hold 20% of equity share capital of BHTPL. Further, SEL, SIPL and their associates (the "**Sadbhav Shareholders Group**") have the right to appoint three directors on the BHTPL Board so long as the Sadbhav Shareholders Group holds 51% of equity share capital of BHTPL;

(ii) Sadbhav Shareholders Group has the right to appoint the first chairman of the BHTPL Board. Further, in the absence of the then chairman at any meeting, any of the directors appointed by the Sadbhav Shareholders Group shall appoint the chairman at the meeting;

(iii) BHTPL Board may issue further shares to the BHTPL Shareholders and existing shareholders (or any of their associates), in proportion to their existing shareholding, subject to the terms and conditions of the BHTPL SHA or as may be determined by the BHTPL Board after taking into account the relevant accounting year requirements of BHTPL; and

(iv) during the lock-in period as specified in the BHTPL SHA, our Company shall not transfer any of the shares held by it to a third party (except the transfer of shares by our Company to its associates), without the prior written approval of SIPL and SEL. Further, neither our Company nor any of its associates shall transfer shares held by them to any person engaged in a competing business.

The provisions of the BHTPL SHA terminate upon all the shares of BHTPL becoming owned by any one shareholder and its associates, or either of the shareholders ceasing to hold any shares, or if mutually agreed in writing by all the parties to the BHTPL SHA, that the same be terminated or if BHTPL is wound up by an order of a court.

Other Agreements

Our Company has not entered into any material contract in the last two years which is not in the ordinary course of business or is intended to be carried out by our Company.

Changes in the 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 which may have had a material adverse effect on the profits and loss account of our Company, including discontinuance of lines of business, loss of agencies or markets and similar factors.

Details of guarantees given to third parties by the Promoter who is a Selling Shareholder

No guarantees have been provided by the Promoter who is a Selling Shareholder, to third parties.

SUBSIDIARIES

As on the date of this Draft Red Herring Prospectus, our Company has four Subsidiaries.

Details of the Subsidiaries

1. Montecarlo Projects India Limited

Corporate Information:

MPIL was incorporated as a public company under the Companies Act, 2013 as Montecarlo Projects India Limited, at Ahmedabad, Gujarat, on August 18, 2016, and has its registered office at 706, Shilp Building, C.G.Road, Navrangpura, Ahmedabad – 380 009. MPIL is involved, either directly or through its subsidiaries, in the business of, *inter alia*, civil, electrical and mechanical contracting, consultancy of mechanical, electrical, structural, civil and consulting engineers; to design, survey, foundation erecting, stringing commissioning of power transmission line, railway electrification and substation; and prospect, explore, open and work claims or mines; to build, establish or maintain conveniences anywhere in India and/or outside India under various schemes.

Capital Structure:

Particulars	Number of equity shares of face value of ₹ 10 each
Authorised equity share capital	50,000
Issued, subscribed and paid-up equity share capital	10,000

Shareholding:

The following table sets forth details of the shareholding of MPIL:

Sr.	Name of the shareholder	Number of equity shares of face value of ₹ 10 each	Percentage of total equity holding (%)
1.	Montecarlo Limited	9,994	99.94
2.	Kanubhai Mafatlal Patel*	1	0.01
3.	Brijesh Kanubhai Patel*	1	0.01
4.	Mrunal Kanubhai Patel*	1	0.01
5.	Dinaben Kanubhai Patel*	1	0.01
6.	Alpa Brijesh Patel*	1	0.01
7.	Janki Mrunal Patel*	1	0.01
	Total	**10,000**	**100.00**

* *Shares held as nominees of our Company*

2. Montecarlo Barjora Mining Private Limited

Corporate Information:

MBMPL was incorporated as a private company under the Companies Act, 2013, as Montecarlo Barjora Mining Private Limited, at Ahmedabad, Gujarat, on August 10, 2016, and has its registered office located at 706, Shilp Building, C.G.Road, Navrangpura, Ahmedabad – 380 009. MBMPL is a step-down subsidiary of our Company. MBMPL is incorporated to conduct the business of a coal mine developer and operator which involves, *inter alia*, developing, operating, maintaining and excavation of coal from of Barjora (north) coal mine of the West Bengal Power Development Corporation Limited located in the Bankura district of West Bengal.

Capital Structure:

Particulars	Number of equity shares of face value of ₹ 10 each
Authorised equity share capital	50,000
Issued, subscribed and paid-up equity share capital	10,000

Shareholding:

The following table sets forth details of the shareholding of MBMPL:

Sr.	Name of the shareholder	Number of equity shares of face value of ₹ 10 each	Percentage of total equity holding (%)
1.	MPIL	9,994	99.94
2.	Kanubhai Mafatlal Patel*	1	0.01
3.	Brijesh Kanubhai Patel*	1	0.01
4.	Mrunal Kanubhai Patel*	1	0.01
5.	Dinaben Kanubhai Patel*	1	0.01
6.	Alpa Brijesh Patel*	1	0.01
7.	Janki Mrunal Patel*	1	0.01
	Total	**10,000**	**100.00**

* *Shares held as nominees of MPIL*

3. Montecarlo Hubli Haveri Highway Private Limited

Corporate Information:

MHHHPL was incorporated as a private company under the Companies Act, 2013, as Montecarlo Hubli Haveri Highway Private Limited at Ahmedabad, Gujarat, on April 5, 2017, and has its registered office located at 706, Shilp Building, C.G.Road, Navrangpura, Ahmedabad – 380 009. MHHHPL is a step-down subsidiary of our Company. MHHHPL is incorporated for undertaking Hubli to Haveri road project on HAM basis which involves, *inter alia*, designing, developing, procuring, financing, constructing, operating and maintaining the project of six lanning and strenghthening of KM 340+000 to KM 403+400 of Hubli Haveri Section of NH-48 (old NH-4) in the state of Karnataka under NHDP Phase-V and performing all necessary and incidental activities in this regard, in accordance with the terms and conditions set forth in the concession agreement for the project. For more details on the Hubli to Haveri road project, see "*Our Business-HAM projects*" on page 171.

Capital Structure:

Particulars	Number of equity shares of face value of ₹ 10 each
Authorised equity share capital	35,000,000
Issued, subscribed and paid-up equity share capital	10,000

Shareholding:

The following table sets forth details of the shareholding of MHHHPL:

Sr.	Name of the shareholder	Number of equity shares of face value of ₹ 10 each	Percentage of total equity holding (%)
1.	MPIL	9,994	99.94
2.	Kanubhai Mafatlal Patel*	1	0.01
3.	Brijesh Kanubhai Patel*	1	0.01
4.	Mrunal Kanubhai Patel*	1	0.01
5.	Dinaben Kanubhai Patel*	1	0.01
6.	Alpa Brijesh Patel*	1	0.01
7.	Janki Mrunal Patel *	1	0.01
	Total	**10,000**	**100.00**

* *Shares held as nominees of MPIL*

4. Montecarlo Singhara Binjhabahal Highway Private Limited

Corporate Information:

MSBHPL was incorporated as a private company under the Companies Act, 2013, as Montecarlo Singhara Binjhabahal Highway Private Limited, at Ahmedabad, Gujarat, on April 7, 2017, and has its registered office located at 706, Shilp Building, C.G. Road, Navrangpura, Ahmedabad – 380 009. MSBHPL is a step-down subsidiary of our

Company. MSBHPL is involved in the business of, undertaking the Singhara to Binjhabahal road project which involves the rehabilitation and upgradation by four laning of Singhara to Binjhabahal section from Km. 311.000 to Km. 414.000 of NH-6 (New NH-49) in the state of Odisha under NHDP-IV on HAM basis. For more details on our Singhara to Binjhabahal road project, see "*Our Business-HAM projects*", on page 171.

Capital Structure:

Particulars	Number of equity shares of face value of ₹ 10 each
Authorised equity capital	40,000,000
Issued, subscribed and paid-up equity share capital	10,000

Shareholding:

The following table sets forth details of the shareholding of MSBHPL:

Sr. No.	Name of the shareholder	Number of equity shares of face value of ₹ 10 each	Percentage of total equity holding (%)
1.	MPIL	9,984	99.84
2.	Kanubhai Mafatlal Patel*	1	0.01
3.	Brijesh Kanubhai Patel*	1	0.01
4.	Mrunal Kanubhai Patel*	1	0.01
5.	Dinaben Kanubhai Patel*	1	0.01
6.	Alpa Brijesh Patel*	1	0.01
7.	Janki Mrunal Patel *	1	0.01
8.	Montecarlo Limited	10	0.10
	Total	**10,000**	**100.00**

* *Shares held as nominees of MPIL*

Significant sales / purchase with the Subsidiaries

Our Company is not involved in any sales or purchases with any of the Subsidiaries where such sales or purchases exceed in value in the aggregate 10% of the total sales or purchases of our Company.

Common Pursuits

MPIL is engaged in activities similar to that of our Company and our Company ensures necessary procedure and practices as permitted by laws and regulatory guidelines to address any conflict situations as and when they arise. For further details of related party transactions and their significance on the financial performance of our Company, see the section "*Related Party Transactions*", beginning on page 231.

Other Confirmations

1. There are no accumulated profits or losses of the Subsidiaries, which are not accounted for by our Company.

2. Except as disclosed in "*Our Business*" and "*Related Party Transactions*", beginning on pages 163 and 231, respectively, the Subsidiaries, do not have any business interests in our Company.

3. None of the Subsidiaries are listed in India or abroad.

4. None of the Subsidiaries has made any public or rights issue in the last three years.

5. None of the Subsidiaries has become a sick company under the meaning of SICA or declared insolvent or bankrupt under the Insolvency and Bankruptcy Code, 2016. Further, none of the Subsidiaries is under winding up.

6. None of the Directors, their relatives and the Promoters and members of the Promoter Group of our Company have sold or purchased securities of the Subsidiaries, during the six months preceding the date of the Draft Red Herring Prospectus.

7. None of the Subsidiaries hold any Equity Shares in our Company.

MANAGEMENT

Board of Directors

In terms of the Articles of Association, our Company is required to have not less than three Directors and not more than 15 Directors. As on the date of this Draft Red Herring Prospectus, our Board comprises of 10 Directors, of which there are five executive directors and five independent directors, including one woman director.

The following table provides details of the Board:

Name, designation, address, occupation, nationality, term and DIN	Age (years)	Other directorships in Companies
Name: Kanubhai Mafatlal Patel ***Designation:*** Chairman and Managing Director ***Address:*** 18 Devkrushna Bunglow, Ashok Vatika-1, Ambali Bopal Road Bodakdev, Ahmedabad - 380 058 ***Occupation:*** Self Employed ***Nationality:*** Indian ***Term:*** For a period of five years from October 1, 2014 upto September 30, 2019 (liable to retire by rotation) ***DIN:*** 00025552	62	• MPIL • MBMPL • MHHHPL • MSBHPL
Name: Brijesh Kanubhai Patel ***Designation:*** Joint Managing Director ***Address:*** Devkrushna Bunglow, 18 Ashok Vatika-1, Ambli Bopal Road, Bodakdev, Ahmedabad - 380 058 ***Occupation:*** Self Employed ***Nationality:*** Indian ***Term:*** For a period of five years from October 1, 2014 upto September 30, 2019 (liable to retire by rotation) ***DIN:*** 00025479	39	• MPIL • MBMPL • MHHHPL • MSBHPL
Name: Mrunal Kanubhai Patel ***Designation:*** Joint Managing Director ***Address:*** Dev Mansion Bunglow, B/H Saket-3, Sindhu Bhavan Road, Ambali, Ahmedabad - 380 058 ***Occupation:*** Self Employed ***Nationality:*** Indian ***Term:*** For a period of five years from October 1, 2014 upto September 30, 2019 (liable to retire by rotation) ***DIN:*** 00025525	34	• MPIL • MBMPL • MHHHPL • MSBHPL
Name: Nareshkumar Pranshankar Suthar ***Designation:*** Whole-time Director ***Address:*** A/7 Paras Bunglow Part-1, near telephone exchange, Bopal, Ahmedabad - 380 058 ***Occupation:*** Self Employed ***Nationality:*** Indian ***Term:*** For a period of five years from	49	Nil

Name, designation, address, occupation, nationality, term and DIN	Age (years)	Other directorships in Companies
October 1, 2014 upto September 30, 2019 (liable to retire by rotation) ***DIN**:* 00414050		
***Name**:* Suhas Vasant Joshi ***Designation**:* Whole-time Director ***Address**:* 14, Vrundavan Buglow-2, Thaltej Shilaj Road, Thaltej Ahmedabad - 380 059 ***Occupation**:* Self Employed ***Nationality**:* Indian ***Term**:* For a period of three years from August 1, 2016 upto July 31, 2019 (liable to retire by rotation) ***DIN**:* 00171232	63	• JMC Infrastructure Limited
***Name**:* Ajay Vasantbhai Mehta ***Designation**:* Independent Director ***Address**:* A-2- 1399, Opp. Nahru Foundation, Bodakdev, Ahmedabad- 380 001 ***Occupation**:* Self Employed ***Nationality**:* American ***Term**:* For a period of five years from March 31, 2018 upto March 30, 2023 (not liable to retire by rotation) ***DIN**:*00078126	63	Nil
***Name**:* Ketan Harshadrai Mehta ***Designation**:* Independent Director ***Address**:* Plot: 379, Sector: 1-C, Gandhinagar - 382 001 ***Occupation**:* Professional ***Nationality**:* Indian ***Term**:* For a period of five years from March 31, 2018 upto March 30, 2023 (not liable to retire by rotation) ***DIN**:*07141480	51	Nil
***Name**:* Malini Ganesh ***Designation**:* Independent Director ***Address**:* Flat-2D, Raga Foundation, No-12, 11th street, Nandanam Extn, Chennai - 600 035 ***Occupation**:* Professional ***Nationality**:* Indian ***Term**:* For a period of five years from March 31, 2018 upto March 30, 2023 (not liable to retire by rotation) ***DIN**:*07126914	73	Nil
***Name**:* Dipak Kamlakar Palkar ***Designation**:* Independent Director ***Address**:* 22-A, Saujanya Society, Opposite Bhavans School, Makarpura Road,	64	• Symphony Limited

Name, designation, address, occupation, nationality, term and DIN	Age (years)	Other directorships in Companies
Vadodara - 390 009 ***Occupation:*** Self Employed ***Nationality:*** Indian ***Term:*** For a period of five years from February 17, 2018 upto February 16, 2023 (not liable to retire by rotation) ***DIN:*** 00475995		
Name: Dinesh Babulal Patel ***Designation:*** Independent Director ***Address:*** 802, Sector-8, Opposite St. Xavier's Church, Gandhinagar - 382 008 ***Occupation:*** Self Employed ***Nationality:*** Indian ***Term:*** For a period of five years from February 17, 2018 upto February 16, 2023 (not liable to retire by rotation) ***DIN:*** 03443006	59	• Adeshwar Infrabuild Limited • Kalpataru Metfab Private Limited • Alipurduar Transmission Limited • Jhajjar KT Transco Private Limited • Kalpataru Satpura Transco Private Limited

Relationship between the Directors

Other than as stated below, none of the Directors are related to each other:

- Kanubhai Mafatlal Patel is the father of Brijesh Kanubhai Patel and Mrunal Kanubhai Patel.
- Brijesh Kanubhai Patel and Mrunal Kanubhai Patel are brothers.

Brief biographies of Directors

Kanubhai Mafatlal Patel is the Chairman and Managing Director of our Company. He discontinued his pursuit for graduation in commerce from C.U. Shah Commerce College, Ahmedabad after the second year. He has over 42 years of experience in the areas of infrastructure including construction, development and operation. He was awarded the Patidar Udyog Ratna at Sardardham Global Patidar Business Summit 2018 in 2018 and Bharat Udyog Ratan by All India Business Development Association in 2015. He was previously a partner with Bhavna Engineering Company and Bhavna Construction Co. He has been a Director on the Board of our Company since incorporation of our Company i.e. March 20, 1995.

Brijesh Kanubhai Patel is the Joint Managing Director of our Company. He holds a bachelor's degree in mechanical engineering from University of Pune. He has over 19 years of experience in the areas of execution of infrastructure projects. He has been a Director on the Board of our Company since March 2, 1998.

Mrunal Kanubhai Patel is the Joint Managing Director of our Company. He holds a bachelor's degree in technology (Information Technology) from the Nirma University of Science and Technology. He has over 16 years of experience in the areas of infrastructure projects execution. He has been a Director on the Board of our Company since January 23, 2002.

Nareshkumar Pranshankar Suthar is a Whole-time Director of our Company. He holds a diploma in civil engineering. He has over 28 years of experience in the areas of infrastructure projects. He has previously worked with Bhavna Engineering Company as a project manager. He has been a Director on the Board of our Company since April 1, 2003.

Suhas Vasant Joshi is a Whole-time Director of our Company. He holds a bachelor's degree in engineering (civil) from The Maharaja Sayajirao University of Baroda. He has over 32 years of experience in the areas of construction, operation, management and procurement of building and factories, bridge, build-operate-transfer, urban infrastructure, power plants etc. He was also the co-promoter of JMC Projects (India) Limited. He has been a Director on the Board of our Company since June 26, 2013.

Ajay Vasantbhai Mehta is an Independent Director of our Company. He holds a bachelor's degree in commerce and law from the Gujarat University. He is a qualified company secretary and an associate member of the Institute of Company Secretaries of India. He has over 24 years of experience of working with Amaya Properties LLP, Acacia Eco Plantation Services LLP and JMC Projects (India) Limited. He has been a Director on the Board of our Company since March 31, 2015.

Ketan Harshadrai Mehta is an Independent Director of our Company. He holds a bachelor's degree in commerce from the Gujarat University. He is a qualified chartered accountant and an associate member of ICAI. He has over 28 years of experience in the areas of direct taxation, bank audits and implementation of accounting systems. He is currently associated as a partner with Mehta Sheth & Associates. He has been a Director on the Board of our Company since March 31, 2015.

Malini Ganesh is an Independent Director of our Company. She holds a bachelor's degree in arts from the University of Delhi and she also holds a bachelor's degree in general laws from the University of Madras. She is admitted as an advocate on the rolls of the Bar Council of Tamil Nadu. She has over 45 years of experience in handling of litigation matters. She has been a Director on the Board of our Company since March 31, 2015.

Dipak Kamlakar Palkar is an Independent Director of our Company. He holds a post graduate diploma in business management from the Rajendra Prasad Institute of Communication & Management, Bombay and a bachelor's degree of commerce from The Maharaja Sayajirao University of Baroda. He also holds a diploma in taxation laws and practices from The Maharaja Sayajirao University of Baroda. He has around 34 years of experience in the areas of institutional sales, logistics and human resource & management. He is the proprietor of Manokam (HR & Management Consultants) and has previously worked with Symphony Limited and Hawkins Cookers Limited. He has been a Director on the Board of our Company since February 17, 2018.

Dinesh Babulal Patel is an Independent Director of our Company. He holds a bachelor's degree in engineering (mechanical) from the Gujarat University. He has around 33 years of experience in the areas of production, planning and engineering of transmission line projects. He has previously worked with Kalpataru Power Transmission Limited. He has been a Director on the Board of our Company since February 17, 2018.

Confirmations

1. None of the Directors are, or were, directors of any listed company during the last five years preceding the date of this Draft Red Herring Prospectus, whose shares have been, or were suspended from being traded on the Stock Exchanges.

2. None of the Directors are, or were, directors of any listed company which has been, or was delisted from any recognised stock exchange.

3. No proceedings or investigations have been initiated by SEBI against any company, the board of directors of which also comprise of any of the Directors of our Company.

4. None of the Directors has been or was identified as a Wilful Defaulter.

5. No consideration in cash or Equity Shares or otherwise has been paid or agreed to be paid to any of the Directors or to the firms or companies in which they are interested; by any person either to induce such director to become, or to help such director to qualify as a Director, or otherwise for services rendered by him or her or by the firm or company in which he or she is interested, in connection with the promotion or formation of our Company.

Terms of appointment of the Executive Director(s)

Kanubhai Mafatlal Patel

Kanubhai Mafatlal Patel was appointed as a Director and Chairman of our Company, since its incorporation and as the Managing Director with effect from April 1, 1995. He was thereafter, re-appointed as the Managing Director and Chief Executive Officer of our Company with effect from October 1, 2009. For the current tenure, he was re-appointed as the Chairman and Managing Director with effect from October 1, 2014, pursuant to the resolution passed by the shareholders of our Company on March 10, 2015 and September 30, 2017, for the period of five years, till September 30, 2019 and our Company has executed an agreement dated April 19, 2015 in this respect. In terms of such agreement read with the resolutions passed by the Board on September 18, 2014, August 20, 2016 and March 25, 2017, and the shareholders on March 10, 2015 and September 27, 2016, he is entitled to the following remuneration, including salary and perquisites:

Particulars	Details of remuneration
Basic Salary	₹ 0.69 million per month
House rent allowance	₹ 0.27 million per month
Transport allowances	₹ 0.05 million per month
Child education allowances	₹ 0.02 million per month
Food allowance	₹ 0.05 million per month
Medical reimbursements	₹ 0.10 million per month
Books and periodicals	₹ 0.10 million per month
Special house rent allowance	₹ 0.10 million per month

Particulars	Details of remuneration
Other allowances	₹ 0.81 million per month
Bonus	₹ 0.10 million per month
Milestone bonus	0.10% of the turnover of our Company, if the turnover is equal to or more than ₹ 20,000 million but less than ₹ 25,000 million and 0.15% of the of the turnover of our Company, if such turnover is equal to or more than ₹ 25,000 million, of the respective Fiscal
Employee provident fund	₹ 1,800 per month

Brijesh Kanubhai Patel

Brijesh Kanubhai Patel was appointed as a Director of our Company with effect from March 2, 1998 and as the Joint Managing Director with effect from April 1, 2003. For the current tenure, he was re-appointed as the Joint Managing Director, pursuant to the resolution passed by the shareholders of our Company on March 10, 2015, for the period of five years, with effect from October 1, 2014, to September 30, 2019 and our Company has executed an agreement dated April 19, 2015 with Brijesh Kanubhai Patel, in this respect. In terms of such agreement read with the resolutions passed by the Board on September 18, 2014, August 20, 2016 and March 25, 2017, and the shareholders of our Company on March 10, 2015 and September 27, 2016, he is entitled to the following remuneration, including salary and perquisites:

Particulars	Details of remuneration
Basic Salary	₹ 0.45 million per month
House rent allowance	₹ 0.18 million per month
Transport allowances	₹ 0.03 million per month
Child education allowances	₹ 0.01 million per month
Food allowance	₹ 0.03 million per month
Medical reimbursements	₹ 0.06 million per month
Books and periodicals	₹ 0.06 million per month
Special house rent allowance	₹ 0.06 million per month
Other allowances	₹ 0.55 million per month
Bonus	₹ 0.06 million per month
Milestone bonus	0.075% of the turnover of our Company, if the turnover is equal to or more than ₹ 20,000 million but less than ₹ 25,000 million and 0.10% of the of the turnover of our Company, if such turnover is equal to or more than ₹ 25,000 million, of the respective Fiscal
Employee provident fund	₹ 1,800 per month

Mrunal Kanubhai Patel

Mrunal Kanubhai Patel was appointed as a Director of our Company with effect from January 23, 2002 and he was appointed as the Joint Managing Director with effect from August 5, 2006. For the current tenure, re-appointed as the Joint Managing Director, pursuant to the resolution passed by the shareholders of our Company on March 10, 2015, for the period of five years, with effect from October 1, 2014 to September 30, 2019, and our Company has executed an agreement dated April 19, 2015 with Mrunal Kanubhai Patel, in this respect. In terms of such agreement read with the resolutions passed by the Board on September 18, 2014, August 20, 2016 and March 25, 2017, and the shareholders on March 10, 2015 and September 27, 2016, he is entitled to the following remuneration, including salary and perquisites:

Particulars	Details of remuneration
Basic salary	₹ 0.45 million per month
House rent allowance	₹ 0.18 million per month
Transport allowances	₹ 0.03 million per month
Child education allowances	₹ 0.01 million per month
Food allowance	₹ 0.03 million per month
Medical reimbursements	₹ 0.06 million per month
Books and periodicals	₹ 0.06 million per month
Special house rent allowance	₹ 0.06 million per month
Other allowances	₹ 0.55 million per month
Bonus	₹ 0.06 million per month
Milestone bonus	0.075% of the turnover of our Company, if the turnover is equal to or more than ₹ 20,000 million but less than ₹ 25,000 million and 0.10% of the of the turnover of our Company, if such turnover is equal to or more than ₹ 25,000 million, of the respective Fiscal
Employee provident fund	₹ 1,800 per month

Nareshkumar Pranshankar Suthar

Nareshkumar Pranshankar Suthar was appointed as the Whole-time Director with effect from April 1, 2003. For the current tenure, he was re-appointed as the Whole-time Director, pursuant to the resolution passed by the shareholders of our Company on March 10, 2015, for the period of five years, with effect from October 1, 2014 to September 30, 2019, and our Company has executed an agreement dated April 19, 2015 and a supplementary agreement dated December 1, 2016 with Nareshkumar Pranshankar Suthar in this respect. In terms of such agreements, he is entitled to the following remuneration, including salary and perquisites:

Particulars	Details of remuneration
Basic salary	₹ 0.15 million per month*
Allowances and others	₹ 0.37 million per month

* *With effect from August 1, 2016*

Suhas Vasant Joshi

Suhas Vasant Joshi was appointed as an additional director with effect from June 26, 2013 and as the Whole-time Director with effect from August 1, 2013. For the current tenure, he was re-appointed as the Whole-time Director, pursuant to the resolutions passed by the shareholders of our Company on September 10, 2015 and September 27, 2016, with effect from August 1, 2016, for a period of three years till July 31, 2019, and our Company has executed an agreement dated August 22, 2016 with Suhas Vasant Joshi in this respect. In terms of the resolutions passed by the Board on August 20, 2016 and December 1, 2016, and the shareholders of our Company on September 27, 2016, as well as the letter dated December 1, 2016 issued by our Company to Suhas Vasant Joshi, he is entitled to the following remuneration, including salary and perquisites:

Particulars	Details of remuneration
Basic salary	₹ 0.13 million per month*
House rent allowance	₹ 0.04 million per month
Medical allowance	₹ 0.01 million per month
Transport allowances	₹ 0.02 million per month
Books and periodicals	₹ 0.03 million per month
Car and driver allowance	₹ 0.02 million per month
Child education allowance	₹ 0.02 million per month
Uniform allowance	₹ 0.03 million per month
Other allowance	₹ 0.20 million per month
Bonus	₹ 0.01 million per month

* *With effect from August 1, 2016*

Remuneration of the Directors

Each Independent Director on our Board is entitled to receive sitting fees of ₹ 100,000 per meeting, pursuant to a resolution of our Board dated March 31, 2015, for attending meetings of our Board. The travel and accommodation expenses for attending meetings of our Board or a committee thereof, site visits and other Company related expenses are borne by our Company, from time to time.

1. *Remuneration to Executive Directors:*

   The remuneration paid to the Executive Directors during Fiscal 2018 is set forth in the table below:

Sr. No.	Name of Director	Remuneration paid (in ₹ million)
1.	Kanubhai Mafatlal Patel	27.60
2.	Brijesh Kanubhai Patel	18.00
3.	Mrunal Kanubhai Patel	18.00
4.	Nareshkumar Pranshankar Suthar	6.36
5.	Suhas Vasant Joshi	6.36
	Total	**76.32**

2. *Remuneration to Non-Executive Directors:*

The sitting fees paid to the Non-Executive Directors during Fiscal 2018 is set forth in the table below:

Sr. No.	Name of Director	Sitting fees paid (in ₹ million)
1.	Ajay Vasantbhai Mehta	0.30
2.	Ketan Harshadraj Mehta	0.40
3.	Malini Ganesh	0.40
	Total	**1.10**

Arrangement or understanding with major Shareholders, customers, suppliers or others

There is no arrangement or understanding with major Shareholders, customers, suppliers or others, pursuant to which any of the Directors were appointed on the Board or a member of the senior management of our Company.

Except as stated above, there are no contracts appointing or fixing the remuneration of the executive Directors of our Company entered into within, or more than the last two years before the date of this Draft Red Herring Prospectus.

Bonus or profit sharing plans of the Directors

There is no bonus or profit sharing plan for the Directors.

Shareholding of the Directors in our Company

In accordance with our Articles of Association, the Directors are not required to hold any qualification Equity Shares.

The shareholding of the Directors in our Company as of the date of filing this Draft Red Herring Prospectus is set forth below:

Name of Director	Number of Equity Shares	Percentage Shareholding (%)
Kanubhai Mafatlal Patel	7,627	0.01
Brijesh Kanubhai Patel	7,627	0.01
Mrunal Kanubhai Patel	7,627	0.01
Nareshkumar Pranshankar Suthar	5,333	0.01
Suhas Vasant Joshi	5,333	0.01

Appointment of relatives of the Directors to any office or place of profit

Except as provided below, none of the relatives of the Directors currently hold any office or place of profit in our Company:

- Kanubhai Mafatlal Patel is the father of Brijesh Kanubhai Patel and Mrunal Kanubhai Patel.
- Brijesh Kanubhai Patel and Mrunal Kanubhai Patel are brothers.
- Alpa Brijesh Patel, who is the wife of Brijesh Kanubhai Patel, has been appointed as the Deputy Manager (Accounts) in our Company with effect from April 1, 2014 for a period of five years.
- Janki Mrunal Patel, who is the wife of Mrunal Kanubhai Patel, has been appointed as the Deputy Manager (Information Technology) in our Company with effect from April 1, 2014 for a period of five years.

Interest of Directors

1. All non-executive Directors and Independent Directors may be deemed to be interested to the extent of sitting fees payable to them for attending meetings of the Board and committees thereof and reimbursement of expenses available to them and commision payable to them as approved by the Board. All executive Directors may be deemed to be interested to the extent of remuneration and reimbursement of expenses payable to them as stated in " -*Terms of appointment of the Executive Directors*", on page 207. The Directors may also be regarded as interested in the Equity Shares, if any, held by them and also to the extent of any dividend payable to them and other distributions in respect of the Equity Shares and the Equity Shares that may be subscribed by or allotted to them or the companies, firms and trusts, in which they are interested as directors, members, partners, trustees and promoters. All of the Directors may be deemed to be interested in the contracts, agreements/arrangements entered into by our Company with any company in which they hold directorships or any partnership firm in which they are partners, as declared in their respective capacity. The Directors may also be regarded as interested in the securities, if any, held by them in the Subsidiaries and also to the extent of any dividend payable to them and other distributions in respect of such

securities and the securities of the Subsidiaries that may be subscribed by or allotted to them or the companies, firms and trusts, in which they are interested as directors, members, partners, trustees and promoters.

2. Except as stated in the sections "*Financial Statements*" and "*Related Party Transactions*", beginning on pages 232 and 231 respectively, and this section, none of the Directors have any interest in any property acquired by our Company two years prior to the date of this Draft Red Herring Prospectus, or proposed to be acquired by our Company.

3. Kanubhai Mafatlal Patel, Brijesh Kanubhai Patel and Mrunal Kanubhai Patel have an interest in the promotion of our Company.

4. Except as stated in the sections "*Financial Statements*" and "*Related Party Transactions*", beginning on pages 232 and 231 respectively, and this section, none of the Directors are interested in any transaction in acquisition of land, construction of building and supply of machinery and do not have any other interest in the business of our Company.

5. Except as disclosed in the section "*Related Party Transactions*", beginning on page 231cand the sitting fee or remuneration, no amount or benefit has been paid, or given, within the two years preceding the date of filing of this Draft Red Herring Prospectus or is intended to be paid, or given, to any of the Directors.

6. Except as stated in the sections "*Financial Statements*" and "*Related Party Transactions*", beginning on pages 232 and 231 respectively, no loans have been availed by the Directors from our Company.

7. None of the beneficiaries of loans, and advances and sundry debtors are related to the Directors of our Company.

8. Further, except in respect of statutory benefits upon termination of their employment in our Company or on retirement, no officer of our Company, including the Directors and the Key Management Personnel, have entered into a service contract with our Company pursuant to which they are entitled to any benefits upon termination of employment.

Changes in our Board in the last three years from the date of the Draft Red Herring Prospectus

Name	Date of appointment/ change/cessation	Reason for change
Suhas Vasant Joshi	August 1, 2016	Re-appointment as a Whole-time Director
Ketan Harshadrai Mehta	March 31, 2018	Re-appointment as an Independent Director
Ajay Vasantbhai Mehta	March 31, 2018	Re-appointment as an Independent Director
Malini Ganesh	March 31, 2018	Re-appointment as an Independent Director
Dipak Kamlakar Palkar	February 17, 2018	Appointment as an additional Independent Director
Dinesh Babulal Patel	February 17, 2018	Appointment as an additional Independent Director

Borrowing Powers of Board

Pursuant to our Articles of Association, subject to Sections 179 and 180 and other applicable provisions of the Companies Act, our Board may from time to time at its discretion, generally raise loans or borrow money or secure payment of any sum or sums of money so borrowed for the purpose of our Company. The shareholders of our Company, pursuant to a resolution passed at the extra-ordinary general meeting of our Company, held on January 12, 2018, approved the increase in the borrowing powers of our Board to ₹ 40,000 million.

Corporate Governance

The corporate governance provisions of the SEBI Listing Regulations will be applicable to us immediately upon listing of the Equity Shares on the Stock Exchanges. We are in compliance with the requirements of applicable regulations, including the SEBI Listing Regulations, the Companies Act and the SEBI Regulations, in respect of corporate governance, including constitution of the Board and committees thereof, and formulation and adoption of policies. The corporate governance framework is based on an effective independent Board, separation of the Board's supervisory role from the executive management team and constitution of the Board committees, as required under law.

The Board has been constituted in compliance with the Companies Act, 2013, the SEBI Listing Regulations and in accordance with best practices in corporate governance. The Board functions either as a full board, or through various committees constituted to oversee specific operational areas. The executive management of our Company provides the Board with detailed reports on its performance periodically.

Currently, the Board has 10 Directors, comprising of five executive Directors and five Independent Directors, of which one director is a woman director.

Committees of the Board

In addition to the committees of the Board detailed below, the Board of Directors may, from time to time, constitute committees for various functions.

Audit Committee

The members of the Audit Committee are:

1. Ketan Harshadrai Mehta, *Chairperson*;

2. Ajay Vasantbhai Mehta;

3. Mrunal Kanubhai Patel; and

4. Dipak Kamlakar Palkar

The Audit Committee was constituted by a meeting of the Board held on March 31, 2015 and re-constituted, by a meeting of the Board held on December 28, 2015 and May 5, 2018. The terms of reference of the Audit Committee were revised pursuant to the resolution passed by the Board on May 5, 2018. The scope and function of the Audit Committee is in accordance with Section 177 of the Companies Act, 2013 and the SEBI Listing Regulations, and its terms of reference include the following:

a) Overseeing our Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

b) Recommending to the Board, the appointment, remuneration and terms of appointment of the statutory auditor of our Company;

c) Reviewing and monitoring the statutory auditor's independence and performance, and effectiveness of audit process;

d) Approving payments to statutory auditors for any other services rendered by the statutory auditors;

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 stated in the Director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;

   (ii) Changes, if any, in accounting policies and practices and reasons for the same;

   (iii) Major accounting entries involving estimates based on the exercise of judgment by management;

   (iv) Significant adjustments made in the financial statements arising out of audit findings;

   (v) Compliance with listing and other legal requirements relating to financial statements;

   (vi) Disclosure of any related party transactions; and

   (vii) Modified opinion(s) in the draft audit report.

f) Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;

g) Reviewing with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter. This also includes monitoring the use/application of funds raised through the proposed initial public offer by our Company;

h) Reviewing and monitoring the auditors independence and performance, and effectiveness of audit process;

i) Approval or any subsequent modification of transactions of our Company with related parties;

j) Scrutinising of inter-corporate loans and investments;

k) Valuation of undertakings or assets of our Company, wherever it is necessary;

l) Evaluation of internal financial controls and risk management systems;

m) Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;

n) Reviewing with the management, the performance of statutory auditors, including cost auditors and internal auditors, adequacy of internal control systems;

o) 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;

p) Discussing with internal auditors on any significant findings and follow up thereon;

q) 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;

r) Discussing 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;

s) Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

t) Reviewing the functioning of the whistle blower mechanism;

u) Approving the appointment of the chief financial officer 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 function as is mentioned in the terms of reference of the Audit Committee and any other terms of reference as may be decided by the Board and/or specified/provided under the Companies Act, 2013 or the SEBI Listing Regulations or by any other regulatory authority.

The powers of the Audit Committee include the following:

a) To investigate any activity within its terms of reference;

b) To seek information from any employees;

c) To obtain outside legal or other professional advice; and

d) To secure attendance of outsiders with relevant expertise, if it considers necessary.

The Audit Committee shall mandatorily review the following information:

a) Management's 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;

d) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee; and

e) Statement of deviations:

    (i) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of the SEBI Listing Regulations; and

    (ii) annual statement of funds utilised for purposes other than those stated in the document/prospectus/notice in terms of the SEBI Listing Regulations.

The Audit Committee is required to meet at least four times in a year, and not more than 120 days are permitted to elapse between two meetings in accordance with the terms of the SEBI Listing Regulations.

Nomination and Remuneration Committee

The members of the Nomination and Remuneration Committee are:

1. Ajay Vasantbhai Mehta; *Chairperson*;

2. Ketan Harshadrai Mehta;

3. Malini Ganesh; and

4. Dinesh Babulal Patel

The Remuneration Committee was constituted by a meeting of the Board held on March 18, 2011 and reconstituted as the 'Nomination and Remuneration Committee', by a meeting of the Board held on March 31, 2015 and May 5, 2018. The terms of reference of the Nomination and Remuneration Committee were revised pursuant to the resolution passed by the Board on May 5, 2018. The scope and functions of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 and the SEBI Listing Regulations. The terms of reference of the Nomination and Remuneration Committee include:

a) Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

b) Formulating of criteria for evaluation of the performance of the independent directors and the Board;

c) Devising a policy on Board diversity;

d) Identify persons who qualify to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and renewal, and carrying out evaluations of every director's performance;

e) Determing wtheter to extend or continue the term of appointment of independent director, on the basis of the report of performance evaluation of independent directors;

f) Analysing, monitoring and reviewing various human resource and compensation matters;

g) Determining the company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;

h) Determining compensation levels payable to the senior management personnel and other staff (as deemed necessary), which shall be market-related, usually consisting of a fixed and variable component;

i) Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;

j) Performing such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended;

k) Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws, in India or overseas, including:

    (i) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended; or

    (ii) The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003.

l) Performing such other activities as may be delegated by the Board and/or specified/provided under the Companies Act, 2013 or the SEBI Listing Regulations, or by any other regulatory authority.

Stakeholders' Relationship Committee

The members of the Stakeholders' Relationship Committee are:

1. Ketan Harshadrai Mehta; *Chairperson*

2. Mrunal Kanubhai Patel; and

3. Nareshkumar Pranshankar Suthar

The Stakeholders' Relationship Committee was constituted by the Board at their meeting held on May 5, 2018. The terms of reference of the Stakeholders' Relationship Committee were adopted pursuant to Board resolution dated May 5, 2018. The scope and function of the Stakeholders' Relationship Committee is in accordance with Section 178 of the Companies Act, 2013 and the SEBI Listing Regulations. The terms of reference are as follows:

a) Consider and resolve grievances of security holders of our Company, including complaints related to transfer of shares, non-receipt of annual report and non-receipt ofdeclared dividends;

b) Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;

c) Issue of duplicate certificates and new certificates on split/consolidation/renewal; and

d) Carrying out any other function as may be decided by the Board or prescribed under the Companies Act, 2013, the SEBI Listing Regulations, as amended or by any other regulatory authority.

Corporate Social Responsibility Committee

The members of the Corporate Social Responsibility Committee are:

1. Kanubhai Mafatlal Patel; *Chairperson;*

2. Brijesh Kanubhai Patel; and

3. Ajay Vasantbhai Mehta.

The Corporate Social Responsibility Committee was constituted by the Board at its meeting held on March 31, 2015. The terms of reference of the Corporate Social Responsibility Committee of our Company include the following:

a) Formulate and recommend to the Board the corporate social responsibility policy of our Company, including any amendments thereto, which shall indicate the activities to be undertaken by our Company, in accordance with Schedule VII of the Companies Act, 2013 and the rules made thereunder;

b) Recommend the amount of expenditure to be incurred for the corporate social responsibility activities referred to in the corporate social responsibility policy; and

c) Monitor the implementation of corporate social responsibility policy from time.

Current Corporate Affairs Committee

The members of the Current Corporate Affairs Committee are:

1. Brijesh Kanubhai Patel; *Chairperson;*

2. Mrunal Kanubhai Patel; and

3. Suhas Vasant Joshi.

The Current Corporate Affairs Committee was constituted by the Board at its meeting held on November 13, 2014, and reconstituted by the Board at its meeting held on March 25, 2017. The terms of reference of the Current Corporate Affairs Committee were revised pursuant to the resolution passed by the Board on March 25, 2017. The terms of reference of the Current Corporate Affairs Committee of our Company include the following:

a) Open/operate/modify/alter/close various bank accounts maintained or to be maintained by our Company;

b) Review our Company's financial policies, risk assessment and minimization procedures, strategies and capital structure, working capital and cash flow management, and make such reports and recommendations to the Board with respect thereto, as it may deem advisable;

c) Review banking arrangements and cash management;

d) Borrow and avail various fund-based and non-fund based facilities, temporary loans, term loans etc. from banks and/or financial institutions as under:

(i) Sum not exceeding limits approved by the members u/s 180(1)(c) and delegated to Board members and any change in limits of borrowing power of the Board, will be automatically applicable to the Current Corporate Affairs Committee; and

(ii) For other short term borrowings, sum not exceeding ₹ 500 crore including fund-based and non-fund based limits.

e) Hypothecate/mortgage/create charge on movable and immovable properties/assets of our Company and to sign, execute necessary deeds, documents, agreements, writings etc. to avail the said facilities, loans etc.

f) Accept/agree to modifications/changes in terms and conditions specified by banks and financial institutions;

g) Invest the surplus funds of our Company in shares, stocks or any other instrument, with any corporate or institution or mutual fund or elsewhere, in the interest of our Company, sum not exceeding ₹ 200 crore;

h) Give or cancel authority to any person/(s) for any legal matter for signing vakalatnama, various papers/documents, as may be required for any legal case;

i) Open branch offices and give authority to any person to carry out legal formalities for such offices;

j) Issuance, modification and cancellation of power of attorney to carry out any commercial transactions of our Company;

k) Give or cancel authority to any person to deal with any government, semi government, corporation or such other department, for any commercial issue or legal compliance of our Company, including registration, filing of periodical forms/returns, papers etc.;

l) Delegate authorities from time to time to its directors/employees/authorised persons to deal with various banks/financial institutions etc. as and when required for and on behalf of our Company;

m) Delegate authorities from time to time to its directors/employees/authorised persons to participate in the tender and to sign and execute necessary power of attorney, joint bidding agreement, consortium agreement, memorandum of understanding and such other tender documents etc.;

n) Delegate authorities from time to time to its directors/employees/authorised persons to sign, execute and to enter into back-to-back agreement, sub contract agreement, rent/lease agreement, service agreement and such other agreement as and when required for day to day affairs of our Company;

o) Do such activities which are reasonable for the day-to-day affairs of our Company;

p) Delegate authorities from time to time to its directors/employees/authorised persons to implement the committee's decisions; and

q) Carry out any other function as is mandated by the Board from time to time and/ or enforced by any statutory notification, amendment or modification as may be applicable.

IPO Committee

The members of the IPO Committee are:

1. Kanubhai Mafatlal Patel; *Chairperson;*

2. Brijesh Kanubhai Patel;

3. Mrunal Kanubhai Patel;

4. Suhas Vasant Joshi; and

5. Nareshkumar Pranshankar Suthar

The IPO Committee was constituted by the Board at its meeting held on February 16, 2018 and reconstituted, by a meeting of the Board held on May 5, 2018. The terms of reference of the IPO Committee of our Company include the following:

a) To make applications to the SEBI, RBI, or to any other statutory or governmental authorities in connection with the Offer as may be required and accept on behalf of the Board such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions and sanctions as may be required;

b) To finalize, settle, approve, adopt and file in consultation with the book running lead managers the draft red herring prospectus with the SEBI, the red herring prospectus and prospectus with the SEBI and RoC and the preliminary and final international wrap (including amending, varying, supplementing or modifying the same, or providing any notices, addenda, or corrigenda thereto, together with any summaries thereof as may be considered desirable or expedient) and take all such actions as may be necessary for the submission and filing of these documents including incorporating such alterations/corrections/ modifications as may be required by SEBI, the RoC or any other relevant governmental and statutory authorities or in accordance with Applicable Laws, in relation to the Offer as finalised by the Company, therein;

c) To decide in consultation with the selling shareholder(s) and the book running lead managers on the timing, pricing and all the terms and conditions of the Offer, including the price band, Offer Price, Offer Size and to accept any amendments, modifications, variations or alterations thereto;

d) To appoint and enter into arrangements with the book running lead managers , underwriters to the Offer, syndicate members to the Offer, brokers to the Offer, escrow collection bankers to the Offer, registrars, legal advisors, advertising agency and any other agencies or persons or intermediaries to the Offer and to negotiate and finalise the terms of their appointment, including but not limited to the execution of the mandate letter with the book running lead managers and negotiation, finalization, execution and, if required, amendment of the offer agreement with the book running lead managers;

e) To take on record the approval of the selling shareholder(s) for offering their Equity Shares in the Offer for Sale;

f) To authorize the maintenance of a register of holders of the Equity Shares;

g) To negotiate, finalise and settle and to execute where applicable and deliver or arrange the delivery of the draft red herring prospectus, the red herring prospectus, the prospectus, the preliminary international wrap and final international wraps, Issue agreement, share escrow agreement, syndicate agreement, underwriting agreement, cash escrow agreement, agreements with the registrar and the advertising agency and all other documents, deeds, agreements and instruments and any notices, supplements and corrigenda thereto, as may be required or desirable in relation to the Issue;

h) To open with the bankers to the Offer such accounts as may be required by the regulations issued by SEBI;

i) To seek, if required, the consent of the lenders to the Company, parties with whom the Company has entered into various commercial and other agreements, and any other consents that may be required in relation to the Offer;

j) To open and operate bank accounts in terms of the escrow agreement with a scheduled bank to receive applications along with application monies, handling refunds and for the purposes set out in Section 40(3) of the Companies Act, 2013, as amended, in respect of the Offer, and to authorise one or more officers of the Company to execute all documents/deeds as may be necessary in this regard;

k) To approve any corporate governance requirements that may be considered necessary by the Board or the IPO Committee or as may be required under the applicable laws or the uniform listing agreement to be entered into by the Company with the relevant stock exchanges, and to approve policies to be formulated under the Companies Act, 2013, as amended and the regulations prescribed by SEBI including the SEBI Regulations(given the proposing listing of the Company);

l) To authorize and approve, the incurring of expenditure and payment of fees, commission, remuneration and expenses in connection with the Offer;

m) To determine and finalise the bid opening and bid closing dates (including bid opening and bid closing dates for anchor investors), the floor price/price band for the Offer (including issue price for anchor investors), approve the basis of allotment and confirm allocation/allotment of the Equity Shares to various categories of persons as disclosed in the DRHP, the RHP and the Prospectus, in consultation with the book running lead managers and do all such acts and things as may be necessary and expedient for, and incidental and ancillary to the Issue including any alteration, addition or making any variation in relation to the Offer;

n) To issue allotment letters/confirmation of allotment notes with power to authorise one or more officers of the Company to sign all or any of the aforestated documents;

o) To authorize and approve notices, advertisements in relation to the Offer in consultation with the relevant intermediaries appointed for the Offer;

p) To do all such acts, deeds, matters and things and execute all such other documents, etc., deem necessary or desirable for such purpose, including without limitation, finalise the basis of allocation and to allot the shares to the successful allottees as permissible in law, issue of share certificates in accordance with the relevant rules;

q) To do all such acts, deeds and things as may be required to dematerialise the Equity Shares and to sign agreements and/or such other documents as may be required with the NSDL, the CDSL and such other agencies, authorities or bodies as may be required in this connection;

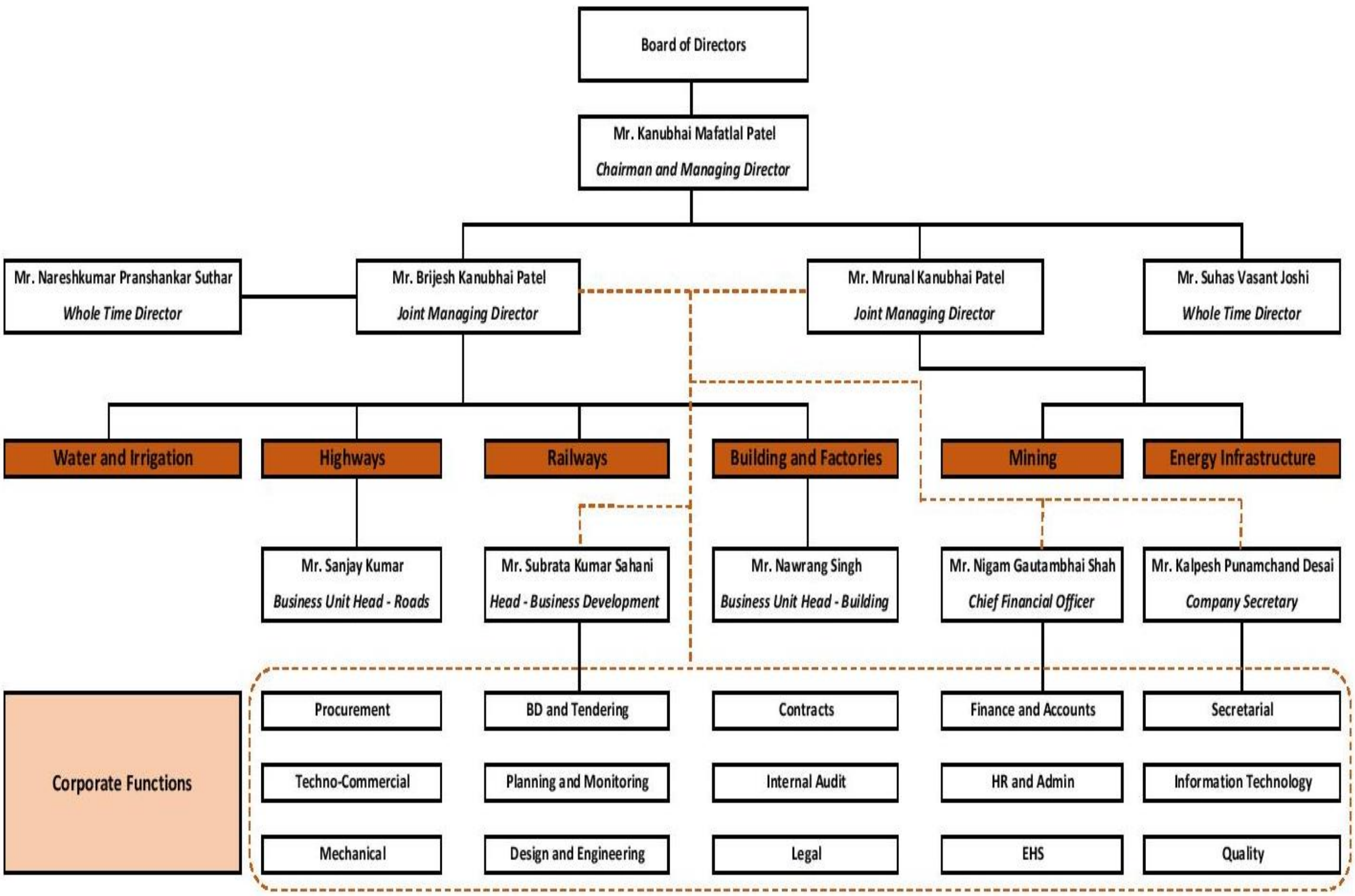
r) To withdraw the draft red herring prospectus, red herring prospectus and the Offer at any stage, if deemed necessary;

s) To negotiate, finalise, sign, execute, deliver and complete any and all notices, offer documents (including Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus) agreements, letters, applications, other documents, papers or instruments (including any amendments, changes, variations, alterations or modifications thereto) on behalf of the selling shareholder (as maybe applicable), as the case may be, in relation to the Offer;

t) To make applications for listing of the Equity Shares in one or more stock exchange(s) and to execute and to deliver or arrange the delivery of necessary documentation to the concerned stock exchange(s); and

u) To settle all questions, difficulties or doubts that may arise in regard to such issues or allotment and matters incidental thereto as it may, deem fit and to delegate such of its powers as may be deemed necessary to the officials of the Company.

Management Organisation Chart



Key Management Personnel

The details of the Key Management Personnel of our Company are as follows:

Kanubhai Mafatlal Patel, is the Chairman and Managing Director of our Company. For details in relation to the biography of Kanubhai Mafatlal Patel, see " – *Brief Biographies of the Directors*", on page 206**.** During the Fiscal 2018, he was paid a compensation of ₹ 27.60 million.

Brijesh Kanubhai Patel, is the Joint Managing Director of our Company. For details in relation to the biography of Brijesh Kanubhai Patel, see " – *Brief Biographies of the Directors*", on page 206**.** During the Fiscal 2018, he was paid a compensation of ₹ 18.00 million.

Mrunal Kanubhai Patel, is the Joint Managing Director of our Company. For details in relation to the biography of Mrunal Kanubhai Patel, see "– *Brief Biographies of the Directors*", on page 206**.** During the Fiscal 2018, he was paid a compensation of ₹ 18.00 million.

Nareshkumar Pranshankar Suthar, is the Whole-time Director of our Company. For details in relation to the biography of Nareshkumar Pranshankar Suthar, see " – *Brief Biographies of the Directors*", on page 206**.** During the Fiscal 2018, he was paid a compensation of ₹ 6.36 million.

Suhas Vasant Joshi, is the Whole-time Director of our Company. For details in relation to the biography of Suhas Vasant Joshi, see "– *Brief Biographies of the Directors*", on page 206**.** During the Fiscal 2018, he was paid a compensation of ₹ 6.36 million.

Nigam Gautamkumar Shah, 37, is the Chief Financial Officer of our Company. He holds a bachelor's degree in commerce from the Gujarat University and a post-graduate diploma in management from the Nirma Institute of Management. He is a qualified chartered accountant and an associate member of ICAI. He has over 14 years of experience in the field of finance, corporate affairs, strategy, mergers and acquisitions, international finance reporting, accounts and taxation. He is responsible for finance, accounts, taxation, treasury and corporate strategy functions in our Company. Previously, he has worked with K.C. Associates, Meghmani Organics Limited and ICICI Bank Limited. He has been associated with our Company since June 1, 2008. During the Fiscal 2018, he was paid a compensation of ₹ 4.38 million.

Kalpeshkumar Punamchand Desai, 55, is the Company Secretary and Compliance Officer of our Company. He holds a bachelor's degree in commerce and a bachelor's degree in law from the University of Bombay. He is an associate member of ICSI. He has over 27 years of experience in the field of legal and secretarial compliance. He is responsible for the secretarial functions in our Company. Previously, he has worked with Gokul Refoils & Solvent Limited, Nova Petrochemicals Limited and Symphony Limited. He has been associated with our Company since June 1, 2016. During the Fiscal 2018, he was paid a compensation of ₹ 1.66 million.

Nawrang Singh, 60, is the Senior Vice President- Building of our Company. He holds a bachelor's degree in arts from the University of Rajasthan and a diploma in engineering (civil), from the Technical Education Board, Rajasthan. He has more than 37 years of experience in the field of construction and project management of buildings. He is responsible for the building and factories vertical of our Company. Previously, he has worked with JMC Projects (India) Limited, Gujarat Ambuja Cements Limited and J.K. Industries Limited. He has been associated with our Company since August 1, 2014. During the Fiscal 2018, he was paid a compensation of ₹ 6.48 million.

Subrata Kumar Sahani, 58, is the Senior Vice President-BD and Tendering, of our Company. He holds a diploma in engineering (mechanical) from the State Council for Engineering and Technical Education, West Bengal. He has over 27 years of experience in the field of business development, tendering and estimation and coordination of power plant construction, transmission line and treatment plants, building complexes, road and railway bridge works. He is responsible for business development and tendering related matters of all verticals of our Company. Previously, he has worked with JMC Projects (India) Limited, Punj Lloyd Limited and National Buildings Construction Corporation Limited. He has been associated with our Company since August 1, 2014. During the Fiscal 2018, he was paid a compensation of ₹ 5.34 million.

Sanjay Kumar, 47, is the Vice President-Project of our Company. He holds a bachelor's degree in engineering (civil) from the Nagpur University. He has over 23 years of experience in the field of construction and project management of canal, irrigation and road projects. He is responsible for the transport vertical of our Company. Prior to joining our Company, he has worked with Technocrats Construction Company, Baishali Construction & Engineering and Rana Builders Limited. He has been associated with our Company since April 19, 1999. During the Fiscal 2018, he was paid a compensation of ₹ 4.38 million.

None of the Key Management Personnel are related to each other except as provided in "– *Relationship between the Directors*", on page 206.

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

Shareholding of Key Management Personnel

Except as disclosed below, as on the date of this Draft Red Herring Prospectus, none of our Key Management Personnel hold any Equity Shares.

Name of Director	Number of Equity Shares	Percentage Shareholding (%)
Kanubhai Mafatlal Patel	7,627	0.01

Name of Director	Number of Equity Shares	Percentage Shareholding (%)
Brijesh Kanubhai Patel	7,627	0.01
Mrunal Kanubhai Patel	7,627	0.01
Nareshkumar Pranshankar Suthar	5,333	0.01
Suhas Vasant Joshi	5,333	0.01

Bonus or profit sharing plans

None of the Key Management Personnel are party to any bonus or profit sharing plan of our Company, other than the performance linked incentives given to the Key Management Personnel.

Interests of Key Management Personnel

Except Kanubhai Mafatlal Patel, Brijesh Kanubhai Patel and Mrunal Kanubhai Patel, who are interested in the promotion of our Company as promoters, the Key Management Personnel do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them in the ordinary course of business and in the course of performance of their duties. The Key Management Personnel may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of Equity Shares held by them in our Company, if any. For further details, in relation to the interests of executive directors of our Company, see "*-Interest of Directors*", on page 210.

None of the Key Management Personnel have been paid any consideration of any nature from our Company, other than their remuneration.

Except as stated in the sections "*Financial Statements*" and "*Related Party Transactions*", beginning on pages 232 and 231 respectively, no loans have been availed by the Key Management Personnel from our Company.

Further, there is no arrangement or understanding with the major Shareholders, customers, suppliers or others, pursuant to which any Key Management Personnel was selected as member of senior management.

Changes in the Key Management Personnel from the date of the Draft Red Herring Prospectus

The changes in the Key Management Personnel in the last three years are as follows:

Name	Date of change	Reason for change
Suhas Vasant Joshi	August 1, 2016	Re-appointment as a Whole-time Director
Kalpesh Punamchand Desai	June 1, 2016	Appointment as a Company Secretary
Parthiv Pravinbhai Parikh	December 31, 2015	Resignation as a Company Secretary
Parthiv Pravinbhai Parikh	June 1, 2015	Appointment as a Company Secretary
Nigam Gautamkumar Shah	June 1, 2015	Appointment as a Chief Financial Officer
Gunjan Taunk	March 7, 2015	Resignation as a Company Secretary

Payment or Benefit to officers of our Company

Except statutory entitlements for benefits upon termination of their employment in our Company or retirement, no officer of our Company, including the Directors and the Key Management Personnel, is entitled to any benefits upon termination of employment under any service contract entered into with our Company. Further, except as disclosed in the section "*Related Party Transactions*", beginning on page 231, and the payment of remuneration or commission for services rendered by our employees and any statutory payments made by our Company, no amount or benefit has been paid or given within the two years preceding the date of filing of this Draft Red Herring Prospectus or is intended to be paid or given to any of our Company's employees, including the Key Management Personnel.

Employees Stock Options

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

PROMOTER AND PROMOTER GROUP

Promoters

As on the date of this Draft Red Herring Prospectus, the Promoters of our Company are Kanubhai Mafatlal Patel, Brijesh Kanubhai Patel, Mrunal Kanubhai Patel and Kanubhai Trust. As on the date of this Draft Red Herring Prospectus, the Promoters, in aggregate, hold 85,479,790 Equity Shares, representing 99.98% issued, subscribed and paid-up Equity Share capital of our Company. For details of the build-up of the Promoters' shareholding in our Company, see the section "*Capital Structure*", beginning on page 81.

Details of the Promoters

1. **Kanubhai Mafatlal Patel**

Kanubhai Mafatlal Patel, aged 62 years, is the Chairman and Managing Director of our Company. He is a resident Indian national. For further details, see the section "*Management*", beginning on page 204.

The voter identification number of Kanubhai Mafatlal Patel is LPZ8167397 and his driving license number is GJ01 20050134882.

2. **Brijesh Kanubhai Patel**

Brijesh Kanubhai Patel, aged 39 years, is the Joint Managing Director of our Company. He is a resident Indian national. For further details, see the section "*Management*", beginning on page 204.

The voter identification number of Brijesh Kanubhai Patel is LPZ8167413 and his driving license number is GJ01 19970023135.

3. **Mrunal Kanubhai Patel**

Mrunal Kanubhai Patel, aged 34 years, is the Joint Managing Director of our Company. He is a resident Indian national. For further details, see the section "*Management*", beginning on page 204.

The voter identification number of Mrunal Kanubhai Patel is LPZ8167439 and his driving license number is GJ01 20020950797.

4. **Kanubhai Trust**

Kanubhai Trust was formed pursuant to a trust deed dated January 21, 2016. The office of Kanubhai Trust is located at 706, 7th floor, Shilp Complex, Near Municipal Market, C.G. Road, Navrangpura, Ahmedabad - 380 009.

Bharat R. Patel is the settlor of Kanubhai Trust.

Trustees

The trustees of Kanubhai Trust, as on the date of this Draft Red Herring Prospectus, are Kanubhai Mafatlal Patel, Brijesh Kanubhai Patel and Mrunal Kanubhai Patel.

Beneficiaries of Kanubhai Trust

The beneficiaries of the Kanubhai Trust are Dinaben Kanubhai Patel Trust, Brijesh Patel Family Trust, Mrunal Patel Family Trust, and any beneficiary that may be added in accordance with the trust deed of Kanubhai Trust. The ultimate beneficiaries of the Kanubhai Trust are Dinaben Kanubhai Patel, Kanubhai Mafatlal Patel, Brijesh Kanubhai Patel, Alpa Brijesh Patel, Jainam Brijesh Patel, Mrunal Kanubhai Patel, Janki Mrunal Patel and Veer Mrunal Patel and any other beneficiary that may be added in accordance with the respective trust deeds of the Dinaben Kanubhai Patel Trust, Brijesh Patel Family Trust and Mrunal Patel Family Trust.

Objects and Function

The objectives of Kanubhai Trust include holding assets settled in Kanubhai Trust and further added thereto, determination of the rights and obligations of the family members of Kanubhai Mafatlal Patel *inter-se*, in the management and control of the family business and other operating entities/assets, provision for matters such as partial or complete exit of a particular family branch from the business, investments etc., carrying on of business activities and, investment of trust funds in shares, securities, any movable and immovable property, with a view to provide an accretion to the funds of the trust for the benefit of its beneficiaries.

Our Company confirms that the permanent account number and bank account numbers of Kanubhai Trust will be submitted to the Stock Exchanges at the time of filing this Draft Red Herring Prospectus with them.

Our Company confirms that the permanent account number, bank account number and the passport number of our individual promoters, namely, Kanubhai Mafatlal Patel, Brijesh Kanubhai Patel, Mrunal Kanubhai Patel, shall be submitted to the Stock Exchanges at the time of filing this Draft Red Herring Prospectus with them.

Guarantees

The Promoters have not given any guarantee to a third party as of the date of this Draft Red Herring Prospectus.

Interest of the Promoters

The Promoters are interested in our Company to the extent that they have promoted our Company and their respective directorship and shareholding in our Company, the Group Companies and the Subsidiaries (as applicable) and the dividends receivable, if any, and any other distributions in respect of such shareholding.

For details regarding the shareholding of the Promoters in our Company and the Subsidiaries, see the sections "*Capital Structure*", "*Subsidiaries*" and "*Management*", beginning on pages 81, 201 and 204, respectively. For details on the Group Companies and the nature and extent of interest of the Promoters in the Group Companies, see the section "*Group Companies*", beginning on page 225.

Except as disclosed in this Draft Red Herring Prospectus, the Promoters are not interested in the properties acquired by our Company in the two years preceding the date of filing this Draft Red Herring Prospectus with SEBI or proposed to be acquired by our Company, or in any transaction by our Company for the acquisition of land, construction of building or supply of machinery. For further details in relation to the same, see the section "*Financial Statements*" and "*Related Party Transactions*", beginning on pages 232 and 231, respectively.

Except as disclosed in this Draft Red Herring Prospectus, the Promoters are not interested as a member of a firm or company, and no sum has been paid or agreed to be paid to the Promoters or to such firm or company in cash or shares or otherwise by any person for services rendered by it or by such firm or company in connection with the promotion or formation of our Company. For further details in relation to the same, see the section "*Related Party Transactions*", beginning on page 231.

Except as disclosed in the sections "*Management*", "*Related Party Transactions*" and "*Financial Statements*", beginning on pages 204, 231 and 232, respectively, our Company has not entered into any contract, agreements or arrangements during the preceding two years from the date of filing of this Draft Red Herring Prospectus or proposes to enter into any such contract in which the Promoters are directly or indirectly interested and no payments have been made to it in respect of the contracts, agreements or arrangements which are proposed to be made with it.

For details of related party transactions, as per the relevant accounting standards, see the section "*Related Party Transactions*", beginning on page 231.

Except for the Subsidiaries, the Joint Ventures, the Group Companies and as stated below, the Promoters do not have any interest in any venture that is involved in any activities similar to those conducted by our Company:

Kanubhai Mafatlal Patel, Brijesh Kanubhai Patel and Mrunal Kanubhai Patel

They are the designated partners of Montecarlo Asset Holdings LLP and Montecarlo Realty LLP. Montecarlo Asset Holdings LLP is engaged in the business of *inter alia* building, contracting, sub-contracting, designing, decorating and acting as consultant, advisor, agent, supervisor, civil engineer, constructors of all types of building and structure including houses, flats, apartments, furniture, etc. and the business of hotels, banquets etc. Montecarlo Realty LLP is engaged in the business of *inter alia* building, contracting, sub-contracting, designing, decorating and acting as consultant, advisor, agent, supervisor, civil engineer, constructors of all type of building and structure including houses, flats, apartments, furniture, etc.

None of the Promoters is related to any of our sundry debtors or beneficiaries of loans and advances of our Company.

Payment or Benefits to Promoters and Promoter Group

Except as stated in the sections "*Related Party Transactions*", "*Financial Statements*" and "*Management*", beginning on pages 231, 232 and 204 respectively, there have been no payment or benefits to the Promoters or members of the Promoter Group during the two years preceding the filing of this Draft Red Herring Prospectus nor is there any intention to pay or give any benefit to the Promoter or Promoter Group as on the date of this Draft Red Herring Prospectus.

Companies or firms with which the Promoters have disassociated in the last three years

The Promoters have not disassociated themselves from any company or firms during the three years preceding the date of filing this Draft Red Herring Prospectus.

Change in the management and control of our Company

Kanubhai Mafatlal Patel was one of the original promoters of our Company. Brijesh Kanubhai Patel and Mrunal Kanubhai Patel became promoters of our Company from February 10, 1998 and February 6, 2002, respectively. Kanubhai Trust (represented by Trustees) acquired the Equity Shares of our Company on March 20, 2017, March 21, 2017, July 14, 2017 and February 24, 2018. For further details in relation to acquisition of the Equity Shares of our Company, see the section "*Capital Structure*", beginning on page 81. Other than as aforestated, there has not been any change in the management or control of our Company in five years immediately preceding the date of this Draft Red Herring Prospectus.

Confirmations

The Promoters and members of the Promoter Group have not been declared as Wilful Defaulters.

Further, there are no violations of securities laws committed by the Promoters and members of the Promoter Group in the past and no proceedings for violation of securities laws are pending against them.

The Promoters and members of the Promoter Group, have not been debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

The Promoters and members of the Promoter Group are not and have never been promoters, directors or person in control of any other company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Except as disclosed in this Draft Red Herring Prospectus, the Promoters are not interested in any entity which holds any intellectual property rights that are used by our Company.

The Promoters have not taken any unsecured loans which may be recalled by the lenders at any time.

Promoter Group

The following individuals and entities constitute the Promoter Group of our Company:

1. Natural persons forming part of the Promoter Group

The natural persons who constitute the Promoter Group, other than the Promoters are as follows:

(i) Dinaben Kanubhai Patel;

(ii) Chimanlal Madhavlal Patel;

(iii) Jayantibhai Patel;

(iv) Kailashben Patel;

(v) Alpa Brijesh Patel;

(vi) Janki Mrunal Patel;

(vii) Jaswant Lallubhai Patel;

(viii) Premilaben Jaswantlal;

(ix) Vijay Jasawant Patel;

(x) Jainam Brijesh Patel;

(xi) Pravinkumar Govindlal Patel;

(xii) Devarsh Pravinkumar Patel;

(xiii) Ankita P. Patel; and

(xiv) Veer Mrunal Patel.

The Promoter Group of our Company does not include Vishnubhai Mafatlal Patel and Govindbhai Mafatlal Patel, brothers of Kanubhai Mafatlal Patel, our individual Promoter, or any entity in which Vishnubhai Mafatlal Patel and Govindbhai Mafatlal Patel may have an interest. There exists a separation agreement dated April 2, 2018 between Govindbhai Mafatlal Patel and Kanubhai Mafatlal Patel. Whilst there has been no formal disassociation between Vishnubhai Mafatlal Patel and Kanubhai Mafatlal Patel, Kanubhai Mafatlal Patel has confirmed that he has disassociated with Vishnubhai Mafatlal Patel. Further, Kanubhai Mafatlal Patel, Mrunal Kanubhai Patel and our Company have filed a company petition before the Company Law Board, Regional Bench, Bombay against Vishnubhai Mafatlal Patel, SIPL, SEL and others under Sections 397 and 398 read with 399, 402 and 403 of the Companies Act, 1956. For further details, see section "Outstanding Litigation and Material Developments - Litigation involving our Group Companies – BHTPL – Civil Proceedings", beginning on page 471.

2. Hindu Undivided Families forming part of the Promoter Group

The Hindu Undivided Families which form part of the Promoter Group, are as follows:

(i) Mrunal Kanubhai Patel (HUF);

(ii) Brijesh Kanubhai Patel HUF;

(iii) Jaswantbhai Lalubhai Patel HUF;

(iv) Lalubhai Punjabhai Patel HUF;

(v) Pravinkumar Govindlal Patel HUF; and

(vi) Jayantibhai M. Patel (HUF).

3. Entities forming part of the Promoter Group

The entities which form part of the Promoter Group, are as follows:

(i) Montecarlo Asset Holdings LLP;

(ii) Montecarlo Realty LLP;

(iii) Anand Decorators and Hirers;

(iv) Poonam Plast Industries;

(v) Bhavna Engineering Company Private Limited; and

(vi) Sarjan Infracon Private Limited

4. Trusts forming part of the Promoter Group

The trusts which constitute the Promoter Group, other than the Promoters are as follows:

(i) Kanubhai M. Patel Wealth Trust;

(ii) Dinaben Kanubhai Patel Trust;

(iii) Brijesh Patel Family Trust;

(iv) Mrunal Patel Family Trust;

(v) Montecarlo Charitable Trust;

(vi) Meenaxiben Patel Family Welfare Trust;

(vii) Nisrag Charitable Trust; and

(viii) Sarjan Charitable Trust.

GROUP COMPANIES

In terms of the SEBI Regulations, Group Companies include such companies which are covered under applicable accounting standards and such other companies as are considered material by the Board. Pursuant to a resolution of our Board dated May 5, 2018, *for the purposes of disclosure in connection with the Offer, a company shall be considered material and disclosed as a 'Group Company' in the event it constitutes a part of the related parties of our Company, other than the Subsidiaries and the Joint Ventures of our Company, under the relevant accounting standards, as per the restated financial statements of our Company for the last five Fiscals and for nine months ended December 31, 2017 and also any other companies considered material by the Board.*

We have the following Group Companies:

1. BHTPL; and

2. NCL

A. Details of the Group Companies are provided below:

1. BHTPL

Corporate Information

BHTPL was incorporated as a private company under the name of Bijapur-Hungund Tollway Private Limited on February 22, 2010, under the Companies Act, 1956.

BHTPL is engaged in the business of *inter alia* undertaking, designing, developing, establishing, constructing, erecting, executing, carrying out, commissioning, operating, maintaining, improving, repairing, administering, managing, levying, demanding, collecting and appropriating fee from vehicles and persons liable to payment of fee for using the project / project facility or any part thereof for work of four laning of Bijapur-Hungund section of NH-13 from Km. 102 to Km. 202 in Karnataka under NHDP Phase-III on DBFOT (toll) basis; construction of toll plazas and all other works or conveniences of public or private utility for the purpose of smooth traffic on the road and rendering of all services in connection thereto; entering into contracts, agreements or arrangements with NHAI or any other authority; to carry on contractual basis or assign, convey, transfer, lease or auction right or interest connected therewith; and to carry out any other activity as may be required for implementation and operation of the project.

Interest of the Promoters

The Promoters do not directly hold any shares in BHTPL. Our Company directly holds 23,220,800 equity shares of BHTPL, being a 23% of the issued, subscribed and paid-up equity share capital of BHTPL.

Financial Performance

The financial information derived from the audited financial results of BHTPL for Fiscals 2017, 2016 and 2015 are provided below:

(Figures in ₹ million except per share data)

Particulars	For Fiscal		
	2017	2016	2015
Equity capital	1,009.60	1,009.60	1,009.60
Other equity/reserves (excluding revaluation reserves)	(293.61)	(39.76)	1,455.89
Sales	1,158.76	1,147.65	1,043.51
Profit/(Loss) after tax	(253.85)	(325.08)	(446.31)
Earnings per share (face value ₹ 10)	(2.51)	(3.22)	(4.42)
Diluted earnings per share(face value ₹ 10)	(2.51)	(3.22)	(4.42)
Book value per equity share (in ₹)	7.09	9.61	24.42
Net asset value per share (in ₹)	7.09	9.61	24.42

* *The financial statements for Fiscal 2017 are prepared in accordance with Ind AS, and for Fiscals 2016 and 2015, are prepared in accordance with Indian GAAP.*

There are no significant notes of the auditors in relation to the aforementioned financial statements for the last three Fiscals.

For further details in relation to the unsecured loans availed by BHTPL from our Company, see the sections "*Related Party Transactions*", "*Financial Statements*" and "*Risk Factors - Our Company and the Group Companies have availed certain unsecured loans that are recallable by the lenders at any time*", beginning on page 231, 232 and 38 respectively.

2. NCL

Corporate Information

NCL was incorporated as a private company under the name of Nitin Construction Company Private Limited on October 10, 1988. Subsequently, its name was changed to Nitin Construction Limited, pursuant to its conversion into a public limited company, and a fresh certificate of incorporation, dated February 28, 1995 consequent to such conversion, was issued by the RoC.

NCL is engaged in the business of *inter alia* execution of contracts pertaining to civil engineering, mechanical engineering, electrical engineering and other contracts of central (public works department), state (public works department) and other governmental departments, local bodies, public undertakings and private parties and in constructing, executing, carrying out, improving, working, developing, administering of control works and conveniences of all kinds, including roads, railways, tramways, docks, harbours, dams, bridges, piers, wharves, canals, reservoirs, embankments, irrigations, reclamation, improvement, sewage, drainage, sanitary, water, gas, electric, light, telephonic, telegraphic and power supply works and factory sheds, hotels, water houses, markets and buildings, private or public.

Interest of the Promoter

The Promoters do not have any interest in NCL, as on the date of this DRHP.

Financial Performance

The financial information derived from the audited financial results of NCL for Fiscals 2017, 2016 and 2015 are provided below:

(Figures in ₹ million except per share data)

Particulars	For Fiscal		
	2017	2016	2015
Equity capital	5.50	5.50	5.50
Reserves and surplus (excluding revaluation reserves)	26.81	25.55	26.45
Sales	12.74	57.38	110.87
Profit/(Loss) after tax	1.26	(0.90)	4.31
Earnings per share (face value ₹ 10)	2.30	(1.64)	7.84
Diluted earnings per share face value ₹ 10)	2.30	(1.64)	7.84
Book value per equity share (in ₹)	58.75	56.45	58.09
Net asset value per share (in ₹)	58.75	56.45	58.09

* *The financial statements for Fiscals 2017, 2016 and 2015 are prepared in accordance with Indian GAAP.*

For further details, in relation to the unsecured loans availed by NCL, see the section "*Risk Factors-Our Company and the Group Companies have availed certain unsecured loans that are recallable by the lenders at any time*", beginning on page 38.

There are significant notes of the auditors in relation to the financial statements for the Fiscals 2017[#], 2016[##] and 2015[###] for the last three Fiscals.

[#] Fiscal 2017:

1) *In respect of fixed assets:*

a) i) *Office situated at Golden Triangle, Stadium Road, Navrangpura, Ahmedabad valuing ₹ 1,11,727/- owned by NCL since last several years. However, the said immovable property is in the possession and use of NCL but yet not transferred in the name of NCL.*

ii) *Work shop building and building at sola are constructed on the land not owned by NCL.*

iii) During the year NCL has constructed shed for machineries at village bhuleshwarpura, Taluka and Dist. Gandhinagar. This land is not in the name of NCL.

2) NCL has accepted deposits from the public in the previous years and consequently, the directives issued by the Reserve Bank of India, the provisions of Section 73 to 76 or any other relevant provision of the Companies Act, 2013 and rules framed there under are not complied.

3) In respect of the statutory dues:

a) According to the information and explanation given to us and on the basis of our examination of the records, NCL is generally regular in depositing undisputed statutory dues including Provident fund, Employees' state insurance, Income-Tax, Service Tax, duty of customs, duty of excise, Value Added Tax, Cess and other statutory dues with the appropriate authorities. According to the information and explanations given to us, except as shown below, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2017 for a period of more than six months from the date of becoming payable.

Unpaid Service Tax ₹ 1,599,540/-

Unpaid Income Tax Deducted from various expenditure ₹ 97,820/-

b) According to the records of NCL, there were no dues of Income- Tax, Sales Tax, Service Tax, duty of customs, duty of excise, Value Added Tax, Cess except details below which have not been deposited on account of any dispute.

i.	*VAT*	*Financial Year 2008-09*	*₹ 3,953,954*	*The appeal is pending before Deputy Commissioner of Commercial Tax, Appeals 1, Ahmedabad*
ii.	*Service Tax*	*Financial Year 2009 - 10 to 2013-14*	*₹ 4,020,469*	*The Appeal before CESTATE is pending*
iii.	*Service Tax*	*Financial Year 2009 - 10 to 2013-14*	*₹ 4,l 40,869*	*The Appeal before CESTATE is pending*

4) On the basis of verification of records and information and explanation given to us, NCL has not defaulted in repayment of loans and borrowings to bank. However, Bank of Maharashtra has stopped allowing operation in cash credit account of the NCL due to non submission of details as well as agreeing to certain conditions stipulated by bank. NCL does not have any loans or borrowings from financial institutions government or debenture holders in the books of accounts at any time during the year.

Fiscal 2016:

1) In respect of fixed assets:

a) i) Office situated at Golden Triangle, Stadium Road, Navrangpura, Ahmedabad valuing ₹ 111,727/- owned by the Company since last several years. However, the said immovable property is in the possession and use of NCL but yet not transferred in the name of NCL.

ii) Work shop building and building at sola are constructed on the land not owned by NCL.

iii) Office at Navneet Plaza is in the name of NCL.

2) NCL has accepted deposits from the public in the previous years and consequently, the directives issued by the Reserve Bank of India, the provisions of Section 73 to 76 or any other relevant provision of the Companies Act, 2013 and rules framed there under are not complied.

3) *In respect of the statutory dues*:

a) According to the records of NCL, there were no dues of Income- Tax, Sales Tax, Service Tax, duty of customs, duty of excise, Value Added Tax, Cess except details below which have not been deposited on account of any dispute.

i.	*VAT*	*Financial Year 2008-09*	*₹ 3,953,954*	*The appeal of NCL is pending before Deputy Commissioner of Commercial Tax, Appeals 1, Ahmedabad*
ii.	*Service Tax*	*Financial Year 2009 - 10 to 2013-14*	*₹ 4,020,469*	*NCL has filed before Commissioner Appeal II, Central Excise, Ahmedabad*
iii.	*Service Tax*	*Financial Year 2009 - 10 to 2013-14*	*₹ 4,l 40,869*	*NCL has filed before Commissioner Appeal II, Central Excise, Ahmedabad*

[###] Fiscal 2015:

1) *NCL has accepted deposits from the public in the previous years and consequently, the directives issued by the Reserve Bank of India, the provisions of Section 73 to 76 or any other relevant provision of the Companies Act, 2013 and rules framed there under are not complied.*

2) *In respect of the statutory dues*:

   a) *According to the records of NCL, there were no dues of Income- Tax, Sales Tax, Service Tax, duty of customs, duty of excise, Value Added Tax, Cess except details below which have not been deposited on account of any dispute.*

i.	*VAT*	*Financial Year 2008-09*	*₹ 3,953,954*	*NCL has filed appeal before Gujarat VAT tribunal which is pending*
ii.	*Service Tax*	*Financial Year 2010 – 11*	*₹ 191,578*	*NCL has paid this amount during current FY*

3) *NCL has taken machinery loan from Madhupura Co-Op Bank Ltd before 15 years and defaulted in repayment of said loan. Subsequently, NCL has paid loan and requested for one time settlement of dues as per Reserve Bank of India guidelines. However, the said Bank has not given benefit of said scheme and amount payable is shown as long term borrowing. NCL is confident that no liability will occurs in this respect. In respect of other loans company has not defaulted in repayment of dues to a financial institutions or bank. NCL has not raised money by issuing debenture.*

B. Group Companies having negative net-worth

Other than BHTPL, none of the Group Companies have negative net-worth.

C. Group Companies under winding up

None of the Group Companies are under winding up.

D. Group Companies which are sick companies

None of the Group Companies have been declared as insolvent under the provisions of the Insolvency and Bankruptcy Code, 2016 or declared as a sick company under the provisions of the SICA.

E. Loss making Group Companies

The following table sets forth the details of our Group Companies which have incurred losses in the last Fiscal and profit/loss made by them in the last three Fiscals:

Sr. No.	**Name of the entity**	**Loss (amount in ₹ million) for the Fiscal**		
		2017	**2016**	**2015**
1.	BHTPL	(253.85)	(325.08)	(446.31)

F. Defunct Group Companies

None of the Group Companies have remained defunct and no application has been made to the registrar of companies for striking off their names during the five years preceding the date of filing this Draft Red Herring Prospectus.

Interest of Group Companies in our Company

(a) In the promotion or business interest of our Company

Except as stated in "*Related Party Transactions*", beginning on page 231, none of the Group Companies have any interest in the promotion or any business interest or other interests in our Company.

(b) In the properties acquired or proposed to be acquired by our Company in the past two years before filing this Draft Red Herring Prospectus with SEBI

None of the Group Companies are interested in the properties acquired or proposed to be acquired by our Company in the two years preceding the filing of this Draft Red Herring Prospectus.

(c) In transactions for acquisitions of land, construction of building and supply of machinery

None of the Group Companies are interested in any transactions for the acquisition of land, construction of building or supply of machinery.

Common Pursuits among the Group Companies or our Associate and our Company

There are no common pursuits or conflict of interest situations amongst BHTPL and our Company. NCL is engaged in activities similar to that of our Company.

Related Business Transactions within the Group Companies and Significance on the Financial Performance of our Company

Other than the transactions disclosed in "*Related Party Transactions*" and "*Risk Factors – Prominent Notes*", on pages 231 and 48 respectively, there are no other related business transactions between the Group Companies and our Company.

Sale/Purchase between Group Companies or the Associate and our Company

The Group Companies are not involved in any sales or purchase with our Company where such sales or purchases exceed in value in the aggregate 10% of the total sales or purchases of our Company. For further details, see the section "*Related Party Transactions*" and "*Risk Factors – Prominent Notes*", on pages 231 and 48 respectively.

Other Confirmations

None of the securities of the Group Companies are listed on any Stock Exchange.

The Group Companies have not undertaken a public or rights issue at any time in the preceding three years.

The Group Companies have not been debarred from accessing capital market for any reasons by SEBI or any other authorities.

The Group Companies have not been identified as Wilful Defaulters.

For details in connection with the Group Companies from which the Promoter has disassociated during the last three years, see the section "*Promoter and Promoter Group*", beginning on page 221.

For details of litigation pertaining to the Group Companies, see "*Outstanding Litigation and Material Developments – Litigation involving the Group Companies*", on page 471.

DIVIDEND POLICY

The declaration and payment of dividends will be recommended by the Board and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act. As on the date of this Draft Red Herring Prospectus, our Company does not have a formal dividend policy.

Declaration of dividend, if any, will depend on a number of factors, including but not limited, to annual operating plans, capital budgets, quarterly and annual results, investments including mergers and acquisitions, legislations impacting business, competition, strategic updates, financial decisions, funding arrangements, macro-economic environment, changes in accounting policies and applicable accounting standards, client related risks, statutory restriction and other factors considered by the Board. The Articles of Association also provides discretion to the Board to declare and pay interim dividends.

In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under financing arrangements our Company is currently availing of or may enter into, to finance the fund requirements for our business activities. For further details, see section "*Financial Indebtedness*", beginning on page 442.

Our Company has not declared any dividends in the last five Fiscals, immediately preceding the date of filing of this Draft Red Herring Prospectus.

Our past practices with respect to the declaration of dividends are not necessarily indicative of our future dividend declaration. For details in relation to the risk involved, see "*Risk Factors – Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements and capital expenditures*", on page 42.

RELATED PARTY TRANSACTIONS

For details of the related party transactions, as per the requirements under the relevant accounting standards and as reported in the Restated Financial Statements, see the section "*Financial Statements*", beginning on page 232.

SECTION V: FINANCIAL INFORMATION

FINANCIAL STATEMENTS

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INDEPENDENT AUDITOR'S REPORT ON RESTATED STANDALONE FINANCIAL INFORMATION

Date: May 5, 2018

The Board of Directors
Montecarlo Limited
7th Floor, Shilp Building,
Nr. Municipal Market, CG Road,
Navrangpura,
Ahmedabad 380 009
Gujarat

Dear Sirs,

1. We have examined, as appropriate (refer paragraphs 4, 5 and 6 below), the attached Restated Standalone Financial Information of Montecarlo Limited (the "Company"), which comprise of the Restated Standalone Statement of Assets and Liabilities as at December 31, 2017 and as at March 31, 2017, 2016, 2015, 2014 and 2013, the Restated Standalone Statement of Profit and Loss (including other comprehensive income) and Restated Standalone Statement of Changes in Equity for the nine month period ended December 31, 2017 and each of the years ended March 31, 2017, 2016 and 2015, the Restated Standalone Statement of Profit and Loss for the years ended March 31, 2014 and 2013 and the Restated Standalone Statement of Cash Flows for nine month period ended December 31, 2017 and for the years ended March 31, 2017, 2016, 2015, 2014 and 2013 and the Summary of Significant Accounting Policies and Notes for the respective periods and which includes 11 Joint Operations of the Company accounted on a proportionate basis (collectively, the "Restated Standalone Financial Information"), as approved by the Board of Directors of the Company at their meeting held on May 5, 2018, for the purpose of inclusion in the Draft Red Herring Prospectus ("DRHP") prepared by the Company in connection with its proposed Initial Public Offer of equity shares ("IPO") prepared in terms of the requirements of:

   a) Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act") read with Rule 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 ("the Rules);

   b) the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time in pursuance of provisions of Securities and Exchange Board of India Act, 1992 ("ICDR Regulations"); and

   c) The Guidance Note on Reports in Company Prospectuses (Revised 2016) issued by the Institute of Chartered Accountants of India as amended from time to time (the "Guidance Note").

2. The preparation of the Restated Standalone Financial Information is the responsibility of the management of the Company for the purpose set out in paragraph 13 below. The management's responsibility includes designing, implementing and maintaining adequate 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 Act, the Rules, ICDR Regulations and the Guidance Note.

   Our responsibility is to examine the Restated Standalone Financial Information and confirm whether such Restated Standalone Financial Information comply with the requirements of the Act, the Rules, ICDR Regulations and the Guidance Note.

3. We have examined such Restated Standalone Financial Information taking into consideration:

   a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated February 20, 2018 in connection with the proposed IPO of the Company;

   b) The Guidance Note; and

   c) The Guidance Note on Reports or Certificates for Special Purposes (Revised 2016), which include the concepts of test checks and materiality. This Guidance Note requires us to obtain reasonable assurance based on verification of evidence supporting the Restated Standalone Financial Information. This Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

4. These Restated Standalone Financial Information have been compiled by the management from:

   a) Audited Special Purpose Interim Standalone Ind AS financial statements of the Company as at and for the nine month period ended December 31, 2017, which includes the comparative Ind AS financial statements as at and for the year ended March 31, 2017, prepared in accordance with the recognition and measurement principles of Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting", specified under section 133 of the Act and other accounting principles generally accepted in India (the "Special Purpose Interim Standalone Ind AS Financial Statements") which have been approved by the Board of directors at their meeting held on May 5, 2018. The Comparative Ind AS financial statements as at and for the year ended March 31, 2017 have been prepared by making Ind AS adjustments to the audited standalone financial statements of the Company as at and for the year ended March 31, 2017, prepared in accordance with the accounting standards notified under the section 133 of the Companies Act, 2013, ("Previous GAAP") which was approved by the Board of directors at their meeting held on June 29, 2017.

   b) Audited standalone financial statements of the Company as at and for the years ended March 31, 2014 and 2013, prepared in accordance with Previous GAAP which have been approved by the Board of Directors at their meeting held on July, 4, 2014, and May, 22, 2013 respectively.

   The Restated Standalone Financial Information also contains the proforma standalone Ind AS financial statements as at and for the years ended March 31, 2016 and 2015. These proforma standalone Ind AS financial statements have been prepared by making Ind AS adjustments to the audited Indian GAAP financial statements as at and for the years ended March 31, 2016 and 2015 which have been approved by the Board of Directors at their meetings held on April 25, 2016 and July 11, 2015, as described in Note 2 of Annexure V.

Audit of the standalone financial statements for the financial years ended March 31, 2017, 2016, 2015, 2014 and 2013 were conducted by previous auditors and accordingly reliance has been placed on the restated standalone financial information examined by them for the said years. The financial information included for these years, i.e. March 31, 2017, 2016, 2015, 2014 and 2013 are based solely on the reports submitted by them.

5. The audit report on the Special Purpose Interim Standalone Ind AS Financial Statements issued by us includes following other matters:

    a. We did not audit the financial information of 9 joint operations included in the Special Purpose Interim Standalone Ind AS financial statements of the Company whose financial information reflect total assets of Rs. 29,913.64 lacs as at 31st December 2017 and total revenues of Rs. 38,545.75 lacs for the period ended on that date, as considered in the Special Purpose Interim Standalone Ind AS financial statements. The financial information of these joint operations have been audited by the other auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these joint operations is based solely on the report of such other auditors.

    b. The comparative financial information of the Company for the year ended March 31, 2017 included in these Special Purpose Interim Standalone Ind AS financial statements, are based on the statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose report for the year ended March 31, 2017 dated June 29, 2017 expressed an unmodified opinion on those standalone financial statements, and have been restated to comply with Ind AS. Adjustments made to the previously issued said financial information prepared in accordance with the Companies (Accounting Standards) Rules, 2006 to comply with Ind AS have been audited by us.

    c. The comparative financial information for the year ended March 31, 2017 in respect of 11 joint operations included in this Standalone Ind AS financial statements prepared in accordance with Ind AS have been audited by other auditors.

    Our opinion on the Special Purpose Interim Standalone Ind AS Financial Statements is not modified in respect of these matters.

6. Previous auditors have confirmed that the restated standalone financial information for the years ended March 31, 2017, 2016, 2015, 2014 and 2013:

    a) have been made after incorporating adjustments for the changes in accounting policies retrospectively in financial year ended March 31, 2017, to reflect the same accounting treatment as per accounting policies as at and for the nine month period ended December 31, 2017;

    b) have been made after incorporating adjustments for the changes in accounting policies retrospectively in financial year ended March 31, 2013 to reflect the same accounting treatment as per accounting policies as at and for the year ended March 31, 2014;

    c) have been made after incorporating adjustments for the material amounts in the respective financial years to which they relate;

d) do not contain any extra-ordinary items that need to be disclosed separately in the Restated Standalone Financial Information and do not contain any qualification requiring adjustments; and

e) with respect to the proforma standalone Ind AS financial statements as at and for the years ended March 31, 2016 and 2015, the proforma standalone Ind AS financial statements have been prepared by making appropriate Ind AS adjustments to the audited Indian GAAP financial statements as at and for the years ended March 31, 2016 and 2015 as described in Note 2 of Annexure V.

7. Based on our examination, we report that:

a) The Restated Standalone Statement of Assets And Liabilities of the Company as at March 31, 2017, 2016 and 2015 examined and reported upon by previous auditor on which reliance has been placed by us, and as at December 31, 2017 examined by us, as set out in Annexure-I to this report and the Restated Standalone Statement of Assets And Liabilities of the Company as at March 31, 2014 and 2013 examined and reported upon by previous auditors on which reliance has been placed by us, as set out in Annexure - I to this report are after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure VII: Material Adjustments to Restated Standalone Financial Information and Notes thereon.

b) The Restated Standalone Statement of Profits and Loss (including other comprehensive income) of the Company for the years ended March 31, 2017, 2016 and 2015 examined and reported upon by previous auditors on which reliance has been placed by us, and for the nine month period ended December 31, 2017 examined by us, as set out in Annexure-II to this report and the Restated Standalone Statement of Profits and Loss of the Company for the years ended March 31, 2014 and 2013 examined and reported upon by previous auditors, on which reliance has been placed by us, as set out in Annexure IVA to this report are after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure-VII: Material Adjustments to Restated Standalone Financial Information and Notes thereon.

c) The Restated Standalone Statement of Changes in Equity of the Company for the years ended March 31, 2017, 2016 and 2015 examined and reported upon by previous auditors on which reliance has been placed by us, and for the nine month period ended December 31, 2017 examined by us, as set out in Annexure-III to this report are after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure-VII: Material Adjustments to Restated Standalone Financial Information and Notes thereon.

d) The Restated Standalone Statement of Cash Flows of the Company for the years ended March 31, 2017, 2016, 2015 examined and reported upon by previous auditors on which reliance has been placed by us, and for the nine month period ended December 31, 2017 examined by us, as set out in Annexure-IV to this report and the Restated Standalone Statement of Cash Flows of the Company for the years ended March 31, 2014 and 2013 examined and reported upon by previous auditors, on which reliance has been placed by us, as set out in Annexure - IV to this report are after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure-VII: Material Adjustments to Restated Standalone Financial Information and Notes thereon.

e) Based on the above, according to the information and explanations given to us and also as per the reliance placed on the reports submitted by the previous auditors for the respective years, we further report that the Restated Standalone Financial Information:

i) have been made after incorporating adjustments for the changes in accounting policies retrospectively in financial year ended March 31, 2017 to reflect the same accounting treatment as per accounting policies as at and for the nine month period ended December 31, 2017;

ii) have been made after incorporating adjustments for the changes in accounting policies retrospectively in financial year ended March 31, 2013 to reflect the same accounting treatment as per accounting policies as at and for the year ended March 31, 2014;

iii) have been made after incorporating adjustments for the material amounts in the respective financial years to which they relate; and

iv) do not contain any extra-ordinary items that need to be disclosed separately and do not contain any qualification requiring adjustments. The auditor's report on the Audited Special Purpose Interim Standalone Ind AS financial statements of the Company as at and for the nine month period ended December 31, 2017 includes the following Emphasis of Matter paragraph (also refer Note 48 of Annexure V), which do not require any corrective adjustment in the Restated Standalone Financial Information:

We draw attention to Note 50 to the Special Purpose Interim Standalone Ind AS Financial Statements, relating to on-going arbitration proceedings with one of its contractor.

Our report is not modified in respect of this matter.

8. We have also examined the following restated standalone other financial information of the Company set out in the following Annexures, proposed to be included in the DRHP, prepared by the management and approved by the Board of Directors on May 5, 2018 for the nine month period ended December 31, 2017 and for the years ended March 31, 2017, 2016 and 2015. In respect of the years ended March 31, 2017, 2016 and 2015 these information have been included based upon the reports submitted by previous auditors and relied upon by us:

a) Restated Standalone Statement of Property, Plant and Equipment included in Note 5 of Annexure V;
b) Restated Standalone Statement of Capital Work in Progress included in Note 5 of Annexure V;
c) Restated Standalone Statement of Intangible Assets included in Note 5 of Annexure V;
d) Restated Standalone Statement of Investments included in Note 6 of Annexure V;
e) Restated Standalone Statement of Other Non-Current Financial Assets included in Note 7 of Annexure V;
f) Restated Standalone Statement of Deferred Tax Assets (net) included in Note 8 of Annexure V;
g) Restated Standalone Statement of Deferred Tax Liabilities (net) included in Note 8 of Annexure V;
h) Restated Standalone Statement of Other Non-Current Assets included in Note 9 of Annexure V;
i) Restated Standalone Statement of Inventories included in Note 10 of Annexure V;
j) Restated Standalone Statement of Trade Receivables included in Note 11 of Annexure V;
k) Restated Standalone Statement of Cash and Cash Equivalents included in Note 12 of Annexure V;
l) Restated Standalone Statement of Bank Balances Other than Cash and Cash Equivalents included in Note 12 of Annexure V;

m) Restated Standalone Statement of Other Current Financial Assets included in Note 13 of Annexure V;
n) Restated Standalone Statement of Current Tax Assets (Net) included in Note 14 of Annexure V;
o) Restated Standalone Statement of Other Current Assets included in Note 15 of Annexure V;
p) Restated Standalone Statement of Equity Share Capital included in Note 16 of Annexure V;
q) Restated Standalone Statement of Other Equity included in Note 17 of Annexure V;
r) Restated Standalone Statement of Long Term Borrowings included in Note 18 of Annexure V;
s) Restated Standalone Statement of Other Non-Current Financial Liabilities included in Note 19 of Annexure V;
t) Restated Standalone Statement of Long Term Provisions included in Note 20 of Annexure V;
u) Restated Standalone Statement of Other Non-Current Liabilities included in Note 21 of Annexure V;
v) Restated Standalone Statement of Short Term Borrowings included in Note 22 of Annexure V;
w) Restated Standalone Statement of Trade Payables included in Note 23 of Annexure V;
x) Restated Standalone Statement of Other Current Financial Liabilities included in Note 24 of Annexure V;
y) Restated Standalone Statement of Short Term Provisions included in Note 25 of Annexure V;
z) Restated Standalone Statement of Other Current Liabilities included in Note 26 of Annexure V;
aa) Restated Standalone Statement of Revenue From Operations included in Note 27 of Annexure V;
bb) Restated Standalone Statement of Other Income included in Note 28 of Annexure V;
cc) Restated Standalone Statement of Changes in inventories of Work In Progress included in Note 29 of Annexure V;
dd) Restated Standalone Statement of Construction Expenses included in Note 30 of Annexure V;
ee) Restated Standalone Statement of Employee Benefit Expenses included in Note 31 of Annexure V;
ff) Restated Standalone Statement of Finance Cost included in Note 32 of Annexure V;
gg) Restated Standalone Statement of Depreciation and Amortization Expenses included in Note 5 of Annexure V;
hh) Restated Standalone Statement of Other Expenses included in Note 33 of Annexure V;
ii) Restated Standalone Statement of Deferred Tax included in Note 45 of Annexure V;
jj) Statement of Tax Shelter – Annexure VI;
kk) Material Adjustments to Restated Standalone Financial Information – Annexure VII;
ll) Statement of Equity Reconciliation to the Restated Standalone Financial Statements - Annexure VIII;
mm) Restated Standalone Statement of Accounting Ratios – Annexure IX;
nn) Restated Standalone Statement of Capitalization – Annexure X

According to the information and explanations given to us and also as per the reliance placed on the reports submitted by the previous auditors, in our opinion, the Restated Standalone Financial Information and the above Restated Standalone other financial information contained in Annexures I to X accompanying this report, read with Summary of Significant Accounting Policies disclosed in Annexure-V, are prepared after making adjustments and regroupings/reclassifications as considered appropriate [Refer Annexure-VII] and have been prepared in accordance with the Act, the Rules, the ICDR Regulations and the Guidance Note.

9. Previous auditors have examined the following restated previous GAAP Standalone financial statements of the Company set out in the following Annexures, proposed to be included in the DRHP, prepared by the management and approved by the Board of Directors on May 5, 2018 for the years ended March 31, 2014 and 2013. These information have been included based upon the reports submitted by previous auditors, and relied upon by us:

a) Restated Standalone Statement of Share Capital included in Note 1 of Annexure V;
b) Restated Standalone Statement of Reserves and Surplus included in Note 2 of Annexure V;
c) Restated Standalone Statement of Long Term Borrowings included in Note 3 of Annexure V;
d) Restated Standalone Statement of Deferred Tax Liabilities (Net) included in Note 4 of Annexure V;
e) Restated Standalone Statement of Other Long Term Liabilities included in Note 5 of Annexure V;
f) Restated Standalone Statement of Long Term Provisions included in Note 6 of Annexure V;
g) Restated Standalone Statement of Short Term Borrowings included in Note 7 of Annexure V;
h) Restated Standalone Statement of Trade Payables included in Note 8 of Annexure V;
i) Restated Standalone Statement of Other Current Liabilities included in Note 9 of Annexure V;
j) Restated Standalone Statement of Short-Term Provisions included in Note 10 of Annexure V;
k) Restated Standalone Statement of Property, Plant and Equipment included in Note 11 of Annexure V;
l) Restated Standalone Statement of Intangible Assets included in Note 11 of Annexure V;
m) Restated Standalone Statement of Capital Work-In-Progress included in Note 11 of Annexure V;
n) Restated Standalone Statement of Non-Current Investments included in Note 12 of Annexure V;
o) Restated Standalone Statement of Long Term Loans and Advances included in Note 13 of Annexure V;
p) Restated Standalone Statement of Other Non-Current Assets included in Note 14 of Annexure V;
q) Restated Standalone Statement of Inventories included in Note 15 of Annexure V;
r) Restated Standalone Statement of Trade Receivables included in Note 16 of Annexure V;
s) Restated Standalone Statement of Cash and Bank Balance included in Note 17 of Annexure V;
t) Restated Standalone Statement of Short-Term Loans and Advances included in Note 18 of Annexure V;
u) Restated Standalone Statement of Other Current Assets included in Note 19 of Annexure V;
v) Restated Standalone Statement of Revenue From Operations included in Note 20 of Annexure V;
w) Restated Standalone Statement of Other Income included in Note 21 of Annexure V;
x) Restated Standalone Statement of Changes in Work In Progress included in Note 22 of Annexure V;
y) Restated Standalone Statement of Construction Expenses included in Note 23 of Annexure V;
z) Restated Standalone Statement of Employee Benefit Expenses included in Note 24 of Annexure V;
aa) Restated Standalone Statement of Finance Cost included in Note 25 of Annexure V;
bb) Restated Standalone Statement of Depreciation and Amortisation Expenses included in Note 26 of Annexure V;

cc) Restated Standalone Statement of Other Expenses included in Note 27 of Annexure V;

According to the information and explanations given to us and also as per the reliance placed on the reports submitted by the previous auditors, in our opinion, the restated standalone financial information for the years ended March 31, 2014 and 2013 and the above restated standalone financial information contained in Annexures I to X accompanying this report, read with Summary of Significant Accounting Policies disclosed in Annexure-V, are prepared after making adjustments and regroupings/reclassifications as considered appropriate [Refer Annexure-VII] and have been prepared in accordance with the Act, the Rules, the ICDR Regulations and the Guidance Note.

10. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

11. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

12. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

13. Our report is intended solely for use of the management for inclusion in the DRHP to be filed with Securities and Exchange Board of India, BSE Limited, National Stock Exchange of India Limited and Registrar of Companies, Gujarat in connection with the proposed offer of equity shares of the Company. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No.: 117366W/W-100018)

Kartikeya Raval
Partner
(Membership Number: 106189)

Place: Ahmedabad
Date: May 5, 2018

Restated Standalone Financial Information - Ind AS

Ind AS	December 31, 2017
Ind AS	March 31, 2017
Proforma Ind AS	March 31, 2016
Proforma Ind AS	March 31, 2015

Annexure I

Restated Standalone Statement of Assets and Liabilities (Rs. in Million)

Particulars	Note No. of Annexure V	As at December 31, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
		Ind AS	Ind AS	Proforma Ind AS	Proforma Ind AS
I. ASSETS					
1 Non-current assets					
(a) Property, Plant and Equipment	5	2,594.75	2,810.89	2,780.06	2,523.87
(b) Capital work in progress	5	76.70	14.45	174.51	91.78
(c) Intangible assets	5	89.74	97.44	35.63	15.91
(d) Financial Assets					
(i) Investments	6	516.19	487.39	487.29	487.29
(ii) Other Non-current financial assets	7	589.76	120.52	65.15	132.64
(e) Deferred tax assets (net)	8	305.63	116.03	66.96	-
(f) Other non-current assets	9	174.57	26.85	23.62	3.88
Total Non-current Assets		**4,347.34**	**3,673.57**	**3,633.22**	**3,255.37**
2 Current assets					
(a) Inventories	10	1,224.73	1,287.64	957.27	617.06
(b) Financial Assets					
(i) Trade receivables	11	1,281.69	3,327.41	2,664.42	2,408.50
(ii) Cash and cash equivalents	12	117.68	68.93	126.93	109.56
(iii) Bank balances other than (ii) above	12	116.63	126.73	120.04	76.84
(iv) Other current financial assets	13	6,766.83	4,073.97	2,891.71	1,330.46
(c) Current tax assets (Net)	14	316.32	368.57	165.63	11.74
(d) Other current assets	15	1,649.09	2,222.56	2,318.71	1,502.35
Total Current assets		**11,472.97**	**11,475.81**	**9,244.71**	**6,056.51**
TOTAL ASSETS		**15,820.31**	**15,149.38**	**12,877.93**	**9,311.88**
II. EQUITY AND LIABILITIES					
1 Equity					
(a) Equity share capital	16	641.25	641.25	641.25	128.25
(b) Other Equity	17	4,744.72	4,012.10	3,051.40	2,282.03
Total Equity		**5,385.97**	**4,653.35**	**3,692.65**	**2,410.28**
2 Liabilities					
Non-current liabilities					
(a) Financial Liabilities					
(i) Long term borrowings	18	1,129.07	681.38	982.33	1,334.75
(ii) Other non-current financial liabilities	19	757.94	368.59	549.23	328.34
(b) Long-term provisions	20	34.73	29.82	19.37	8.14
(c) Deferred tax liabilities (Net)	8	-	-	-	40.01
(d) Other non-current liabilities	21	302.75	2,052.80	1,453.61	1,815.68
Total Non-current liabilities		**2,224.49**	**3,132.59**	**3,004.54**	**3,526.92**
3 Current liabilities					
(a) Financial Liabilities					
(i) Short term borrowings	22	2,428.12	2,113.02	2,435.19	1,262.88
(ii) Trade payables	23	3,166.49	3,091.47	2,584.36	1,303.08
(iii) Other current financial liabilities	24	1,346.20	1,854.35	1,013.35	781.69
(b) Short term provisions	25	28.01	21.89	31.70	9.47
(c) Other current liabilities	26	1,241.03	282.71	116.14	17.56
Total Current liabilities		**8,209.85**	**7,363.44**	**6,180.74**	**3,374.68**
Total Liabilities		**10,434.34**	**10,496.03**	**9,185.28**	**6,901.60**
Total EQUITY AND LIABILITIES		**15,820.31**	**15,149.38**	**12,877.93**	**9,311.88**

All Figures and ratios of December 31,2017 are of Nine (9) months only.

The above statement should be read with the Notes to the Restated Standalone Financial Information as appearing in Annexure V and Material Adjustments to Restated Standalone Financial Information and notes thereon appearing in Annexure VII.

As per our report of even date

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

Sd/-

Kartikeya Raval
Partner

For and on behalf of Board of Directors
Montecarlo Limited
CIN :- U40300GJ1995PLC025082

Sd/-

Kanubhai M. Patel
Chairman & Managing Director
DIN: 00025552

Sd/-

Brijesh K. Patel
Jt. Managing Director
DIN: 00025479

Sd/-

Nigam G. Shah
Chief Financial Officer

Sd/-

Kalpesh P. Desai
Company Secretary

Place : Ahmedabad
Date : May 05, 2018

Place : Ahmedabad
Date : May 05, 2018

Annexure II
Restated Standalone Statement of Profit and Losses (Rs. in Million)

	Particulars	Note No. of Annexure V	For the period ended December 31, 2017	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015
			Ind AS	Ind AS	Proforma Ind AS	Proforma Ind AS
	Revenue					
I	Revenue from Operations	**27**	13,202.75	19,801.54	16,842.67	10,113.99
	Other Income	**28**	78.75	78.19	114.02	49.64
	Total Income		**13,281.50**	**19,879.73**	**16,956.69**	**10,163.63**
	Expenses					
	Changes in inventories of work-in-progress	**29**	62.07	(156.35)	(87.19)	(68.24)
	Construction Expenses	**30**	10,492.27	16,068.15	13,443.18	7,765.57
	Employee Benefits Expense	**31**	855.66	1,060.50	975.35	512.99
	Finance costs	**32**	497.84	516.42	435.74	393.92
	Depreciation and Amortization Expenses	**5**	331.01	398.38	337.61	215.59
	Other Expenses	**33**	343.58	458.41	361.46	445.22
II	**Total Expenses**		**12,582.43**	**18,345.51**	**15,466.15**	**9,265.05**
III	**Profit Before Tax**		**699.07**	**1,534.22**	**1,490.54**	**898.58**
IV	**Tax expense:**					
	(1) Current Tax		157.29	269.77	309.77	329.32
	(2) Deferred Tax	**45**	(190.04)	(53.19)	(105.10)	(21.30)
V	**Profit/(Loss) for the Period/ Year**		**731.82**	**1,317.64**	**1,285.87**	**590.56**
	Other comprehensive income					
	Remeasurements of defined benefit liability/(asset)		1.23	11.77	(5.35)	(4.66)
	Income tax related to above items		(0.43)	(4.07)	1.85	1.46
VI	**Other comprehensive income (Net of taxes)**		**0.80**	**7.70**	**(3.50)**	**(3.20)**
VII	**Total comprehensive income for the Period/ Year**		**732.62**	**1,325.34**	**1,282.37**	**587.36**
VIII	**Earnings per equity share (EPS)**					
	Profit attributable to equity shareholders		731.82	1,317.64	1,285.87	590.56
	Weighted average number of equity shares outstanding during the year (Refer Note 39)		8,55,00,003	8,55,00,003	8,55,00,003	8,55,00,003
	Nominal value of equity share		10.00	10.00	10.00	10.00
	Basic and Diluted Earning per Share (EPS)#		8.56	15.41	15.04	6.91

All Figures and ratios of December 31,2017 are of Nine (9) months only.
\# Earning per share for the period ended December 31, 2017 is not annualised.

The above statement should be read with the Notes to the Restated Standalone Financial Information as appearing in Annexure V and Material Adjustments to Restated Standalone Financial Information and notes thereon appearing in Annexure VII.

As per our report of even date

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

Sd/-

Kartikeya Raval
Partner

Place : Ahmedabad
Date : May 05, 2018

For and on behalf of Board of Directors
Montecarlo Limited
CIN :- U40300GJ1995PLC025082

Sd/-

Kanubhai M. Patel
Chairman & Managing Director
DIN: 00025552

Sd/-

Brijesh K. Patel
Jt. Managing Director
DIN: 00025479

Sd/-

Nigam G. Shah
Chief Financial Officer

Sd/-

Kalpesh P. Desai
Company Secretary

Place : Ahmedabad
Date : May 05, 2018

Annexure III
Restated Standalone Statement of Changes in Equity

A. Equity Share Capital (Rs. in Million)

Particulars	No. of Shares	Amount
Balance as at April 1, 2014	25,65,000	25.65
Changes in equity share capital during the year 2014-15		
Add: Bonus Shares issued during the year	1,02,60,000	102.60
Balance as at March 31, 2015	1,28,25,000	128.25
Changes in equity share capital during the year 2015-16		
Add: Bonus Shares issued during the year	5,13,00,000	513.00
Balance as at March 31, 2016	6,41,25,000	641.25
Changes in equity share capital during the year 2016-17		
Add: Shares Issued pursuant to the Scheme of Arrangement (Refer Note 43)	3,46,25,002	346.25
Less: Share cancelled pursuant to the Scheme of Arrangement (Refer Note 43)	(3,46,25,000)	(346.25)
Balance as at March 31, 2017	6,41,25,002	641.25
Changes in equity share capital during the period	-	-
Balance as at December 31, 2017	**6,41,25,002**	**641.25**

A. Other equity (Rs. in Million)

Particulars	Reserves and Surplus				
	General Reserve	Debenture Redemption	Equity Share Premium	Retained Earnings	Total
Balance as at April 1, 2014	975.00	-	131.85	633.12	1,739.97
Adjustment to the opening balance of retained earning (Refer Annexure VIII)	-	-	-	59.26	59.26
Profit attributable to owners of the Company	-	-	-	590.56	590.56
Other comprehensive income arising from Remeasurement of defined benefit obligation net of income tax	-	-	-	(3.20)	(3.20)
Transactions during the year					
Issue of share capital	-	-	(102.60)	-	(102.60)
Transfer to General Reserve	400.00	-	-	(400.00)	-
Adjustment relating to fixed assets (Refer note 5)	-	-	-	(1.96)	(1.96)
Balance at the end of the year March 31, 2015	**1,375.00**	**-**	**29.25**	**877.78**	**2,282.03**
Balance as at April 1, 2015	**1,375.00**	-	**29.25**	**877.78**	**2,282.03**
Profit attributable to owners of the Company	-	-	-	1,285.87	1,285.87
Other comprehensive income arising from Remeasurement of defined benefit obligation net of income tax	-	-	-	(3.50)	(3.50)
Transactions during the year					
Issue of share capital	(513.00)	-	-		**(513.00)**
Transfer to General Reserve	700.00	-	-	(700.00)	-
Balance at the end of the year March 31, 2016	**1,562.00**	-	**29.25**	**1,460.15**	**3,051.40**
Balance as at April 1, 2016	**1,562.00**	**-**	**29.25**	**1,460.15**	**3,051.40**
Profit attributable to owners of the Company	-	-	-	1,317.64	1,317.64
Other comprehensive income arising from Remeasurement of defined benefit obligation net of income tax	-	-	-	7.70	7.70
Transactions during the year					
Utilized during the year for Scheme of Arrangement (Refer Note 43)	(343.70)	-	(29.25)		**(372.95)**
Transfer to General Reserve	1,000.00	-	-	(1,000.00)	-
Profit received as per Scheme of Arrangement (Refer Note 43)	-	-	-	8.31	8.31
Balance at the end of the year March 31, 2017	**2,218.30**	**-**	**-**	**1,793.80**	**4,012.10**
Balance as at April 1, 2017	**2,218.30**	**-**	**-**	**1,793.80**	**4,012.10**
Profit attributable to owners of the Company	-	-	-	731.82	731.82
Other comprehensive income arising from Remeasurement of defined benefit obligation net of income tax	-	-	-	0.80	0.80
Transactions during the period					
Transfer to Debenture Redemption Reserve	-	225.00	-	(225.00)	-
Balance as at December 31, 2017	**2,218.30**	**225.00**	**-**	**2,301.42**	**4,744.72**

The above statement should be read with the Notes to the Restated Standalone Financial Information as appearing in Annexure V and Material Adjustments to Restated Standalone Financial Information and notes thereon appearing in Annexure VII.

As per our report of even date

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

Sd/-

Kartikeya Raval
Partner

Place : Ahmedabad
Date : May 05, 2018

For and on behalf of Board of Directors
Montecarlo Limited
CIN :- U40300GJ1995PLC025082

Sd/-

Kanubhai M. Patel
Chairman & Managing Director
DIN: 00025552

Sd/-

Brijesh K. Patel
Jt. Managing Director
DIN: 00025479

Sd/-

Nigam G. Shah
Chief Financial Officer

Sd/-

Kalpesh P. Desai
Company Secretary

Place : Ahmedabad
Date : May 05, 2018

Montecarlo Limited

Annexure IV

Restated Standalone Statement of Cash Flows (Rs. in Million)

	Particulars	For the period ended December 31, 2017	For the Year ended March 31, 2017	For the Year ended March 31, 2016	For the Year ended March 31, 2015
		Ind AS	Ind AS	Proforma Ind AS	Proforma Ind AS
A	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Restated Net Profit before Tax	699.07	1,534.22	1,490.54	898.58
	Adjustment for:				
	Depreciation and Amortisation Expense	331.01	398.38	337.61	215.59
	(Profit) / Loss on Sale of Items of Property, Plant and Equipment	10.26	1.32	1.53	120.81
	Interest and other borrowing cost	497.84	516.42	435.74	393.93
	Interest income on FDRs	(6.77)	(11.88)	(9.43)	(8.92)
	Provision for Expected Credit Loss	7.91	9.79	7.26	6.83
	Fair valuation adjustment on retention monies	47.60	31.88	(54.35)	16.65
	Gain/Loss on Foreign Currency Transaction	7.68	(7.14)	-	(1.65)
	Bad debts written off	16.11	-	-	-
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	1,610.71	2,472.99	2,208.90	1,641.81
	Adjustment For Working Capital Changes:				
	Changes in Inventories	80.33	(347.79)	(340.21)	(296.37)
	Changes in Trade Receivables	1,956.22	(607.30)	(263.18)	110.40
	Changes in Financial Assets and Other Assets	(2,761.74)	(1,138.82)	(2,304.61)	(1,120.22)
	Changes in Financial Liabilities and Other Payables	(576.86)	1,795.89	1,425.44	1,473.68
	CASH GENERATED FROM OPERATIONS	**308.66**	**2,174.97**	**726.33**	**1,809.30**
	Direct Taxes paid (Net)	(176.75)	(537.57)	(477.13)	(313.18)
	NET CASH FROM OPERATING ACTIVITIES	**131.91**	**1,637.40**	**249.20**	**1,496.12**
B	**CASH FLOW FROM INVESTING ACTIVITIES:**				
	Purchase of Property Plant and Equipment (including advances for capital expenditure)	(275.06)	(659.09)	(711.07)	(1,569.69)
	Sale of Items of Property Plant and Equipment	21.14	23.13	3.07	4.58
	Investment in Subsidiaries (made) / sold	(95.50)	(0.10)	-	-
	Investment in Associates (made)/ sold	66.70	-	-	-
	Interest income on FDRs	4.47	11.23	9.61	9.11
	Changes in FDRs other than Cash and Cash Equivalents	50.34	(24.58)	(38.17)	(29.89)
	NET CASH USED IN INVESTING ACTIVITIES	**(227.89)**	**(649.41)**	**(736.57)**	**(1,585.89)**
C	**CASH FLOW FROM FINANCING ACTIVITIES:**				
	Proceeds from Loans	1,120.24	500.98	314.09	1,433.38
	Repayment of Loans	(865.88)	(706.15)	(542.47)	(378.20)
	Increase in borrowings- Working Capital	315.10	(322.17)	1,172.31	(479.09)
	Interest and other borrowing cost	(424.73)	(519.21)	(439.20)	(384.88)
	NET CASH GENERATED FROM/ (USED IN) FINANCING ACTIVITIES	**144.73**	**(1,046.55)**	**504.74**	**191.21**
	NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS	**48.75**	**(58.56)**	**17.37**	**101.44**
	OPENING BALANCE- CASH AND CASH EQUIVALENT	**68.93**	**126.93**	**109.56**	**8.12**
	Pursuant to the Composite Scheme of Arrangement (Refer Note 43)	-	0.56	-	-
	CLOSING BALANCE- CASH AND CASH EQUIVALENT	**117.68**	**68.93**	**126.93**	**109.56**

Notes to the Cash Flow Statement

1. The above Statement of Cash Flow has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) - 7 "Statement of Cash Flows".

2. Cash and cash equivalent comprises of:

Particulars	For the period ended December 31, 2017	For the Year ended March 31, 2017	For the Year ended March 31, 2016	For the Year ended March 31, 2015
	Ind AS	Ind AS	Proforma Ind AS	Proforma Ind AS
Balances with banks:				
- Current Accounts	114.86	66.17	92.19	105.84
- Cash credit account	-	-	27.90	-
Cash on hand	2.82	2.76	6.84	3.72
Cash and cash equivalents in Restated Standalone Statement of cash flow	117.68	68.93	126.93	109.56

3. For non cash transactions in the nature of investing and financing activities, Refer Note 43.

The above statement should be read with the Notes to the Restated Standalone Financial Information as appearing in Annexure V and Material Adjustments to Restated Standalone Financial Information and notes thereon appearing in Annexure VII.

As per our report of even date

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

Sd/-

Kartikeya Raval
Partner

Place : Ahmedabad
Date : May 05, 2018

For and on behalf of Board of Directors
Montecarlo Limited
CIN :- U40300GJ1995PLC025082

Sd/-

Kanubhai M. Patel
Chairman & Managing Director
DIN: 00025552

Sd/-

Brijesh K. Patel
Jt. Managing Director
DIN: 00025479

Sd/-

Nigam G. Shah
Chief Financial Officer

Sd/-

Kalpesh P. Desai
Company Secretary

Place : Ahmedabad
Date : May 05, 2018

Annexure V
Notes to Restated Standalone Financial Information

1. **Corporate Information**
Montecarlo Limited (the Company) is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is engaged in business of Infrastructure Development, Mining, Infrastructure for Power Transmission & Distribution and Property Development.

2. **Basis of Preparation**
The Restated Standalone Statement of Assets and Liabilities of the Company as at December 31, 2017 and as at March 31, 2017, the Restated Standalone Statement of Profit and Loss (including Other Comprehensive Income) for the nine month period ended December 31, 2017 and the year ended March 31, 2017, the Restated Standalone Statement of Changes in Equity and the Restated Standalone Statement of Cash flows for the period / year then ended and Restated Other Standalone Financial Information (together referred as 'Restated Standalone Financial Information') have been prepared in accordance with recognition and measurement principles of Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015.

The Restated Standalone financial information for the years ended March 31, 2016 and 2015 has been prepared on Proforma basis (i.e. "Proforma Standalone Ind AS financial information") in accordance with requirements of SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 31, 2016 ("SEBI Circular") and Guidance Note on Reports in Company Prospectuses issued by Institute of Chartered Accountants of India. For the purpose of Proforma Ind AS Standalone financial information for the year ended March 31, 2016 and 2015, the Company has followed the same accounting policies and accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) as initially adopted on transition date i.e. April 1, 2016. Accordingly, suitable restatement adjustments (both remeasurements and reclassifications) in the accounting heads are made to the Proforma Ind AS Standalone financial information as of and for the years ended March 31, 2016 and 2015. The basis of preparation for specific items where exemptions have been applied are as follows:

(a) Deemed cost Property, Plant and Equipment and Intangible Assets:

As permitted by IND AS 101, the Company has elected to continue with the carrying values under previous GAAP as 'deemed cost' at April 1, 2016 for all the items of property, plant & equipment and intangible assets.

(b) Deemed cost of Investments

The Company has elected to continue with the carrying value of its investment in associate recognised as of April 1, 2016 measured as per the previous GAAP and use that carrying value as its deemed cost of transition date.

(c) Derecognition of financial assets and financial liabilities

The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after transition date.

(d) Classification and measurement of financial assets

The Company has assessed classification and measurement of financial assets on the basis of facts and circumstances that exist as on transition date.

(e) Impairment of financial assets
The Company has applied impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort

to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date.

The Restated Standalone financial information for nine month period ended December 31, 2017 and for the year ended March 31, 2017 have been compiled by the Company from the Special Purpose Interim standalone Financial Statements prepared in accordance with the recognition and measurement principles of Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting", specified under section 133 of the Act and other accounting principles generally accepted in India and Restated Standalone Proforma Ind AS financial information for the years ended March 31, 2016 and 2015 have been compiled by the Company after making suitable material adjustments to the Audited Standalone Financial Statements of the Company for the years ended March 31, 2016 and 2015 prepared under the previous generally accepted accounting principles followed in India (Previous GAAP) and audited standalone financial information of Joint Operations for the period/years mentioned above, prepared in accordance with the accounting principles generally accepted in India at the relevant time.

Sr. No.	Name of Entity	Holding / Controlling Share	Date of Incorporation
1	MCL-KSIPL (JV)	90%	11.06.2014
2	MCL-KSIPL (JV) Dhanbad	90%	27.04.2015
3	MCL-SIIPL (JV)	51%	21.04.2015
4	VPRPL- MCL (JV)	40%	25.06.2015
5	MCL-LAXYO-VNR (JV)	78%	02.09.2015
6	MCL-BEL BIHAR (JV)	90%	04.12.2015
7	MCL-JBPL Rajasthan (JV)	60%	28.01.2016
8	Montecarlo- JPCPL (JV)	95%	02.03.2016
9	Montecarlo Laxyo Technocom (JV)	84%	28.04.2016
10	MCL-KSIPL (JV) GURAJANPALLI	51%	31.08.2016
11	MCL-BEL GORAKHPUR (JV)	90%	30.12.2016

Classification of joint arrangements

The joint venture agreements related to above joint operations require unanimous consent from all parties for relevant activities. All co-venturers have direct rights to the assets of the joint venture and are also jointly and severally liable for the liabilities incurred by the joint ventures. This joint ventures are, therefore, classified as joint operation and the Company recognise its direct right to the jointly held assets, liabilities, revenue and expenses.

For all periods up to and including the year ended March 31, 2017, the Company prepared its audited standalone financial information in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These standalone financial statements for the period ended December 31, 2017 are the first the Company has prepared in accordance with Ind AS. The date of transition to Ind-AS is April 1, 2016. Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. Refer Annexure VII of Material Adjustments to Restated Standalone Financial Information and notes thereon and Annexure VIII of Statement of Equity Reconciliation to Restated Standalone Financial Information for the reconciliations from previous GAAP to Ind AS.

This Restated Standalone Financial Information has been prepared for inclusion in the Offer Document to be filed by the Company with the Securities and Exchange Board of India ('SEBI') in connection with proposed Initial Public Offering in accordance with the requirements of:

(a) Section 26 of Part 1 Chapter III of the Act read with Rule 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014;

(b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time (the "Regulations") issued by the Securities and Exchange Board of India ('SEBI') on 26 August 2009, in pursuance of the Securities and Exchange Board of India Act, 1992 read along with SEBI Circular No. SEBI/HO/CFD/DIL/CIR/P/2016/47 dated 31st March, 2016; and

(c) Guidance note on reports in company prospectuses (Revised 2016).

The Restated Standalone Financial Information has been prepared on the historical cost convention, except for certain financial instruments that are measured at fair value at the end of each reporting period in accordance with Ind AS.

Fair value measurements under Ind AS are categorised as below based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the company can access at measurement date;

- Level 2 inputs are inputs, other than quoted prices included in level 1, that are observable for the asset or liability, either directly or indirectly; and

- Level 3 inputs are unobservable inputs for the valuation of assets / liabilities

3. Significant Accounting judgments, estimates and assumptions:

The application of the Company's accounting policies as described in Annexure V of Notes to Restated Standalone financial information, in the preparation of the Company's Restated Standalone financial information requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. The estimates and assumptions are based on historical experience and other factors that are considered to be relevant. The estimates and underlying assumptions are reviewed on an ongoing basis and any revisions thereto are recognized in the period in which they are revised or in the period of revision and future periods if the revision affects both the current and future periods. Actual results may differ from these estimates which could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and assumptions

The estimates at April 1, 2016 and at March 31, 2017 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies). The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at April 1, 2016, the date of transition to Ind AS and as of March 31, 2017.

Key Sources of estimation uncertainty:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Existing circumstances and assumptions about future developments may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(i) Useful lives of property, plant and equipment:

Determination of the estimated useful lives of tangible assets and the assessment as to which components of the cost may be capitalized. Useful lives of tangible assets are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, operating conditions of the asset. Refer note no. 5 of Annexure V for details of value of property, plant and equipment and its depreciation.

(ii) Fair value measurement of financial instruments

In estimating the fair value of financial assets and financial liabilities, the Company uses market observable data to the extent available. Where such Level 1 inputs are not available, the Company establishes appropriate valuation techniques and inputs to the model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

(iii) Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. Information about the various estimates and assumptions made in determining the present value of defined benefit obligations are disclosed in Note 36 of Annexure V.

(iv) Impairment of investments in associates:

Determining whether investments in associates is impaired requires an estimation of the recoverable amounts of the investment in the investee entity. The value in use calculation requires management to estimate the future cash flows expected to arise from the associate’s operations and a suitable discount rate in order to calculate present value. (Refer Note 6.5 of Annexure V).

(v) Taxes

Significant management judgement is required to determine the amounts of current taxes, deferred taxes and tax credits that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. (Refer Note 8 & 14 of Annexure V)

(vi) Provision for estimated losses on construction contracts:

When it is probable that total contract costs will exceed contract revenues, the expected loss is required to be recognized as an expense immediately. The major component of contract estimate is budgeted costs to complete the contract. While estimating the total costs, management makes various assumptions such as the timeliness of project completion, the estimated costs escalations and consumption norms.

4. Significant Accounting Policies

a) Property, Plant and Equipment

Property, Plant and Equipment are stated at cost of acquisition or construction less accumulated depreciation and accumulated impairment losses. Cost includes purchase price and all other attributable costs of bringing the asset to working condition for intended use. Financing costs relating to borrowing funds attributable to acquisition of Property, Plant and Equipment are also included, for the period till such asset is put to use.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss.

Depreciation on Property, Plant and Equipment is provided on the Straight Line Method (SLM) over the useful life of the assets as prescribed under Schedule II to the Companies Act, 2013. In respect of the Property, Plant and Equipment purchased during the year, depreciation is provided on pro rata basis from the date on which such asset is ready to be put to use. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any such change in the estimate accounted for on a prospective basis.

The estimated useful lives of items of Property, Plant & Equipment as prescribed in Schedule II of Companies Act, 2013 are as follows:

Asset Class	Useful life (in years)
Buildings	3 - 60
Plant and Machinery	8 - 15
Computers	3 - 10
Office Equipment	5 -10
Furniture and Fixtures	10
Electrical Installation	10
Vehicles	8 - 12
Computer Software	6 - 10

An item of Property, Plant and Equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of Property, Plant and Equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

For transition to Ind AS, the Company has elected to adopt as deemed cost, the carrying value of Property, Plant and Equipment measured as per I-GAAP on the transition date of April 1, 2016.

b) Intangible Assets

Intangible assets with finite useful lives that are acquired separately are measured on initial recognition at cost and carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight line basis over the estimated useful life.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

For transition to Ind AS, the Company has elected to adopt as deemed cost, the carrying value of intangible assets, measured as per I-GAAP on the transition date of April 1, 2016.

c) Foreign Currency Transactions

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount, the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Exchange differences on monetary items are recognized as income or as expenses in the period in which they arise except for exchange differences on foreign currency borrowings related to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

The Company has elected to continue the policy adopted for exchange differences arising from translation of long term foreign currency monetary items (Refer Note 40 of Annexure V) outstanding and recognized in the financial statements for the period ending immediately before the beginning of the first Ind-AS financial reporting period as per the previous GAAP.

d) Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying asset are capitalized as a part of the cost of such asset. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. All others borrowing cost are recognized in the profit and loss in the period in which they are incurred.

e) Impairment of Tangible and Intangible Assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

f) Revenue Recognition

Revenue from Construction Contracts:

If the outcome of the construction contract can be estimated reliably, revenue from construction contracts is recognised by reference to the stage of completion of the contract activity. The stage of completion is determined with reference to completion of a physical proportion of the contract work. The Company's claims for extra work, incentives, escalation in rates relating to execution of contracts are recognized as revenue in the year in which the said claims are finally accepted by the customers.
The estimated outcome of a contract is considered reliable when all the following conditions are satisfied:

i. the amount of revenue can be measured reliably;
ii. it is probable that the economic benefits associated with the contract will flow to the company;
iii. the stage of completion of the contract at the end of the reporting period can be measured reliably; and
iv. the costs incurred or to be incurred in respect of the contract can be measured reliably.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognized as an expense immediately.

Revenue from Property Development:

Revenue from Property Development is recognized when the significant risks and rewards related to the ownership of the property is transferred to the buyer.

Rendering of services:

Revenue from contracts to provide services (other than those covered under construction contracts referred above) are recognized by reference to the stage of completion of the contract.

Interest income is accrued on a time proportion basis, by reference to the principal outstanding and the applicable effective interest rate. Other income is accounted for on accrual basis. Where the receipt of income is uncertain, it is accounted for on receipt basis.

g) Inventories

Inventories are stated at the lower of cost or net realizable value. Costs of inventories are determined on weighted average cost basis, except for certain in-house developed materials which are determined on a standard cost basis.

Inventories of Property Development is valued at cost and net realizable value, whichever is lower. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

h) Employee Benefits:

Defined benefit plans

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees through Group Gratuity Scheme of Life Insurance Corporation of India. The Company accounts for the liability for the gratuity benefits payable in future based on an independent actuarial valuation carried out using Projected Unit Credit Method considering discounting rate relevant to Government Securities at the Balance Sheet Date.

Defined benefit costs in the nature of current and past service cost and net interest expense or income are recognized in the statement of profit and loss in the period in which they occur. Actuarial gains and losses on remeasurement is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur and is reflected immediately in retained earnings and not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment.

Defined Contribution plan
Retirement Benefits in the form of Provident Fund, which is a defined contribution scheme, is charged to the Statement of Profit and Loss for the period in which the contributions to the fund accrue.

Compensated Absences
Provision for Compensated Absences and its classifications between current and non-current liabilities are based on independent actuarial valuation. The actuarial valuation is done as per the projected unit credit method as at the reporting date.

Short term employee benefits
They are recognised at an undiscounted amount in the Statement of Profit and Loss for the year in which the related services are rendered.

i) Taxes on Income

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income tax Act, 1961, and based on the expected outcome of assessments/ appeals. Current income tax assets and current income tax liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted at the reporting date.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the company's financial statements and the corresponding tax bases used in computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences including the temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are generally recognised for all taxable temporary differences to the extent that is probable that taxable profits will be available against which those deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on the tax rates and tax laws that have been enacted or substantially enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the end of reporting period, to recover or settle the carrying amount of its assets and liabilities.

j) Segment Reporting

Considering the nature of Company's business and operations, as well as based on reviews of operating results by the chief operating decision maker to make decisions about resource allocation and performance measurement, there two reportable segments in accordance with the requirements of Ind AS-108-"Operating Segments", prescribed under Companies (Indian Accounting Standards) Rules, 2015.

k) Provisions Contingent Liabilities & Contingent Assets:

A provision is recognized when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent Liabilities are not provided for and are disclosed by way of notes.

Contingent Assets are not recognized but disclosed in the financial statements, if an inflow of economic benefits is probable.

l) Interests in Joint operations

The company as a joint operator recognises in relation to its interest in a joint operation, its share in the assets/liabilities held/ incurred jointly with the other parties of the joint arrangement. Revenue is recognised for its share of revenue from the sale of output by the joint venture. Expenses are recognised for its share of expenses incurred jointly with other parties as part of the joint arrangement. Interest in Joint operations are included in the segment to which they relate.

m) Financial instruments

Financial assets and/or financial liabilities are recognised when the company becomes party to a contract embodying the related financial instruments. All financial assets, financial liabilities and financial guarantee contracts are initially measured at transaction values and where such values are different from the fair value, at fair value. Transaction costs that are attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from as the case may be, the fair value of such assets or liabilities, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

The financial assets and financial liabilities are offset and presented on net basis in the Balance Sheet when there is a current legally enforceable right to set-off the recognised amounts and it is intended to either settle on net basis or to realise the asset and settle the liability simultaneously.

(i) Financial assets:

i. Initial recognition and measurement of financial assets
All financial assets are recognized initially at fair value. Transaction costs that are directly attributable to the acquisition of financial assets that are not at fair value through profit or loss are added to the fair value on initial recognition.

ii. Subsequent measurement of financial assets
For purposes of subsequent measurement, financial assets are classified in below categories:
• Financial assets at amortized cost
• Financial assets at fair value through profit or loss (FVTPL)

Financial assets at amortized cost:

A financial asset is measured at amortized cost if it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

• Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the above conditions mentioned in "Financial assets at amortised cost" are met. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Financial assets at fair value through profit or loss:
FVTPL is a residual category for financial assets. Any financial asset which does not meet the criteria for categorization as at amortized cost or as FVTOCI is classified as at FVTPL.

iii. De-recognition of financial assets

A financial asset is de-recognized when the contractual rights to the cash flows from the financial asset expire or the Company has transferred its contractual rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

iv. Impairment of financial assets
The Company recognizes loss allowances using the expected credit loss ("ECL") model for the financial assets. Expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in profit or loss.

(ii) Financial liabilities:

i. Initial recognition and measurement of financial liabilities
The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts all financial liabilities are recognised initially at fair value, in case of loan and borrowings and payables, fair value is reduced by directly attributable transaction costs.
ii. Subsequent measurement of financial liabilities
The measurement of financial liabilities depends on their classification, as described below:

• Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss (FVTPL).
Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses on changes in fair value of such liability are recognised in the statement of profit or loss.

• Loans and Borrowings

After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the EIR method.

Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortization process.

• Financial liabilities at amortised cost

Financial liabilities that are not held for trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting period. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on effective interest method. Interest expenses that is not capitalized as part of cost of an asset is included in the 'finance cost' line item.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

iii. Derecognition of financial liabilities

A financial liability (or a part of a financial liability) is derecognised from its balance sheet when the obligation specified in the contract is discharged or cancelled or expired.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

n) Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

As lessor

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases.

Rental income from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Company’s expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

As lessee

Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the company's general policy on borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor’s expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

o) 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.

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 are adjusted for the effects of all dilutive potential equity shares.

p) Standard issued not yet effective

On 28 March 2018, Ministry of Corporate Affairs (MCA) has notified new standards and amendments to existing standards. These amendments are effective for annual periods beginning after 1 April 2018.

<u>Ind AS 115 Revenue from contract with customers</u>

Ind AS 115 establishes a comprehensive framework for determining whether, how much and when revenue is recognized. It replaces existing revenue recognition guidance, including Ind AS 18 Revenue and Ins AS 11 Construction Contracts. The core principle of the new standard that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further, the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

This Standard permits two possible methods of transition i.e. retrospective approach and modified retrospective method.

The Company is in the process of evaluating and identifying the key impacts along with transition options to be considered while transiting to Ind AS 115.

Montecarlo Limited

Annexure V
Notes to Restated Standalone Financial Information

Note 5 - Property, Plant & Equipment, Capital work-in-progress and Intangible Assets (Rs. in Million)

Gross block	Property, Plant & Equipment									Capital Work in progress	Intangible Assets
	Land	Building	Plant & Machinery	Vehicles	Office Equipment	Computers	Furniture and Fixtures	Electrical Installation	Total		Computer Software
Deemed Cost											
Balance as at April 1, 2014 (Refer Note (f) below)	39.65	89.53	621.10	591.16	3.06	1.19	19.73	1.41	1,366.83	24.26	9.51
Additions	8.99	-	561.50	920.39	-	3.54	3.38	0.61	1,498.42	84.11	7.96
Disposals	(1.35)	-	(161.91)	(6.37)	(0.40)	-	(0.01)	-	(170.05)	-	-
Transfer from Capital Work in Progress	-	-	-	-	-	-	-	-	-	(16.58)	-
Balance as at March 31, 2015	**47.28**	**89.53**	**1,020.69**	**1,505.18**	**2.66**	**4.73**	**23.11**	**2.02**	**2,695.20**	**91.78**	**17.47**
Balance as at April 1, 2015	47.28	89.53	1,020.69	1,505.18	2.66	4.73	23.11	2.02	2,695.20	91.78	17.47
Additions	96.30	-	243.70	252.49	-	0.56	1.28	-	594.32	129.74	23.80
Disposals	(0.08)	-	(26.79)	(4.23)	-	-	-	-	(31.10)	-	-
Transfer from Capital Work in Progress	-	-	-	-	-	-	-	-	-	(47.01)	-
Balance as at March 31, 2016	**143.50**	**89.53**	**1,237.60**	**1,753.44**	**2.66**	**5.29**	**24.39**	**2.02**	**3,258.42**	**174.51**	**41.27**
Deemed Cost											
Balance as at April 1, 2016	143.50	86.51	1,083.69	1,443.42	0.67	3.59	17.33	1.35	2,780.06	174.51	35.63
Additions	-	-	456.84	187.62	8.81	1.46	-	-	654.75	14.21	67.65
Disposals	-	-	(49.64)	(19.56)	-	-	-	-	(69.20)	-	-
Transfer from Capital Work in Progress	-	-	-	-	-	-	-	-	-	(15.43)	-
Assets received under composite scheme of arrangement (Refer Note 43)	-	0.47	-	-	-	-	-	-	0.47	-	-
Assets transferred under composite scheme of arrangement (Refer Note 43)	(134.51)	(72.89)	-	-	-	-	-	-	(207.40)	(158.84)	-
Balance as at March 31, 2017	**8.99**	**14.08**	**1,490.89**	**1,611.48**	**9.48**	**5.05**	**17.33**	**1.35**	**3,158.67**	**14.45**	**103.28**
Balance as at April 1, 2017	8.99	14.08	1,490.89	1,611.48	9.48	5.05	17.33	1.35	3,158.67	14.45	103.28
Additions	-	-	36.20	80.71	3.31	2.93	-	-	123.14	76.70	0.99
Disposals	(8.99)	-	(31.45)	(23.82)	-	-	-	-	(64.27)	-	-
Transfer from Capital Work in Progress	-	-	10.51	3.94	-	-	-	-	14.45	(14.45)	-
Balance as at December 31, 2017	**-**	**14.08**	**1,506.14**	**1,672.31**	**12.79**	**7.98**	**17.33**	**1.35**	**3,231.99**	**76.70**	**104.27**

Montecarlo Limited

Annexure V
Notes to Restated Standalone Financial Information

Note 5 - Property, Plant & Equipment, Capital work-in-progress and Intangible Assets (Rs. in Million)

Accumulated depreciation	Property, Plant & Equipment									Capital Work in progress	Intangible Assets
	Land	Building	Plant & Machinery	Vehicles	Office Equipment	Computers	Furniture and Fixtures	Electrical Installation	Total		Computer Software
Balance as at April 1, 2014	-	-	-	-	-	-	-	-	-	-	-
Depreciation / amortisation for the year	-	1.51	89.14	118.40	0.36	1.17	3.17	0.27	214.02	-	1.56
Transfer to Reserve & Surplus (Refer note (e) below)	-	-	(0.17)	0.84	1.39	(0.20)	-	0.09	1.96	-	-
Disposals	-	-	(39.01)	(5.52)	(0.13)	-	(0.00)	-	(44.66)	-	-
Balance as at March 31, 2015	**-**	**1.51**	**49.97**	**113.73**	**1.63**	**0.97**	**3.17**	**0.36**	**171.33**	**-**	**1.56**
Balance as at April 1, 2015	-	1.51	49.97	113.73	1.63	0.97	3.17	0.36	171.33	-	1.56
Depreciation / amortisation for the year	-	1.51	128.24	198.50	0.36	0.73	3.88	0.31	333.53	-	4.08
Disposals	-	-	(24.29)	(2.21)	-	-	-	-	(26.50)	-	-
Balance as at March 31, 2016	**-**	**3.01**	**153.91**	**310.02**	**1.99**	**1.70**	**7.05**	**0.67**	**478.36**	**-**	**5.64**
Balance as at April 1, 2016	-	-	-	-	-	-	-	-	-	-	-
Depreciation / amortisation for the year	-	0.25	157.90	230.09	0.34	0.91	2.83	0.21	392.53	-	5.85
Disposals	-	-	(34.51)	(10.25)	-	-	-	-	(44.76)	-	-
Balance as at March 31, 2017	**-**	**0.25**	**123.40**	**219.84**	**0.34**	**0.91**	**2.83**	**0.21**	**347.78**	**-**	**5.85**
Balance as at April 1, 2017	-	0.25	123.40	219.84	0.34	0.91	2.83	0.21	347.78	-	5.85
Depreciation / amortisation for the period	-	0.19	137.04	181.12	0.83	0.85	2.13	0.16	322.33	-	8.68
Disposals	-	-	(18.28)	(14.59)	-	-	-	-	(32.87)	-	-
Balance as at December 31, 2017	**-**	**0.44**	**242.16**	**386.37**	**1.17**	**1.76**	**4.96**	**0.37**	**637.24**	**-**	**14.53**

Carrying Amount (Net)	Property, Plant & Equipment									Capital Work in progress	Intangible Assets
	Land	Building	Plant & Machinery	Vehicles	Office Equipment	Computers	Furniture and Fixtures	Electrical Installation	Total		Computer Software
As at March 31, 2015	47.28	88.02	970.72	1,391.45	1.03	3.76	19.94	1.66	2,523.87	91.78	15.91
As at March 31, 2016	143.50	86.51	1,083.69	1,443.42	0.67	3.59	17.33	1.35	2,780.06	174.51	35.63
As at March 31, 2017	8.99	13.83	1,367.49	1,391.64	9.14	4.15	14.50	1.15	2,810.89	14.45	97.44
As at December 31, 2017	-	13.64	1,263.98	1,285.94	11.62	6.22	12.37	0.99	2,594.75	76.70	89.74

Montecarlo Limited

Annexure V
Notes to Restated Standalone Financial Information

Note 5 - Property, Plant & Equipment, Capital work-in-progress and Intangible Assets (Rs. in Million)

Particulars	For the period ended December 31, 2017	For the year ended March 31, 2017	For the year ended March 31, 2016 (Proforma)	For the year ended March 31, 2015 (Proforma)
Depreciation on Property, Plant and Equipment	322.33	392.53	333.53	214.02
Amortisation on Intangible Assets	8.68	5.85	4.08	1.56
Total :	**331.01**	**398.38**	**337.61**	**215.59**

(a) The Company has neither given nor taken any assets on finance lease.
(b) Individual assets of Property, Plant and Equipment has been reclassified wherever necessary.
(c) Refer Note 43 for assets received & transferred under composite scheme of arrangement.
(d) Refer Note 18.2 & 22.1 for assets pledged as security.
(e) In the year of FY 2014-15, the company has revised the useful lives of certain fixed assets as specified in Schedule II to the Companies Act, 2013. Accordingly the carrying value of fixed assets as on that date net off residual value, has been depreciated over the revised remaining useful lives. Accordingly, the written down value of fixed assets whose lives has been expired as at April 1, 2014 have been adjusted net of tax, in the opening balance of Retained earnings amounting to Rs. 1.96 Million.

(f) On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment (PPE) recognised as at April 1, 2016 measured as per the previous Indian GAAP and used that carrying value as the deemed cost of the PPE. While preparing Proforma Ind AS restated financial information for each of the years ended March 31, 2016 and March 31, 2015 the Company has opted the same accounting policy choice as adopted on transition date and accordingly the carrying value of its PPE as at March 31, 2014 has been used as deemed cost of PPE as at April 1, 2014.

 (Rs. in Million)

Note 6 : Investments

Particulars	As at December 31, 2017 (Ind AS)	As at March 31, 2017 (Ind AS)	As at March 31, 2016 (Proforma Ind AS)	As at March 31, 2015 (Proforma Ind AS)
Unquoted Investments (All fully paid)				
(A) Investment in equity instruments				
(a) Investment in subsidiaries (valued at cost) (Refer Note 6.4)				
- Montecarlo Projects India Limited. December 31, 2017 : 10,000 (March 31, 2017: 10,000, March 31, 2016: NIL and March 31, 2015: NIL) Fully Paid up Equity Shares of ₹ 10/- each	0.10	0.10	-	-
- Montecarlo Singhara Binjabahal Highway Pvt. Ltd December 31, 2017 : 10 (March 31, 2017 : NIL) Fully Paid up Equity Shares of ₹ 10/- each	*	-	-	-
(b) Investment in Associate companies (valued at cost)				
- Bijapur-Hungund Tollway Pvt. Ltd. (Refer Note 6.2) December 31, 2017 : 23,220,800 (March 31, 2017 : 23,220,800, March 31, 2016: 23,220,800 and March 31, 2015: 23,220,800) Fully Paid up Equity Shares of ₹ 10/- each.	232.21	232.21	232.21	232.21
(B) Investment in Other Equity (Refer Note 6.1)				
- Bijapur-Hungund Tollway Pvt. Ltd.	185.38	252.08	252.08	252.08
- Montecarlo Projects India Limited.	95.50	-	-	-
(C) Investment in Bonds				
- Sardar Sarovar Narmada Nigam Ltd.	3.00	3.00	3.00	3.00
Total	**516.19**	**487.39**	**487.29**	**487.29**

Note 6.1 : Investment in other Equity includes Investment by way of Sub - ordinate Loan / Interest free Loan given to associate / subsidiary Company accounted as an equity investment as it is perpetual in nature.

Note 6.2 : Company has pledged 6,037,408 shares (March 31, 2017 6,037,408 shares, March 31, 2016 6,037,408 shares and March 31, 2015 6,037,408 shares) with the lender as collateral security for loan taken by Bijapur-Hungund Tollway Pvt. Ltd.

Note 6.3 : Refer Note 34 for Related party transactions and outstanding balances.

Note 6.4: The Company has filed a Company Petition No. 78 of 2013 against Bijapur- Hungund tollway Pvt. Ltd. (BHTPL),Sadbhav Engineering Ltd.(SEL), Sadbhav Infrastructure Projects Ltd. (SIPL), (SEL and SIPL being other Investors'' in BHTPL) and present & past directors of BHTPL (herein referred to as "Appellant") under sections 397,398,399,402 and 403 of the Companies Act, 1956) before the Company Law Board (CLB), Mumbai. SIPL had filed an Application to stay proceedings before the CLB and refer the matters to arbitration. The said Application was dismissed by the CLB by Order dated January 8, 2014. SIPL then proceeded to file a Writ Petition before the Hon'ble Gujarat High Court challenging the said Order. The Writ Petition was dismissed by Order dated August 14, 2014. SIPL has filed Letter Patents Appeal No.1070 of 2014 before the Division Bench of the Hon'ble Gujarat High Court against the said Order. The Hon'ble Gujarat High Court has by Order dated September 18, 2014 continued the interim Orders passed during the pendency of the Writ Petition and further directed that the proceedings of Company Petition No. 78 of 2013 shall not proceed further. The Letter Patents Appeal is pending hearing before the Hon'ble Gujarat High Court.

Note 6.5: The Company has determined the recoverable amount of the investment in Bijapur Hungund Tollway Pvt. Ltd. under Ind AS - 36, Impairment of Assets as at December 31, 2017. The said assessment requires significant estimates & judgements to be made by the management with respect to toll rates, traffic estimates, operational costs, inflation adjustments and appropriate discount rates. The Company's management believes that such estimates are reasonable. On a careful evaluation of the aforesaid factors, the Company's management has concluded that the recoverable amount of the investment is higher than the carrying amount & no provision for impairment is considered necessary at this stage.

* Amount below Rupees 5,000/-

Note 7 : Other Non current financial assets (Unsecured)

Particulars	As at December 31, 2017 (Ind AS)	As at March 31, 2017 (Ind AS)	As at March 31, 2016 (Proforma Ind AS)	As at March 31, 2015 (Proforma Ind AS)
Non current				
Security Deposit / Retention Money	582.94	73.47	35.98	98.45
Fixed Deposits - Maturing after 12 months from reporting date*	6.82	47.05	29.17	34.19
Total	**589.76**	**120.52**	**65.15**	**132.64**

*Above Fixed Deposits made with bank, are given to customers as Security and Earnest Money Deposit and Lien Marked with bank.

Note 7.1 Refer Note 34 for Related party transactions and outstanding balances.

Note 7.2 Fair value of Security Deposit and other deposits is not materially different from the carrying value presented.

Note 7.3 : As at December 31, 2017, the Company has discounted retention money with an aggregate carrying amount of Rs. 187.19 Million (March 31, 2017 Nil, March 31, 2016 Nil, March 31, 2015 Nil) with an NBFC for cash proceeds of Rs. 186.33 Million (March 31, 2017 Nil, March 31, 2016 Rs. Nil, March 31, 2015 Nil) (net of interest & charges). If the amount is not paid at maturity, the bank has right to request the Company to repay unsettled balance. As the Company has not transferred the significant risk and rewards relating to retention money, it continues to recognised the full carrying amount of the retention money and has recognised the cash received on the transferred as secured borrowings (Refer Note 22).

 (Rs. in Million)

Note 8 : Deferred Tax (Assets)/ Liabilities (Net)

Particulars	As at December 31, 2017 (Ind AS)	As at March 31, 2017 (Ind AS)	As at March 31, 2016 (Proforma Ind AS)	As at March 31, 2015 (Proforma Ind AS)
Deferred tax Liabilities				
Excess of depreciation and amortization on fixed assets under income tax law over depreciation and amortization provided in accounts	59.81	63.83	52.76	27.31
Excess of depreciation and amortization on fixed assets under income tax law over depreciation and amortization provided in accounts [Pursuant to the Composite Scheme of Arrangement (Refer Note 43)]	-	0.06	-	-
Other Interest Receivable	-	2.45	0.09	0.19
Prepaid Expenses	-	1.27	1.20	1.04
Fair Valuation of financial liabilities	58.05	35.96	46.16	31.93
Less: Deferred Tax Assets				
Provision for Expected Credit Loss	11.00	8.26	4.88	2.32
Provision for Gratuity	13.70	11.76	10.30	4.22
Provision for Compensated absences	8.01	6.14	7.38	1.77
Provision for Bonus	4.88	5.01	3.75	1.92
Interest accrued but not due on Term Loans	-	-	0.78	3.15
Fair Valuation of financial assets	41.44	3.34	2.50	7.08
Unrealised foreign exchange loss	2.66	-	-	-
Unamortised expenditure for Amalgamation u/s 35DD (Refer Note 43)	2.39	2.94	0.66	-
MAT Credit Entitlement	339.41	182.13	136.92	-
MAT Credit Entitlement Pursuant to the Composite Scheme of Arrangement (Refer Note 43)	-	0.02	-	-
Total	**(305.63)**	**(116.03)**	**(66.96)**	**40.01**

Note 9 : Other Non current assets

Particulars	As at December 31, 2017 (Ind AS)	As at March 31, 2017 (Ind AS)	As at March 31, 2016 (Proforma Ind AS)	As at March 31, 2015 (Proforma Ind AS)
Security Deposit	16.02	8.00	6.49	3.87
Advances for capital goods	21.36	18.85	17.01	0.01
Prepaid Expenses	-	-	0.12	-
Advance Income Tax (Net of Provision)	137.19	-	-	-
Total	**174.57**	**26.85**	**23.62**	**3.88**

Note 10 : Inventories (lower of cost and net realisable value)

Particulars	As at December 31, 2017 (Ind AS)	As at March 31, 2017 (Ind AS)	As at March 31, 2016 (Proforma Ind AS)	As at March 31, 2015 (Proforma Ind AS)
Construction Material	793.00	793.84	602.39	366.79
Property Development related Work-in-Progress	431.73	493.80	354.88	250.27
Total	**1,224.73**	**1,287.64**	**957.27**	**617.06**

Note 10.1: Construction material are hypothecated to bank against working capital facility. (Refer Note 22.1)

Note 11 : Trade receivables

Particulars	As at December 31, 2017 (Ind AS)	As at March 31, 2017 (Ind AS)	As at March 31, 2016 (Proforma Ind AS)	As at March 31, 2015 (Proforma Ind AS)
Secured, considered good	-	-	-	-
Unsecured, considered good	1,313.47	3,351.29	2,678.51	2,415.33
Doubtful	-	-	-	-
	1,313.47	3,351.29	2,678.51	2,415.33
Allowance for doubtful debts (expected credit loss allowance, Refer Note 11.3)	31.78	23.88	14.09	6.83
Total	**1,281.69**	**3,327.41**	**2,664.42**	**2,408.50**

Note 11.1 Fair value of trade receivables is not materially different from the carrying value presented.

Note 11.2 Trade receivables are hypothecated to bank against working capital facility. (Refer Note 22.1)

Note 11.3 As at December 31, 2017, the Company has discounted trade receivable with an aggregate carrying amount of Rs. Nil (March 31, 2017 Nil, March 31, 2016 Rs. 749.97 Million, March 31, 2015 Nil) with an NBFC for cash proceeds of Nil (March 31, 2017 Nil, March 31, 2016 Rs. 726.74 Million, March 31, 2015 Nil) (net of interest & charges). If the trade receivable are not paid at maturity, the bank has right to request the Company to repay unsettled balance. As the Company has not transferred the significant risk and rewards relating to trade receivable, it continues to recognised the full carrying amount of the trade receivable and has recognised the cash received on the transferred as secured borrowings (Refer Note 22).

Note 11.4 Expected Credit Loss Allowance

(a) The Company is having majority of receivables from Government Authorities and regularly receiving dues from its customers. Hence, they are secured from credit losses in the future. Provision for expected delay in realisation in trade receivables beyond contractual terms is determined using a provision matrix which takes into account available external and internal liquidity risk factors including historical credit loss experience and adjusted for forward looking information. The Company uses an estimated economic value based on age of receivables to compute the expected credit loss allowance.

(b) Credit risk / loss arises when a counterparty defaults on its contractual obligations to pay resulting in financial loss to the Company.

 (Rs. in Million)

Provision of Expected Credit Loss Allowances

Particulars	As at December 31, 2017 (Ind AS)	As at March 31, 2017 (Ind AS)	As at March 31, 2016 (Proforma Ind AS)	As at March 31, 2015 (Proforma Ind AS)
At the beginning of the period / year	23.88	14.09	6.83	-
Addition During the Period / year (Refer Note 33)	7.91	9.79	7.26	6.83
Provision at the end of the period / year	**31.78**	**23.88**	**14.09**	**6.83**

Note 12 : Cash and Bank Balance

Particulars	As at December 31, 2017 (Ind AS)	As at March 31, 2017 (Ind AS)	As at March 31, 2016 (Proforma Ind AS)	As at March 31, 2015 (Proforma Ind AS)
(A) Cash and Cash Equivalents				
a) Balance with banks				
- In Current Accounts	114.86	66.17	92.19	105.84
- In Cash Credit Accounts	-	-	27.90	-
b) Cash on hand	2.82	2.76	6.84	3.72
Total (A)	117.68	68.93	126.93	109.56
(B) Bank balances other than Cash and Cash equivalents				
Fixed Deposits - Maturing within 12 months from reporting date*	116.63	126.73	120.04	76.84
Total (B)	116.63	126.73	120.04	76.84
Total	**234.31**	**195.66**	**246.97**	**186.40**

*Above Fixed Deposits made with bank is given to customers as Security and Earnest Money Deposit and Lien Marked with bank for working capital facilities.

Note 13 : Other Current financial assets

Particulars	As at December 31, 2017 (Ind AS)	As at March 31, 2017 (Ind AS)	As at March 31, 2016 (Proforma Ind AS)	As at March 31, 2015 (Proforma Ind AS)
Interest accrued but not due on FDR	4.28	1.98	1.33	1.51
Insurance claim receivable	-	31.21	-	-
Unbilled revenue	5,479.50	2,201.92	1,407.84	422.30
Other interest receivable	-	7.07	0.27	0.55
Security deposit/ Retention Money	1,283.05	1,831.79	1,482.27	906.10
Total	**6,766.83**	**4,073.97**	**2,891.71**	**1,330.46**

Note 13.1 Fair value of Other current financial assets is not materially different from the carrying value presented.
Note 13.2 Refer Note 34 for Related party transactions and outstanding balances.

Note 14 : Current tax assets (Net)

Particulars	As at December 31, 2017 (Ind AS)	As at March 31, 2017 (Ind AS)	As at March 31, 2016 (Proforma Ind AS)	As at March 31, 2015 (Proforma Ind AS)
Current tax assets (Advance Tax & TDS)	316.32	703.83	475.40	344.61
Current tax liabilities	-	(335.26)	(309.77)	(332.87)
Current tax assets (Net)	**316.32**	**368.57**	**165.63**	**11.74**

Note 15 : Other current assets

Particulars	As at December 31, 2017 (Ind AS)	As at March 31, 2017 (Ind AS)	As at March 31, 2016 (Proforma Ind AS)	As at March 31, 2015 (Proforma Ind AS)
Prepaid Expenses	43.99	54.81	46.88	36.38
Balance with Government Authorities	668.85	422.32	137.58	108.32
Security Deposit	-	2.14	2.24	2.75
Advance to Suppliers	932.45	1,741.70	2,130.15	1,351.19
Other current assets	3.80	1.59	1.86	3.71
Total	**1,649.09**	**2,222.56**	**2,318.71**	**1,502.35**

Note 15.1 Refer Note 34 for Related party transactions and outstanding balances.

 (Rs. in Million)

Note 16 : Share capital
a) Authorized, Issued, Subscribed & Paid up Share Capital

Particulars	As at December 31, 2017 (Ind AS)	As at March 31, 2017 (Ind AS)	As at March 31, 2016 (Proforma Ind AS)	As at March 31, 2015 (Proforma Ind AS)
Authorised: 82,550,000 Equity shares (March 31, 2017: 82,550,000, March 31, 2016: 80,000,000, March 31, 2015: 20,000,000) of Rs. 10 each	825.50	825.50	800.00	200.00
Issued, Subscribed & fully Paid up : 64,125,002 Equity shares (March 31, 2017 : 64,125,002, March 31, 2016: 64,125,000 and March 31, 2015: 12,825,000) of Rs. 10 each	641.25	641.25	641.25	128.25
Total	**641.25**	**641.25**	**641.25**	**128.25**

b) Reconciliation of the shares outstanding at the end of the reporting period :

Particulars	As at December 31, 2017 (Ind AS)	As at March 31, 2017 (Ind AS)	As at March 31, 2016 (Proforma Ind AS)	As at March 31, 2015 (Proforma Ind AS)
Equity Shares at the beginning of the year / period	6,41,25,002	6,41,25,000	1,28,25,000	25,65,000
Add: Bonus Shares issued during the year / period	-	-	5,13,00,000	1,02,60,000
Add: Shares Issued pursuant to the Scheme of Arrangement (Refer Note 43)	-	3,46,25,002	-	-
Less: Share cancelled pursuant to the Scheme of Arrangement (Refer Note 43)	-	(3,46,25,000)	-	-
Equity Shares at the end of the year	**6,41,25,002**	**6,41,25,002**	**6,41,25,000**	**1,28,25,000**

c) Rights of Shareholders and Repayment of Capital

- The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled for one vote per share.

- In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company after distribution to all preferential amounts if any. The distribution will be in proportion to the Number of Equity shares held by the share holders.

d) Shares with voting rights held by each share holder holding more than 5% Equity shares of the Company:-

Particulars	As at December 31, 2017 (Ind AS)	As at March 31, 2017 (Ind AS)	As at March 31, 2016 (Proforma Ind AS)	As at March 31, 2015 (Proforma Ind AS)
Kanubhai M. Patel, Brijesh K. Patel & Mrunal K. Patel (On behalf of Kanubhai M. Patel Trust) as on December 31, 2017. Mrunal K Patel (On behalf of Kanubhai M. Patel Trust) as on March 31, 2017.				
No. of Shares	6,40,92,682	6,40,91,960	0.00	0.00
% of Holding	99.95%	99.95%	0.00%	0.00%
Montecarlo Engineering Pvt. Ltd. *				
No. of Shares	0.00	0.00	1,20,00,000	24,00,000
% of Holding	0.00%	0.00%	18.71%	18.71%
Montecarlo Projects Pvt. Ltd. *				
No. of Shares	0.00	0.00	1,20,00,000	24,00,000
% of Holding	0.00%	0.00%	18.71%	18.71%
Montecarlo Infrastructure Ltd. *				
No. of Shares	0.00	0.00	1,06,25,000	21,25,000
% of Holding	0.00%	0.00%	16.57%	16.57%
Kanubhai M. Patel				
No. of Shares	5,720	5,000	98,06,250	19,62,850
% of Holding	0.01%	0.01%	15.29%	15.30%
Brijesh K. Patel				
No. of Shares	5,720	5,000	67,17,500	13,43,500
% of Holding	0.01%	0.01%	10.48%	10.48%
Mrunal K. Patel				
No. of Shares	5,720	5,000	66,25,250	13,25,050
% of Holding	0.01%	0.01%	10.33%	10.33%
Dinaben K. Patel				
No. of Shares	5,720	5,000	63,37,750	12,67,550
% of Holding	0.01%	0.01%	9.88%	9.88%

There are no shares which are reserved to be issued under options and there are no securities issued/ outstanding which are convertible into equity shares.

* Pursuant to Composite Scheme of Arrangement between Montecarlo Limited and Group Companies of Montecarlo Limited namely Montecarlo Engineering Pvt Ltd, Montecarlo Projects Pvt. Ltd, Montecarlo Energy Pvt. Ltd. Montecarlo Infrastructure Ltd., were merged into Montecarlo Limited effective from appointed date i.e. April 1, 2016. (Refer Note 43)

e) Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date.

Particulars	As at December 31, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
Equity shares allotted as fully paid bonus shares #	6,15,60,000	6,15,60,000	6,15,60,000	1,02,60,000

Subsequent to December 31, 2017, the Company issued 21,375,001 bonus shares to the existing share holders in the ratio of 1 share for every 3 shares held by the existing share holders.

During the year ended on March 31, 2016, the Company issued 51,300,000 bonus shares to existing shareholders in the ratio of 4 shares for every 1 share held by them.

During the year ended on March 31, 2015, the Company issued 10,260,000 bonus shares to existing shareholders in the ratio of 4 shares for every 1 share held by them.

(Rs. in Million)

Note 17 : Other Equity

Particulars	As at December 31, 2017 (Ind AS)	As at March 31, 2017 (Ind AS)	As at March 31, 2016 (Proforma Ind AS)	As at March 31, 2015 (Proforma Ind AS)
(a) Retained Earnings				
Profit & loss	2,301.42	1,793.80	1,460.15	877.78
Total Retained Earnings	**2,301.42**	**1,793.80**	**1,460.15**	**877.78**
(b) Other Reserves				
(i) General reserve	2,218.30	2,218.30	1,562.00	1,375.00
(ii) Equity security premium	-	-	29.25	29.25
(ii) Debenture Redemption Reserve	225.00	-	-	-
Total Other Reserves	**2,443.30**	**2,218.30**	**1,591.25**	**1,404.25**
Total (a+b)	**4,744.72**	**4,012.10**	**3,051.40**	**2,282.03**
17 (a) Retained earnings				
- Balance at the beginning of the year	1,793.80	1,460.15	877.78	633.12
- Adjustment to the opening balance of retained earning (Refer Annexure VIII)	-	-	-	59.26
- Profit attributable to owners of the Company	731.82	1,317.64	1,285.87	590.56
- Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	0.80	7.70	(3.50)	(3.20)
- Transfer to Debenture Redemption Reserve	(225.00)	-	-	-
- Transfer to General Reserve	-	(1,000.00)	(700.00)	(400.00)
- Adjustment relating to fixed assets (Refer Note 5)	-	-	-	(1.96)
- Profit received as per Scheme of Arrangement (Refer Note 43)	-	8.31	-	-
Balance at the end of the year	**2,301.42**	**1,793.80**	**1,460.15**	**877.78**
17 (b) (i) General Reserve				
Balance at the beginning of the year	2,218.30	1,562.00	1,375.00	975.00
Utilized during the year for Scheme of Arrangement (Refer Note 43)	-	(343.70)	-	-
Issue of share capital	-	-	(513.00)	-
Addition on account of transfer from profit for the year	-	1,000.00	700.00	400.00
Balance at the end of the year	**2,218.30**	**2,218.30**	**1,562.00**	**1,375.00**
The General reserve is used from time to time to transfer profits from retained earning for appropriation purposes.				
17 (b) (ii) Equity share premium				
Balance at the beginning of the year	-	29.25	29.25	131.85
Issue of share capital	-	-	-	(102.60)
Utilized during the year for Scheme of Arrangement (Refer Note 43)	-	(29.25)	-	-
Balance at the end of the year	**-**	**-**	**29.25**	**29.25**
17 (b) (iii) Debenture Redemption Reserve				
Balance at the beginning of the year	-	-	-	-
Addition on account of transfer from profit for the year as per provisions of the Companies Act, 2013	225.00	-	-	-
Balance at the end of the year	**225.00**	**-**	**-**	**-**

The Company has issued redeemable non-convertible debentures and created DRR out of the profits of the Company in terms of the Companies (Share capital and Debenture) Rules, 2014 (as amended). The Company is required to maintain a DRR of 25% of the value of debentures issued, either by a public issue or on a private placement basis. The amounts credited to the DRR may not be utilised by the Company except to redeem debenture.

Note 18 : Long Term Borrowings

Particulars	As at December 31, 2017 (Ind AS)	As at March 31, 2017 (Ind AS)	As at March 31, 2016 (Proforma Ind AS)	As at March 31, 2015 (Proforma Ind AS)
a) Secured 9.75% Redeemable Non Convertible Debenture (Refer Note 18.1)	720.00	-	-	-
b) Secured-Term loan from banks (Refer Note 18.2)	258.51	457.58	603.16	723.27
c) Secured-Term loan from Financial Institutions (Refer Note 18.2)	150.56	223.80	379.17	611.48
Total	**1,129.07**	**681.38**	**982.33**	**1,334.75**

Note 18.1 Secured 9.75% Redeemable Non Convertible Debenture

Face Value per debenture (Rs.)	Date of allotment	Interest %
Rs. 1,000,000	31-Jul-17	9.75%. P.a.

Repayment Details:

Series of NCDs	No. of NCDs issued	Date of redemption
975ML18	180	31-Jul-18
975ML19	180	31-Jul-19
975ML20	270	31-Jul-20
975ML21	270	30-Jul-21

(a) Debentures redeemable within a period of one year of Rs. 180.00 Million are shown under 'Current Maturity of Long Term borrowings'(Refer Note 24 'Other Current Financial Liabilities')

(b) The Debentures are secured by :

(i) First ranking exclusive charge, created by way of hypothecation over the unencumbered construction equipment, vehicles and other movable assets.

(ii) Unconditional, irrevocable and continuing personal guarantee from Mr. Kanubhai Mafatlal Patel, Mr. Brijesh Kanubhai Patel & Mr. Mrunal Kanubhai Patel.

(c) Fair value of Long term borrowings are not materially different from the carrying value presented.

Montecarlo Limited

Annexure V
Notes to Restated Standalone Financial Information

Note 18.2 Long term Borrowings- Term loans from banks and financial institution (including current maturities) as at December 31, 2017

Secured Loans

(Rs. in Million)

Sr. No.	Lender	Nature of facility	No. of Outstanding Loans	Loan currency	Amount Sanctioned	Amount Outstanding As on December 31, 2017	Rate of Interest (p.a)	Balance No. of instalments as at December 31, 2017	Frequency of Installments
1	Axis Bank Ltd.	Vehicle Loan	4	INR	2.83	1.39	9.65% - 9.75%	15-18	Monthly
2	Axis Bank Ltd.	Construction Equipment Loan	23	INR	95.78	53.54	8.25% - 10.50%	9-47	Monthly
3	Cholamandalam Investment And Finance Company Ltd.	Construction Equipment Loan	6	INR	41.04	10.93	10..21%	11	Monthly
4	Daimler Financial Services India Pvt.	Construction Equipment Loan	22	INR	70.67	69.42	7.03% - 7.75%	33-47	Monthly
5	HDB Financial Services Ltd.	Construction Equipment Loan	17	INR	47.28	29.11	8.69% - 10.50%	25-30	Monthly
6	HDFC Bank Ltd.	Construction Equipment Loan	56	INR	541.00	155.88	8.16% - 10.03%	3-46	Monthly
7	ICICI Bank Ltd.	Vehicle Loan	73	INR	63.32	39.19	8.36% - 10.26%	2-48	Monthly
8	ICICI Bank Ltd.	Construction Equipment Loan	15	INR	125.51	23.09	9.05% - 10.83%	8-47	Monthly
9	Kotak Mahindra Bank Ltd.	Construction Equipment Loan	22	INR	229.57	113.70	7.51% - 10.78%	7-47	Monthly
10	Kotak Mahindra Prime Ltd.	Vehicle Loan	1	INR	12.00	4.24	9.54%	15	Monthly
11	Magma Fincorp Ltd.	Construction Equipment Loan	3	INR	23.26	5.01	9.50%	9	Monthly
12	Srei Equipment Finance Ltd.	Construction Equipment Loan	32	INR	176.63	61.74	9% - 11%	6-32	Monthly
13	State Bank of India	Vehicle Loan	1	INR	23.30	20.41	8.45%	51	Monthly
14	Sundaram Finance Ltd.	Construction Equipment Loan	26	INR	54.67	34.31	7.92% - 10.01%	24-37	Monthly
15	Tata Capital Financial Services Ltd.	Construction Equipment Loan	13	INR	41.34	29.11	8.74% - 10.01%	25-39	Monthly
16	Tata Motors Finance Ltd.	Construction Equipment Loan	10	INR	23.91	19.87	7.70% - 9.35%	24-39	Monthly
17	Volkswagen Finance Pvt Ltd.	Vehicle Loan	1	INR	3.00	0.18	9.56%	2	Monthly
18	Yes Bank Ltd.	Construction Equipment Loan	15	INR	134.38	77.60	10.25% - 12.50%	13-29	Monthly
Total					**1,709.47**	**748.73**			

(i) All above Secured Loans are secured by exclusive charge on respective Vehicle and/or Construction Equipment. Also the Personal Guarantee of our Promoter Mr. Kanubhai M Patel, Mr. Brijesh K Patel and Mr. Mrunal K Patel on respective secured loan were obtained.

Unsecured Loan

1	Tata Capital Financial Services Ltd.	Construction Equipment Loan	1	INR	50.00	27.27	9.75%	7	Monthly
Total					**50.00**	**27.27**			

(i) For the above Unsecured Loan, Personal Guarantee of our Promoter Mr. Mrunal K Patel was obtained.

(Rs. in Million)

Note 19 : Other Non current financial liabilities

Particulars	As at December 31, 2017 (Ind AS)	As at March 31, 2017 (Ind AS)	As at March 31, 2016 (Proforma Ind AS)	As at March 31, 2015 (Proforma Ind AS)
Deposits from vendor	757.94	368.59	549.23	328.34
Total	**757.94**	**368.59**	**549.23**	**328.34**

Note 19.1 Fair value of Deposits from vendor is not materially different from the carrying value presented.
Note 19.2 Refer Note 34 for Related party transactions and outstanding balances.

Note 20 : Long term provisions

Particulars	As at December 31, 2017 (Ind AS)	As at March 31, 2017 (Ind AS)	As at March 31, 2016 (Proforma Ind AS)	As at March 31, 2015 (Proforma Ind AS)
Provision for Gratuity (Refer Note 36)	17.89	16.16	1.15	3.60
Provision for Compensated Absences (Refer Note 36)	16.84	13.66	18.22	4.54
Total	**34.73**	**29.82**	**19.37**	**8.14**

Note 21 : Other Non current liabilities

Particulars	As at December 31, 2017 (Ind AS)	As at March 31, 2017 (Ind AS)	As at March 31, 2016 (Proforma Ind AS)	As at March 31, 2015 (Proforma Ind AS)
Advances from customers	302.75	2,052.80	1,453.61	1,815.68
	302.75	**2,052.80**	**1,453.61**	**1,815.68**

Note 21.1 Refer Note 34 for Related party transactions and outstanding balances.

Note 22 : Short term borrowings

Particulars	As at December 31, 2017 (Ind AS)	As at March 31, 2017 (Ind AS)	As at March 31, 2016 (Proforma Ind AS)	As at March 31, 2015 (Proforma Ind AS)
Secured - borrowings from banks (Refer Note 22.1)	2,240.61	1,963.02	1,691.52	1,262.88
Unsecured - borrowings from banks	0.08	150.00	-	-
Secured - borrowings from others (Refer Note 22.1)	187.43	-	743.67	-
Total	**2,428.12**	**2,113.02**	**2,435.19**	**1,262.88**

Montecarlo Limited

Annexure V
Notes to Restated Standalone Financial Information

Note 22.1 : Short term borrowings as on December 31, 2017

(Rs. in Million)

Sr. No.	Lender	Nature of Facility	Loan Currency	Amount Sanctioned	Amount Outstanding	Rate of Interest (p.a)	Mode of Repayment
1	Bank of Baroda	Cash Credit	INR	200.00	0.05	10.15%	Repayable on demand
2	IDBI Bank	Cash Credit	INR	400.00	4.01	11.35%	Repayable on demand
3	IDFC Bank	Cash Credit	INR	250.00	194.61	10.10%	Repayable on demand
4	Indian Overseas Bank	Cash Credit	INR	450.00	374.35	11.20%	Repayable on demand
5	Karur Vysya Bank	Cash Credit	INR	100.00	47.56	11.00%	Repayable on demand
6	Oriental Bank of Commerce	Cash Credit	INR	600.00	487.09	10.95%	Repayable on demand
7	RBL Bank	Cash Credit	INR	410.00	391.70	9.95%	Repayable on demand
8	State Bank of India	Cash Credit	INR	350.00	141.26	9.90%	Repayable on demand
9	Karur Vysya Bank	WCDL	INR	150.00	150.00	8.90%	Repayable within 90 days from drawdown
10	State Bank of India	WCDL	INR	450.00	450.00	8.50%	Repayable within 90 days from drawdown
11	India Factoring and Finance Solutions Pvt. Ltd.	Factoring	INR	200.00	187.43	11.25%	Repayable within 120 days from drawdown
Total				**3,560.00**	**2,428.04**		

(i) All above Cash Credit Limits are subject to Annual Renewal
(ii) All WCDL limits above are sub-limit of Cash Credit Limits.
(iii) Primary Security: Secured by Hypothecation of receivables, Inventories and other current assets as per the sanctions of member banks in the consortium.

(iv) Collateral Security : First paripassu charge by equitable mortgage on the immovable properties described below:
- Properties of the Company, mainly Corporate Office having Unit No.706 to 709 situated at Shilp Building, Near Municipal Market, C.G. Road, Navrangpura, Ahmedabad.
- Personal Properties of Promoters and Others

(v) Personal Guarantee: (A) Promoters of the Company and (B) Property Owner of Immovable Properties provided as collateral Security.

Note 22.2 Fair value of short term borrowings are not materially different from the carrying value presented.

Notes to Restated Standalone Financial Information (Rs. in Million)

Note 23 : Trade payables

Particulars	As at December 31, 2017 (Ind AS)	As at March 31, 2017 (Ind AS)	As at March 31, 2016 (Proforma Ind AS)	As at March 31, 2015 (Proforma Ind AS)
(a) To Micro, Small and Medium Enterprises (Refer Note 23.2)	-	-	-	-
(b) Others	3,166.49	3,091.47	2,584.36	1,303.08
	3,166.49	**3,091.47**	**2,584.36**	**1,303.08**

Note 23.1 : Trade Payable are payable on account of goods purchased and services availed in the normal course of business.

Note 23.2 : Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from 2 October 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with the Management, there are no Micro, Small and Medium Enterprises, to whom the Company owes dues (including interest on outstanding dues) which are outstanding as at balance sheet date.

Note 23.3 : Refer Note 34 for Related party transactions and outstanding balances.

Note 23.4 Fair value of trade payables are not materially different from the carrying value presented.

Note 24 : Other current financial liabilities

Particulars	As at December 31, 2017 (Ind AS)	As at March 31, 2017 (Ind AS)	As at March 31, 2016 (Proforma Ind AS)	As at March 31, 2015 (Proforma Ind AS)
Current maturities of long term borrowings (Secured) (Refer Note 18.2)				
- From Banks	226.30	444.37	350.82	267.74
- From Financial Institutions	113.36	295.89	293.66	252.70
- Non Convertible Debentures	180.00	-	-	-
Current maturities of long term borrowings from Financial Institutions (Unsecured) (Refer Note 18.2)	27.27	-	-	-
Employee related dues	86.33	79.66	73.68	56.94
Capital creditors and other payables	18.89	90.61	26.69	19.92
Deposit from vendor	613.15	936.03	257.92	170.35
Interest Accrued but not due	80.90	7.79	10.58	14.04
Total	**1,346.20**	**1,854.35**	**1,013.35**	**781.69**

Note 24.1 Refer Note 34 for Related party transactions and outstanding balances.

Note 25 : Short term provisions

Particulars	As at December 31, 2017 (Ind AS)	As at March 31, 2017 (Ind AS)	As at March 31, 2016 (Proforma Ind AS)	As at March 31, 2015 (Proforma Ind AS)
Provision for Gratuity (Refer Note 36)	21.70	17.82	28.61	8.81
Provision for Compensated Absences (Refer Note 36)	6.31	4.07	3.09	0.66
Total	**28.01**	**21.89**	**31.70**	**9.47**

Note 26 : Other current liabilities

Particulars	As at December 31, 2017 (Ind AS)	As at March 31, 2017 (Ind AS)	As at March 31, 2016 (Proforma Ind AS)	As at March 31, 2015 (Proforma Ind AS)
Statutory liabilities	66.78	151.28	23.30	17.56
Advances from customers	1,174.25	131.43	92.84	-
Total	**1,241.03**	**282.71**	**116.14**	**17.56**

Note 27 : Revenue from Operations

Particulars	For the period ended December 31, 2017 (Ind AS)	For the year ended March 31, 2017 (Ind AS)	For the year ended March 31, 2016 (Proforma Ind AS)	For the year ended March 31, 2015 (Proforma Ind AS)
Contract Revenue *	13,011.34	19,778.23	16,827.00	10,099.69
Revenue from Property Development	136.18	-	-	-
Total	**13,147.52**	**19,778.23**	**16,827.00**	**10,099.69**
Other operating revenue				
Scrap sales	24.97	4.97	-	-
Other revenue	30.26	18.34	15.67	14.30
Total	55.23	23.31	15.67	14.30
Total Revenue from Operations	**13,202.75**	**19,801.54**	**16,842.67**	**10,113.99**

* Contract Revenue includes net effect of changes in unbilled revenue at the beginning and end of the period / year.

Note 28 : Other Income

Particulars	For the period ended December 31, 2017 (Ind AS)	For the year ended March 31, 2017 (Ind AS)	For the year ended March 31, 2016 (Proforma Ind AS)	For the year ended March 31, 2015 (Proforma Ind AS)
Interest on Deposits with Banks	6.77	11.88	9.43	8.92
Other Interest	3.65	14.94	0.64	28.59
Other Non-Operating Income	6.20	44.23	49.60	10.48
Interest Income on Retention monies	62.13	-	54.35	-
Net gain on account of foreign exchange fluctuation	-	7.14	-	1.65
Total	**78.75**	**78.19**	**114.02**	**49.64**

(Rs. in Million)

Note 29 : Changes in inventories of work-in-progress

Particulars	For the period ended December 31, 2017 (Ind AS)	For the year ended March 31, 2017 (Ind AS)	For the year ended March 31, 2016 (Proforma Ind AS)	For the year ended March 31, 2015 (Proforma Ind AS)
Opening Balance:				
Property Development related Work-in-Progress	493.80	337.46	250.27	182.03
Less:				
Closing Balance:				
Property Development related Work-in-Progress	431.73	493.80	337.46	250.27
Change In Property Development related Work-in-Progress	**62.07**	**(156.35)**	**(87.19)**	**(68.24)**

Note 30 : Construction Expenses

Particulars	For the period ended December 31, 2017 (Ind AS)	For the year ended March 31, 2017 (Ind AS)	For the year ended March 31, 2016 (Proforma Ind AS)	For the year ended March 31, 2015 (Proforma Ind AS)
Sub-contracting expense	6,875.79	10,059.90	8,882.83	4,727.68
Consumption of Construction Material	1,739.97	3,233.70	2,053.51	1,421.88
Camp and Site Expenses	46.68	109.96	120.29	25.72
Running & Maintenance of Plant and Machinery	1,552.11	2,141.71	1,866.75	1,247.66
Stores Expense	222.95	385.63	379.40	250.49
Hiring Expense	30.97	98.55	101.38	62.23
Transport Expense	23.80	38.70	39.02	29.91
Total	**10,492.27**	**16,068.15**	**13,443.18**	**7,765.57**

Note 30.1 Refer Note 34 for Related party transactions.

Note 31 : Employee Benefits Expenses

Particulars	For the period ended December 31, 2017 (Ind AS)	For the year ended March 31, 2017 (Ind AS)	For the year ended March 31, 2016 (Proforma Ind AS)	For the year ended March 31, 2015 (Proforma Ind AS)
Salaries, Wages and Bonus	743.67	925.25	859.68	448.36
Contributions to Provident and other fund	41.38	42.86	28.27	12.45
Gratuity expense (Refer Note 36)	8.64	16.41	12.83	2.72
Staff Welfare Expenses	61.97	75.98	74.57	49.46
Total	**855.66**	**1,060.50**	**975.35**	**512.99**

Note 31.1 Refer Note 34 for Related party transactions.

Note 32 : Finance Costs

Particulars	For the period ended December 31, 2017 (Ind AS)	For the year ended March 31, 2017 (Ind AS)	For the year ended March 31, 2016 (Proforma Ind AS)	For the year ended March 31, 2015 (Proforma Ind AS)
Interest on Working Capital Facilities	148.86	226.71	197.41	207.93
Interest on long term borrowings	78.31	158.83	181.44	126.36
Interest on Loans from Related Parties	7.47	16.25	11.91	-
Other Interest expense	88.18	-	-	3.37
Other Borrowing Costs	65.28	82.75	44.98	39.61
Interest expense on Retention monies	109.73	31.88	-	16.65
Total	**497.84**	**516.42**	**435.74**	**393.92**

Note 32.1 Refer Note 34 for Related party transactions.

Note 33 : Other Expenses

Particulars	For the period ended December 31, 2017 (Ind AS)	For the year ended March 31, 2017 (Ind AS)	For the year ended March 31, 2016 (Proforma Ind AS)	For the year ended March 31, 2015 (Proforma Ind AS)
Payment to Auditors (Refer Note 42)	3.70	3.86	2.86	2.25
Rent	38.02	50.28	38.28	30.14
Rates and Taxes	23.39	57.52	50.84	93.72
Insurance	40.09	41.39	24.00	22.34
Service tax	10.76	6.70	3.28	1.13
Business Promotion expenses	2.66	2.37	9.76	2.38
Repair & Maintenance expense	33.11	38.47	25.88	21.06
Communication Expenses	4.49	6.95	4.32	5.33
Travelling and Conveyance	19.69	25.51	19.64	18.98
Legal and Professional Charges	59.03	116.85	95.96	52.44
Donations	1.26	0.76	1.25	7.88
Corporate social responsibility expenses (Refer Note 37)	11.57	20.88	13.40	9.06
Bank Charges	15.37	5.44	4.57	13.22
Net loss on sale / disposal of Property, Plant and Equipment	10.26	1.32	1.53	120.81
Stationery & Printing Expenses	8.44	6.15	5.68	6.32
Gain/Loss on Foreign Currency Transaction	7.68	-	-	-
Provision for Doubtful debts / Written Off	16.11	-	-	-
Provision for Expected Credit Loss on Receivables (Refer Note 11)	7.91	9.79	7.26	6.83
Tender fees	12.05	34.49	3.70	4.67
Miscellaneous Expenses	17.99	29.70	49.25	26.66
Total	**343.58**	**458.41**	**361.46**	**445.22**

Note 33.1 Refer Note 34 for Related party transactions.

Annexure V
Notes to Restated Standalone Financial Information

Note 34 Related Party Transactions
Following is the list of related parties with whom the Company has entered into transactions:

Particulars	For the period ended December 31, 2017	For the year ended		
		March 31, 2017	March 31, 2016	March 31, 2015
	Ind AS	Ind AS	Proforma Ind AS	Proforma Ind AS
Controlling Entity	Kanubhai M. Patel Trust	Kanubhai M. Patel Trust		
Subsidiary Company	Montecarlo Projects India Limited (MPIL)	Montecarlo Projects India Limited (MPIL)	-	-
Step down subsidiary Companies	Montecarlo Barjora Mining Private Limited (MBML)	Montecarlo Barjora Mining Private Limited (MBML)	-	-
	Montecarlo Singhara Binjhabahal Highway Private Limited (MSBHL)	-	-	-
	Montecarlo Hubli Haveri Highway Private Limited (MHHHL)	-	-	-
Associate Company	Bijapur Hungund Tollway Private Limited (BHTPL)	Bijapur Hungund Tollway Private Limited (BHTPL)	Bijapur Hungund Tollway Private Limited (BHTPL)	Bijapur Hungund Tollway Private Limited (BHTPL)
Key Management Personnel (KMP)	Kanubhai M. Patel (Director)	Kanubhai M. Patel (Director)	Kanubhai M. Patel (Director)	Kanubhai M. Patel (Director)
	Brijesh K. Patel (Director)	Brijesh K. Patel (Director)	Brijesh K. Patel (Director)	Brijesh K. Patel (Director)
	Mrunal K. Patel (Director)	Mrunal K. Patel (Director)	Mrunal K. Patel (Director)	Mrunal K. Patel (Director)
	Naresh P. Suthar (Director)	Naresh P. Suthar (Director)	Naresh P. Suthar (Director)	Naresh P. Suthar (Director)
	Suhas V. Joshi (Director)	Suhas V. Joshi (Director)	Suhas V. Joshi (Director)	Suhas V. Joshi (Director)
	Ajay V. Mehta (Independent Director)	Ajay V. Mehta (Independent Director)	Ajay V. Mehta (Independent Director)	Ajay V. Mehta (Independent Director)
	Ketan H. Mehta (Independent Director)	Ketan H. Mehta (Independent Director)	Ketan H. Mehta (Independent Director)	Ketan H. Mehta (Independent Director)
	Ms. Malini Ganesh (Independent Director)	Ms. Malini Ganesh (Independent Director)	Ms. Malini Ganesh (Independent Director)	Ms. Malini Ganesh (Independent Director)
	Dipak K. Palkar (Independent Director w.e.f. February 17, 2018)	-	-	-
	Dinesh B. Patel (Independent Director w.e.f. February 17, 2018)	-	-	-
	Nigam G. Shah (Chief Financial Officer)	Nigam G. Shah (Chief Financial Officer)	Nigam G. Shah (Chief Financial Officer)	-
	Kalpesh P. Desai (Company Secretary)	Kalpesh P. Desai (Company Secretary) (w.e.f. June 1, 2016)	Parthiv P. Parikh (Company Secretary) (w.e.f. June 1, 2015 to December 31, 2015)	Gunjan M. Tank (Company Secretary) (upto March 7, 2015)
Relatives of KMP	Kanubhai M. Patel (HUF)	Kanubhai M. Patel (HUF)	Kanubhai M. Patel (HUF)	Kanubhai M. Patel (HUF)
	Dinaben K. Patel (Wife of Kanubhai M. Patel)	Dinaben K. Patel (Wife of Kanubhai M. Patel)	Dinaben K. Patel (Wife of Kanubhai M. Patel)	Dinaben K. Patel (Wife of Kanubhai M. Patel)
	Alpaben B. Patel (Wife of Brijesh K. Patel)	Alpaben B. Patel (Wife of Brijesh K. Patel)	Alpaben B. Patel (Wife of Brijesh K. Patel)	Alpaben B. Patel (Wife of Brijesh K. Patel)
	Jankiben M. Patel (Wife of Mrunal K. Patel)	Jankiben M. Patel (Wife of Mrunal K. Patel)	Jankiben M. Patel (Wife of Mrunal K. Patel)	Jankiben M. Patel (Wife of Mrunal K. Patel)

Particulars	For the period ended December 31, 2017	For the year ended		
		March 31, 2017	March 31, 2016	March 31, 2015
	Ind AS	Ind AS	Proforma Ind AS	Proforma Ind AS
Enterprises over which KMP and/or Relatives of KMP are able to exercise significant Influence	-	Montecarlo Infrastructure Limited(*)	Montecarlo Infrastructure Limited	Montecarlo Infrastructure Limited
	-	Montecarlo Projects Private Limited(*)	Montecarlo Projects Private Limited	Montecarlo Projects Private Limited
	-	Montecarlo Engineering Private Limited(*)	Montecarlo Engineering Private Limited	Montecarlo Engineering Private Limited
	Montecarlo Charitable Trust	Montecarlo Charitable Trust	Montecarlo Charitable Trust	Montecarlo Charitable Trust
	Montecarlo Realty LLP (Formerly known as Montecarlo Realty Limited)	Montecarlo Realty LLP (Formerly known as Montecarlo Realty Limited)	Montecarlo Realty Limited	Montecarlo Realty Limited
	-	Montecarlo Energy Private Limited(*)	Montecarlo Energy Private Limited	Montecarlo Energy Private Limited
	Montecarlo Asset Holdings LLP (Formerly known as Montecarlo Construction Private Limited)	Montecarlo Construction LLP (Formerly known as Montecarlo Construction Private Limited)	Montecarlo Construction Private Limited	Montecarlo Construction Private Limited
	Kanubhai M. Patel Trust	Kanubhai M. Patel Trust	-	-
	Nitin Construction Limited	Nitin Construction Limited	Nitin Construction Limited	Nitin Construction Limited

(*) These companies have merged with Montecarlo Ltd. as per the Scheme of Arrangement approved by the Honourable Gujarat High Court. (Refer Note 43)

Annexure V
Notes to Restated Standalone Financial Information

Note 34 Related Party Transactions

Related Party Transactions : Subsidiary Companies (Rs. in Million)

Particulars	For the period ended December 31, 2017	For the year ended		
		March 31, 2017	March 31, 2016	March 31, 2015
	Ind AS	Ind AS	Proforma Ind AS	Proforma Ind AS
Investments				
Montecarlo Projects India Limited (equity) (Refer Note 6)	-	0.10	-	-
Montecarlo Singhara Binjhabahal Highway Pvt. Ltd. (Refer Note 6)	*	-	-	-
Montecarlo Projects India Limited (other equity) (Refer Note 6)	95.50	-	-	-

* Amount below Rs. 5,000/-

Investment (other equity) : Subsidiary companies

Particulars	For the period ended December 31, 2017	For the year ended		
		March 31, 2017	March 31, 2016	March 31, 2015
	Ind AS	Ind AS	Proforma Ind AS	Proforma Ind AS
Montecarlo Projects India Limited (other equity) (Refer Note 6)	95.50	-	-	-

Related Party Transactions : Associate Company

Particulars	For the period ended December 31, 2017	For the year ended		
		March 31, 2017	March 31, 2016	March 31, 2015
	Ind AS	Ind AS	Proforma Ind AS	Proforma Ind AS
Sub-ordinate debt returned back (Refer Note 6) '- Bijapur Hungund Tollway Private Limited	66.70	-	-	-

Investment (other equity) : Associate Company

Particulars	As at December 31, 2017	As at		
		March 31, 2017	March 31, 2016	March 31, 2015
	Ind AS	Ind AS	Proforma Ind AS	Proforma Ind AS
- Bijapur Hungund Tollway Private Limited (Refer Note 6)	185.38	252.08	252.08	252.08

Mobilization advance from Subsidairy

Particulars	As at December 31, 2017	As at		
		March 31, 2017	March 31, 2016	March 31, 2015
	Ind AS	Ind AS	Proforma Ind AS	Proforma Ind AS
Montecarlo Hubli Haveri Highway Private Limited				
Opening Balance	-	-	-	-
Received during the year	170.00	-	-	-
Repaid during the year	-	-	-	-
Closing Balance	170.00	-	-	-

Related Party Transactions : Key Management Personnel (Rs. in Million)

Particulars	For the period ended December 31, 2017	For the year ended		
		March 31, 2017	March 31, 2016	March 31, 2015
	Ind AS	Ind AS	Proforma Ind AS	Proforma Ind AS
Remuneration				
Kanubhai M. Patel	20.70	27.60	39.30	27.60
Brijesh K. Patel	13.50	18.00	24.04	18.00
Mrunal K. Patel	13.50	18.00	24.04	18.00
Naresh P. Suthar	4.77	5.84	4.80	4.80
Suhas V. Joshi	4.77	6.19	5.86	5.86
Nigam G. Shah	3.38	3.75	3.02	-
Gunjan M. Tank	-	-	-	0.53
Parthiv P. Parikh	-	-	0.98	-
Kalpesh P. Desai	1.28	1.30	-	-
Sitting fees				
Ajay V. Mehta (Independent Director)	0.20	0.20	0.50	-
Ketan H. Mehta (Independent Director)	0.30	0.40	0.60	-
Ms. Malini Ganesh (Independent Director)	0.30	0.40	0.50	-
Interest Expense				
Kanubhai M. Patel	0.16	0.14	0.35	-
Brijesh K. Patel	2.40	6.47	4.87	-
Mrunal K. Patel	4.92	9.64	6.69	-

Annexure V
Notes to Restated Standalone Financial Information

Note 34 Related Party Transactions

Rent				
Kanubhai M. Patel	1.50	1.76	1.60	1.45
Brijesh K. Patel	1.50	1.76	1.60	1.45
Mrunal K. Patel	0.05	-	-	-
Loans from Key management personnel				
Kanubhai M. Patel	8.10	3.56	14.40	-
Brijesh K. Patel	104.30	220.74	183.30	-
Mrunal K. Patel	184.20	325.30	240.50	-
Loans Repaid during the year				
Kanubhai M. Patel	8.10	3.56	14.40	-
Brijesh K. Patel	104.30	220.74	183.30	-
Mrunal K. Patel	184.20	325.30	240.50	-
Closing Balances of Loans				
Kanubhai M. Patel	-	-	-	-
Brijesh K. Patel	-	-	-	-
Mrunal K. Patel	-	-	-	-
Maximum Balance of Loans				
Kanubhai M. Patel	4.90	3.00	11.00	-
Brijesh K. Patel	52.50	58.20	43.90	-
Mrunal K. Patel	79.00	86.70	73.90	-

(Rs. in Million)

Particulars	As at	As at		
	December 31, 2017	March 31, 2017	March 31, 2016	March 31, 2015
	Ind AS	Ind AS	Proforma Ind AS	Proforma Ind AS
Salary payable : Key Management Personnel				
Kanubhai M. Patel	1.50	1.68	1.38	1.04
Brijesh K. Patel	0.99	0.44	-	0.49
Mrunal K. Patel	0.99	0.00	-	0.21
Naresh P. Suthar	-	0.15	0.27	1.26
Suhas V. Joshi	0.37	0.33	0.36	0.37
Nigam G. Shah	0.28	0.30	0.23	-
Kalpesh P. Desai	0.11	0.13	-	-

Particulars	As at	As at		
	December 31, 2017	March 31, 2017	March 31, 2016	March 31, 2015
	Ind AS	Ind AS	Proforma Ind AS	Proforma Ind AS
Bonus payable				
Nigam G. Shah	0.08	0.08	0.06	-
Kalpesh P. Desai	0.03	0.03	-	-

Related Party Transactions : Relatives of KMP (Rs. in Million)

Particulars	For the period ended	For the year ended		
	December 31, 2017	March 31, 2017	March 31, 2016	March 31, 2015
	Ind AS	Ind AS	Proforma Ind AS	Proforma Ind AS
Salary				
Alpaben B. Patel	0.62	0.84	0.85	0.84
Jankiben M. Patel	0.62	0.84	0.86	0.84
Rent				
Kanubhai M. Patel HUF	0.51	0.80	0.73	0.66

Amount payable : Relatives of KMP

Particulars	As at	As at		
	December 31, 2017	March 31, 2017	March 31, 2016	March 31, 2015
	Ind AS	Ind AS	Proforma Ind AS	Proforma Ind AS
Salary				
Alpaben B. Patel	0.06	0.05	0.04	0.05
Jankiben M. Patel	0.06	0.05	0.05	0.04

Related Party Transactions : Enterprises over which KMP and/or Relatives of KMP are able to exercise significant Influence (Rs. in Million)

Particulars	For the period ended	For the year ended		
	December 31, 2017	March 31, 2017	March 31, 2016	March 31, 2015
	Ind AS	Ind AS	Proforma Ind AS	Proforma Ind AS
Interest Paid				
Montecarlo Projects Private Limited	-	-	-	8.36
Donation				
Montecarlo Charitable Trust	1.27	1.67	0.94	0.17

Note 34 Related Party Transactions

Loans taken from Enterprises				
Montecarlo Projects Private Limited	-	-	-	312.05
Loans Repaid during the year				
Montecarlo Projects Private Limited	-	-	-	312.05
Sub-contract Expense				
Nitin Construction Limited	3.16	5.00	47.73	103.97

(Rs. in Million)

Particulars	As at December 31, 2017	As at		
		March 31, 2017	March 31, 2016	March 31, 2015
	Ind AS	Ind AS	Proforma Ind AS	Proforma Ind AS
Rent paid / payable				
Montecarlo Infrastructure Limited	-	-	0.11	-
Montecarlo Realty LLP (Formerly known as Montecarlo Realty Limited)	3.20	-	-	-
Montecarlo Asset Holdings LLP (Formerly known as Montecarlo Construction Private Limited)	0.45	-	-	-
Rent received				
Montecarlo Realty LLP (Formerly known as Montecarlo Realty Limited)	-	-	0.14	-
Security deposit Retained During the year				
Nitin Construction Limited	0.54	0.25	2.76	8.94
Security deposit Released During the year				
Jenil Corporation	-	-	-	0.10
Nitin Construction Limited	-	2.35	5.93	3.42
Advance to Party				
Nitin Construction Limited				
Opening balance of advance to party	0.40	-	-	1.70
Advance given to party during the year	1.90	0.98	3.50	63.73
Advance recovered during the year	1.15	0.58	3.50	65.43
Closing balance of Advance	1.15	0.40	-	-

Outstanding balances receivable (Rs. in Million)

Particulars	As at December 31, 2017	As at		
		March 31, 2017	March 31, 2016	March 31, 2015
	Ind AS	Ind AS	Proforma Ind AS	Proforma Ind AS
Montecarlo Asset Holdings LLP (Formerly known as Montecarlo Construction Private Limited)	88.20	139.33	-	-

Outstanding balances payable / (Receivable)

Particulars	As at December 31, 2017	As at		
		March 31, 2017	March 31, 2016	March 31, 2015
	Ind AS	Ind AS	Proforma Ind AS	Proforma Ind AS
Nitin construction (Trade payable)	1.55	1.18	1.61	(0.42)
Nitin construction (Security deposit)	1.03	0.87	2.97	5.93
Montecarlo Realty LLP (Formerly known as Montecarlo Realty Limited)	1.64	(2.19)	(0.14)	-

Note 34.1 The amounts outstanding are unsecured and will be settled in cash or kind, for which no guarantees have been given or received. No expense has been recognised in current or prior years for bad or doubtful debts in respect of the amounts owed by related parties.

Note 34.2 The Company is Sponsor for the projects (i) HAM Project of MHHHL, (ii) HAM Project of MSBHL and (iii) BOT Project of BHTPL (23% stake), where necessary Sponsor's Undertaking were provided.

Note 34.3 In addition to the transactions and balances mentioned above, Refer Note 43 for transactions with related parties pursuant to the scheme of arrangement.

Note 34.4 The company has provided performance guarantees on behalf of Montecarlo Hubli Haveri Highway Private Limited & Montecarlo Singhara Binjabahal Highway Private Limited amounting to Rs. 600 Million & Rs. 710 Million respectively during the period ended December 31, 2017. The same is outstanding as at December 31, 2017.

(Rs. in Million)

Note 35 - Financial Instruments and Fair Value Measurement

A Categories of Financial Instruments

Particulars	Amount as at December 31, 2017			
	Fair Value through Profit & Loss	Fair Value through Other Comprehensive Income	Amortised Cost	Total
Financial assets				
(i) Investments	-	-	516.19	516.19
(ii) Trade receivables	-	-	1,281.69	1,281.69
(iii) Cash and cash equivalents	-	-	117.68	117.68
(iv) Other financial assets	-	-	7,356.59	7,356.59
(v) Bank balance other than (iii) above	-	-	116.63	116.63
Total	**-**	**-**	**9,388.78**	**9,388.78**
Financial liabilities				
(i) Trade payables	-	-	3,166.49	3,166.49
(ii) Borrowings	-	-	4,104.12	4,104.12
(iii) Other financial liabilities	-	-	1,557.21	1,557.21
Total	**-**	**-**	**8,827.82**	**8,827.82**

Particulars	Amount as at March 31, 2017			
	Fair Value through Profit & Loss	Fair Value through Other Comprehensive Income	Amortised Cost	Total
Financial assets				
(i) Investments	-	-	487.39	487.39
(ii) Trade receivables	-	-	3,327.41	3,327.41
(iii) Cash and cash equivalents	-	-	68.93	68.93
(iv) Other financial assets	-	-	4,194.49	4,194.49
(v) Bank balance other than (iii) above			126.73	126.73
Total	**-**	**-**	**8,204.95**	**8,204.95**
Financial liabilities				
(i) Trade payables	-	-	3,091.47	3,091.47
(ii) Borrowings	-	-	3,534.65	3,534.65
(iii) Other financial liabilities	-	-	1,482.69	1,482.69
Total	**-**	**-**	**8,108.81**	**8,108.81**

 (Rs. in Million)

Note 35 - Financial Instruments and Fair Value Measurement

Particulars	Amount as at March 31, 2016			
	Fair Value through Profit & Loss	Fair Value through Other Comprehensive Income	Amortised Cost	Total
Financial assets				
(i) Investments	-	-	487.29	487.29
(ii) Trade receivables	-	-	2,664.42	2,664.42
(iii) Cash and cash equivalents	-	-	126.93	126.93
(iv) Other financial assets	-	-	2,956.86	2,956.86
(v) Bank balance other than (iii) above			120.04	120.04
Total	**-**	**-**	**6,355.54**	**6,355.54**
Financial liabilities				
(i) Trade payables	-	-	2,584.36	2,584.36
(ii) Borrowings	-	-	4,062.00	4,062.00
(iii) Other financial liabilities	-	-	918.10	918.10
Total	**-**	**-**	**7,564.46**	**7,564.46**

Particulars	Amount as at March 31, 2015			
	Fair Value through Profit & Loss	Fair Value through Other Comprehensive Income	Amortised Cost	Total
Financial assets				
(i) Investments	-	-	487.29	487.29
(ii) Trade receivables	-	-	2,408.50	2,408.50
(iii) Cash and cash equivalents	-	-	109.56	109.56
(iv) Other financial assets	-	-	1,463.10	1,463.10
(v) Bank balance other than (iii) above			76.84	76.84
Total	**-**	**-**	**4,545.29**	**4,545.29**
Financial liabilities				
(i) Trade payables	-	-	1,303.08	1,303.08
(ii) Borrowings	-	-	3,118.07	3,118.07
(iii) Other financial liabilities	-	-	589.59	589.59
Total	**-**	**-**	**5,010.74**	**5,010.74**

Note 35 - Financial Instruments and Fair Value Measurement

B Capital Management

i) For the purpose of the Company’s capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The Company strives to safeguard its ability to continue as a going concern so that they can maximise returns for the shareholders and benefits for other stake holders. The Company aims to maintain an optimal capital structure through combination of debt and equity in a manner so as to minimise the cost of capital.

ii) Consistent with others in the industry, the Company monitors its capital using Gearing Ratio, Net Debt (Short Term and Long Term Borrowings including Current maturities) divided by Total Equity (Capital plus Net Debt).

(Rs. in Million)

Particulars	As at December 31, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
Long Term Borrowings (Refer Note 18, 24)	1,676.00	1,421.63	1,626.81	1,855.19
Short Term Borrowings (Refer Note 22)	2,428.12	2,113.02	2,435.19	1,262.88
Less: Cash & Cash Equivalents (Refer Note 12)	117.68	68.93	126.93	109.56
Net Debt	3,986.44	3,465.72	3,935.07	3,008.51
Total equity *	5,160.97	4,653.35	3,692.65	2,410.28
Total Capital	9,147.41	8,119.07	7,627.72	5,418.79
Gearing Ratio	44%	43%	52%	56%

* Excluding Debenture Redemption Reserve of Rs. 225.00 Million.

iii) In order to achieve this overall objective, the Company’s capital management, amongst other things, aims to ensure that it meets financial covenants attached to the borrowings that define the capital structure requirements.

C Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's financial assets include trade and other receivables, and cash & cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a Current Corporate Affairs Committee that advises on financial risks and the appropriate financial risk governance framework for the Company. This committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below:

1 **Market Risk**
Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of interest rate risk, foreign currency risk and commodity risk.

 (Rs. in Million)

Note 35 - Financial Instruments and Fair Value Measurement

1.1 **Interest Rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's working capital obligations with floating interest rates. The Company is carrying its working capital borrowings primarily at variable rate. The Company expects the variable rate to decline, accordingly the Company is currently carrying its loans at variable interest rates.

The sensitivity analysis have been carried out based on the exposure to interest rates for loans carried at variable rate.

(Rs. in Million)

Particulars	As at December 31, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
Variable Rate Borrowings	1,640.29	1,059.58	1,213.62	712.88
% change in interest rates	0.50%	0.50%	0.50%	0.50%
Impact on Profit for the year	8.20	5.30	6.07	3.56

1.2 **Foreign Currency Risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company does not have significant exposure in foreign currency. The details of the same have been given in Note 40 of Annexure V

1.3 **Commodity Risk**

The Company is affected by price volatility of certain commodities. Its operating activities require the on-going purchase or continuous supply of such commodities. There the Company monitors its purchases closely to optimise the prices.

2 **Credit Risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is having majority of the receivables from Government Authorities and hence they are secured from credit losses in the future. Refer Note11

3 **Liquidity Risk**

The Company monitors its risk of a shortage of funds by estimating the future cash flows. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, cash credit facilities and bank loans. The Company has access to a sufficient variety of sources of funding.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

(Rs. in Million)

Particulars	Within 1 Year	2 to 5 Year	More than 5 Year	Carrying Amount
As at December 31, 2017				
Borrowings	2,975.05	1,129.07	-	4,104.12
Trade Payables	3,166.49	-	-	3,166.49
Other Financial Liabilities	799.27	677.36	80.58	1,557.21
As at March 31, 2017				
Borrowings	2,853.28	681.38	-	3,534.66
Trade Payables	3,091.47	-	-	3,091.47
Other Financial Liabilities	1,114.09	368.59	-	1,482.68
As at March 31, 2016				
Borrowings	3,079.67	982.33	-	4,062.00
Trade Payables	2,584.36	-	-	2,584.36
Other Financial Liabilities	368.87	549.23	-	918.11
As at March 31, 2015				
Borrowings	1,783.32	1,334.75	-	3,118.07
Trade Payables	1,303.08	-	-	1,303.08
Other Financial Liabilities	261.25	328.34	-	589.59

Montecarlo Limited

Annexure V
Notes to Restated Standalone Financial Information

Note 36 : Employee Benefits

(a) Defined Contribution Plan

The Company's contribution to Provident Fund aggregating Rs. 40.45 Million (March 31, 2017 : Rs. 46.67 Million, March 31, 2016 : Rs. 31.01 Million, March 31, 2015 : Rs. 14.00 Million) has been recognised in the Statement of Profit or Loss under the head Employee Benefits Expense.

(b) Defined Benefit Plan:

Gratuity
The Company operates a defined benefit plan (the Gratuity plan) covering eligible employees, which provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

The status of gratuity plan as required under Ind AS-19 : (Rs. in Million)

Particulars	**As at December 31, 2017**	**As at March 31, 2017**	**As at March 31, 2016**	**As at March 31, 2015**
i. Reconciliation of Opening and Closing Balances of defined benefit obligation				
Present Value of Defined Benefit Obligations at the beginning of the Period/ Year	36.05	31.69	13.87	6.73
Current Service Cost	6.71	14.04	4.63	2.22
Past service Cost	-	-	7.21	-
Interest Cost	2.05	2.52	1.10	0.63
Benefit paid	(1.80)	(0.42)	(0.44)	(0.35)
Change in demographic assumptions	(4.03)	-	-	-
Change in financial assumptions	0.27	1.98	-	2.36
Experience variance (i.e. Actual experience vs assumptions)	2.53	(13.77)	5.33	2.28
Present Value of Defined Benefit Obligations at the end of the Period / Year	**41.77**	**36.05**	**31.69**	**13.87**

Particulars	**As at December 31, 2017**	**As at March 31, 2017**	**As at March 31, 2016**	**As at March 31, 2015**
ii. Reconciliation of Opening and Closing Balances of the Fair value of Plan assets				
Fair Value of Plan assets at the beginning of the Period / Year	2.07	1.93	1.46	1.30
Actuarial gain/(loss) on plan assets	(0.00)	(0.02)	(0.03)	(0.02)
Expected return on plan assets	0.12	0.15	0.12	0.12
Employer's Contribution	-	-	0.50	0.06
Benefit paid	-	-	(0.11)	-
Fair Value of Plan assets at the end of the Period/ Year	**2.18**	**2.07**	**1.93**	**1.46**

Montecarlo Limited

Annexure V
Notes to Restated Standalone Financial Information

Note 36 : Employee Benefits

(Rs. in Million)

Particulars	**As at December 31, 2017**	**As at March 31, 2017**	**As at March 31, 2016**	**As at March 31, 2015**
iii. Reconciliation of the Present value of defined benefit obligation and Fair value of plan assets				
Present Value of Defined Benefit Obligations at the end of the Period/	41.77	36.05	31.69	13.87
Fair Value of Plan assets at the end of the Period/ Year	2.18	2.07	1.93	1.46
Net Asset / (Liability) recognized in balance sheet as at the end of the Period/ Year	(39.59)	(33.98)	(29.76)	(12.41)

iv. Composition of Plan Assets
100% of Plan Assets are administered by LIC

Particulars	**For the period ended December 31, 2017**	**For the year ended March 31, 2017**	**For the year ended March 31, 2016**	**For the year ended March 31, 2015**
v. Gratuity Cost for the Period/ Year				
Current service cost	6.71	14.04	4.63	2.21
Interest Cost	1.93	2.37	0.99	0.51
Past service Cost	-	-	7.21	-
Expected return on plan assets	-	-	-	-
Expenses recognised in the income statement	**8.64**	**16.41**	**12.83**	**2.72**

Particulars	**For the period ended December 31, 2017**	**For the year ended March 31, 2017**	**For the year ended March 31, 2016**	**For the year ended March 31, 2015**
vi. Other Comprehensive Income				
Actuarial (Gain) / loss				
Change in demographic assumptions	(4.03)	-	-	-
Change in financial assumptions	0.27	1.98	-	2.36
Experience variance (i.e. Actual experience vs assumptions)	2.53	(13.77)	5.33	2.28
Return on plan assets, excluding amount recognised in net interest expense	0.00	0.02	0.03	0.02
Components of defined benefit costs recognised in other comprehensive income	**(1.23)**	**(11.77)**	**5.35**	**4.66**

vii. Actuarial Assumptions

Particulars	**As at December 31, 2017**	**As at March 31, 2017**	**As at March 31, 2016**	**As at March 31, 2015**
Discount Rate (per annum)	7.48%	7.57%	7.96%	7.96%
Annual Increase in Salary Cost	8.00%	8.00%	8.00%	8.00%
Rate of Employee Turnover	10.00%	2.00%	2.00%	2.00%
Mortality Rates as given under Indian Assured Lives Mortality (2006-08) Ultimate Retirement Age 60 Years.				

Montecarlo Limited

Annexure V
Notes to Restated Standalone Financial Information

Note 36 : Employee Benefits

viii. Sensitivity Analysis
Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and attrition rate. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

(Rs. in Million)

Particulars	As at December 31, 2017		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015	
Defined Benefit Obligation(Base)	41.77		36.05		31.69		13.87	
Particulars	**As at December 31, 2017**		**As at March 31, 2017**		**As at March 31, 2016**		**As at March 31, 2015**	
	Decrease	**Increase**	**Decrease**	**Increase**	**Decrease**	**Increase**	**Decrease**	**Increase**
Discount Rate (- / + 1%)	3.21	(2.80)	5.87	(4.77)	5.57	(4.48)	2.31	(1.89)
(% change compared to base due to sensitivity	7.69%	-6.71%	16.29%	-13.23%	17.59%	-14.13%	16.68%	-13.59%
Salary Growth Rate (- / + 1%)	(2.81)	3.17	(4.79)	5.79	(4.51)	5.51	(1.90)	2.29
(% change compared to base due to sensitivity)	-6.74%	7.58%	-13.29%	16.05%	-14.24%	17.40%	-13.70%	16.50%
Attrition Rate (- / + 1%)	0.43	(0.41)	0.54	(0.49)	0.50	(0.48)	0.10	(0.11)
(% change compared to base due to sensitivity)	1.04%	-0.99%	1.49%	-1.36%	1.57%	-1.53%	0.74%	-0.78%

ix. Asset Liability Matching Strategies

The Company has purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance Company, as part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Company is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in a increase in liability without corresponding increase in the asset).

x. Effect of Plan on Entity's Future Cash Flows

a) Funding arrangements and Funding Policy
The Company has purchased an insurance policy to provide for payment of gratuity to the employees. Every year, the insurance Company carries out a funding valuation based on the latest employee data provided by the Company. The Company, after making contribution to the fund, carries the differential liability towards the defined benefit obligations in its books of account.

b) Maturity Profile of Defined Benefit Obligation
Weighted average duration (based on discounted cash flows) - 10 years

Montecarlo Limited

Annexure V
Notes to Restated Standalone Financial Information

Note 36 : Employee Benefits

(Rs. in Million)

Particulars	As at 31st December, 2017	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
Expected cash flows over the next (valued on undiscounted basis):	**Amount**	**Amount**	**Amount**	**Amount**
1st Following Year	5.16	2.41	2.51	0.87
2nd Following year	2.85	0.77	0.39	0.25
3rd Following Year	3.48	0.76	0.69	0.51
4th Following Year	3.85	0.88	0.70	0.46
5th Following Year	4.03	1.10	0.94	0.59
sum of years 6 to 10	18.04	7.80	7.03	3.06

xi. The Company has defined benefit plans for Gratuity to eligible employees, the contributions for which are made to Life Insurance Corporation of India who invests the funds as per Insurance Regulatory Development Authority guidelines.

The discount rate is based on the prevailing market yields of Government of India's securities as at the balance sheet date for the estimated term of the obligations.

The defined plans expose the Company to acturial risks such as Interest rate risk, Salary risk, Investment risk, Asset liability matching risk, longevity risk.

Interest rate risk: A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increase the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Longevity risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan do not have any longevity risk.

(c) Other Long Term Employee Benefits

The actuarial liability for compensated absences as at the period ended December 31, 2017 is Rs 23.15 Million (March 31, 2017 : Rs. 17.73 Million, March 31, 2016 : Rs. 21.31 Million, March 31, 2015 : Rs. 5.19 Million)

Montecarlo Limited

Annexure V
Notes to Restated Standalone Financial Information

Note 37 : Corporate Social Responsibility (CSR)

Expenditure towards Corporate Social Responsibility as per Companies Act, 2013 read with Rules and Regulations thereof is treated as an appropriation of profit.

(Rs. in Million)

For the period ended December 31, 2017

Particulars	Amount	In cash	Yet to be paid in cash	Total
Gross Amount required to be spent by the Company	-	-	-	27.53
Amount Spent during the year towards activities specified	-	-	-	-
i) Construction/acquisition of any asset	-	-	-	-
ii) On purposes other than (i) above	11.57	11.57	-	11.57
Related Party Transactions in relation to CSR	0.71	0.71	-	0.71

For the year ended March 31, 2017

Particulars	Amount	In cash	Yet to be paid in cash	Total
Gross Amount required to be spent by the Company	-	-	-	20.72
Amount Spent during the year towards activities specified	-	-	-	-
i) Construction/acquisition of any asset	-	-	-	-
ii) On purposes other than (i) above	20.88	20.88	-	20.88
Related Party Transactions in relation to CSR	0.95	0.95	-	0.95

For the year ended March 31, 2016

Particulars	Amount	In cash	Yet to be paid in cash	Total
Gross Amount required to be spent by the Company	-	-	-	14.18
Amount Spent during the year towards activities specified	-	-	-	-
i) Construction/acquisition of any asset	-	-	-	-
ii) On purposes other than (i) above	13.40	13.40	-	13.40
Related Party Transactions in relation to CSR	0.36	0.36	-	0.36

For the year ended March 31, 2015

Particulars	Amount	In cash	Yet to be paid in cash	Total
Gross Amount required to be spent by the Company	-	-	-	11.91
Amount Spent during the year towards activities specified	-	-	-	-
i) Construction/acquisition of any asset	-	-	-	-
ii) On purposes other than (i) above	9.06	9.06	-	9.06
Related Party Transactions in relation to CSR	-	-	-	-

Annexure V
Notes to Restated Standalone Financial Information

Note 38 : Construction Contracts (Rs. in Million)

Revenue from fixed price construction contracts are recognized on the percentage of completion method on the basis of physical measurement of contract work actually completed at the year / period ended

Particulars	For the period ended December 31, 2017	For the year ended		
		March 31, 2017	March 31, 2016	March 31, 2015
	Ind AS	Ind AS	Proforma Ind AS	Proforma Ind AS
Amount of Contract Revenue recognised as revenue for the Year/ period	10,962.29	16,881.64	13,760.21	6,758.11
Gross amount due from customers	4,634.72	1,417.31	746.92	408.60
For contracts in progress at the end of the reporting period:				
Aggregate amount of costs incurred and recognised profits (less recognised losses) to date	51,589.89	35,645.59	21,982.97	16,480.32
Amount of advances received as at Year/ period end	1,373.84	2,051.42	1,471.96	1,595.32
Retention amounts due from customers as at Year/ period end	1,684.57	1,747.97	1,070.45	954.45

Note 39 : Basic and Diluted Earnings Per Share

(Rs. in Million)

Particulars	For the period ended December 31, 2017	For the Year ended 31 March, 2017	For the Year ended 31 March, 2016	For the Year ended 31 March, 2015
	Ind AS	Ind AS	Proforma Ind AS	Proforma Ind AS
Earnings per equity share				
Profit attributable to equity shareholders (Rs. In Million)	731.82	1,317.64	1,285.87	590.56
Weighted average number of equity shares outstanding during the year*	8,55,00,003	8,55,00,003	8,55,00,003	8,55,00,003
Nominal value of equity per share	10.00	10.00	10.00	10.00
Basic and Diluted EPS (Rs. Per Share)#	8.56	15.41	15.04	6.91

Earning per share for the period ended December 31, 2017 is not annualised.

Note 39.1
* Subsequent to the balance sheet date the Company issued 21,375,001 bonus shares to the existing shareholders in the ratio of 1 share against 3 fully paid up equity shares. As per the requirements of IND AS 33 for the purpose of computing Basic and Diluted EPS, the weighted average number of equity shares outstanding have been adjusted.

Note 39.2
During the year ended on March 31, 2016, the Company has issued 4 shares as bonus against each fully paid up equity share.

Note 39.3
During the year ended on March 31, 2015, the Company has issued 4 shares as bonus against each fully paid up equity share.

Note 40 : Unhedged forex exposure

The details of foreign currency exposure not hedged by derivative instruments are as under:

Sr. no.	Particulars	As at December 31, 2017		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015	
		Amount (Rs. In Million)	Foreign Currency (Euro)	Amount (Rs. In Million)	Foreign Currency (Euro)	Amount (Rs. In Million)	Foreign Currency (Euro)	Amount (Rs. In Million)	Foreign Currency (Euro)
1	Import Creditors	82.11	10,75,000	74.44	10,75,000	-	-	-	-

Note 41 : Contingent liabilities and Commitments

a) Contingent liabilities (Rs. in Million)

Particulars	As at December 31, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
	Ind AS	Ind AS	Proforma Ind AS	Proforma Ind AS
(i) Claims against the Company not acknowledged as debt in respect o				
- Income Tax (Refer Note 41.1)	145.09	145.09	145.09	141.81
- Indirect tax (Refer Note 41.2)				
- VAT	9.92	121.87	135.85	135.01
- Entry Tax	0.84	0.84	1.38	1.38
- Excise	25.98	25.98	-	-
(ii) Guarantees Outstanding	1,310.00	-	-	-

41.1 The Company has received favourable orders' from the Commissioner of Income tax (Appeals) for previous Assessment years against which the Income tax Department has filed appeals with ITAT. Similarly on certain matters including 80IA(4), the Company has received unfavourable orders' from Commissioner of Income Tax (Appeals), against which the Company has filed appeals with ITAT. The matter are subjudice. The Management is not expecting any future cash outflows with respect to above litigations.

41.2 Matters relating to VAT, Entry tax and Excise duty are being contested at various levels of Indirect Taxation Authorities. The Management is not expecting any future cash outflows with respect to above litigations.

b) Commitments (Rs. in Million)

Particulars	For the period ended December 31, 2017	For the year ended		
		March 31, 2017	March 31, 2016	March 31, 2015
Estimated amount of contracts remaining to be executed on capital account and not provided for	36.46	-	17.92	4.60
Investment in Subsidiaries *	2,384.60	-	-	-

* The commitments will be effective from the Appointed Date as defined in the Concession Agreement executed with the customer.

Note 42 - Payment to Auditors (Rs. in Million)

Particulars	As at December 31, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
For Audit	2.70	2.30	1.37	2.25
For Taxation matters	-	1.56	1.49	-
For other matters	1.00	-	-	-
Total	**3.70**	**3.86**	**2.86**	**2.25**

Note 42.1 Payments prior to December 31,2017 have been made to predecessor auditor.

Montecarlo Limited

Annexure V
Notes to Restated Standalone Financial Information

Note 43 - Composite Scheme of Arrangement between Group Companies of Montecarlo Limited

(i) The Honourable High Court of Gujarat vide its Order dated December 2, 2016 sanctioned the Composite Scheme of Arrangement (referred as "the Scheme") effective from Appointed Date i.e. April 1, 2016, inter alia provides for the Amalgamation between Montecarlo Projects Pvt. Ltd, Montecarlo Infrastructure Ltd, Montecarlo Engineering Pvt. Ltd and Montecarlo Energy Pvt. Ltd, (together referred as the "Transferor Companies"), with Montecarlo Ltd. (referred as " Transferee Company") and their respective shareholders and creditors, pursuant to the provisions of section 391 to 394 read with Section 100 to 103 and other provisions of the Companies Act, 1956 and/or Companies Act, 2013.

The accounting of this Arrangement was done as per the scheme and the same has been given effect to in the financial statements. The Transferee Company has recorded all assets and liabilities of the Transferor Companies pursuance to the Scheme, at the respective book values thereof, as appearing in the books of account of the Transferor Companies immediately before the Appointed date.

(Rs. in Million)

Particulars	Amount
EQUITY AND LIABILITIES	
Securities Premium	116.41
Profit & Loss	8.31
General Reserve	0.10
Loans & Advances	0.68
Current Liabilities	0.10
Total	**125.60**
Assets	
Property, Plant & Equipment	0.47
Deposit	0.45
Loans & Advances	0.22
Debtors	0.08
Cash and Cash Equivalents	0.56
Other Current Assets	0.00
Misc. Expenses (Assets)	0.19
Total	**1.97**
Assets Over Liabilities	**(123.63)**
Less : Share Capital as per the Scheme of Arrangement (*)	-
Securities Premium Utilised for the Scheme of Arrangement	**(123.63)**

(*) 34,625,002 Equity shares were issued pursuant to Composite Scheme of Arrangement and 34,625,000 Equity shares were cancelled pursuant to the said scheme.

(ii) The Honourable High Court of Gujarat vide its Order dated December 2, 2016 sanctioned the scheme of arrangement effective from Appointed Date i.e. April 1, 2016, inter alia provides for Demerger of undertakings from Montecarlo Limited to Montecarlo Realty Ltd. and Montecarlo Construction Pvt. Ltd. with their respective shareholders and creditors, pursuant to the provisions of section 391 to 394 read with Section 100 to 103 and other provisions of the Companies Act, 1956 and/or Companies Act, 2013.

(Rs. in Million)

Particulars	Amount
Land	134.51
Gross Block of Property, Plant and Equipment (other than land)	80.16
Accumulated Depreciation	7.27
Net Block of Property, Plant and Equipment (other than land)	72.89
Capital Work In Progress	158.84
TDS	(0.41)
Total	**365.83**
General Reserve Utilised as per the Scheme of Arrangement	343.80
Securities Premium Utilised as per the Scheme of Arrangement	22.03

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Notes to Restated Standalone Financial Information

Note 44 - Segment reporting for the period ended December 31, 2017

Operating segments:
Operating segments are identified as those components of the Company (a) that engage in business activities to earn revenues and incur expenses; (b) whose operating results are regularly reviewed by the Company's Operating Decision Maker ('CODM') to make decisions about resource allocation and performance assessment and (c) for which discrete financial information is available.

The Company has determined following reporting segments based on the information reviewed by the Company's Chief Operating Decision Maker ('CODM').

(i) Infrastructure Development comprising of Road construction, Railway infrastructure development, Engineering and construction of Building and factories, Transmission and Distribution of Energy, Water and Irrigation projects including Water Treatment System, Sanitation and Sewerage system, and solid waste management system.

(ii) Mining including extraction of minerals and removal of overburden.

Reportable segments:
An operating segment is classified as reportable segment if reported revenue (including inter-segment revenue) or absolute amount of result or assets exceeds 10% or more of the combined total of all the operating segments.

Segment revenue and results:
The expenses and income which are not directly attributable to any business segment are shown as unallocable expenditure.

Segment assets and liabilities:
Segment assets include all operating assets used by the operating segment and mainly consist of property, plant and equipment, trade receivables, Inventory and other operating assets. Segment liabilities primarily include trade payable and other liabilities. Common assets and liabilities which can not be allocated to any of the business segment are shown as unallocable assets / liabilities.

(Rs. in Million)

Particular	Infrastructure Development	Mining	Unallocable	Total
Revenue from Operations				
Revenue from External customers	11,125.22	2,068.50	9.03	13,202.75
Inter-segment Revenue	-	-	-	-
Total Revenue from Operations	11,125.22	2,068.50	9.03	13,202.75
Result				
Segment Result	1,489.39	55.44	-	1,544.82
Unallocated corporate Income/(Expenditure)	-	-	(426.65)	(426.65)
Operating Profit before Interest and Tax (PBIT)	-	-	-	1,118.17
Finance Costs	-	-	(497.84)	(497.84)
Other Income	-	-	78.74	78.74
Profit Before Tax (PBT)	-	-	-	699.07
Provision for Current Tax	-	-	157.29	157.29
Provision for Deferred Tax	-	-	(190.04)	(190.04)
Profit After Tax (PAT)	-	-	797.30	731.82
Other Information				
Segment Assets	12,291.73	3,413.81	114.77	15,820.31
Segment Liabilities	5,736.29	429.28	4,268.78	10,434.34
Depreciation (Including obsolescence and amortization) included in segment expenses	108.21	198.56	24.24	331.01
Non-Cash expenses except Depreciation and amortisation	-	-	7.43	7.43

The Company is operating in a single geographical segment i.e. India, accordingly, the reporting requirement as per Ind AS 108, 'Segment reporting', is not applicable, and hence, details thereon are not given.

The Company derives revenue in excess of 10% from 3 major customers, viz.; Ministry of Road Transport and Highways - Rs. 4,310.09 Million, National Highways Authority of India - Rs. 1,834.90 Million, and Rail Vikas Nigam Limited - Rs. 1,526.90 Million. All the 3 customers contribute to the Infrastructure Development segment. Revenue from no other individual customers is in excess of 10% of total revenue.

Montecarlo Limited

Annexure V
Notes to Restated Standalone Financial Information

Note 44 - Segment reporting for the year ended March 31, 2017

(Rs. in Million)

Particular	Infrastructure Development	Mining	Unallocable	Total
Revenue from Operations				
Revenue from External customers	16,881.64	2,896.59	23.31	19,801.54
Inter-segment Revenue	-	-	-	-
Total Revenue from Operations	16,881.64	2,896.59	23.31	19,801.54
Segment Result	2,173.68	262.91	-	2,436.59
Unallocated corporate Income/(Expenditure)	-	-	(464.13)	(464.13)
Operating Profit before Interest and Tax (PBIT)	-	-	-	1,972.46
Finance Costs	-	-	(516.42)	(516.42)
Other Income	-	-	78.19	78.19
Profit Before Tax (PBT)	-	-	-	1,534.22
Provision for Current Tax	-	-	335.26	335.26
Provision for Deferred Tax	-	-	(118.67)	(118.67)
Profit After Tax (PAT)	-	-	1,317.63	1,317.63
Other Information				
Segment Assets	10,198.70	3,748.38	1,202.29	15,149.38
Segment Liabilities	5,598.64	426.08	4,471.32	10,496.03
Capital Expenditure	12.26	1.43	3.55	17.24
Depreciation (Including obsolescence and amortization) included in segment expenses	103.67	258.52	36.19	398.38
Non-Cash expenses except Depreciation and amortisation	-	-	0.34	0.34

The Company is operating in a single geographical segment i.e. India, accordingly, the reporting requirement as per Ind AS 108, ‘Segment reporting’, is not applicable, and hence, details thereon are not given.

The Company derives revenue in excess of 10% from 2 major customers, viz.; Ministry of Road Transport and Highways - Rs. 3,648.86 Million, Rail Vikas Nigam Limited - Rs. 2,520.67 Million. Both the customers contribute to the Infrastructure Development segment. Revenue from no other individual customers is in excess of 10% of total revenue.

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Notes to Restated Standalone Financial Information

Note 44 - Segment reporting for the year ended March 31, 2016

(Rs. in Million)

Particular	Infrastructure Development	Mining	Unallocable	Total
Revenue from Operations				
Revenue from External customers	13,760.21	3,066.80	15.67	16,842.68
Inter-segment Revenue	-	-	-	-
Total Revenue from Operations	13,760.21	3,066.80	15.67	16,842.68
Result				
Segment Result	1,961.54	308.25	-	2,269.79
Unallocated corporate Income/(Expenditure)	-	-	(457.52)	(457.52)
Operating Profit before Interest and Tax (PBIT)	-	-	-	1,812.26
Finance Costs	-	-	(435.74)	(435.74)
Other Income	-	-	114.02	114.02
Profit Before Tax (PBT)	-	-	-	1,490.54
Provision for Current Tax	-	-	309.77	309.77
Provision for Deferred Tax	-	-	(105.10)	(105.10)
Profit After Tax (PAT)	-	-	1,285.87	1,285.87
Other Information				
Segment Assets	8,394.90	3,493.77	989.26	12,877.93
Segment Liabilities	4,646.58	385.56	4,153.14	9,185.28
Capital Expenditure	11.30	2.28	5.60	19.18
Depreciation (Including obsolescence and amortization) included in segment expenses	83.48	227.28	26.85	337.61
Non-Cash expenses except Depreciation and amortisation	-	-	1.04	1.04

The Company is operating in a single geographical segment i.e. India, accordingly, the reporting requirement as per Ind AS 108, ‘Segment reporting’, is not applicable, and hence, details thereon are not given.

The Company derives revenue in excess of 10% from 3 major customers, viz.; Ministry of Road Transport and Highways - Rs. 2,682.24 Million, IL&FS Transportation Network Limited - Rs. 2,737.62 Million, and Rail Vikas Nigam Limited - Rs. 1,816.77 Million. All the 3 customers contribute to the Infrastructure Development segment. Revenue from no other individual customers is in excess of 10% of total revenue.

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Notes to Restated Standalone Financial Information

Note 44 - Segment reporting for the year ended March 31, 2015

(Rs. in Million)

Particular	Infrastructure Development	Mining	Unallocable	Total
Revenue from Operations				
Revenue from External customers	6,758.11	3,341.57	14.30	10,113.99
Inter-segment Revenue				
Total Revenue from Operations	6,758.11	3,341.57	14.30	10,113.99
Result				
Segment Result	584.63	1,090.45	-	1,675.08
Unallocated corporate Income/(Expenditure)	-	-	(432.21)	(432.21)
Operating Profit before Interest and Tax (PBIT)	-	-	-	1,242.87
Finance Costs	-	-	(393.93)	(393.93)
Other Income	-	-	49.64	49.64
Profit Before Tax (PBT)	-	-	-	898.58
Provision for Current Tax	-	-	329.32	329.32
Provision for Deferred Tax	-	-	(21.30)	(21.30)
Profit After Tax (PAT)	-	-	-	590.56
Other Information				
Segment Assets	5,918.35	2,200.83	1,192.70	9,311.88
Segment Liabilities	3,106.58	405.85	3,389.17	6,901.60
Capital Expenditure	14.18	3.29	-	17.47
Depreciation (Including obsolescence and amortization) included in segment expenses	51.15	111.77	52.67	215.59
Non-Cash expenses except Depreciation and amortisation	-	-	121.26	121.26

The Company is operating in a single geographical segment i.e. India, accordingly, the reporting requirement as per Ind AS 108, 'Segment reporting', is not applicable, and hence, details thereon are not given.

The Company derives revenue in excess of 10% from 3 major customers, viz.; IL&FS Transportation Network Limited (ITNL) - Rs. 2,085.29 Million., Northern Coalfield Limited - Rs. 1,640.86 Million., Gujarat Mineral Development Corporation Ltd - 1,355.71 Million. From the above ITNL revenue contributes to the Infrastructure Development Segment and another two customers contribute to Mining Segment respectively. Revenue from no other individual customers is in excess of 10% of total revenue.

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Annexure V
Notes to Restated Standalone Financial Information

Note 45 : Movement in Deferred tax Assets/ Liabilities

Recognized deferred tax (assets) and liabilities

(Rs. in Million)

Particulars	Balance as at April 1, 2014	Recognized in profit or loss during 2014-15	Recognized in OCI during 2014-15	Balance as at March 31, 2015	Balance as at April 1, 2015	Recognized in profit or loss during 2015-16	Recognized in OCI during 2015-16	Balance as at March 31, 2016	Balance as at April 1, 2016	Recognized in profit or loss during 2016-17	Recognized in OCI during 2016-17	Balance as at March 31, 2017	Balance as at April 1, 2017	Recognized in profit or loss during period ended on December 31, 2017	Recognized in OCI during the period ended on December 31, 2017	Balance as at December 31, 2017
Deferred tax Liabilities																
Excess of depreciation and amortization on fixed assets under income tax law over depreciation and amortization provided in accounts	35.31	(8.01)	-	27.30	27.30	25.45	-	52.76	52.76	11.07	-	63.83	63.83	(4.02)	-	59.81
Excess of depreciation and amortization on fixed assets under income tax law over depreciation and amortization provided in accounts [Pursuant to the Composite Scheme of Arrangement (Refer Note 43)]	-	-	-	-	-	-	-	-	-	0.06	-	0.06	0.06	(0.06)	-	-
Other Interest Receivable	0.81	(0.63)	-	0.19	0.19	(0.09)	-	0.09	0.09	2.35	-	2.45	2.45	(2.45)	-	-
Prepaid Expenses	0.75	0.29	-	1.04	1.04	0.16	-	1.20	1.20	0.06	-	1.27	1.27	(1.27)	-	-
Fair Valuation of financial liabilities	32.48	(0.55)	-	31.93	31.93	14.24	-	46.16	46.16	(10.20)	-	35.96	35.96	22.09	-	58.05
									-					-		
Deferred Tax Assets									-					-		
Provision for Gratuity	(1.85)	(0.91)	(1.46)	(4.22)	(4.22)	(4.23)	(1.85)	(10.30)	(10.30)	(5.54)	4.07	(11.76)	(11.76)	(2.37)	0.43	(13.70)
Provision for Leave Encashment	(0.80)	(0.96)	-	(1.77)	(1.77)	(5.61)	-	(7.38)	(7.38)	1.24	-	(6.14)	(6.14)	(1.87)	-	(8.01)
Provision for Bonus	(1.06)	(0.86)	-	(1.92)	(1.92)	(1.83)	-	(3.75)	(3.75)	(1.27)	-	(5.01)	(5.01)	0.13	-	(4.88)
Interest accrued but not due on Term Loans	(0.91)	(2.23)	-	(3.15)	(3.15)	2.37	-	(0.78)	(0.78)	0.78	-	-	-	-	-	-
Fair Valuation of financial assets	(1.97)	(5.11)	-	(7.08)	(7.08)	4.57	-	(2.50)	(2.50)	(0.83)	-	(3.34)	(3.34)	(38.10)	-	(41.44)
Unrealised foreign exchange loss	-	-	-	-	-	-	-	-	-	-	-	-	-	(2.66)		(2.66)
Unamortised expenditure for Amalgamation u/s 35DD (Refer Note 43)	-	-	-	-	-	(0.66)	-	(0.66)	(0.66)	(2.29)	-	(2.94)	(2.94)	0.55	-	(2.39)
Provision of Expected Credit Loss	-	(2.32)	-	(2.32)	(2.32)	(2.55)	-	(4.88)	(4.88)	(3.39)	-	(8.26)	(8.26)	(2.74)	-	(11.00)
MAT Credit Entitlement	-	-	-	-	-	(136.92)	-	(136.92)	(136.92)	(45.21)	-	(182.12)	(182.12)	(157.29)	-	(339.41)
MAT Credit Entitlement Pursuant to the Composite Scheme of Arrangement (Refer Note 43)	-	-	-	-	-	-	-	-	-	(0.02)	-	(0.02)	(0.02)	0.02	-	-
Total	**62.77**	**(21.30)**	**(1.46)**	**40.01**	**40.01**	**(105.10)**	**(1.85)**	**(66.96)**	**(66.96)**	**(53.19)**	**4.07**	**(116.03)**	**(116.03)**	**(190.04)**	**0.43**	**(305.63)**

The current tax expense for the year/ period is reconciled to the accounting profit in the Schedule VI.

Note 46 Details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016 given hereunder:

Particulars	**SBNs**	**Other Denomination Notes**	**Amount in Rupees**
Closing cash in hand as on 08.11.2016	23,89,500	46,08,171	69,97,671
Permitted receipts	-	1,99,77,932	1,99,77,932
Permitted payments	-	(1,94,69,428)	(1,94,69,428)
Amount Deposited in Bank	(23,89,500)	-	(23,89,500)
Closing cash in hand as on 30.12.2016	-	51,16,675	51,16,675

Note 47 Survey u/s 133A of the Income Tax Act, 1961 was carried out at the office of the Company on April 6, 2017, where assessment proceedings are pending.

Note 48 The Company had appointed Varsani Construction Company ("VCC"), pursuant to two separate agreements dated 01.12.2011 and 20.05.2013 to carry out certain works of Western Coal Fields ("WCF") and Northern Coal Fields ("NCF") respectively. Due to non-fulfilment of various contractual obligation by VCC, these contracts were annulled. VCC has admitted amount of Rs. 3.56 million and Rs. 205.00 million for the contract of WCF and NCF respectively, due to the Company through its various communications with the Company. VCC has initiated arbitration proceedings against the Company claiming aggregate amount of Rs.1,346.08 million towards default in payments of certain contractual dues, wrongful retention of VCC's machinery, hiring charges for such wrongful retention of machinery and lack of re-imbursements on account of escalation in the wages to workers, etc. The Company has denied all the allegations made by VCC and has filed counter claims aggregating to Rs. 2,031.66 million towards losses suffered by the Company due to non-performance by VCC and liquidated damages imposed on it under the principal contracts with WCF and NCF. As at the reporting date, the matters relating to the settlement of these dues is pending adjudication by the Arbitrator. The Company has been legally advised that the claims made by VCC appear to be frivolous and unsustainable based on the terms of the then binding agreement between the two parties. The Company has been further legally advised that the claims of the Company in respect of the amounts expressly admitted by VCC in its letters to the Company as legal debts owed to the Company appear to be the strongest on merits. Considering the aforesaid information and the legal advice obtained by the Company, the Company has concluded that the advances due from VCC are good and it would not be unreasonable to expect ultimate collection of the same.

Restated Standalone Financial Information - Indian GAAP

Indian GAAP	March 31, 2014
Indian GAAP	March 31, 2013

Annexure I	Restated Standalone Statement of Assets and Liabilities
Annexure II	Restated Standalone Statement of Profit and Losses
Annexure III	Intentionally Left Blank
Annexure IV	Restated Standalone Statement of Cashflows
Annexure V	Notes to Restated Standalone Financial Information
Annexure VI (Common with Ind AS)	Statement of Tax Shelter
Annexure VII (Common with Ind AS)	Material Adjustments to Audited Standalone Financial information and notes thereon
Annexure VIII (Common with Ind AS)	Statement of Equity Reconciliation to Audited Standalone Financial Information
Annexure IX (Common with Ind AS)	Restated Standalone Statement of Accounting Ratio
Annexure X (Common with Ind AS)	Restated Standalone Statement of Capitalisation

Annexure I

Restated Standalone Statement of Assets and Liabilities (Rs. In Million)

	Particulars	Note No. of Annexure V	As at March 31, 2014 (Indian GAAP)	As at March 31, 2013 (Indian GAAP)
I	**Equity and Liabilities**			
1	**Shareholders' funds**			
	Share Capital	1	25.65	25.65
	Reserves and Surplus	2	1,739.97	1,405.79
2	**Non-current liabilities**			
	Long-Term Borrowings	3	589.27	60.37
	Deferred Tax Liabilities (Net)	4	32.25	27.35
	Other Long Term Liabilities	5	390.71	521.24
	Long-Term Provisions	6	2.22	8.17
3	**Current liabilities**			
	Short-Term Borrowings	7	1,741.97	1,397.22
	Trade Payables	8		
	- Micro and Small Enterprises		-	-
	- Others		1,348.05	1,003.26
	Other Current Liabilities	9	799.01	534.67
	Short-Term Provisions	10	5.71	0.15
	TOTAL		**6,674.81**	**4,983.87**
II	**Assets**			
1	**Non-current assets**			
	Property, Plant & Equipment	11	1,366.83	728.94
	Intangible Assets	11	9.51	5.82
	Capital Work-in-Progress	11	24.26	73.73
	Non-Current Investments	12	235.21	66.02
	Long-Term Loans and Advances	13	342.56	433.75
	Other Non Current Assets	14	61.94	41.35
2	**Current assets**			
	Inventories	15	320.69	300.58
	Trade Receivables	16	2,525.72	1,939.54
	Cash and Bank balance	17	24.74	24.22
	Short-Term Loans and Advances	18	1,261.70	738.59
	Other Current Assets	19	501.65	631.33
	TOTAL		**6,674.81**	**4,983.87**

The above statement should be read with the Notes to the Restated Standalone Financial Information as appearing in Annexure V and Material Adjustments to Restated Standalone Financial Information and notes thereon appearing in Annexure VII.

As per our report of even date

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

Sd/-
Kartikeya Raval
Partner

For and on behalf of Board of Directors
Montecarlo Limited
CIN :- U40300GJ1995PLC025082

Sd/-
Kanubhai M. Patel
Chairman & Managing Director
DIN: 00025552

Sd/-
Brijesh K. Patel
Jt. Managing Director
DIN: 00025479

Sd/-
Nigam G. Shah
Chief Financial Officer

Sd/-
Kalpesh P. Desai
Company Secretary

Place : Ahmedabad
Date : May 05, 2018

Place : Ahmedabad
Date : May 05, 2018

Montecarlo Limited

Annexure II

Restated Standalone Statement of Profit and Losses (Rs. In Million)

	Particulars	Note No. of Annexure V	For the Year ended on March 31, 2014 (Indian GAAP)	For the Year ended on March 31, 2013 (Indian GAAP)
I	**Revenue:**			
	Revenue From Operations	20	7,382.62	6,781.42
	Other Income	21	30.10	13.14
	Total Revenue (I)		**7,412.72**	**6,794.56**
II	**Expenses:**			
	Changes in Work in Progress	22	(29.60)	(22.28)
	Construction Expenses	23	5,919.22	5,666.52
	Employee Benefit Expense	24	346.25	286.88
	Finance Cost	25	286.69	142.87
	Depreciation and Amortization Expense	26	158.25	104.08
	Other Expenses	27	207.72	137.84
	Total Expenses (II)		**6,888.53**	**6,315.91**
III	**Restated Profit Before Tax (I - II)**		**524.19**	**478.65**
IV	**Tax expense:**			
	Current Tax		185.10	160.93
	Deferred Tax		4.91	(0.57)
V	**Restated Net Profit for the year (III - IV)**		**334.18**	**318.29**
VI	**Earnings per equity share (EPS)**			
	Basic and Diluted (Refer Note 31.3)		3.91	3.72

The above statement should be read with the Notes to the Restated Standalone Financial Information as appearing in Annexure V and Material Adjustments to Restated Standalone Financial Information and notes thereon appearing in Annexure VII.

As per our report of even date

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

Sd/-
Kartikeya Raval
Partner

Place : Ahmedabad
Date : May 05, 2018

For and on behalf of Board of Directors
Montecarlo Limited
CIN :- U40300GJ1995PLC025082

Sd/-
Kanubhai M. Patel
Chairman & Managing Director
DIN: 00025552

Sd/-
Brijesh K. Patel
Jt. Managing Director
DIN: 00025479

Sd/-
Nigam G. Shah
Chief Financial Officer

Sd/-
Kalpesh P. Desai
Company Secretary

Place : Ahmedabad
Date : May 05, 2018

Montecarlo Limited

Annexure III

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Annexure IV

Restated Standalone Statement of Cashflows

(Rs. In Million)

	Particulars	For the Year ended on March 31, 2014 (Indian GAAP)	For the Year ended on March 31, 2013 (Indian GAAP)
A	**Cash Flow From Operating Activities**		
	Restated Net Profit before Tax	524.19	478.65
	Adjustment for:		
	Depreciation and Amortisation Expense	158.25	104.08
	(Profit) / Loss on Disposal of Items of Property, Plant and Equipment (net)	0.68	-
	Interest and other borrowing cost	286.69	142.87
	Interest income on FDRs	(5.95)	(3.84)
	Operating Profit Before Working Capital Changes	963.86	721.76
	Adjustment For Working Capital Changes:		
	Changes in Inventories	(20.11)	143.66
	Changes in Trade Receivables	(586.18)	(512.84)
	Changes in Loans & Advances	(383.89)	(496.36)
	Changes in Trade and Other Payables	350.00	(317.32)
	Cash Generated From Operations	**323.68**	**(461.10)**
	Direct Taxes paid (Net)	**(102.47)**	(174.18)
	Net Cash Flow from Operating Activities	**221.21**	**(635.28)**
B	**Cash Flow From Investing Activities:**		
	Purchase of Property Plant and Equipment (including advances for capital expenditure)	(798.56)	(123.45)
	Proceeds from sale of Items of Property Plant and Equipment	46.54	4.91
	Investment in Associates (made) / sold (net)	(169.19)	-
	Interest income on FDRs	5.95	3.84
	Changes in FDRs other than Cash and Cash Equivalents	(24.42)	(46.34)
	Net Cash Flow used In Investing Activities	**(939.69)**	**(161.04)**
C	**Cash Flow From Financing Activities:**		
	Proceeds from Secured Loans	739.38	123.83
	Repayment of Secured Loans	(82.27)	(68.06)
	Increase in borrowings- Working Capital	344.75	834.50
	Interest and other borrowing cost	(286.69)	(142.87)
	Net Cash Used In Financing Activities	**715.17**	**747.41**
	Net Increase/ (Decrease) In Cash And Cash Equivalents	**(3.30)**	**(48.91)**
	Cash And Cash Equivalents At The Beginning Of The Year	**11.42**	**60.33**
	Cash And Cash Equivalents At The End Of The Year	**8.12**	**11.42**

The above Statement of Cash Flow has been prepared under the “Indirect Method” as set out in Indian Accounting Standard AS - 3 “ Cash Flow Statements”.

2. Cash and cash equivalent comprises of:

Particulars	As at March 31, 2014 (Indian GAAP)	As at March 31, 2013 (Indian GAAP)
Balances with banks:		
- Current Accounts	4.07	5.29
- Cash credit account	-	3.22
Cash on hand	4.05	2.91
Cash and cash equivalents in statement of cash flow	**8.12**	**11.42**

The above statement should be read with the Notes to the Restated Standalone Financial Information as appearing in Annexure V and Material Adjustments to Restated Standalone Financial Information and notes thereon appearing in Annexure VII.

As per our report of even date

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

Sd/-

Kartikeya Raval
Partner

Place : Ahmedabad
Date : May 05, 2018

For and on behalf of Board of Directors
Montecarlo Limited
CIN :- U40300GJ1995PLC025082

Sd/-

Kanubhai M. Patel
Chairman & Managing Director
DIN: 00025552

Sd/-

Brijesh K. Patel
Jt. Managing Director
DIN: 00025479

Sd/-

Nigam G. Shah
Chief Financial Officer

Sd/-

Kalpesh P. Desai
Company Secretary

Place : Ahmedabad
Date : May 05, 2018

Montecarlo Limited

Annexure V
Notes to the Restated Standalone Financial Information

Note A - Corporate Information

Montecarlo Limited (the company) is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The company is engaged in business of Infrastructure Development, Mining, Infrastructure for Power Transmission & Distribution and Property Development.

Note B - Basis of Preparation

The Restated Standalone Statement of Assets and Liabilities of the Company as at March 31, 2014 and March 31, 2013 and the related Restated Standalone Statement of Profits and Loss and Restated Standalone Statement of Cash Flows for the period ended March 31, 2014 and March 31, 2013 and other restated financial information (herein collectively referred to as "Restated Standalone Financial Information") have been compiled by the Management from the then Audited Standalone Financial Statements of the Company for the respective years.

The Audited Standalone Financial Statements for the years ended March 31, 2014 and March 31, 2013 were prepared in accordance with the generally accepted accounting principles in India (Indian GAAP) at the relevant time. The Company has prepared the Restated Standalone Statements to comply in all material aspects with the Accounting Standards notified under Section 133 of the Companies Act, 2013 ('the Act'), read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016. The Restated Standalone Statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies are applied consistently in preparation of Restated Standalone Financial Information.

These Restated Standalone Financial Information have been prepared by the Management for inclusion in the Offer Document to be filed by the Company with the Securities and Exchange Board of India ('SEBI') in connection with proposed Initial Public Offering of its equity shares, in accordance with the requirements of:

(a) Section 26 of Part 1 Chapter III of the Act read with Rule 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014;

(b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time (the "Regulations") issued by the Securities and Exchange Board of India ('SEBI') on 26 August 2009, in pursuance of the Securities and Exchange Board of India Act, 1992 read along with SEBI Circular No. SEBI/HO/CFD/DIL/CIR/P/2016/47 dated 31st March, 2016; and

(c) Guidance note on reports in company prospectuses (Revised 2016).

The Restated Standalone Financial Information have been prepared after incorporating adjustments for the changes in accounting policies retrospectively in financial year ended March 31, 2013 to reflect the same accounting treatment as per accounting policies as at and for the year ended March 31, 2014.

This Restated Standalone Financial Information has been prepared after incorporating adjustments for the material amounts in the respective years to which they relate.

The Restated Standalone Financial Information is presented in Indian Rupees, rounded off to nearest million, except per share data, face value of equity shares and expressly stated otherwise.

Montecarlo Limited

Annexure V
Notes to the Restated Standalone Financial Information

B.1 Summary of significant accounting policies

Presentation and Disclosure

With effect from March 31, 2012, the Revised Schedule VI under the Companies Act, 1956 came into effect and accordingly, the Audited Standalone financial statements pertaining to the period March 31, 2013 and the year ended March 31, 2014 was prepared as per Revised Schedule VI. With effect from April 1, 2014, Schedule III has been notified under the Act for the preparation and presentation of financial statements. The adoption of Schedule III does not impact recognition and measurement principles followed for preparation of Standalone financial statements. The Company has prepared the Restated Standalone Financial Information along with the relevant notes in accordance with the requirements of Schedule III of the Act.

a) Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results may differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in current and future periods.

b) Property, Plant & Equipment and Depreciation

Property, Plant & Equipment are stated at cost of acquisition or construction less accumulated depreciation and accumulated impairment loss. Cost includes purchase price and all other attributable cost of bringing the asset to working condition for intended use. Financing costs relating to borrowing funds attributable to acquisition of Property, Plant & Equipment are also included, for the period till such asset is put to use.

Subsequent expenditures related to an item of property, plant and equipment are added to its book value if and only if, it is probable that future economic benefits associated with the item will flow to the enterprise and the cost of the item can be measured reliably.

Capital work in-progress represents expenditure incurred in respect of assets which are yet to be brought to it working condition for its intended use and are carried at cost. Cost includes related acquisition expenses, construction or development cost, borrowing costs capitalised and other direct expenditure.

Depreciation on Property, Plant & Equipment is provided on the Straight Line Method (SLM) as per the rates prescribed under Schedule XIV to the Companies Act, 1956. In respect of the Property, Plant & Equipment purchased during the year, depreciation is provided on pro rata basis from the date on which such asset is ready to be put to use.

c) Intangible Assets and Amortisation

Intangible assets acquired separately are measured on initial recognition at cost and amortized on a Straight Line basis over the estimated useful economic life.

d) Impairment of Tangible and Intangible Assets

Impairment Loss, if any is provided to the extent, the carrying amount of assets exceeds their recoverable amount. Recoverable amount is higher of an assets 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 or from its disposal at the end of its useful life.

e) Foreign Currency Transactions

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Exchange differences arising on acquisition of a fixed asset are capitalized and depreciated over the remaining useful life of the asset.

All other exchange differences are recognized as income or as expenses in the period in which they arise.

f) Borrowing Costs

Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalized as a part of the cost of such asset. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. All others borrowing cost are charged to revenue.

g) Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long term investments are carried at cost and provision for diminution in value is made to recognize a decline, other than temporary, in the value of the investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares, securities or other assets, the acquisition cost is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

h) Inventories

Stock of construction materials, stores & spares and embedded goods and fuel is valued at cost or net realizable value, whichever is lower after providing for obsolescence, if any, except in case of by products which are valued at net realizable value. Cost of inventories comprises of cost of purchase, cost of conversion and directly attributable overheads incurred in bringing them to their present location and condition. Cost is determined on First in First Out basis.

i) Work in Progress

Work in progress in respect of construction contracts is valued at Contract Rates on the basis of technical estimates and percentage completion basis.

j) Revenue Recognition

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

a. Contract revenue

Contract revenue and costs associated with the contracts/ project related activities are accrued and recognized by reference to the stage of completion of the contract/projects at the reporting date. Stage of completion of the contract is determined by reference to completion of a physical proportion of the contract work.

Contract revenue comprises the initial amount of revenue agreed in the contract, the variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue and they are capable of being reliably measured.

Contract cost comprises of cost that relate directly to the specific contract, cost that are attributable to contract activity in general and can be allocated to the contract and such other cost as are specifically chargeable to the customer under the terms of the contract. Stage of completion is determined based on the survey of work performed at the end of each year.

The effect of a change in the estimate of contract revenue or contract costs, or the effect of a change in the estimate of the outcome of a contract, is accounted for as a change in accounting estimate and the effect of which are recognized in the Statement of Profit and Loss in the period in which the change is made and in subsequent periods.

Any excess/short revenue recognized in accordance with the stage of completion of the project, in comparison to the amounts billed in accordance with the milestones completed as per the respective project, is accrued as unearned/unbilled revenue.

An expected loss on construction contract is recognized as an expense immediately when it is certain that the total contract costs will exceed the total contract revenue.

b. Interest Income

Interest Income is recognized on a time proportionate basis taking into account the amount outstanding and the rate applicable.

k) Retirement Benefits:

- Company provides for Retirement Benefits in the form of Gratuity. Such Benefits are provided for as at Balance Sheet date, based on the valuation made by independent actuaries. Company has taken Group Gratuity Policy of LIC of India and Premium paid is recognized as expenses when it is incurred. Actuarial gains or loss in respect of Gratuity are charged to Profit & Loss Account.

- Provident fund is accrued on monthly basis in accordance with the terms of contract with the employees and is deposited with the Statutory Provident Fund. The Company's contribution is charged to profit and loss account.
- Company also provides for Leave Encashment as at Balance Sheet date, based on the valuation made by independent actuaries.

l) Income Taxes

Current Tax

Current tax is recognized at the amount expected to be paid to the tax authorities, using the applicable tax rates after taking credit for allowances and exemptions in accordance with the Income Tax Act, 1961.

Deferred Tax

Deferred tax assets and liabilities are recognized for future tax consequences attributable to timing differences between financial statements' carrying amount of existing assets and liabilities and their respective tax basis. Deferred tax assets are recognized only to the extent that there is a reasonable certainty that sufficient future income will be available except that deferred tax assets, in case there are unabsorbed depreciation or losses, are recognized if there is virtual certainty that sufficient future taxable income will be available to realize the same. Deferred tax assets and liabilities are measured using the enacted tax rates or tax rates that have been enacted or substantively enacted by the Balance Sheet date. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the period that includes the enactment date.

m) Segment Reporting

The company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company as a whole.

n) Cash and cash equivalents

Cash and cash equivalents comprise of cash at bank and cash on hand. The Company considers all highly liquid investments without encumbrance/lien having maturity of three month or less from the reporting date to be cash equivalents.

o) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and weighted average number of equity shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

p) Provisions Contingent Liabilities & Contingent Assets:

A provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Contingent Liabilities are not provided for and are disclosed by way of notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

Annexure V
Notes to Restated Standalone Financial Information

Note 1: Restated Standalone Statement of Share Capital (Rs. In Million)

Particulars	As at March 31, 2014 (Indian GAAP)		As at March 31, 2013 (Indian GAAP)	
	Number of shares	Amount	Number of shares	Amount
a) Authorised Share Capital				
Equity Shares of Rs. 10 each	50,00,000	50.00	50,00,000	50.00
b) Issued Subscribed and fully Paid up Share Capital				
Equity Shares of Rs. 10 each	25,65,000	25.65	25,65,000	25.65

c) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period :

Particulars	As at March 31, 2014 (Indian GAAP)		As at March 31, 2013 (Indian GAAP)	
	Number of shares	Amount	Number of shares	Amount
Outstanding at the beginning of the year	25,65,000	25.65	25,65,000	25.65
Add: Issued during the year	-	-	-	-
Outstanding at the end of the year	25,65,000	25.65	25,65,000	25.65

d) Terms/rights attached to equity shares :

The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled for one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

e) Details of shareholders holding more than 5% Shares :

Name of Shareholder	As at March 31, 2014 (Indian GAAP)		As at March 31, 2013 (Indian GAAP)	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Equity Shares of Rs. 10 each fully paid				
Montecarlo Engineering Pvt Ltd	4,80,000	18.71%	4,80,000	18.71%
Montecarlo Projects Pvt Ltd	4,80,000	18.71%	4,80,000	18.71%
Montecarlo Infrastructure Limited	4,25,000	16.57%	4,25,000	16.57%
Kanubhai Mafatlal Patel	3,92,570	15.31%	3,92,570	15.31%
Brijesh Kanubhai Patel	2,68,700	10.47%	2,68,700	10.47%
Mrunal Kanubhai Patel	2,65,010	10.33%	2,65,010	10.33%
Dinaben Kanubhai Patel	2,53,510	9.88%	2,53,510	9.88%

Note: - In Case of Joint Shareholders, First Shareholders Name clubbed with his/her Individual shareholding.

There are no shares which are reserved to be issued under options and there are no securities issued/ outstanding which are convertible into equity shares.

As per the records of the company including its register of shareholders / members and other declarations received from the shareholders.

Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date.

Subsequent to December 31, 2017, the Company issued 21,375,001 bonus shares to the existing share holders in the ratio of 1 share for every 3 shares held by the existing share holders.

During the year ended on March 31, 2016, the Company issued 5,13,00,000 bonus shares to existing shareholders in the ratio of 4 shares for every 1 share held by them.

During the year ended on March 31, 2015, the Company issued 1,02,60,000 bonus shares to existing shareholders in the ratio of 4 shares for every 1 share held by them.

Montecarlo Limited

Annexure V
Notes to Restated Standalone Financial Information

(Rs. In Million)

Note 2: Restated Standalone Statement of Reserves and Surplus

Particulars	As at March 31, 2014 (Indian GAAP)	As at March 31, 2013 (Indian GAAP)
A. Securities Premium Account		
At the beginning of the year	131.85	131.85
Less:- Utilized during the year	-	-
Balance at the end of the year (A)	**131.85**	**131.85**
B. General Reserve		
At the beginning of the year	725.00	500.00
Add:- Transfer from Surplus of Profit and Loss	250.00	225.00
Balance at the end of the year (B)	**975.00**	**725.00**
C. Surplus as per Restated Standalone Statement of Profit & Loss		
At the beginning of the year	548.94	455.65
Add:- Restated Standalone Profit for the year	334.18	318.29
Less:- Transfer to General Reserve	(250.00)	(225.00)
Balance at the end of the year (C)	**633.12**	**548.94**
Total (A+B+C)	**1,739.97**	**1,405.79**

Note 3: Restated Standalone Statement of Long Term Borrowings

Particulars	As at March 31, 2014 (Indian GAAP)	As at March 31, 2013 (Indian GAAP)
Long term borrowings - Non current portion		
Secured		
Term Loans		
- From Banks (Refer Note 3.1)	383.56	60.37
- From Financial Institutions (Refer Note 3.1)	205.71	-
Total	**589.27**	**60.37**

Particulars	As at March 31, 2014 (Indian GAAP)	As at March 31, 2013 (Indian GAAP)
Current portion of Long Term Borrowings is disclosed under the head "Other current liabilities" (Refer Note 9)	210.73	82.52

Annexure V
Notes to Restated Standalone Financial Information

Note 3.1: Long Term Borrowings

Sr. No	Lender	Nature of facility	No. of Outstanding Loans	Loan currency	Amount Sanctioned (Rs. In Millions)	Amount Outstanding As on March 31, 2014 (Rs. In Millions)	Rate of Interest (p.a)	Range of Balance No. of instalments as at March March 31, 2014	Frequency of Instalments
1	HDFC Bank Limited	Vehicle Loan	1	INR	5.93	3.85	6.80%	28	Monthly
2	HDFC Bank Limited	Construction Equipment Loan	50	INR	520.13	390.82	9.40%-13.64%	03-49	Monthly
3	Sundaram Finance Limited	Construction Equipment Loan	4	INR	41.13	35.49	9.41%-9.75%	39	Monthly
4	Kotak Mahindra Bank	Construction Equipment Loan	2	INR	1.25	0.24	11.25%	6	Monthly
5	Tata Capital Financial Services limited	Construction Equipment Loan	11	INR	126.20	126.20	11.96%-12.23%	46	Monthly
6	Axis Bank Limited	Vehicle Loan	1	INR	0.98	0.38	6.25%	24	Monthly
7	Axis Bank Limited	Construction Equipment Loan	6	INR	9.08	4.58	10.13%-10.60%	24-37	Monthly
8	ICICI Bank Limited	Vehicle Loan	14	INR	10.45	6.68	6.80%-10.25%	24-31	Monthly
9	ICICI Bank Limited	Construction Equipment Loan	12	INR	130.62	123.28	10.83%-10.94%	53-55	Monthly
10	SREI Infrastructure Finance Limited	Construction Equipment Loan	7	INR	83.90	73.06	8.54%-8.74%	40	Monthly
11	Daimler Financial Services	Construction Equipment Loan	17	INR	38.94	35.40	9.51%-10.40%	38-45	Monthly
Total					**968.61**	**799.98**			

(i) All above Secured Loans are secured by exclusive charge on respective Vehicle and/or Construction Equipment. Also the Personal Guarantee of our Promoter Mr. Kanubhai M Patel, Mr. Brijesh K Patel and Mr. Mrunal K Patel on respective secured loan were also obtained.

Annexure V
Notes to Restated Standalone Financial Information

(Rs. In Million)

Note 4 : Restated Standalone Statement of Deferred Tax Liabilities (Net)

Particulars	As at March 31, 2014 (Indian GAAP)	As at March 31, 2013 (Indian GAAP)
Deferred Tax Liabilities		
Excess of depreciation and amortization on fixed assets under Income Tax law over depreciation and amortization provided in accounts	35.31	26.01
Other Interest Receivable	0.81	4.60
Prepaid Expenses	0.75	0.54
Less: Deferred Tax Assets		
Provision for Gratuity	1.85	1.99
Provision for Leave Encashment	0.80	0.66
Provision for Bonus	1.06	0.90
Interest accrued but not due on Term Loans	0.91	0.25
Deferred Tax Liability (Net)	**32.25**	**27.35**

Note 5: Restated Standalone Statement of Other Long Term Liabilities

Particulars	As at March 31, 2014 (Indian GAAP)	As at March 31, 2013 (Indian GAAP)
Security and Other Deposits	379.80	119.78
Mobilisation Advances & Other Advances	10.91	401.46
Total	**390.71**	**521.24**

Note 6: Restated Standalone Statement of Long Term Provisions

Particulars	As at March 31, 2014 (Indian GAAP)	As at March 31, 2013 (Indian GAAP)
Provision for employee benefits		
Gratuity	0.24	6.15
Compensated Absences	1.98	2.02
Total	**2.22**	**8.17**

Note 7: Restated Standalone Statement of Short Term Borrowings

Particulars	As at March 31, 2014 (Indian GAAP)	As at March 31, 2013 (Indian GAAP)
Working Capital Facilities		
Secured		
- From Banks (Refer Note 7.1)	1,741.97	1,397.22
Total	**1,741.97**	**1,397.22**

Annexure V
Notes to Restated Standalone Financial Information

Note 7.1: Short Term borrowings

Sr. No.	Lender	Nature of Facility	Loan Currency	Amount Sanctioned as on March 31, 2014 (Rs. In Million)	Amount Outstanding as on March 31, 2014 (Rs. In Million)	Rate of interest (p.a)	Mode of Repayment
1	Oriental Bank of Commerce	Cash Credit	INR	300.00	219.32	12.40%	Repayable on demand subject to annual renewal
2	State Bank of India	Cash Credit	INR	300.00	299.09	11.50%	Repayable on demand subject to annual renewal
3	Bank of Baroda	Cash Credit	INR	200.00	199.09	12.25%	Repayable on demand subject to annual renewal
4	Indian Overseas Bank	Cash Credit	INR	300.00	289.49	12.25%	Repayable on demand subject to annual renewal
5	Indian Overseas Bank	WCDL	INR	250.00	250.00	12.25%	1 Year Validity of sanction / Rollover of facility on every 60 days / 70 days / 90 days
6	IDBI Bank	Cash Credit	INR	200.00	195.89	12.25%	Repayable on demand subject to annual renewal
7	Karur Vysya Bank	Cash Credit	INR	200.00	280.97	12.50%	Repayable on demand subject to annual renewal
8	Karur Vysya Bank	Overdraft	INR	9.72	8.12	10.25%	Repayable on demand subject to annual renewal
Total				**1,759.72**	**1,741.97**		

(i) All above Cash Credit Limits are subject to Annual Renewal
(ii) All WCDL limits above are sub-limit of Cash Credit Limits.
(iii) Primary Security: Secured by Hypothecation of receivables, Inventories and other current assets as per the sanctions of member banks in the consortium.
(iv) Collateral Security : First paripassu charge by equitable mortgage on the immovable properties described below:
- Properties of the Company, mainly Corporate Office having Unit No. 706 to 709 situated at Shilp Building, Near Municipal Market, C.G. Road, Navrangpura, Ahmedabad.

(v) Personal Guarantee: (A) Promoters of the Company and (B) Property Owner of Immovable Properties provided as collateral Security.

Annexure V
Notes to Restated Standalone Financial Information

(Rs. In Million)

Note 8: Restated Standalone Statement of Trade Payables

Particulars	As at March 31, 2014 (Indian GAAP)	As at March 31, 2013 (Indian GAAP)
For Materials	530.25	510.59
For Expenses	817.80	492.67
Total	**1,348.05**	**1,003.26**

Note 8.1: Trade Payable are payable on account of goods purchased and services availed in the normal course of business.

Note 8.2 : Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from 2 October 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with the Management, there are no Micro, Small and Medium Enterprises, to whom the Company owes dues (including interest on outstanding dues) which are outstanding as at balance sheet date.

Note 8.3 Refer Note 29 for Related Party Transactions and outstanding balances.

Note 9: Restated Standalone Statement of Other Current Liabilities

Particulars	As at March 31, 2014 (Indian GAAP)	As at March 31, 2013 (Indian GAAP)
Current Maturities of Long Term Borrowing		
Secured Loans from Banks (Refer Note 3.1)	146.29	82.33
Secured Loans from Financial institutions (Refer Note 3.1)	64.44	0.19
Other Payables		
Securities and other Deposits	41.60	229.47
Advance received from customers	3.91	11.51
Mobilisation Advances & Other Advances	495.99	165.54
Statutory Dues	13.83	24.31
Creditors for Capital Expenditure	0.11	0.03
Employee related dues	27.84	20.52
Interest accrued but not due	5.00	0.77
Total	**799.01**	**534.67**

Note 9.1 Refer Note 29 for Related Party Transactions and outstanding balances.

Note 10: Restated Standalone Statement of Short Term Provisions

Particulars	As at March 31, 2014 (Indian GAAP)	As at March 31, 2013 (Indian GAAP)
A) Provision for Employee Benefits		
Gratuity	5.19	-
Compensated Absences	0.37	-
Total (A)	**5.56**	**-**
B) Others Provisions		
Wealth Tax Provision	0.15	0.15
Total (B)	**0.15**	**0.15**
Total (A+B)	**5.71**	**0.15**

Note 13: Restated Standalone Statement of Long Term Loans and Advances

Particulars	As at March 31, 2014 (Indian GAAP)	As at March 31, 2013 (Indian GAAP)
(Unsecured, considered good)		
Security and other deposits	50.14	50.52
Loan to Associate Company	252.08	252.08
Advance paid to Vendor	39.34	130.21
Capital Advances	1.00	0.94
Total	**342.56**	**433.75**

Note 13.1 Refer Note 29 for Related Party Transactions and outstanding balances.

Annexure VI
Notes to Restated Standalone Financial Information

Note 11: Restated Standalone Statement of Property, Plant & Equipment, Capital Work-in-Progress and Intangible Assets

As at March 31, 2014 (Rs. In Million)

	Particulars	Gross Block				Accumulated Depreciation				Net Block
		As at April 1, 2013	Additions	Deletions / Disposals	As at March 31, 2014	As at April 1, 2013	Depreciation charge for the Year	On Deletion / Disposals	As at March 31, 2014	As at March 31, 2014
A	**Property, Plant & Equipment**									
	Freehold Land	49.68	-	10.04	39.65	-	-	-	-	39.65
	Building	96.52	-	-	96.52	5.38	1.61	-	6.99	89.53
	Machinery	843.34	281.27	85.70	1,038.92	372.28	94.67	49.13	417.82	621.10
	Vehicles	144.96	559.40	3.05	701.30	56.24	56.34	2.44	110.14	591.16
	Office Equipment	4.88	-	-	4.88	1.57	0.26	-	1.82	3.06
	Computer	11.35	-	-	11.35	9.19	0.97	-	10.16	1.19
	Furniture & Fixtures	26.10	-	-	26.10	4.72	1.65	-	6.37	19.73
	Electric Installation	1.89	-	-	1.89	0.39	0.09	-	0.48	1.41
	Total (A)	1,178.71	840.67	98.79	1,920.60	449.77	155.57	51.57	553.77	1,366.83
B	**Intangible Assets**									
	Software & Licenses	13.47	6.37	-	19.84	7.65	2.68	-	10.33	9.51
	Total (B)	13.47	6.37	-	19.84	7.65	2.68	-	10.33	9.51
C	**Capital work In Progress**	73.73	26.81	76.29	24.26	-	-	-	-	24.26
	Total (C)	73.73	26.81	76.29	24.26	-	-	-	-	24.26
	Grand Total (A+B+C)	**1,265.92**	**873.85**	**175.07**	**1,964.69**	**457.41**	**158.25**	**51.57**	**564.10**	**1,400.60**

Note :

i) For Capital Commitments made by the company as at the reporting date, refer Note 28.

(ii) Refer Note 3.1 & 7.1 for assets pledged as security.

Montecarlo Limited

Annexure VI
Notes to Restated Standalone Financial Information

Note 11: Restated Standalone Statement of Property, Plant & Equipment, Capital Work-in-Progress and Intangible Assets

As at March 31, 2013

(Rs. In Million)

	Particulars	Gross Block				Accumulated Depreciation				Net Block
		As at April 1, 2012	Additions	Deletions / Disposals	As at March 31, 2013	As at April 1, 2012	Depreciation charge for the Year	On Deletion / Disposals	As at March 31, 2013	As at March 31, 2013
A	**Property, Plant & Equipment**									
	Land	39.65	10.04	-	49.68	-	-	-	-	49.68
	Building	84.20	12.31	-	96.52	3.87	1.52	-	5.38	91.13
	Machinery	851.30	2.24	10.20	843.34	295.81	82.37	5.90	372.28	471.06
	Vehicles	132.27	22.38	9.70	144.96	51.09	14.23	9.08	56.24	88.71
	Office Equipment	4.88	-	-	4.88	1.31	0.26	-	1.57	3.31
	Computer	11.35	-	-	11.35	7.72	1.48	-	9.19	2.16
	Furniture & Fixtures	13.20	12.90	-	26.10	3.25	1.46	-	4.72	21.38
	Electric Installation	1.30	0.59	-	1.89	0.31	0.08	-	0.39	1.50
	Total (A)	1,138.14	60.46	19.89	1,178.71	363.36	101.39	14.98	449.77	728.94
B	**Intangible Assets**									
	Software & Licenses	13.47	-	-	13.47	4.95	2.69	-	7.65	5.82
	Total (B)	13.47	-	-	13.47	4.95	2.69	-	7.65	5.82
C	**Capital work In Progress**	11.69	70.19	8.15	73.73	-	-	-	-	73.73
	Total (C)	11.69	70.19	8.15	73.73	-	-	-	-	73.73
	Grand Total (A+B+C)	**1,163.30**	**130.66**	**28.04**	**1,265.92**	**368.31**	**104.08**	**14.98**	**457.41**	**808.49**

Note :

i) For Capital Commitments made by the company as at the reporting date, Refer Note 28.

(ii) Refer Note 3.1 & 7.1 for assets pledged as security.

Montecarlo Limited

Annexure V
Notes to Restated Standalone Financial Information

Note 12: Restated Standalone Statement of Non-current Investments (Rs. In Million)

Particulars	As at 31st March, 2014		As at 31st March, 2013	
	Nos. / Units	Rs.	Nos. / Units	Rs.
Unquoted Investments (All fully paid)				
(A) Investment in Equity instruments				
Equity Shares of Rs. 10 each of Bijapur-Hungund Tollway Private Limited	2,32,20,800	232.21	63,02,000	63.02
(B) Investment in Bonds				
Sardar Sarovar Narmada Nigam Ltd.	-	3.00	-	3.00
Total	**2,32,20,800**	**235.21**	**63,02,000**	**66.02**

Notes:

12.1 Company has pledged 6,037,408 shares (March 31, 2013 - 3,079,078 Shares) of Bijapur Hungund Tollway Pvt. Ltd. with the Borrower as collateral security for loan taken by Bijapur Hungund Tollway Pvt. Ltd.

12.2 Refer Note 29 for Related party transactions and outstanding balances.

12.3: The Company has filed a Company Petition No. 78 of 2013 against Bijapur- Hungund tollway Pvt. Ltd. (BHTPL),Sadbhav Engineering Ltd. (SEL), Sadbhav Infrastructure Projects Ltd. (SIPL), (SEL and SIPL being other Investors' in BHTPL) and present & past directors of BHTPL (herein referred to as "Appellant") under sections 397,398,399,402 and 403 of the Companies Act, 1956) before the Company Law Board (CLB), Mumbai. SIPL had filed an Application to stay proceedings before the CLB and refer the matters to arbitration. The said Application was dismissed by the CLB by Order dated January 8, 2014. SIPL then proceeded to file a Writ Petition before the Hon'ble Gujarat High Court challenging the said Order. The Writ Petition was dismissed by Order dated August 14, 2014. SIPL has filed Letter Patents Appeal No.1070 of 2014 before the Division Bench of the Hon'ble Gujarat High Court against the said Order. The Hon'ble Gujarat High Court has by Order dated September 18, 2014 continued the interim Orders passed during the pendency of the Writ Petition and further directed that the proceedings of Company Petition No. 78 of 2013 shall not proceed further. The Letter Patents Appeal is pending hearing before the Hon'ble Gujarat High Court.

Annexure V
Notes to Restated Standalone Financial Information

(Rs. In Million)

Note 14: Restated Standalone Statement of Other Non Current Assets

Particulars	As at March 31, 2014 (Indian GAAP)	As at March 31, 2013 (Indian GAAP)
Fixed Deposit - Maturing after 12 months from the reporting date*	61.94	41.35
Total	**61.94**	**41.35**

*Above Fixed Deposits made with bank is given to customers as Security and Earnest Money Deposit and lien marked with bank for working capital facilities.

Note 15: Restated Standalone Statement of Inventories

Particulars	As at March 31, 2014 (Indian GAAP)	As at March 31, 2013 (Indian GAAP)
Construction Materials	138.66	148.15
Property Development related Work-in-Progress	182.03	152.43
Total	**320.69**	**300.58**

Note 15.1 Inventories are valued at cost or net realisable value whichever is lower
Note 15.2: Construction material are hypothecated to bank against working capital facility (Refer Note 7.1)

Note 16: Restated Standalone Statement of Trade Receivables

Particulars	As at March 31, 2014 (Indian GAAP)	As at March 31, 2013 (Indian GAAP)
Unsecured, considered good		
Outstanding for more than six months	89.21	24.36
Outstanding for less than six months	2,436.51	1,915.18
Total	**2,525.72**	**1,939.54**

i) Short Term Borrowings are secured against above trade receivables (Refer Note 7.1).

Note17: Restated Standalone Statement of Cash and Bank balance

Particulars	As at March 31, 2014 (Indian GAAP)	As at March 31, 2013 (Indian GAAP)
(A) Cash and Cash equivalents		
a) Cash on hand	4.05	2.91
b) Balances with banks		
- In Current Accounts	4.07	5.29
- In Cash Credit Accounts	-	3.22
Total (A)	**8.12**	**11.42**
(B) Other Bank balances		
Fixed Deposits maturing within 12 months from reporting date*	16.62	12.80
Total (B)	**16.62**	**12.80**
Total (A+B)	**24.74**	**24.22**

*Fixed deposits made with bank is given to customers as Security & Earnest money deposit and lien marked bank for working capital facilities.

Note 18: Restated Standalone statement of Short-Term Loans and Advances

Particulars	As at March 31, 2014 (Indian GAAP)	As at March 31, 2013 (Indian GAAP)
(Unsecured, considered good)		
Advance Paid to Vendors	456.79	232.89
Security and other deposits	676.75	328.71
Balance with Revenue Authorities	98.69	148.54
Other advance recoverable in cash or kind	29.47	28.45
Total	**1,261.70**	**738.59**

Please refer Note 29 for Related Party Transactions and outstanding balances.

Annexure V
Notes to Restated Standalone Financial Information

(Rs. In Million)

Note 19: Restated Standalone Statement of Other Current Assets

Particulars	As at March 31, 2014 (Indian GAAP)	As at March 31, 2013 (Indian GAAP)
Interest Accrued but not due on FDRs	1.28	1.10
Other interest receivable	2.39	14.18
Unbilled Revenue	497.98	616.05
Total	**501.65**	**631.33**

Note 20: Restated Standalone Statement of Revenue From Operations

Particulars	For the Year ended on March 31, 2014 (Indian GAAP)	For the Year ended on March 31, 2013 (Indian GAAP)
Contract Receipts *	7,354.85	6,759.81
Other operating revenues	27.77	21.61
Total Revenue From Operations	**7,382.62**	**6,781.42**

* Contract Revenue includes net effect of changes in unbilled revenue at the beginning and end of the year.

Note 21: Restated Standalone Statement of Other Income

Particulars	For the Year ended on March 31, 2014 (Indian GAAP)	For the Year ended on March 31, 2013 (Indian GAAP)
Interest Income		
- From Banks	5.95	3.84
- Others	24.05	9.23
Income on disposal of Items of Property, Plant and Equipment	-	0.07
Misc. Income	0.10	-
Total	**30.10**	**13.14**

Note 22: Restated Standalone Statement of Changes in Inventories of Work-in-Progress

Particulars	For the Year ended on March 31, 2014 (Indian GAAP)	For the Year ended on March 31, 2013 (Indian GAAP)
Property Development related Work-in-Progress		
At the beginning of the year	152.43	130.15
Less: At the end of the year	182.03	152.43
Change in inventories of Work in Progress	**(29.60)**	**(22.28)**

Note 23: Restated Standalone Statement of Construction Expenses

Particulars	For the Year ended on March 31, 2014 (Indian GAAP)	For the Year ended on March 31, 2013 (Indian GAAP)
Sub-contracting Expenses	4,102.82	3,954.89
Camp and Site Expenses	38.29	22.19
Consumption of Construction Material	1,218.97	1,452.47
Running & Maintenance of Plant and Machinery	454.01	140.02
Store Expenses	51.91	35.80
Hiring Expense	28.67	38.63
Transport Expense	24.55	22.52
Total	**5,919.22**	**5,666.52**

Note 24: Restated Standalone Statement of Employee Benefit Expenses

Particulars	For the Year ended on March 31, 2014 (Indian GAAP)	For the Year ended on March 31, 2013 (Indian GAAP)
Salaries, Wages and Bonus	317.80	261.76
Contributions to Provident and other funds	7.09	5.45
Staff welfare expenses	21.48	19.71
Total	**346.25**	**286.88**

Annexure V
Notes to Restated Standalone Financial Information

(Rs. In Million)

Note 25: Restated Standalone Statement of Finance Cost

Particulars	For the Year ended on March 31, 2014 (Indian GAAP)	For the Year ended on March 31, 2013 (Indian GAAP)
Interest on Working Capital Facilities	197.32	106.55
Interest on Term Loans from Banks and Financial Institutions	58.64	11.85
Interest on Loans from Related Parties	4.81	2.07
Other borrowing costs	25.92	22.40
Total	**286.69**	**142.87**

Note -26 Restated Standalone Statement of Depreciation and Amortisation expenses

Particulars	For the Year ended on March 31, 2014 (Indian GAAP)	For the Year ended on March 31, 2013 (Indian GAAP)
Depreciation on Property, Plant and Equipment	155.57	101.39
Amortisation on Intangible Assets	2.68	2.69
Total	**158.25**	**104.08**

Note 27 : Restated Standalone Statement of Other Expenses

Particulars	For the Year ended on March 31, 2014 (Indian GAAP)	For the Year ended on March 31, 2013 (Indian GAAP)
Auditor's Remuneration (Refer Note 31.4)	1.35	1.35
Business Promotion Expenses	1.63	4.57
Donation	13.93	8.98
Legal & Professional charges	38.95	8.22
Net loss on disposal of Property, Plant and Equipment	0.78	-
Miscellaneous Expenses	28.19	25.93
Repair and Maintenance of other	7.35	6.27
Tender fee	3.40	1.67
Rent Expenses	14.04	13.57
Service Tax	5.48	1.81
Stationery, Postage & Telephone Expense	7.10	6.56
Bank Charges	7.54	12.62
Rates & Taxes	38.01	19.39
Insurance Expense	13.59	9.36
Traveling Expenses	15.91	9.04
Running & Maintenance of Vehicle	10.47	8.50
TOTAL	**207.72**	**137.84**

Note 28: Restated Standalone Statement of Contingent Liabilities and Capital Commitments

Contingent Liabilities

Particulars	As at March 31, 2014 (Indian GAAP)	As at March 31, 2013 (Indian GAAP)
Claim against the company not acknowledged as debt		
Income Tax (Refer Note 28.1)	141.81	34.35
Indirect tax (Refer Note 28.2)		
- VAT/Entry Tax	136.39	4.05
Total	**278.20**	**38.40**

Note 28.1 The Company has received favourable orders' from the Commissioner of Income tax (Appeals) for previous Assessment years against which the Income tax Department has filed appeals with ITAT. Similarly on certain matters including 80IA(4), the Company has received unfavourable orders' from Commissioner of Income Tax (Appeals), against which the Company has filed appeals with ITAT. The matter are subjudice. The Management is not expecting any future cash outflows with respect to above litigations.

Note 28.2 Matters relating to VAT, Entry tax and Excise duty are being contested at various levels of Indirect Taxation Authorities. The Management is not expecting any future cash outflows with respect to above litigations.

Capital Commitments

Particulars	As at March 31, 2014 (Indian GAAP)	As at March 31, 2013 (Indian GAAP)
Capital Commitments - Acquisition of Capital Assets (Net of Capital Advances)	0.19	1.81

Annexure V
Notes to Restated Standalone Financial Information

Note 29 - Related Party Transactions

Particulars	For the year ended	
	March 31, 2014	March 31, 2013
Associate Company	Bijapur Hungund Tollway Private Limited	Bijapur Hungund Tollway Private Limited
Key Management Personnel (KMP)	Kanubhai M. Patel (Chairman and Managing Director)	Kanubhai M. Patel (Chairman and Managing Director)
	Brijesh K. Patel (Joint Managing Director)	Brijesh K. Patel (Joint Managing Director)
	Mrunal K. Patel (Joint Managing Director)	Mrunal K. Patel (Joint Managing Director)
	Naresh P. Suthar (Executive Director)	Naresh P. Suthar (Executive Director)
	Jigar Shaileshbhai Patel (Executive Director)	Jigar Shaileshbhai Patel (Executive Director)
	Suhas V. Joshi (Whole Time Director)	-
	Gunjan M Taunk (Company Secretary)	Gunjan M Taunk (Company Secretary)
Relatives of KMP	Kanubhai M. Patel (HUF)	Kanubhai M. Patel (HUF)
	Dinaben K. Patel (Wife of Kanubhai M. Patel)	Dinaben K. Patel (Wife of Kanubhai M. Patel)
	Alpaben B. Patel (Wife of Brijesh K. Patel)	Alpaben B. Patel (Wife of Brijesh K. Patel)
	Jankiben M. Patel (Wife of Mrunal K. Patel)	Jankiben M. Patel (Wife of Mrunal K. Patel)
Enterprises over which KMP and/or Relatives of KMP are able to exercise significant Influence	Montecarlo Infrastructure Limited	Montecarlo Infrastructure Limited
	Montecarlo Projects Private Limited	Montecarlo Projects Private Limited
	Montecarlo Engineering Private Limited	Montecarlo Engineering Private Limited
	-	Spark Power Projects Private Limited
	Montecarlo Charitable Trust	Montecarlo Charitable Trust
	Jenil Corporation	Jenil Corporation
	Montecarlo Realty Limited	-
	Montecarlo Energy Private Limited	-
	Montecarlo Construction Private Limited	-
	Nitin Construction Limited	-

Annexure V
Notes to Restated Standalone Financial Information

Note 29 - Related Party Transactions

Related Party Transactions : Associate Companies

(Rs. In Million)

Particulars	For the year ended	
	March 31, 2014	March 31, 2013
Acquisition of Investments		
Bijapur Hungund Tollway Private Limited	169.19	-
Outstanding Long Term Advances		
Bijapur Hungund Tollway Private Limited	252.08	252.08

Related Party Transactions : Key Management Personnel

(Rs. In Million)

Particulars	For the year ended	
	March 31, 2014	March 31, 2013
Remuneration		
Kanubhai M. Patel	27.60	27.60
Brijesh K. Patel	18.00	18.00
Mrunal K. Patel	18.00	18.00
Naresh P. Suthar	3.30	3.30
Jigar S. Patel	1.10	3.30
Suhas V. Joshi	4.47	-
Gunjan Tank	0.48	0.48
Rent		
Kanubhai M. Patel	1.32	1.20
Brijesh K. Patel	1.32	1.20

Particulars	For the year ended	
	March 31, 2014	March 31, 2013
Remuneration Payable		
Kanubhai M. Patel	1.54	1.53
Brijesh K. Patel	1.01	1.00
Mrunal K. Patel	1.01	0.98
Naresh P. Suthar	0.21	-
Jigar S. Patel	-	0.19
Suhas V. Joshi	0.11	-
Gunjan Tank	0.04	0.04

Annexure V
Notes to Restated Standalone Financial Information

Note 29 - Related Party Transactions

Related Party Transactions : Relatives of KMP

Particulars	For the year ended	
	March 31, 2014	March 31, 2013
Salary		
Alpaben B. Patel	0.83	0.82
Jankiben M. Patel	0.83	0.82
Rent		
Kanubhai M. Patel HUF	0.60	0.55
Salary payable		
Alpaben B. Patel	0.06	0.06
Jankiben M. Patel	0.06	0.06

Related Party Transactions : Enterprises over which KMP and/or Relatives of KMP are able to exercise significant Influence

(Rs. In Million)

Particulars	For the year ended	
	March 31, 2014	March 31, 2013
Hiring Charges		
Jenil Corporation	0.75	3.10
Interest Paid		
Montecarlo Projects Private Limited	4.81	2.07
Donation		
Montecarlo Charitable Trust	0.52	1.90
Loans taken from Enterprises		
Montecarlo Projects Private limited	216.43	113.66
Loans Repaid during the year		
Montecarlo Projects Private Limited	216.43	113.66
Closing Balances of Loan Given		
Montecarlo Projects Private Limited	-	-
Maximum Balances of Loan Given		
Montecarlo Projects Private Limited	51.78	35.87
Advance paid		
Nitin Construction Limited	1.70	-
Car Insurance paid, recovered as debit note		
Nitin Construction Limited	0.05	-
Security deposit Retained		
Jenil Corporation	0.02	0.08

Montecarlo Limited

Annexure V
Notes to Restated Standalone Financial Information

Note 30 : Segment reporting for the year ended March 31, 2014

Operating segments:
The company operates under two operating segment. The company in engaged in business segment as given here under:

(i) Infrastructure Development : It comprising of Road construction, Railway infrastructure, Engineering and construction of Building and factories, Transmission and Distribution of Energy, Water and Irrigation projects including Water Treatment System, Sanitation and Sewerage system, and solid waste management system.

(ii) Mining including extraction of minerals and removal of overburden.

(Rs. In Million)

Particular	Infrastructure Development	Mining	Unallocable	Total
Revenue from Operations				
Revenue from External customers	4,825.53	2,529.33	27.77	**7,382.62**
Inter-segment Revenue				
Total Revenue from Operations	4,825.53	2,529.33	27.77	**7,382.62**
Result				
Segment Result	639.80	357.86	-	**997.66**
Unallocated corporate Income/(Expenditure)	-	-	(216.87)	**(216.87)**
Operating Profit before Interest and Tax (PBIT)	-	-	-	**780.79**
Finance Costs	-	-	(286.69)	**(286.69)**
Other Income	-	-	30.10	**30.10**
Profit Before Tax (PBT)	-	-	-	**524.20**
Provision for Current Tax	-	-	185.10	**185.10**
Provision for Deferred Tax	-	-	4.91	**4.91**
Profit After Tax (PAT)	-	-	334.20	**334.20**
Other Information				
Segment Assets	4,595.64	1,616.62	462.55	**6,674.81**
Segment Liabilities	4,123.13	883.28	(97.21)	**4,909.19**
Capital Expenditure	17.32	6.93	-	**24.26**
Depreciation (Including obsolescence and amortization) included in segment expenses	82.46	59.48	16.31	**158.25**
Non-Cash expenses except Depreciation and amortisation	-	-	0.36	**0.36**

The Company is operating in a single geographical segment i.e. India.

Montecarlo Limited

Annexure V
Notes to Restated Standalone Financial Information

Note 30 : Segment reporting for the year ended March 31, 2013

Operating segments:
The company operates under two operating segments. The company in engaged in business segment as given here under:

(i) Infrastructure Development comprising of Road construction, Railway infrastructure development, Engineering and construction of Building and factories, Transmission and Distribution of Energy, Water and Irrigation projects including Water Treatment System, Sanitation and Sewerage system, and solid waste management system.

(ii) Mining including extraction of minerals and removal of overburden.

(Rs. In Million)

Particular	**Infrastructure Development**	**Mining**	**Unallocable**	**Total**
Revenue from Operations				
Revenue from External customers	5,500.08	1,259.73	21.61	**6,781.42**
Inter-segment Revenue				
Total Revenue from Operations	**5,500.08**	**1,259.73**	**21.61**	**6,781.42**
Result				
Segment Result	711.73	59.97	-	771.71
Unallocated corporate Income/(Expenditure)	-	-	(163.33)	(163.33)
Operating Profit before Interest and Tax (PBIT	-	-	-	**608.38**
Finance Costs	-	-	(142.87)	**(142.87)**
Other Income	-	-	13.14	**13.14**
Profit Before Tax (PBT)	-	-	-	**478.65**
Provision for Current Tax	-	-	160.93	**160.93**
Provision for Deferred Tax	-	-	(0.57)	**(0.57)**
Profit After Tax (PAT)	-	-		**318.29**
Other Information				
Segment Assets	4,313.55	464.41	205.91	**4,983.87**
Segment Liabilities	1,688.85	236.47	1,627.12	**3,552.44**
Capital Expenditure	21.05	52.69	-	**73.73**
Depreciation (Including obsolescence and amortization) included in segment expenses	86.22	1.20	16.66	**104.08**
Non-Cash expenses except Depreciation and amortisation	-	-	1.04	**1.04**

The Company is operating in a single geographical segment i.e. India.

Montecarlo Limited

Annexure V
Notes to Restated Standalone Financial Information

Note 31: Additional Information

31.1 Disclosures as per Accounting Standard 7 - Construction Contracts (Rs. In Million)

Particulars	For the year ended	
	March 31, 2014	**March 31, 2013**
For contracts in progress and completed projects during the year		
Contract Revenue recognised as revenue for the year	4,825.53	5,500.08
Gross amount due from customers for contract work	497.98	616.05
For contracts in progress at the year end		
Aggregate amount of contract costs incurred and recognised profits (less recognised losses) upto reporting date for all contracts in progress at the reporting date	13,503.73	12,712.00
Customer Advances pertaining to the contracts in progress	497.00	567.00
Retention amounts due from customers	644.14	140.91

31.2 Disclosures as per Accounting Standard 15 - Employee Benefits
Defined benefit plans

(a) Defined Contribution Plan
The company has recognised the following amounts in the Statement of Profit and Loss for the year:

Particulars	For the year ended	
	March 31, 2014	**March 31, 2013**
The company has recognised the following amounts in the Restated Standalone Statement of Profit and Loss for the year	6.09	4.51

(b) Defined Benefit Plans:
Gratuity
(i) Details of the company's post-retirement gratuity plans for its employees including whole-time directors are given below, which is certified by the actuary and relied upon by the auditors.

(i) Amount to be recognised in Balance Sheet

Particulars	As at March 31, 2014	As at March 31, 2013
Present Value of Funded Obligations	43.22	43.41
Fair Value of Plan Assets	(0.78)	(0.26)
Net Liability	**42.43**	**43.15**
Current portion of the above	5.19	-
Non current portion of the above	37.25	43.15

(ii) Expenses /(Income) to be recognized in Statement of Profit and Loss.

Particulars	For the year ended	
	March 31, 2014	**March 31, 2013**
Current Service Cost	2.40	2.26
Interest on Defined Benefit Obligation	0.57	0.61
Expected Return on Plan assets	(0.07)	(0.05)
Net Actuarial Losses / (Gains)	(3.03)	(30.61)
Expenses/(Income) Recognised in Statement of Profit and Loss	**(0.13)**	**(27.79)**

Montecarlo Limited

Annexure V
Notes to Restated Standalone Financial Information

Note 31: Additional Information

(Rs. In Million)

(iii) Reconciliation of defined benefit obligation and plan assets for the year

Particulars	As at March 31, 2014	As at March 31, 2013
Change in present value of Defined Benefit Obligation		
Opening Defined Benefit Obligation	43.41	71.65
Current Service Cost	2.40	2.26
Interest Cost	0.57	0.61
Actuarial Losses / (Gain) on obligation	(3.01)	(30.54)
Direct Receipts	(0.16)	-
Benefits Paid	-	(0.57)
Closing Defined Benefit Obligation	**43.22**	**43.41**
Change in Fair value of Plant Assets		
Opening Fair Value of Plan assets	0.26	0.64
Expected Return on Plan Assets	0.07	0.05
Actuarial Losses / (Gain) on Plant assets	0.03	0.06
Contributions	0.43	0.08
Benefits Paid	-	(0.57)
Closing Fair Value of Plan Assets	**0.78**	**0.26**

(iv) Summary of principal actuarial assumptions

Particulars	As at March 31, 2014	As at March 31, 2013
Discount rate (p.a)	9.31%	8.25%
Expected Rate of Return on Plan Assets (p.a)	8.70%	8.70%
Expected Salary Escalation Rate (p.a)	8.00%	8.00%
Attrition Rate	2.00%	2.00%

(v) Balance Sheet Reconciliation:

Particulars	As at March 31, 2014	As at March 31, 2013
Opening net liability	43.15	71.02
Expense/(Income) as above	(0.13)	(27.79)
Benefit paid directly by the Employer	(0.16)	-
Employer's contribution	(0.43)	(0.08)
Net Liability/(Asset) Recognized in Balance Sheet	42.43	43.15

31.3 Basic and Diluted Earnings Per Share

Particulars	March 31, 2014	March 31, 2013
Earnings per equity share		
Profit attributable to equity shareholders (Rs. In Million)	334.18	318.29
Weighted average number of equity shares outstanding during the year*	8,55,00,003	8,55,00,003
Nominal value of equity per share	10.00	10.00
Basic and Diluted EPS (Rs. Per Share)	3.91	3.72

* Subsequent to the balance sheet date the Company issued 21,375,001 bonus shares to the existing shareholders in the ratio of 1 share against 3 fully paid up equity shares. As per the requirements of IND AS 33 for the purpose of computing Basic and Diluted EPS, the weighted average number of equity shares outstanding have been adjusted.

During the year ended on March 31, 2016, the Company has issued 4 shares as bonus against each fully paid up equity shares.

During the year ended on March 31, 2015, the Company has issued 4 shares as bonus against each fully paid up equity shares.

Montecarlo Limited

Annexure V
Notes to Restated Standalone Financial Information

Note 31: Additional Information

31.4 Payment to Auditors (Rs. In Million)

Particulars	As at March 31, 2014	As at March 31, 2013
For Audit	1.35	1.35
Total	**1.35**	**1.35**

31.5 Balances of Sundry Creditors, Debtors, Receivables / Payables from / to various parties / authorities, loans and advances are subject to confirmation from the respective parties and necessary adjustments, if any, will be made on its reconciliation.

31.6 In the opinion of the Board of Directors, the aggregate value of current assets, loans and advances on realisation in ordinary course of business will not be less than the amount at which these are stated in the Balance Sheet.

Montecarlo Limited

Annexure VI
Statement of Tax Shelter

(Rs. in Million)

Sr. No.	Particulars	As at December 31, 2017	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
A	**Profit Before Tax As Per Restated P&L**	699.07	1,534.22	1,490.54	898.58	524.21	478.64
B	Tax Rates (including surcharge and education cess)						
	Normal Tax Rate	34.61%	34.61%	34.61%	33.99%	33.99%	32.45%
	Minimum Alternate Tax Rate	21.34%	21.34%	21.34%	20.96%	20.96%	20.01%
C	Tax thereon on at Normal Rate	241.93	530.96	515.85	305.43	178.18	155.30
D	**Permanent Differences**						
	Disallowance under Income Tax Act (net)	78.69	228.37	40.20	154.70	12.15	5.61
	Deductions allowed under Income Tax Act- 80IA(4)	(787.92)	(865.22)	(929.19)	-	-	(5.43)
	80G & 80GGB	(6.63)	(9.79)	(2.94)	(4.44)	(4.33)	(3.43)
	Total Permanent Difference(D)	**(715.86)**	**(646.64)**	**(891.93)**	**150.26**	**7.82**	**(3.26)**
E	**Timing Difference**						
	Difference in Book depreciation and depreciation under Income tax Act	5.65	(72.93)	(93.00)	(115.74)	(30.84)	2.59
	Other Timing Difference	11.15	31.34	(6.15)	35.76	39.00	9.83
	Total timing difference (E)	**16.80**	**(41.59)**	**(99.15)**	**(79.98)**	**8.16**	**12.43**
F	**Net adjustments(D+E)**	**(699.06)**	**(688.23)**	**(991.08)**	**70.28**	**15.98**	**9.17**
G	**Tax Expenses/(savings) thereon (F*B) (using normal tax**	**(241.93)**	**(238.18)**	**(342.99)**	**23.89**	**5.43**	**2.97**
H	**Current Tax on Profits & Gains of Business or**	**-**	**292.78**	**172.85**	**329.32**	**183.61**	**158.27**
I	**Capital Gains**						
	Long Term Capital Gain	-	-	-	-	1.69	-
	Tax at Special Rate (20%)	**-**	**-**	**-**	**-**	**0.57**	**-**
J	**Tax as per Normal Provisions (H+I)**	**-**	**292.78**	**172.85**	**329.32**	**184.18**	**158.27**
K	**Calculation of MAT**						
	Taxable Income (Book Profits) as per MAT	737.00	1,570.90	1,451.49	929.50	563.01	487.38
	Tax Liability as per MAT	**157.29**	**335.26**	**309.77**	**194.83**	**118.01**	**97.51**
L	**Current Tax being higher of J and K**	**157.29**	**335.26**	**309.77**	**329.32**	**184.18**	**158.27**
M	**Interest on current tax**	-	-	-	-	0.92	2.66
N	**Other Adjustment**	-	65.48	-	-	-	-
O	**Total Tax (L+M-N)**	**157.29**	**269.77**	**309.77**	**329.32**	**185.10**	**160.93**
P	**Provision for current tax as per books of accounts**	**157.29**	**269.77**	**309.77**	**329.32**	**185.10**	**160.93**

Annexure - VII

Material Adjustments to Restated Standalone Financial Information and notes thereon (Rs. in Million)

Sr. No.	Particulars	Note	For the period / year ended December 31, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
A	**Net profit / total comprehensive income as per Audited Financial Statements**		1,044.26	1,211.79	931.18	629.64	395.60	334.69
B	**Material Adjustments**							
	Interest on Term Loans from Banks and FIs not provided for	1	-	-	(2.26)	(9.26)	(2.69)	(0.77)
	Interest on Term Loans from Banks and FIs relating to previous period	1	-	2.25	9.26	2.69	0.77	0.42
	Interest accruals on Income Tax Refund	2	-	7.09	0.10	0.80	4.77	4.77
	Reversal of Interest on Income Tax Refund recorded on receipt basis	2	(7.09)	(0.29)	(0.38)	(2.64)	(16.56)	-
	Reversal of interest expense capitalised in the cost of investment in equity instruments	3	-	(2.32)	(5.55)	(7.16)	(5.62)	-
	Reversal of foreign exchange gain capitalised in property, plant and equipment	4	-	7.15	-	1.65	-	-
	Depreciation on foreign exchange gain decapitalised from property, plant and equipment	4	-	(0.17)	(0.18)	(0.01)	-	-
	Recognition of Prepaid Expense	5	-	3.66	3.59	3.06	2.27	1.61
	Reversal of Prepaid Expense	5	-	(3.59)	(3.06)	(2.27)	(1.67)	(2.14)
	Prior Period Items	6	-	-	-	0.46	(0.46)	-
	Remeasurements of defined benefit liability / (asset)	7	-	(11.77)	5.35	4.66	-	-
	Fair Valuation of Financial Assets	8	-	(29.47)	41.13	(1.62)	-	-
	Fair Valuation of Financial Liabilities	8	-	(2.41)	13.21	(15.03)	-	-
	Provision for Expected Credit Loss	9	-	(9.79)	(7.26)	(6.83)	-	-
	Interest income short provided of FDRs'	10	-	0.16	-	-	-	-
	Materialisation of Contingent Liabilities	11	-	0.65	-	-	-	0.73
	Short / Excess Provision of Income Tax of Earlier Years	12	(261.82)	85.59	177.63	(20.04)	(45.04)	(18.96)
	Minimum Alternative Tax	13	(45.20)	45.20	136.92	-	-	-
	Deferred Tax charge / (credit) pertaining to previous years	14	2.49	1.00	6.72	3.92	(1.63)	(0.79)
C	Deferred tax (charge)/ credit on material adjustments	15	-	12.92	(20.56)	8.55	4.46	(1.26)
D	**Restated profit / (loss) after tax (A + B + C)**		**732.62**	**1,317.65**	**1,285.87**	**590.56**	**334.20**	**318.29**
E	Other Comprehensive Income							
	Remeasurements of defined benefit liability / (asset) through other comprehensive income		-	11.77	(5.35)	(4.66)	-	-
	Deferred tax on Remeasurements of defined benefit liability / (asset) through other comprehensive income		-	(4.07)	1.85	1.46	-	-
F	**Restated total other comprehensive income (D - E)**		**732.62**	**1,325.34**	**1,282.37**	**587.36**	**334.20**	**318.29**

A **Restatement adjustments made in the Restated Standalone Statement of Reserves and Surplus as at 1 April 2012, to the Profit and Loss in the Restated Standalone Statement of Profit and Loss, as detailed below:**

(Rs. in Million)

Particulars	Note	Amount
A) Net Surplus in the Statement of Profit and Loss as at 1 April 2012 as per audited financial statements		**361.81**
B) Material Adjustments:		
Interest on Term Loans from Banks and Financial Institutions not provided for	1	(0.42)
Interest accruals on Income Tax Refund	2	9.41
Recognition of Prepaid Expense	5	2.20
Materialisation of Contingent Liabilities	11	(1.37)
Short / Excess Provision of Income Tax of Earlier Years	12	82.65
Deferred Tax charge / (credit) pertaining to previous years	14	5.00
C) Deferred tax (charge)/ credit on material adjustments	15	(3.63)
Net Surplus in the Restated Standalone of Profit and Loss as at 1 April, 2012 (A + B + C)		**455.65**

Annexure - VII

Material Adjustments to Restated Standalone Financial Information and notes thereon (Rs. in Million)

B Notes to Material Adjustments in Restated Standalone Financial Information

1 Interest on Term Loans from Banks and Financial Institutions

Interest on term loans from banks and financial institutions accrued but not due as on March 31, 2013, March 31, 2014, March 31, 2015 and March 31, 2016 falling due and payable in respective succeeding financial year, recorded in the books of accounts for the year ended on March 31, 2014, March 31, 2015, March 31, 2016, and March 31, 2017 respectively has been restated to the year to which it pertains. Similarly, interest accrued but not due as on March 31, 2012 recorded in the books of accounts for the year ended on March 31, 2013 has been adjusted to the surplus as per profit and loss as on April 1, 2012.

2 Interest on Income Tax Refund

Interest on Income Tax Refund has been recorded in the year of receipt. The Company on restatement has restated the recorded interest income pertaining to the year n been recorded to the respective years and including interest pertaining to the period upto March 31, 2012 has been adjusted to the surplus as per profit and loss as on April 1, 2012.

3 Reversal of interest expense capitalised in the cost of investment in equity instruments

The Company on restatement, has reversed the interest expense capitalised in the cost of investments in equity instruments and charged off to Profit and Loss Statement in the year to which it pertains.

4 Reversal of foreign exchange gain capitalised in property, plant and equipment

The Company on restatement, has reversed the foreign exchange gain capitalised in the items of property, plant and equipment and consequently increased the gross block of asset in the year of acquisition. Further, revised depreciation has been charged off to Profit and Loss Statement in the year of acquisition and subsequent years.

5 Prepaid Expense

Expense pertaining to the period beyond reporting date recorded in a financial year has been recognised as prepaid expense and charged off to Profit and Loss Statement in the year to which it pertains.

6 Prior Period Items

The Company on restatement, has identified prior period items and recognised in the Profit and Loss Statement in the year to which it pertains.

7 Gratuity Expense

Based on the report of Independent Actuary, cumulative expenditure towards Gratuity for the services rendered by the employees relating to each of the year / period, considered in restated financials to the year to which it pertains.

8 Fair Valuation of Financial Assets and Financial Liabilities

Based on Ind AS - 109 "Financial Instruments", financial assets in the form of non-current interest free deposits retained by the customers have been accounted at fair value on the date of transition to Ind AS and subsequently measured at amortised cost using the EIR method. Similarly, financial liabilities in the form non-current deposits of vendors retained by the Company has been accounted at fair value on the date of transition to Ind AS and subsequently measured at amortised cost using the EIR method.

9 Provision for Expected Credit Loss

As per Ind-AS 109, the Company applies Expected Credit Loss (ECL) model on Receivables for measurement and recognisition of impairment loss. The Company applies the simplified approach on trade receivables to measure liquity risk. The same is provided in restated financials to the receivable pertains to respective years.

10 Interest income short provided of FDRs

For the year ended March 31, 2017 Company had shortly provided for interest on FDRs. The Company on restatement has now provided the same.

11 Materialisation of Contingent Liabilities

In the financial statements for the years ended 31st March 2017, 31st March 2016, 31st March 2015, 31st March 2014 and 31st March 2013, contingent liabilities are disclosed in the notes to accounts and are not recognized in the books of accounts . However during the said periods certain contingent liabilities had subsequently materialised and were provided for only in the subsequent year. For the purpose of Restatement, the said liabilities have been adjusted to the respective year in which the liability relates to, including adjustment to the balance brought forward in Profit and Loss Account as at 1st April 2012.

12 Short / Excess Provision of Income Tax of Earlier Years

In the audited financial statements, for the period / years ended December 31, 2017, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013, the Company had considered the tax effects of income tax return filings, assessment proceedings, appeal effects and all other informations made in the year of crystallisation of demand / refund. On restatement, such amounts have been recorded in respective year to which the income tax assessment relates.

13 Minimum Alternate Tax

Based on the Computation of Income Tax at the time of filing Income Tax Return, MAT credit reflected in reserve amounting to Rs. 136.92 million pertaining to March 31, 2016 and Rs. 45.20 million pertaining to March 31,2017 has been restated.

14 Deferred Tax (charge) / credit pertaining to previous periods

The Company on restatement has reassessed deferred tax asset and deferred tax liability taking into consideration the income tax rates prevailing in the respective years for timing difference or temporary differences as applicable and corresponding charge / credit has been made in the Profit and Loss Statement for the year to which it pertains.

15 Deferred tax (charge)/ credit on material adjustments

Deferred tax has been computed on adjustments made as detailed above and has been adjusted in the restated profits and losses for the period /years ended December 31, 2017, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 and Surplus as per Profit and Loss as on April 1, 2012.

Annexure - VII
Material Adjustments to Restated Standalone Financial Information and notes thereon (Rs. in Million)

C **Material regroupings**
Appropriate adjustments have been made in the respective years of Restated Standalone Statements of Assets and Liabilities, Profits and Loss and Cash flows, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the regroupings as per the audited financials of the Company for the period ended in December 31, 2017, prepared in accordance with Revised Schedule III, and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009 (as amended).

D **Related Party Transactions**

Certain disclosures in respect of related party transactions were either not included or the amounts were incorrectly considered in the earlier audited financial statements have now been rectified in the Restated Standalone Financial Information.

E **Contingent Liabilities**

Certain contingent liabilities were erroneously considered in the disclosure in the earlier audited financial statements, which have now been rectified in the Restated Standalone Financial Information.

F **Non-adjusting items**

Audit Qualifications in Auditors' Report, which do not require any corrective adjustments in the Restated Standalone Financial Information
In addition to the audit opinion on the financial statements, the auditors are required to comment upon the matters included in the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India terms of sub-section (11) of Section 143 of the Companies Act, 2013 for the year ended March 31, 2017 and March 31, 2016, Companies (Auditor's Report) Order, 2015 issued by the Central Government of India terms of sub-section (11) of Section 143 of the Companies Act, 2013 for the year ended March 31, 2015 and the Companies (Auditor's Report) Order, 2003 ('CARO') issued by the Central Government of India under sub section (4A) of Section 227 of the Companies Act, 1956 for the years ended March 31, 2014 and March 31, 2013. Certain statements/comments included in the annexure to the Audit report on the financial statements (i.e. CARO), which do not require any adjustments in the Restated Standalone Financial Information are reproduced below in respect of the financial information presented:

For the year ended March 31, 2013

(i) Clause (ix)(b) of CARO
According to the information & explanation given to us followings are the disputed statutory dues which have not been deposited on account of matters pending before the

Name of Statute	(Amount In Million)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	2.65	A.Y. 2004-05	Income Tax Appellant Tribunal (Ahmedabad)
	5.15	A.Y. 2005-06	
Income Tax Act, 1961	4.86	A.Y. 2009-10	Commissioner of Income Tax (Appeals)
	21.71	A.Y. 2011-12	
M.P. Entry Tax Act, 1976	4.05	F.Y.2007-08	Additional Commissioner of Appeals

For the year ended March 31, 2014

(i) Clause (ix)(b) of CARO
According to the information & explanation given to us followings are the disputed statutory dues which have not been deposited on account of matters pending before the appropriate authorities are as under:

Nature of dues	(Amount In Million)	Period to which the amount relates	Forum where dispute is pending
M.P. VAT &Entry Tax	14.52	F.Y. 2010-11	Dy. Commissioner of Appeal, Jabalpur
Jharkhand VAT	1.81	F.Y. 2009-10	Commercial Tax Tribunal, Ranchi
	120.06	F.Y. 2010-11	

For the year ended March 31, 2015

(i) Clause (ix)(b) of CARO
According to the information and explanations given to us, there are no material dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax or cess which have not been deposited with the appropriate authorities on account of any dispute, Except the followings:-

Nature of dues	(Amount In Million)	Period to which the amount relates	Forum where dispute is pending
MP VAT & Entry Tax	14.52	F.Y. 2010-11	Dy. Commissioner of Appeal, Jabalpur
	0.84	F.Y. 2012-13	
Jharkhand VAT	1.81	F.Y. 2009-10	Commercial Tax Tribunal, Ranchi
	120.06	F.Y. 2010-11	

Annexure - VII
Material Adjustments to Restated Standalone Financial Information and notes thereon (Rs. in Million)

For the year ended March 31, 2016

(i) Clause (ix)(b) of CARO
According to the information and explanations given to us, there are no material dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax or cess which have not been deposited with the appropriate authorities on account of any dispute, Except the followings:-

Nature of dues	(Amount In Million)	Period to which the amount relates	Forum where dispute is pending
MP VAT & Entry Tax	14.52	F.Y. 2010-11	Dy. Commissioner of Appeal, Jabalpur
	0.84	F.Y. 2012-13	
Jharkhand VAT	1.81	F.Y. 2009-10	Commercial Tax Tribunal, Ranchi
	120.06	F.Y. 2010-11	

For the year ended March 31, 2017

(i) Clause (ix)(b) of CARO
According to the information and explanations given to us, there are no material dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax or cess which have not been deposited with the appropriate authorities on account of any dispute, Except the followings:-

Nature of dues	(Amount In Million)	Period to which the amount relates	Forum where dispute is pending
MP Entry Tax	0.84	F.Y. 2012-13	Dy. Commissioner of Appeal, Jabalpur
Jharkhand VAT	1.81	F.Y. 2009-10	Dy. Commissioner of Commercial Tax, Ranchi
	120.06	F.Y. 2010-11	

Montecarlo Limited

Annexure VIII
Statement of Equity Reconciliation to Restated Standalone Financial Information

Reconciliations between previous GAAP and Ind AS Ind AS 101 requires an entity to reconcile equity for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS restated figures.

(Rs. in Million)

Sr. No.	Particulars	Note	As at		
			31-Mar-17	31-Mar-16	31-Mar-15
	Balance of Equity as per Audited Financial Statements		4,292.54	3,308.48	2,377.29
	Cummulative Adjustments upto respective previous years				
a	Restatement Adjustments for the period upto March 31, 2014	1 & 14	-	-	16.03
b	Restatement Adjustments for the period upto March 31, 2015	1	-	32.99	-
c	Restatement Adjustments for the period upto March 31, 2016	1	384.17	-	-
	Opening Retained Earning Adjustment (Refer Note 17 (a))				
d	Fair Value Adjustments (Net)	2	-	-	89.77
e	Deferred Tax Adjustment on (b) above	2	-	-	(30.51)
			-	**-**	**59.26**
	Current period adjustments in				
f	Property, plant and equipment	3	6.98	(0.18)	1.64
g	Investments	4	(2.32)	(5.55)	(7.16)
h	Other Non current financial assets	5	(2.41)	13.21	(15.05)
i	Deferred Tax(Net)	6	55.05	124.94	13.93
j	Other Current financial assets	7	0.80	-	0.46
k	Trade Receivable	8	(9.79)	(7.26)	(6.83)
l	Current tax assets	9	92.40	177.36	(21.89)
m	Other current assets	10	0.07	0.53	0.79
n	Other Equity - MAT Adjustments	11	(136.92)	-	-
o	Other Non current financial liabilities	12	(29.47)	41.13	(1.62)
p	Other current financial liabilities	13	2.25	7.00	(6.57)
	Total of opening and current year / period restatement adustments		**(23.36)**	**351.18**	**(42.30)**
	Total equity - Restated		**4,653.35**	**3,692.65**	**2,410.28**

Notes

1 **Adjustments of the Previous Period**

Adjustment to the previous period represent cumulative change in retained earnings upto beginning of the respective reporting period.

2 **Adjustment to the opening balance of retained earning**

For the purpose of Proforma Ind AS Standalone financial information for the year ended March 31, 2015, the Company has followed the same accounting policy as initially adopted on the transition date (i.e. April 1, 2016). Accordingly, suitable restatement adjustments in the accounting heads are made to the Proforma Ind AS Standalone financial information in the opening retained earnings of financial year ended 2015.

3 **Property, plant and equipment**

The Company on restatement, has reversed the foreign exchange gain capitalised in the items of property, plant and equipment and consequently increased the gross block of asset in the year of acquisition. Further, revised depreciation has been charged off to Profit and Loss Statement in the year of acquisition and subsequent years.

4 **Investments**

The Company on restatement, has reversed the interest expense capitalised in the cost of investments in equity instruments and charged off to Profit and Loss Statement in the year to which it pertains.

5 **Other Non current financial assets**

Financial assets in the form of non-current interest free deposits retained by the customers have been accounted at fair value on the date of transition to Ind AS and subsequently measured at amortised cost using the effective interest rate method.

Annexure VIII
Statement of Equity Reconciliation to Restated Standalone Financial Information

6 **Deferred Tax(Net)**

The Company on restatement has reassessed deferred tax asset and deferred tax liability taking into consideration the income tax rates prevailing in the respective years for timing difference or temporary differences as applicable and corresponding charge / credit has been made in the Profit and Loss Statement for the year to which it pertains.

7 **Other Current financial assets**

Expense pertaining to the period beyond reporting date now been recorded as expense in the year to which it pertains.

8 **Trade Receivable**

As per Ind-AS 109, the Company applies Expected Credit Loss (ECL) model on Receivables and the same is provided in restated financials to the receivable pertains to respective years.

9 **Current tax assets**

Interest on Income Tax Refund has been recorded in the year of receipt. Also considered the tax impact of income tax return / assessment / orders of earlier years in the year of crystallisation of demand / refund. On restatement, such amounts have been recorded in respective year to which the income tax assessment relates.

10 **Other current assets**

Expense pertaining to the period beyond reporting date now been recorded as prepaid expense in the year to which it pertains.

11 **Other Equity - MAT Adjustments**

MAT credit earlier recognised as MAT Credit Reserve directly in Equity pertaining to March 31, 2016 , now been recognised in the Restated Profit & Loss financial statements.

12 **Other Non current financial liabilities**

Financial liabilities in the form non-current deposits of vendors retained by the Company has been accounted at fair value on the date of transition to Ind AS and subsequently measured at amortised cost using the effective interest rate method.

13 **Other current financial liabilities**

Interest on term loans accrued but not due, falling due and payable in respective succeeding financial year, recorded in the books of accounts and has been restated to the year to which it pertains.

14 **Adjustment to the Opening Equity as on April 1, 2014 for the Restated purpose are as below:**

Particulars	Rs. In Million
Investment in subsidiary, associate and joint venture (Note 3 of Anx-VII)	(5.62)
Deferred Tax(Net)(Note 11, 12 of Anx-VII)	0.77
Other Current financial assets (Note 6, 15 of Anx-VII)	0.27
Current tax assets (Note 2, 9 of Anx-VII)	(71.03)
Other current assets (Note 5 of Anx-VII)	0.07
Other current financial liabilities (Note 1 of Anx-VII)	(2.27)
Adjustments pertains to April 1, 2012 (Note A of Anx-VII)	93.84
Total	16.03

Montecarlo Limited

Annexure IX
Restated Standalone Statement of Accounting Ratio

(Rs. in Million)

Sr. No.	Particulars	Note	For the period / year ended					
			December 31, 2017 #	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
			Ind AS	Ind AS	Proforma Ind AS	Proforma Ind AS	India GAAP	India GAAP
A	**Earning per Share (EPS) - Basic and Diluted**	1						
	Restated Profit attributable to equity shareholders (Rs. In Million)		731.82	1,317.64	1,285.87	590.56	334.20	318.29
	Weighted average number of equity shares outstanding		8,55,00,003	8,55,00,003	8,55,00,003	8,55,00,003	8,55,00,003	8,55,00,003
	Nominal value of equity per share		10.00	10.00	10.00	10.00	10.00	10.00
	Basic and Diluted EPS (Rs. Per Share)	#	8.56	15.41	15.04	6.91	3.91	3.72
B	**Return on Net Worth**	2						
	Restated Net Profit / (Loss) for the periods (Rupees in million)		731.82	1,317.64	1,285.87	590.56	334.20	318.29
	Net worth at the end of the periods (Rupees in million)		5,160.97	4,653.35	3,692.65	2,410.28	2,203.14	1,886.11
	Return on Net Worth (%)	#	**14%**	**28%**	**35%**	**25%**	**15%**	**17%**
C	**Net Asset Value Per Equity Share**	3						
	Net worth at the end of the periods (Rupees in million)		5,160.97	4,653.35	3,692.65	2,410.28	2,203.14	1,886.11
	Total number of equity shares outstanding at end of the periods*		8,55,00,003	8,55,00,003	8,55,00,003	8,55,00,003	8,55,00,003	8,55,00,003
	Net Asset Value Per Equity Share (in Rupees)		**60.36**	**54.43**	**43.19**	**28.19**	**25.77**	**22.06**

 # Ratio of Earning per share and Return on Net Worth for the period ended December 31, 2017 are not annualised.

Note

1 **Earning per Share (Basic and Diluted)**

$$\frac{\text{Restated Profit / Loss after Tax attributable to Equity Shareholders}}{\text{Weighted Average No. of Equity Shares}}$$

Note 1.1
Subsequent to the balance sheet date the Company issued 21,375,001 bonus shares to the existing shareholders in the ratio of 3:1. As per the requirement IND AS 33 for the purpose of computing Basic and Diluted EPS, the weighted average number of equity share outstanding have been adjusted.

Note 1.2
During the year ended on March 31, 2016, the Company has issued 4 shares as bonus against each fully paid up equity shares.

Note 1.3
During the year ended on March 31, 2015, the Company has issued 4 shares as bonus against each fully paid up equity shares.

2 **Return on Net Worth**

$$\frac{\text{Profit/Loss after tax (as restated)}}{\text{Net worth at the end of the periods}}$$

Net Worth = Paid up Share Capital (Equity) + Other Equity (Reserve & Surplus) attributable to Equity Holders

3 **Net Asset Value Per Equity Share**

$$\frac{\text{Net worth at the end of the periods}}{\text{Total number of equity shares outstanding at end of the periods*}}$$

* Total no. of equity shares outstanding at the end of the periods have been adjusted for bonus shares issued as given in Note 1.1,1.2 & 1.3 above

Montecarlo Limited

Annexure X
Restated Standalone Statement of Capitalisation

(Rs. in Million)

Particulars	Pre-Issue as at December 31, 2017	Post-Issue
Long Term Borrowings (Refer Note 18, 24)	1,676.00	[*]
Short Term Borrowings (Refer Note 22)	2,428.12	[*]
Net Debt	4,104.12	[*]
Equity share capital	641.25	
Other Equity (Excluding DRR)	4,519.72	
Total equity	5,160.97	[*]
Debt / Equity Ratio	0.80	[*]

[*] Post Issue Capitalization will be determined after finalization of issue price.

Long Term Borrowings (Refer Note 18) (Rs. in Million)

Particulars	As at December 31, 2017
a) Secured 9.75% Redeemable Non Convertible Debenture (Refer Note 18.1)	720.00
b) Secured-Term loan from banks (Refer Note 18.2)	258.51
c) Secured-Term loan from Financial Institutions (Refer Note 18.2)	150.56
d) Current maturities of long term borrowings (Secured) (Refer Note 18.2)	
- From Banks	226.30
- From Financial Institutions	113.36
- Non Convertible Debentures	180.00
e) Current maturities of long term borrowings from Financial Institutions (Unsecured)	27.27
Total	**1,676.00**

Short term borrowings (Refer Note 22) (Rs. in Million)

Particulars	As at December 31, 2017
Secured - borrowings from banks	2,240.61
Unsecured - borrowings from banks	0.08
Secured - borrowings from others	187.43
Total	**2,428.12**

1. The above have been computed on the basis of restated statement of accounts.

2. For the purpose of Long term debt / Equity ratio, Long term debt has been considered including current maturities of long term debt.

INDEPENDENT AUDITOR'S REPORT ON RESTATED CONSOLIDATED FINANCIAL INFORMATION

Date: May 5, 2018

The Board of Directors
Montecarlo Limited
7th Floor, Shilp Building,
Nr. Municipal Market, CG Road,
Navrangpura,
Ahmedabad 380 009
Gujarat.

Dear Sirs,

1. We have examined, as appropriate (refer paragraphs 4, 5, 6 and 7 below), the attached Restated Consolidated Financial Information of Montecarlo Limited (the "Company") and its subsidiaries (the Company and its subsidiaries constitute the "Group") and its associate, which comprise of the Restated Consolidated Statement of Assets and Liabilities as at December 31, 2017 and as at March 31, 2017, 2016, 2015, 2014 and 2013, the Restated Consolidated Statement of Profit and Loss (including other comprehensive income) and Restated Consolidated Statement of Changes in Equity for the nine month period ended December 31, 2017 and each of the years ended March 31, 2017, 2016 and 2015, the Restated Consolidated Statement of Profit and Loss for the years ended March 31, 2014 and 2013 and the Restated Consolidated Statement of Cash Flows for nine month period ended December 31, 2017 and for the years ended March 31, 2017, 2016, 2015, 2014 and 2013 and the Summary of Significant Accounting Policies and Notes for the respective periods and which includes 11 Joint Operations of the Group accounted on a proportionate basis (collectively, the "Restated Consolidated Financial Information"), as approved by the Board of Directors of the Company at their meeting held on May 5, 2018 for the purpose of inclusion in the Draft Red Herring Prospectus ("DRHP") prepared by the Company in connection with its proposed Initial Public Offer of equity shares ("IPO") prepared in terms of the requirements of:

    a) Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act") read with Rule 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 ("the Rules);

    b) the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time in pursuance of provisions of Securities and Exchange Board of India Act, 1992 ("ICDR Regulations"); and

    c) The Guidance Note on Reports in Company Prospectuses (Revised 2016) issued by the Institute of Chartered Accountants of India as amended from time to time (the "Guidance Note").

2. The preparation of the Restated Consolidated Financial Information is the responsibility of the management of the Company for the purpose set out in paragraph 13 below. The responsibility of the Board of Directors of the companies included in the Group and of its associate includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Information. The Board of Directors of the companies included in the Group and of its associate are also responsible for identifying and ensuring that the Group complies with the Act, the Rules, ICDR Regulations and the Guidance Note.

Our responsibility is to examine the Restated Consolidated Financial Information and confirm whether such Restated Consolidated Financial Information comply with the requirements of the Act, the Rules, ICDR Regulations and the Guidance Note.

3. We have examined such Restated Consolidated Financial Information taking into consideration:

   a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated February 20, 2018 in connection with the proposed IPO of the Company;

   b) The Guidance Note; and

   c) The Guidance Note on Reports or Certificates for Special Purposes (Revised 2016), which include the concepts of test checks and materiality. This Guidance Note requires us to obtain reasonable assurance based on verification of evidence supporting the Restated Consolidated Financial Information. This Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

4. These Restated Consolidated Financial Information have been compiled by the management from:

   a) Audited Special Purpose Interim Consolidated Ind AS Financial Statements of the Group, its associate and which includes 11 Joint Operations of the Group accounted on a proportionate basis as at and for the nine month period ended December 31, 2017, which includes the comparative Ind AS financial statements as at and for the year ended March 31, 2017, prepared in accordance with the recognition and measurement principles of Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting", specified under section 133 of the Act and other accounting principles generally accepted in India (the "Special Purpose Interim Consolidated Ind AS Financial Statements") which have been approved by the Board of directors of the Company at their meeting held on May 05, 2018. The Comparative Ind AS financial statements as at and for the year ended March 31, 2017 have been prepared by making Ind AS adjustments to the audited consolidated financial statements of the Group, its associate and joint operations as at and for the year ended March 31, 2017, prepared in accordance with the accounting standards notified under the section 133 of the Companies Act, 2013, ("Previous GAAP") which was approved by the Board of directors at their meeting held on June 29, 2017.

   b) Audited standalone financial statements of the Company as at and for the years ended March 31, 2014 and 2013, prepared in accordance with Previous GAAP which have been approved by the Board of Directors at their meeting held on July 4, 2014 and May 22, 2013 respectively and after making consolidation adjustments.

The Restated Consolidated Financial Information also contains the proforma consolidated Ind AS financial statements as at and for the years ended March 31, 2016 and 2015. These proforma consolidated Ind AS financial statements have been prepared by making Ind AS adjustments to the audited consolidated and standalone Indian GAAP financial statements as at and for the years ended March 31, 2016 and 2015, as applicable, which have been approved by the Board of Directors at their meetings held on April 25, 2016 and July 11, 2015, as described in Note 2 of Annexure V.

Audit of the consolidated financial statements for the financial years ended March 31, 2017 and 2016 and audit of the standalone financial statements for the financial years ended March 31, 2015, 2014 and 2013 were conducted by previous auditors and accordingly reliance has been placed on the restated consolidated financial information examined by them for the said years. The financial information included for these years, i.e. March 31, 2017, 2016, 2015, 2014 and 2013 are based solely on the reports submitted by them.

5. The audit report on the Special Purpose Interim Consolidated Ind AS Financial Statements issued by us includes following other matters:

   a. We did not audit the financial information of 9 joint operations included in the Special Purpose Interim Standalone Ind AS Financial Statements of the Parent included in the Group whose financial information reflect total assets of Rs. 29,913.64 lacs as at 31st December 2017 and total revenues of Rs. 38,545.75 lacs for the period ended on that date, as considered in the Special Purpose Interim Consolidated Ind AS financial statements. The financial information of these joint operations have been audited by the other auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these joint operations is based solely on the report of such other auditors.

   b. We did not audit the financial statements of 4 subsidiaries, whose financial statements reflect total assets of Rs. 3,660.41 lacs as at 31st December, 2017, total revenues of Rs. Nil and net cash inflows amounting to Rs. 189.96 lacs for the nine months period ended on that date, as considered in the Special Purpose Interim Consolidated Ind AS Financial Statements. The Special Purpose Interim Consolidated Ind AS Financial Statements also include the Group's share of net loss of Rs. 784.94 lacs for the nine month period ended 31st December, 2017, as considered in the Special Purpose Interim Consolidated Ind AS financial statements, in respect of one associate whose financial information have not been audited by us. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Special Purpose Interim Consolidated Ind AS Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate is based solely on the reports of the other auditors.

      Our opinion on the Special Purpose Interim Consolidated Ind AS Financial Statements is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

   c. The comparative financial statements for the year ended 31st March, 2017 in respect of two subsidiaries and one associate prepared in accordance with the Ind AS and considered while preparing these Special Purpose Interim Consolidated Ind AS Financial Statements have been audited by other auditors, whose reports have been furnished to us by the Management and in so far as it relates to the comparative amounts and disclosures included in respect of this subsidiary and associate made in these Special Purpose Interim Consolidated Ind AS Financial Statements, is based solely on the reports of the other auditors.

d. The comparative financial information of the Group for the year ended 31st March 2017 which includes its share of loss in its associate included in these Special Purpose Interim Consolidated Ind AS Financial Statements have been prepared after adjusting the previously issued Consolidated Financial Statements prepared in accordance with Companies (Accounting Standards) Rules, 2006, to comply with Ind AS. The previously issued Consolidated Financial Statements were audited by predecessor auditor whose report for the year ended 31st March 2017 dated 29th June, 2017, expressed an unmodified opinion on those Consolidated Financial Statements. Adjustments made to the previously issued Consolidated Financial Statements to comply with Ind AS have been audited by us.

   Our opinion on the Special Purpose Interim Consolidated Ind AS Financial Statements is not modified in respect of these matters.

6. These other auditors, as mentioned in paragraphs 4 and 5 (of the Company/Group, and the subsidiaries, associate and joint operations), have confirmed that the restated consolidated financial information for the above mentioned periods/years:

   a) have been made after incorporating adjustments for the changes in accounting policies retrospectively in financial year ended March 31, 2017 to reflect the same accounting treatment as per accounting policies as at and for the nine month period ended December 31, 2017;

   b) have been made after incorporating adjustments for the changes in accounting policies retrospectively in financial year ended March 31, 2013 to reflect the same accounting treatment as per accounting policies as at and for the year ended March 31, 2014;

   c) have been made after incorporating adjustments for the material amounts in the respective financial years to which they relate;

   d) do not contain any extra-ordinary items that need to be disclosed separately in the Restated Consolidated Financial Information and do not contain any qualification requiring adjustments;

   e) have been made after making consolidation adjustments for the years ended March 31, 2015, 2014 and 2013; and

   f) with respect to the proforma Ind AS financial statements as at and for the years ended March 31, 2016 and 2015, the proforma Ind AS financial statements have been prepared by making appropriate Ind AS adjustments to the audited consolidated and standalone Indian GAAP financial statements as at and for the years ended March 31, 2016 and 2015, as applicable, as described in Note 2 of Annexure V.

7. Based on our examination, we report that:

   a) The Restated Consolidated Statement of Assets And Liabilities of the Group and its associate, including as at March 31, 2017, 2016 and 2015 examined and reported upon by previous auditors on which reliance has been placed by us, and as at December 31, 2017 examined by us, as set out in Annexure-I to this report and the Restated Consolidated Statement of Assets and Liabilities of the Group and its associate as at March 31, 2014 and 2013 examined and reported upon by previous auditors on which reliance has been placed by us, as set out in Annexure - I to this report are after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure-VII: Material Adjustments to Restated Consolidated Financial Information and notes thereon.

b) The Restated Consolidated Statement of Profits and Loss (including other comprehensive income) of the Group and its associate, including for the years ended March 31, 2017, 2016 and 2015 examined and reported upon by previous auditors on which reliance has been placed by us, and for the nine month period ended December 31, 2017 examined by us, as set out in Annexure-II to this report and the Restated Consolidated Statement of Profit and Loss of the Group and its associate for the years ended March 31, 2014 and 2013 examined and reported upon by previous auditors, on which reliance has been placed by us, as set out in Annexure - II to this report are after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure-VII: Material Adjustments to Restated Consolidated Financial Information and notes thereon

c) The Restated Consolidated Statement of Changes in Equity of the Group and its associate, including for the years ended March 31, 2017, 2016 and 2015 examined and reported upon by previous auditors on which reliance has been placed by us, as set out in Annexure-III to this report are after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure-VII: Notes on Material Adjustments to Restated Consolidated Financial Statements.

d) The Restated Consolidated Statement of Cash Flows of the Group and its associate, including for the years ended March 31, 2017, 2016, 2015 examined and reported upon by previous auditors on which reliance has been placed by us, and for the nine month period ended December 31, 2017 examined by us, as set out in Annexure-IV to this report and the Restated Consolidated Statement of Cash Flows of the Group and its associate for the years ended March 31, 2014 and 2013 examined and reported upon by previous auditors, on which reliance has been placed by us, as set out in Annexure - IV to this report are after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure-VII: Material Adjustments to Restated Consolidated Financial Information and notes thereon

e) Based on the above, according to the information and explanations given to us and also as per the reliance placed on the reports submitted by the previous auditors, for the respective years, we further report that the Restated Consolidated Financial Information:

   a. have been made after incorporating adjustments for the changes in accounting policies retrospectively in financial year ended March 31, 2017 to reflect the same accounting treatment as per accounting policies as at and for the nine month period ended December 31, 2017;

   b. have been made after incorporating adjustments for the changes in accounting policies retrospectively in financial year ended March 31, 2013 to reflect the same accounting treatment as per accounting policies as at and for the year ended March 31, 2014;

   c. have been made after incorporating adjustments for the material amounts in the respective financial years to which they relate;

   d. have been made after making consolidation adjustments for the years ended March 31, 2015, 2014 and 2013; and

   e. do not contain any extra-ordinary items that need to be disclosed separately and do not contain any qualification requiring adjustments. The auditor’s report on the audited special purpose interim consolidated Ind AS financial statements of the

Group as at and for the nine month period ended December 31, 2017 includes the following Emphasis of Matter paragraph (also refer Note 48 of Annexure V), which do not require any corrective adjustment in the Restated Consolidated Financial Information

We draw attention to Note 51 to the Special Purpose Interim Consolidated Ind AS Financial Statements, relating to on-going arbitration proceedings with one of its contractor.

Our report is not modified in respect of this matter

8. We have also examined the following restated consolidated other financial information of the Group and its associate set out in the following Annexures, proposed to be included in the DRHP, prepared by the management and approved by the Board of Directors on May 5, 2018 for the nine month period ended December 31, 2017 and for the years ended March 31, 2017, 2016 and 2015. In respect of the years ended March 31, 2017, 2016 and 2015 these information have been included based upon the reports submitted by previous auditors, and relied upon by us and in respect of information as at and for the nine month period ended December 31, 2017 of certain subsidiaries, associate and joint operations included based on the reports submitted by other auditors which has been relied upon by us:

a) Restated Consolidated Statement of Property, Plant and Equipment included in Note 5 of Annexure V;
b) Restated Consolidated Statement of Capital Work in Progress included in Note 5 of Annexure V;
c) Restated Consolidated Statement of Intangible Assets included in Note 5 of Annexure V;
d) Restated Consolidated Statement of Investment in associate included in Note 6 of Annexure V;
e) Restated Consolidated Statement of Other Investment included in Note 6 of Annexure V;
f) Restated Consolidated Statement of Other Non-Current Financial Assets included in Note 7 of Annexure V;
g) Restated Consolidated Statement of Deferred Tax Assets (net) included in Note 8 of Annexure V;
h) Restated Consolidated Statement of Deferred Tax Liabilities (net) included in Note 8 of Annexure V;
i) Restated Consolidated Statement of Other Non-Current Assets included in Note 9 of Annexure V;
j) Restated Consolidated Statement of Inventories included in Note 10 of Annexure V;
k) Restated Consolidated Statement of Trade Receivables included in Note 11 of Annexure V;
l) Restated Consolidated Statement of Cash and Cash Equivalents included in Note 12 of Annexure V;
m) Restated Consolidated Statement of Bank Balances Other than Cash and Cash Equivalents included in Note 12 of Annexure V;
n) Restated Consolidated Statement of Other Current Financial Assets included in Note 13 of Annexure V;
o) Restated Consolidated Statement of Current Tax Assets (Net) included in Note 14 of Annexure V;
p) Restated Consolidated Statement of Other Current Assets included in Note 15 of Annexure V;
q) Restated Consolidated Statement of Equity Share Capital included in Note 16 of Annexure V;
r) Restated Consolidated Statement of Other Equity included in Note 17 of Annexure V;

s) Restated Consolidated Statement of Long Term Borrowings included in Note 18 of Annexure V;
t) Restated Consolidated Statement of Other Non-Current Financial Liabilities included in Note 19 of Annexure V;
u) Restated Consolidated Statement of Long Term Provisions included in Note 20 of Annexure V;
v) Restated Consolidated Statement of Other Non-Current Liabilities included in Note 21 of Annexure V;
w) Restated Consolidated Statement of Short Term Borrowings included in Note 22 of Annexure V;
x) Restated Consolidated Statement of Trade Payables included in Note 23 of Annexure V;
y) Restated Consolidated Statement of Other Current Financial Liabilities included in Note 24 of Annexure V;
z) Restated Consolidated Statement of Short Term Provisions included in Note 25 of Annexure V;
aa) Restated Consolidated Statement of Other Current Liabilities included in Note 26 of Annexure V;
bb) Restated Consolidated Statement of Revenue From Operations included in Note 27 of Annexure V;
cc) Restated Consolidated Statement of Other Income included in Note 28 of Annexure V;
dd) Restated Consolidated Statement of Changes in inventories of Work In Progress included in Note 29 of Annexure V;
ee) Restated Consolidated Statement of Construction Expenses included in Note 30 of Annexure V;
ff) Restated Consolidated Statement of Employee Benefit Expenses included in Note 31 of Annexure V;
gg) Restated Consolidated Statement of Finance Cost included in Note 32 of Annexure V;
hh) Restated Consolidated Statement of Depreciation and Amortization Expenses included in Note 5 of Annexure V;
ii) Restated Consolidated Statement of Other Expenses included in Note 33 of Annexure V;
jj) Restated Consolidated Statement of Deferred Tax included in Note 45 of Annexure V;
kk) Notes on Material Adjustments to Restated Consolidated Financial Statements – Annexure VII;
ll) Statement of Equity Reconciliation to the Restated Consolidated Financial Statements - Annexure VIII;
mm) Restated Consolidated Statement of Accounting Ratios – Annexure IX;
nn) Restated Consolidated Statement of Capitalization – Annexure X

According to the information and explanations given to us and also as per the reliance placed on the reports submitted by the previous auditors and other auditors, in our opinion, the Restated Consolidated Financial Information and the above restated consolidated other financial information contained in Annexures I to X accompanying this report, read with Summary of Significant Accounting Policies disclosed in Annexure-V, are prepared after making adjustments and regroupings/reclassifications as considered appropriate [Refer Annexure-VII] and have been prepared in accordance with the Act, the Rules, the ICDR Regulations and the Guidance Note.

9. Previous auditors have examined the following restated previous GAAP Consolidated financial statements of the Group and its associate set out in the following Annexures, proposed to be included in the DRHP, prepared by the management and approved by the Board of Directors on May 5, 2018 for the years ended March 31, 2014 and 2013. These information have been included based upon the reports submitted by previous auditors, and relied upon by us:

a) Restated Consolidated Statement of Share Capital included in Note 1 of Annexure V;
b) Restated Consolidated Statement of Reserves and Surplus included in Note 2 of Annexure V;
c) Restated Consolidated Statement of Long Term Borrowings included in Note 3 of Annexure V;

d) Restated Consolidated Statement of Deferred Tax Liabilities (Net) included in Note 4 of Annexure V;
e) Restated Consolidated Statement of Other Long Term Liabilities included in Note 5 of Annexure V;
f) Restated Consolidated Statement of Long Term Provisions included in Note 6 of Annexure V;
g) Restated Consolidated Statement of Short Term Borrowings included in Note 7 of Annexure V;
h) Restated Consolidated Statement of Trade Payables included in Note 8 of Annexure V;
i) Restated Consolidated Statement of Other Current Liabilities included in Note 9 of Annexure V;
j) Restated Consolidated Statement of Short-Term Provisions included in Note 10 of Annexure V;
k) Restated Consolidated Statement of Property, Plant and Equipment included in Note 11 of Annexure V;
l) Restated Consolidated Statement of Intangible Assets included in Note 11 of Annexure V;
m) Restated Consolidated Statement of Capital Work-In-Progress included in Note 11 of Annexure V;
n) Restated Consolidated Statement of Non-Current Investments included in Note 12 of Annexure V;
o) Restated Consolidated Statement of Long Term Loans and Advances included in Note 13 of Annexure V;
p) Restated Consolidated Statement of Other Non-Current Assets included in Note 14 of Annexure V;
q) Restated Consolidated Statement of Inventories included in Note 15 of Annexure V;
r) Restated Consolidated Statement of Trade Receivables included in Note 16 of Annexure V;
s) Restated Consolidated Statement of Cash and Bank Balance included in Note 17 of Annexure V;
t) Restated Consolidated Statement of Short-Term Loans and Advances included in Note 18 of Annexure V;
u) Restated Consolidated Statement of Other Current Assets included in Note 19 of Annexure V;
v) Restated Consolidated Statement of Revenue From Operations included in Note 20 of Annexure V;
w) Restated Consolidated Statement of Other Income included in Note 21 of Annexure V;
x) Restated Consolidated Statement of Changes in Work In Progress included in Note 22 of Annexure V;
y) Restated Consolidated Statement of Construction Expenses included in Note 23 of Annexure V;
z) Restated Consolidated Statement of Employee Benefit Expenses included in Note 24 of Annexure V;
aa) Restated Consolidated Statement of Finance Cost included in Note 25 of Annexure V;
bb) Restated Consolidated Statement of Depreciation and Amortisation Expenses included in Note 26 of Annexure V;
cc) Restated Consolidated Statement of Other Expenses included in Note 27 of Annexure V;

According to the information and explanations given to us and also as per the reliance placed on the reports submitted by the previous auditors, in our opinion, the Restated Consolidated Financial Information for the years ended March 31, 2014 and 2013 and the above restated consolidated financial information contained in Annexures I to X accompanying this report, read with Summary of Significant Accounting Policies disclosed in Annexure-V, are prepared after making adjustments and regroupings/reclassifications as considered appropriate [Refer Annexure-VII] and have been prepared in accordance with the Act, the Rules, the ICDR Regulations and the Guidance Note.

10. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

11. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

12. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

13. Our report is intended solely for use of the management for inclusion in the DRHP to be filed with Securities and Exchange Board of India, BSE Limited, National Stock Exchange of India Limited and Registrar of Companies, Gujarat in connection with the proposed offer of equity shares of the Company. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No.: 117366W/W-100018)

Kartikeya Raval
Partner
(Membership Number: 106189)

Place: Ahmedabad
Date: May 5, 2018

Restated Consolidated Financial Information - Ind AS

Ind AS	December 31, 2017
Ind AS	March 31, 2017
Proforma Ind AS	March 31, 2016
Proforma Ind AS	March 31, 2015

Annexure I	Restated Consolidated Statement of Assets and Liabilities
Anneuxre II	Restated Consolidated Statement of Profit and Losses
Anneuxre III	Restated Consolidated Statement of Changes in Equity
Anneuxre IV	Restated Consolidated Statement of Cashflows
Anneuxre V	Notes to Restated Consolidated Financial Information
Anneuxre VI	Statement of Tax Shelter
Anneuxre VII	Material Adjustments to Restated Consolidated Financial Information and notes thereon
Anneuxre VIII	Statement of Equity Reconciliation to Restated Consolidated Financial Information
Anneuxre IX	Restated Consolidated Statement of Accounting Ratio
Anneuxre X	Restated Consolidated Statement of Capitalisation

Annexure I
Restated Consolidated Statement of Assets and Liabilities (Rs. in Million)

Particulars	Note No. of Annexure V	As at December 31, 2017 (Ind AS)	As at March 31,2017 (Ind AS)	As at March 31,2016 (Proforma Ind AS)	As at March 31,2015 (Proforma Ind AS)
I. ASSETS					
1 Non-current assets					
(a) Property, Plant and Equipment	5	2,594.75	2,810.89	2,780.06	2,523.87
(b) Capital work in progress	5	76.70	14.45	174.51	91.78
(c) Intangible assets	5	89.74	97.44	35.63	15.91
(d) Financial Assets					
(i) Investments					
Investment in associate	6	19.48	164.68	223.06	189.87
Other Investment	6	3.00	3.00	3.00	3.00
(ii) Other Non-current financial assets	7	589.76	120.52	65.15	132.64
(e) Deferred tax assets (net)	8	305.63	116.03	66.95	-
(f) Other non-current assets	9	174.57	26.85	23.63	3.88
Total Non-current assets		**3,853.63**	**3,353.86**	**3,371.99**	**2,960.95**
2 Current assets					
(a) Inventories	10	1,224.73	1,287.64	957.27	617.06
(b) Financial Assets					
(i) Trade receivables	11	1,281.69	3,327.41	2,664.42	2,408.50
(ii) Cash and cash equivalents	12	136.73	68.99	126.93	109.56
(iii) Bank balances other than (ii) above	12	116.63	126.73	120.04	76.84
(iv) Other current financial assets	13	6,766.83	4,073.97	2,891.71	1,330.46
(c) Current tax assets (Net)	14	319.74	368.56	165.64	11.74
(d) Other current assets	15	1,727.68	2,222.59	2,318.71	1,502.35
Total Current assets		**11,574.03**	**11,475.89**	**9,244.72**	**6,056.51**
TOTAL ASSETS		**15,427.66**	**14,829.75**	**12,616.71**	**9,017.46**
II. EQUITY AND LIABILITIES					
1 Equity					
(a) Equity share capital	16	641.25	641.25	641.25	128.25
(b) Other Equity	17	4,329.11	3,692.34	2,790.18	1,987.61
Total Equity		**4,970.36**	**4,333.59**	**3,431.43**	**2,115.86**
2 Liabilities					
Non-Current liabilities					
(a) Financial Liabilities					
(i) Long term borrowings	18	1,129.07	681.38	982.33	1,334.75
(ii) Other non-current financial liabilities	19	757.94	368.59	549.23	328.34
(b) Long-term provisions	20	34.73	29.82	19.37	8.14
(c) Deferred tax liabilities (Net)	8	-	-	-	40.01
(d) Other non-current liabilities	21	302.75	2,052.80	1,453.61	1,815.68
Total Non-current liabilities		**2,224.49**	**3,132.59**	**3,004.54**	**3,526.92**
3 Current liabilities					
(a) Financial Liabilities					
(i) Short term borrowings	22	2,428.37	2,113.02	2,435.19	1,262.88
(ii) Trade payables	23	3,185.37	3,091.59	2,584.36	1,303.08
(iii) Other current financial liabilities	24	1,346.20	1,854.35	1,013.35	781.69
(b) Short term provisions	25	28.01	21.89	31.70	9.47
(c) Other current liabilities	26	1,244.86	282.72	116.14	17.56
Total Current liabilities		**8,232.81**	**7,363.57**	**6,180.74**	**3,374.68**
Total liabilities		**10,457.30**	**10,496.16**	**9,185.28**	**6,901.60**
TOTAL EQUITY AND LIABILITIES		**15,427.66**	**14,829.75**	**12,616.71**	**9,017.46**

All figures and ratios of December 31, 2017 are of Nine (9) months only.

The above statement should be read with the Notes to the Restated Consolidated Financial Information as appearing in Annexure V and Material Adjustments to Restated Consolidated Financial Information and notes there on appearing in Annexure VII.

As per our report of even date

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

Sd/-

Kartikeya Raval
Partner

Place : Ahmedabad
Date : May 05, 2018

For and on behalf of Board of Directors
Montecarlo Limited
CIN :- U40300GJ1995PLC025082

Sd/- Sd/-

Kanubhai M. Patel — Chairman & Managing Director, DIN: 00025552

Brijesh K. Patel — Jt. Managing Director, DIN: 00025479

Sd/- Sd/-

Nigam G. Shah — Chief Financial Officer

Kalpesh P. Desai — Company Secretary

Place : Ahmedabad
Date : May 05, 2018

Annexure II

Restated Consolidated Statement of Profit and Losses (Rs. in Million)

	Particulars	Note No. of Annexure V	For the period ended December 31, 2017 (Ind AS)	For the year ended March 31, 2017 (Ind AS)	For the year ended March 31, 2016 (Proforma Ind AS)	For the year ended March 31, 2015 (Proforma Ind AS)
	Revenue					
I	Revenue from Operations	**27**	13,202.75	19,801.54	16,842.67	10,113.99
	Other Income	**28**	78.75	78.19	114.02	49.64
	Total Income		**13,281.50**	**19,879.73**	**16,956.69**	**10,163.63**
	Expenses					
	Changes in inventories of work-in-progress	**29**	62.07	(156.35)	(87.19)	(68.24)
	Construction Expenses	**30**	10,492.27	16,068.15	13,443.18	7,765.57
	Employee Benefits Expense	**31**	855.66	1,060.50	975.35	512.99
	Finance costs	**32**	497.84	516.42	435.74	393.92
	Depreciation and Amortization Expenses	**5**	331.01	398.38	337.61	215.59
	Other Expenses	**33**	360.94	458.56	361.46	445.22
II	**Total Expenses**		**12,599.79**	**18,345.66**	**15,466.15**	**9,265.05**
III	**Profit Before Tax**		681.71	1,534.07	1,490.54	898.58
IV	**Tax expense:**					
	(1) Current Tax		157.29	269.77	309.77	329.32
	(2) Deferred Tax	**45**	(190.04)	(53.19)	(105.10)	(21.30)
V	**Profit After Tax (III - IV)**		**714.46**	**1,317.49**	**1,285.87**	**590.56**
VI	**Share of Loss in Associate**		(78.49)	(58.39)	(74.77)	(102.65)
VII	**Profit for the Period / Year**		**635.97**	**1,259.10**	**1,211.10**	**487.91**
	Attributable to :					
	Owners of the Company		635.97	1,259.10	1,211.10	487.91
	Non-controlling interests		-	-	-	-
	Other comprehensive income					
	Items that will not be reclassified subsequently to profit or loss					
	Remeasurements of defined benefit plans		1.23	11.77	(5.35)	(4.66)
	Income tax related to items that will not be reclassified to profit or loss		(0.43)	(4.07)	1.85	1.46
VIII	**Other comprehensive income (Net of taxes)**		0.80	7.70	(3.50)	(3.20)
IX	**Total comprehensive income for the Period / Year**		636.77	1,266.80	1,207.60	484.71
	Owners of the Company		636.77	1,266.80	1,207.60	484.71
	Non-controlling interests		-	-	-	-
X	**Earnings per equity share (EPS)**					
	Profit attributable to equity shareholders		635.97	1,259.10	1,211.10	487.91
	Weighted average number of equity shares outstanding during the year (Refer note 39)		8,55,00,003	8,55,00,003	8,55,00,003	8,55,00,003
	Nominal value of equity share		10.00	10.00	10.00	10.00
	Basic and Diluted Earning per Share (EPS)#		7.44	14.73	14.16	5.71

All figures and ratios of December 31, 2017 are of Nine (9) months only.
Earning per share for the period ended December 31, 2017 is not annualised.

The above statement should be read with the Notes to the Restated Consolidated Financial Information as appearing in Annexure V and Material Adjustments to Restated Consolidated Financial Information and notes there on appearing in Annexure VII.

As per our report of even date

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

Sd/-

Kartikeya Raval
Partner

Place : Ahmedabad
Date : May 05, 2018

For and on behalf of Board of Directors
Montecarlo Limited
CIN :- U40300GJ1995PLC025082

Sd/-

Kanubhai M. Patel
Chairman & Managing Director
DIN: 00025552

Sd/-

Brijesh K. Patel
Jt. Managing Director
DIN: 00025479

Sd/-

Nigam G. Shah
Chief Financial Officer

Sd/-

Kalpesh P. Desai
Company Secretary

Place : Ahmedabad
Date : May 05, 2018

Annexure III
Restated Consolidated Statement of Changes in Equity

A. Equity Share Capital (Rs. in Million)

Particulars	No. of Shares	Amount
Balance as at April 1, 2014	25,65,000	25.65
Changes in equity share capital during the year 2014-15		
Add: Bonus Shares issued during the year	1,02,60,000	102.60
Balance as at March 31, 2015	1,28,25,000	128.25
Changes in equity share capital during the year 2015-16		
Add: Bonus Shares issued during the year	5,13,00,000	513.00
Balance as at March 31, 2016	6,41,25,000	641.25
Changes in equity share capital during the year 2016-17		
Add: Shares Issued pursuant to the Scheme of Arrangement (Refer note 43)	3,46,25,002	346.25
Less: Share cancelled pursuant to the Scheme of Arrangement (Refer note 43)	(3,46,25,000)	(346.25)
Balance as at March 31, 2017	6,41,25,002	641.25
Changes in equity share capital during the period	-	-
Balance as at 31st December, 2017	6,41,25,002	641.25

B. Other equity (Rs. in Million)

Particulars	Reserves and Surplus				
	Debenture Redemption Reserve	**Equity Share Premium**	**General Reserve**	**Retained Earnings**	**Total**
Balance as at April 1, 2014	-	131.85	975.00	1,070.63	2,177.48
- Adjustment to the opening balance of retained earning (Refer Annexure VIII)	-	-	-	(570.02)	(570.02)
- Profit attributable to owners of the Company	-	-	-	487.91	487.91
- Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	-	-	-	(3.20)	(3.20)
Total Comprehensive income for the year	**-**	**-**	**-**	**484.71**	**484.71**
Transactions during the year					-
- Transfer from / to General Reserve	-	-	400.00	(400.00)	-
- Issue of share capital	-	(102.60)	-	-	(102.60)
- Adjustment relating to fixed assets (Refer note 5)	-	-	-	(1.96)	(1.96)
Balance at the end of the year March 31, 2015	**-**	**29.25**	**1,375.00**	**583.36**	**1,987.61**
Balance as at April 1, 2015	-	29.25	1,375.00	583.36	1,987.61
- Profit attributable to owners of the Company	-	-	-	1,211.10	1,211.10
- Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	-	-	-	(3.50)	(3.50)
Total Comprehensive income for the year				**1,207.60**	**1,207.60**
Transactions during the year					
- Transfer from / to General Reserve	-	-	700.00	(700.00)	-
Adjustment to the opening balance of retained earning (Refer Annexure VIII)	-	-	-	107.96	107.96
- Issue of share capital	-	-	(513.00)	-	(513.00)
Balance at the end of the year March 31, 2016	-	**29.25**	**1,562.00**	**1,198.93**	**2,790.18**
Balance as at April 1, 2016	-	29.25	1,562.00	1,198.93	2,790.18
- Profit attributable to owners of the Company	-	-	-	1,259.10	1,259.10
- Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	-	-	-	7.70	7.70
Total Comprehensive income for the year				**1,266.80**	**1,266.80**
Transactions during the year					-
- Transfer from / to General Reserve	-	-	1,000.00	(1,000.00)	-
- Utilized during the year for Scheme of Arrangement (Refer note 43)	-	(29.25)	(343.70)	-	(372.95)
- Profit received as per Scheme of Arrangement (Refer note 43)	-			8.31	8.31
Balance at the end of the year March 31, 2017	**-**	**-**	**2,218.30**	**1,474.04**	**3,692.34**
Balance as at April 1, 2017	-	-	2,218.30	1,474.04	3,692.34
- Profit attributable to owners of the Company	-	-	-	635.97	635.97
- Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	-	-	-	0.80	0.80
Total Comprehensive income for the period				**636.77**	**636.77**
Transactions during the year					-
- Transfer to Debenture Redemption Reserve	225.00	-	-	(225.00)	-
- Utilized during the year for Scheme of Arrangement (Refer note 43)	-	-	-	-	-
Balance as at 31st December, 2017	**225.00**	-	**2,218.30**	**1,885.81**	**4,329.11**

The above statement should be read with the Notes to the Restated Consolidated Financial Information as appearing in Annexure V and Material Adjustments to Restated Consolidated Financial Information and notes there on appearing in Annexure VII.

As per our report of even date

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

Sd/-

Kartikeya Raval
Partner

For and on behalf of Board of Directors
Montecarlo Limited
CIN :- U40300GJ1995PLC025082

Sd/-
Kanubhai M. Patel
Chairman & Managing Director
DIN: 00025552

Sd/-
Brijesh K. Patel
Jt. Managing Director
DIN: 00025479

Sd/-
Nigam G. Shah
Chief Financial Officer

Sd/-
Kalpesh P. Desai
Company Secretary

Place : Ahmedabad
Date : May 05, 2018

Place : Ahmedabad
Date : May 05, 2018

Anneuxre IV
Restated Consolidated Statement of Cash Flows

(Rs. in Million)

	Particulars	For the period ended December 31, 2017 (Ind AS)	For the year ended March 31, 2017 (Ind AS)	For the year ended March 31, 2016 (Proforma Ind AS)	For the year ended March 31, 2015 (Proforma Ind AS)
A	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Restated Net Profit before Tax	681.71	1,534.07	1,490.54	898.58
	Adjustment for:				
	Depreciation and Amortisation Expense	331.01	398.38	337.61	215.59
	(Profit) / Loss on Sale of Items of Property, Plant and Equipment	10.26	1.32	1.53	120.81
	Interest and other borrowing cost	497.84	516.42	435.74	393.93
	Interest income on FDRs	(6.77)	(11.88)	(9.43)	(8.92)
	Provision for Expected Credit loss	7.91	9.79	7.26	6.83
	Fair valuation adjustment on retention monies	47.60	31.88	(54.35)	16.65
	Gain/Loss on Foreign Currency Transaction	7.68	(7.14)	-	(1.65)
	Bad debts written off	16.11	-	-	-
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	1,593.35	2,472.82	2,208.90	1,641.81
	Adjustment For Working Capital Changes:				
	Changes in Inventories	80.33	(347.79)	(340.21)	(296.37)
	Changes in Trade Receivables	1,956.22	(607.30)	(263.18)	110.40
	Changes in Financial Assets and Other Assets	(2,840.30)	(1,127.05)	(2,309.97)	(1,120.22)
	Changes in Financial Liabilities and Other Payables	(554.26)	1,784.24	1,430.79	1,473.68
	CASH GENERATED FROM OPERATIONS	**235.35**	**2,174.92**	**726.33**	**1,809.30**
	Direct Taxes paid (Net)	(180.17)	(537.55)	(477.13)	(313.18)
	NET CASH GENERATED FROM OPERATING ACTIVITIES	**55.18**	**1,637.36**	**249.20**	**1,496.12**
B	**CASH FLOW FROM INVESTING ACTIVITIES:**				
	Purchase of Property Plant and Equipment (including advances for capital expenditure)	(275.07)	(659.09)	(711.07)	(1,569.69)
	Sale of Items of Property Plant and Equipment	21.14	23.13	3.07	4.58
	Investment in Associate (made) / sold	66.70	-	-	-
	Interest income on FDRs	4.47	11.23	9.61	9.11
	Changes in FDRs other than Cash and Cash Equivalents	50.34	(24.58)	(38.17)	(29.89)
	NET CASH USED IN INVESTING ACTIVITIES	**(132.42)**	**(649.31)**	**(736.57)**	**(1,585.88)**
C	**CASH FLOW FROM FINANCING ACTIVITIES:**				
	Proceeds from Loans	1,120.24	500.98	314.09	1,433.38
	Repayment of Loans	(865.88)	(706.15)	(542.47)	(378.20)
	Increase in borrowings - Working Capital	315.35	(322.17)	1,172.31	(479.09)
	Interest and other borrowing cost	(424.73)	(519.21)	(439.20)	(384.88)
	NET CASH GENERATED FROM / (USED) IN FINANCING ACTIVITIES	**144.98**	**(1,046.55)**	**504.74**	**191.21**
	NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS	**67.74**	**(58.50)**	**17.37**	**101.44**
	OPENING BALANCE- CASH AND CASH EQUIVALENT	**68.99**	**126.93**	**109.56**	**8.12**
	Pursuant to the Composite Scheme of Arrangement (Refer note 43)	-	0.56	-	-
	CLOSING BALANCE- CASH AND CASH EQUIVALENT	**136.73**	**68.99**	**126.93**	**109.56**

Notes to the Cash Flow Statement

1 . The above Statement of Cash Flow has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) - 7 "Statement of Cash Flows".

2. Cash and cash equivalent comprises of:

Particulars	For the period ended December 31, 2017 (Ind AS)	For the year ended March 31, 2017 (Ind AS)	For the year ended March 31, 2016 (Proforma Ind AS)	For the year ended March 31, 2015 (Proforma Ind AS)
Balances with banks:				
- Current Accounts	133.91	66.23	92.19	105.84
- Cash credit account	-	-	27.90	-
Cash on hand	2.82	2.76	6.84	3.72
Cash and cash equivalents in Restated Consolidated Statement of cash flow	136.73	68.99	126.93	109.56

3. For Non-cash transactions in the nature of investing and financing activities, Refer note 43.

The above statement should be read with the Notes to the Restated Consolidated Financial Information as appearing in Annexure V and Material Adjustments to Restated Consolidated Financial Information and notes there on appearing in Annexure VII.

As per our report of even date

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

Sd/-

Kartikeya Raval
Partner

Place : Ahmedabad
Date : May 05, 2018

For and on behalf of Board of Directors
Montecarlo Limited
CIN :- U40300GJ1995PLC025082

Sd/-
Kanubhai M. Patel
Chairman & Managing Director
DIN: 00025552

Sd/-
Brijesh K. Patel
Jt. Managing Director
DIN: 00025479

Sd/-
Nigam G. Shah
Chief Financial Officer

Sd/-
Kalpesh P. Desai
Company Secretary

Place : Ahmedabad
Date : May 05, 2018

1. **Corporate Information**

   Montecarlo Limited (the Company) is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is engaged in business of Infrastructure Development, Mining, Infrastructure for Power transmission & distribution and Property Development.

2. **Basis of Preparation**

   The Restated Consolidated Statement of Assets and Liabilities of the Group as at December 31, 2017 and as at March 31, 2017, the Restated Consolidated Statement of Profit and Loss (including Other Comprehensive Income) for the nine month period ended December 31, 2017 and the year ended March 31, 2017, the Restated Consolidated Statement of Changes in Equity and the Restated Consolidated Statement of Cash flows for the period / year then ended and Restated Other Consolidated Financial Information (together referred as 'Restated Consolidated Financial Information') have been prepared in accordance with recognition and measurement principles of Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015.

   The restated consolidated financial information for the years ended March 31, 2016 and 2015 has been prepared on Proforma basis (i.e. "Proforma Consolidated Ind AS financial information") in accordance with requirements of SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 31, 2016 ("SEBI Circular") and Guidance Note on Reports in Company Prospectuses issued by Institute of Chartered Accountant of India. For the purpose of Proforma Ind AS Consolidated financial information for the year ended March 31, 2016 and 2015, the Group has followed the same accounting policies and accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101 as initially adopted on transition date i.e. April 1, 2016. Accordingly, suitable restatement adjustments (both remeasurements and reclassifications) in the accounting heads are made to the Proforma Ind AS Consolidated financial information as of and for the years ended March 31, 2016 and 2015. The basis of preparation for specific items where exemptions have been applied are as follows:

   (a) Deemed cost Property Plant and Equipment and Intangible Assets:

   As permitted by IND AS 101, the Group has elected to continue with the carrying values under previous GAAP as 'deemed cost' at April 1, 2016 for all the items of property, plant & equipment and intangible assets.

   (b) Deemed cost of investments

   The Group has elected to continue with the carrying value of its investment in associate recognised as of 1st April 2016 measured as per the previous GAAP and use that carrying value as its deemed cost of transition date.

   (c) Derecognition of financial assets and financial liabilities

   The Group has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after transition date.

   (d) Classification and measurement of financial assets

   The Group has assessed classification and measurement of financial assets on the basis of facts and circumstances that exist as on transition date.

(e) Impairment of financial assets
The Group has applied impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date.

The Restated Consolidated Ind AS financial information for the nine month period ended December 31, 2017 and for the year ended March 31, 2017 have been compiled by the Company from the Special Purpose Interim Consolidated Financial Statements prepared in accordance with the recognition and measurement principles of Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting", specified under section 133 of the Act and other accounting principles generally accepted in India and Restated Consolidated Proforma Ind AS financial information for the year ended March 31, 2016 have been compiled by the Company after making suitable material adjustments to the Audited Consolidated Financial Statements of the Group for the year ended March 31, 2016 prepared under the previous generally accepted accounting principles followed in India ('Previous GAAP or Indian GAAP'). Restated Consolidated Proforma Ind AS financial information for the year ended March 31, 2015 have been compiled by the management from the Audited Standalone Financial Statements of the Company and an associate mentioned below for the year ended March 31, 2015 ('Previous GAAP or Indian GAAP') and after making consolidation adjustments specified in Significant Accounting Policies as set out in Annexure V and making suitable material adjustments as described in Annexure VII.

Particulars	Proportion of Interest in	Period Covered
Bijapur Hungund Tollway Private Limited	23%	As at and for the year ended on March 31, 2015 approved as on May 21, 2015.

For all periods up to and including the year ended March 31, 2017, the Group prepared its audited Consolidated financial information in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These Consolidated financial statements for the period ended December 31, 2017 are the first the Group has prepared in accordance with Ind AS. The date of transition to Ind-AS is April 1, 2016. Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. Refer Annexure VII of Material Adjustments to Restated Audited Consolidated Financial Statements and notes thereon and Annexure VIII of Statement of Equity Reconciliation to Restated Audited Consolidated Financial Information for the reconciliations from previous GAAP to Ind AS.

This Restated Consolidated Financial Information has been prepared for inclusion in the Offer Document to be filed by the Group with the Securities and Exchange Board of India ('SEBI') in connection with proposed Initial Public Offering in accordance with the requirements of:

(a) Section 26 of Part 1 Chapter III of the Act read with Rule 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014;

(b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time (the "Regulations") issued by the Securities and Exchange Board of India ('SEBI') on 26 August 2009, in pursuance of the Securities and Exchange Board of India Act, 1992 read along with SEBI Circular No. SEBI/HO/CFD/DIL/CIR/P/2016/47 dated 31st March, 2016; and

(c) Guidance note on report's in company prospectuses (Revised 2016).

The Restated Consolidated financial Information has been prepared on the historical cost convention, except for certain financial instruments that are measured at fair value at the end of each reporting period in accordance with Ind AS.

Fair value measurements under Ind AS are categorised as below based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at measurement date;

- Level 2 inputs are inputs, other than quoted prices included in level 1, that are observable for the asset or liability, either directly or indirectly; and

- Level 3 inputs are unobservable inputs for the valuation of assets/liabilities

f) The Group has interest in following joint arrangement (Joint Operations) which was set up as an Un-incorporated AOPs for infra-structure developments:

Sr. No.	Name of Entity	Holding / Controlling Share	Date of Incorporation
1	MCL-KSIPL (JV)	90%	11.06.2014
2	MCL-KSIPL (JV) Dhanbad	90%	27.04.2015
3	MCL-SIIPL (JV)	51%	21.04.2015
4	VPRPL- MCL (JV)	40%	25.06.2015
5	MCL-LAXYO-VNR (JV)	78%	02.09.2015
6	MCL-BEL BIHAR (JV)	90%	04.12.2015
7	MCL-JBPL Rajasthan (JV)	60%	28.01.2016
8	Montecarlo- JPCPL (JV)	95%	02.03.2016
9	Montecarlo Laxyo Technocom (JV)	84%	28.04.2016
10	MCL-KSIPL (JV) GURAJANPALLI	51%	31.08.2016
11	MCL-BEL GORAKHPUR (JV)	90%	30.12.2016

Classification of joint arrangements

The joint venture agreements related to above joint operations require unanimous consent from all parties for relevant activities. All co-ventures have direct rights to the assets of the joint venture and are also jointly and severally liable for the liabilities incurred by the joint venture. These joint ventures are, therefore, classified as joint operation and the Group recognise its direct right to the jointly held assets, liabilities, revenue and expenses.

Basis of Consolidation:

The Restated Consolidated financial Information has been prepared on the following basis:

The Restated consolidated financial Information comprises the financial statements of the Holding Company, and its subsidiary companies (including special purpose entities) where Control exists when the Holding Company is exposed to, or has rights, to variable returns from its involvement with the entity, and has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive. The financial statements of subsidiary companies are included in these Restated consolidated financial Information from the date that control commences until the date that control ceases.

Upon loss of control, the Group derecognises the assets and liabilities of the subsidiary companies, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in the Restated Consolidated Statement of Profit and Loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, it is accounted for as an equity accounted investee depending on the level of influence retained.

Investment in Associate Companies has been accounted under the equity method as per Ind AS 28 –'Investment in Associates'.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. The financial statements of each of the subsidiaries used for the purpose of consolidation are drawn up to same reporting date as that of the Holding Company.

Consolidation Procedure:

i) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the holding company with those of its subsidiaries.

ii) Offset (eliminate) the carrying amount of the Holding Company's investment in each subsidiary and the Holding Company's portion of equity of each subsidiary.

iii) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and property, plant and equipment, are eliminated in full)

iv) The Group's investments in its associate are accounted for using the equity method. Under the equity method, the investment in an associate is initially recognised at cost and the carrying amount is increased or decreased to recongnise the investor's share of profit or loss of the investee after the acquisition date.

Following entities are considered by the Group for the above Restated Consolidated Financial Information purpose:

Sr. No.	Name of Entity	Type of Entity	Holding / Controlling Share	Date of Incorporation
1	Montecarlo Projects India Limited	Subsidiary Company	100%	18.08.2016
2	Montecarlo Barjora Mining Private Limited	Step down subsidiary Company	100%	10.08.2016
3	Montecarlo Singhara Binjhabahal Highway Private Limited	Step down subsidiary Company	100%	07.04.2017
4	Montecarlo Hubli Haveri Highway Private Limited	Step down subsidiary Company	100%	05.04.2017
5	Bijapur Hungund Tollway Private Limited	Associate company	23%	22.02.2010

3. Significant Accounting judgments, estimates and assumptions:

The application of the Group's accounting policies as described in Annexure V of Notes to Restated Consolidated Statements, in the preparation of the Group's restated consolidated financial Information requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. The estimates and assumptions are based on historical experience and other factors that are considered to be relevant. The estimates and underlying assumptions are reviewed on an ongoing basis and any revisions thereto are recognized in the period in which they are revised or in the period of revision and future periods if the revision affects both the current and future periods. Actual results may differ from these estimates which could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and assumptions

The estimates at 1st April, 2016 and at 31st March, 2017 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies). The estimates used by the Group to present these amounts in accordance with Ind AS reflect conditions at 1st April, 2016, the date of transition to Ind AS and as of 31st March, 2017.

Key Sources of estimation uncertainty:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Existing circumstances and assumptions about future developments may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(i) Useful lives of property, plant and equipment:

Determination of the estimated useful lives of tangible assets and the assessment as to which components of the cost may be capitalized. Useful lives of tangible assets are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, operating conditions of the asset. Refer note no.5 of Annexure V for details of value of property, plant and equipment and its depreciation.

(ii) Fair value measurement of financial instruments

In estimating the fair value of financial assets and financial liabilities, the Group uses market observable data to the extent available. Where such Level 1 inputs are not available, the Group establishes appropriate valuation techniques and inputs to the model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

(iii) Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. Information about the various estimates and assumptions made in determining the present value of defined benefit obligations are disclosed in Note 36 of Annexure V.

(iv) Impairment of investments in associates:

Determining whether investments in associates is impaired requires an estimation of the recoverable amount of the investment in the investee entity. The value in use calculation requires management to estimate the future cash flows expected to arise from the associate's operations and a suitable discount rate in order to calculate present value. (Refer note 6.5 of Annexure V)

(v) Taxes

Significant management judgement is required to determine the amounts of current taxes, deferred taxes and tax credits that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. (Refer Note 8 & 14 of Annexure V)

(vi) Provision for estimated losses on construction contracts:

When it is probable that total contract costs will exceed contract revenues, the expected loss is required to be recognized as an expense immediately. The major component of contract estimate is budgeted costs to complete the contract. While estimating the total costs, management makes various assumptions such as the timeliness of project completion, the estimated costs escalations and consumption norms.

4. Significant Accounting Policies

a) Investment in associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The Group's investments in its associate are accounted for using the equity method. Under the equity method, the investment in an associate is initially recognised at cost. And the carrying amount is increased or decreased to recongnise the investor's share of profit or loss of the investee after the acquisition date.

b) Property, Plant and Equipment

Property, Plant and Equipment are stated at cost of acquisition or construction less accumulated depreciation and accumulated impairment losses. Cost includes purchase price and all other attributable costs of bringing the asset to working condition for intended use. Financing costs relating to borrowing funds attributable to acquisition of Property, Plant and Equipment are also included, for the period till such asset is put to use.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss.

Depreciation on Property, Plant and Equipment is provided on the Straight Line Method (SLM) over the useful life of the assets as prescribed under Schedule II to the Companies Act, 2013. In respect of the Property, Plant and Equipment purchased during the year, depreciation is provided on pro rata basis from the date on which such asset is ready to be put to use. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any such change in the estimate accounted for on a prospective basis.

The estimated useful lives of items of property, plant and equipment, as prescribed in Schedule II of the Companies Act, 2013 are as follows:

Asset Class	Useful life (in years)
Buildings	3 - 60
Plant and Equipment	8 - 15
Computers	3 - 10
Office Equipment	5 - 10
Furniture and Fixtures	10
Electrical Installation	10
Vehicles	8 - 12
Computer Software	6 - 10

An item of Property, Plant and Equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of Property, Plant and Equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

For transition to Ind AS, the Group has elected to adopt as deemed cost, the carrying value of Property, Plant and Equipment measured as per I-GAAP on the transition date of April 1, 2016.

c) Intangible Assets

Intangible assets with finite useful lives that are acquired separately are measured on initial recognition at cost and carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight line basis over the estimated useful life.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

For transition to Ind AS, the Group has elected to adopt as deemed cost, the carrying value of intangible assets, measured as per I-GAAP on the transition date of April 1, 2016.

d) Foreign Currency Transactions

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount, the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Exchange differences on monetary items are recognized as income or as expenses in the period in which they arise except for exchange differences on foreign currency borrowings related to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

The Group has elected to continue the policy adopted for exchange differences arising from translation of long term foreign currency monetary items (Refer Note 40 of Annexure V) outstanding and recognized in the financial statements for the period ending immediately before the beginning of the first Ind-AS financial reporting period as per the previous GAAP.

e) Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying asset are capitalized as a part of the cost of such asset. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. All others borrowing cost are recognized in the profit and loss in the period in which they are incurred.

f) Impairment of Tangible and Intangible Assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

g) Revenue Recognition

Revenue from Construction Contracts:

If the outcome of the construction contract can be estimated reliably, revenue from construction contracts is recognised by reference to the stage of completion of the contract activity. The stage of completion is determined with reference to completion of a physical proportion of the contract work. The Company's claims for extra work, incentives, escalation in rates relating to execution of contracts are recognized as revenue in the year in which the said claims are finally accepted by the customers.

The estimated outcome of a contract is considered reliable when all the following conditions are satisfied:

i. the amount of revenue can be measured reliably;
ii. it is probable that the economic benefits associated with the contract will flow to the company;

iii. the stage of completion of the contract at the end of the reporting period can be measured reliably; and
iv. the costs incurred or to be incurred in respect of the contract can be measured reliably.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognized as an expense immediately.

Revenue from Property Development:

Revenue from Property Development is recognized when the significant risks and rewards related to the ownership of the property is transferred to the buyer.

Rendering of services:

Revenue from contracts to provide services (other than those covered under construction contracts referred above) are recognized by reference to the stage of completion of the contract.

Interest income is accrued on a time proportion basis, by reference to the principal outstanding and the applicable effective interest rate. Other income is accounted for on accrual basis. Where the receipt of income is uncertain, it is accounted for on receipt basis.

h) Inventories

Inventories are stated at the lower of cost or net realizable value. Costs of inventories are determined on weighted average cost basis, except for certain in-house developed materials which are determined on a standard cost basis.

Inventories of Property Development is valued at cost and net realizable value, whichever is lower. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

i) Employee Benefits:

Defined benefit plans
The Group has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees through Group Gratuity Scheme of Life Insurance Corporation of India. The Group accounts for the liability for the gratuity benefits payable in future based on an independent actuarial valuation carried out using Projected Unit Credit Method considering discounting rate relevant to Government Securities at the Balance Sheet Date.

Defined benefit costs in the nature of current and past service cost and net interest expense or income are recognized in the statement of profit and loss in the period in which they occur. Actuarial gains and losses on remeasurement is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur and is reflected immediately in retained earnings and not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment.

Defined Contribution plan
Retirement Benefits in the form of Provident Fund, which is a defined contribution scheme, is charged to the Statement of Profit and Loss for the period in which the contributions to the fund accrue.

Compensated Absences
Provision for Compensated Absences and its classifications between current and non-current liabilities are based on independent actuarial valuation. The actuarial valuation is done as per the projected unit credit method as at the reporting date.

Short term employee benefits
They are recognised at an undiscounted amount in the Statement of Profit and Loss for the year in which the related services are rendered.

j) Taxes on Income

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income tax Act 1961, and based on the expected outcome of assessments/appeals. Current income tax assets and current income tax liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted at the reporting date.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Group's financial statements and the corresponding tax bases used in computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences including the temporary differences associated with investments in subsidiaries and associates, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are generally recognised for all taxable temporary differences to the extent that is probable that taxable profits will be available against which those deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on the tax rates and tax laws that have been enacted or substantially enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of reporting period, to recover or settle the carrying amount of its assets and liabilities.

k) Segment Reporting

Considering the nature of Group's business and operations, as well as based on reviews of operating results by the chief operating decision maker to make decisions about resource allocation and performance measurement, there are two reportable segments in accordance with the requirements of Ind AS-108- "Operating Segments", prescribed under Companies (Indian Accounting Standards) Rules, 2015.

l) Provisions Contingent Liabilities & Contingent Assets:

A provision is recognized when the Group has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Contingent Liabilities are not provided for and are disclosed by way of notes. Contingent Assets are not recognized but disclosed in the financial statements, if an inflow of economic benefits is probable.

m) Financial instruments

Financial assets and/or financial liabilities are recognised when the Group becomes party to a contract embodying the related financial instruments. All financial assets, financial liabilities and financial guarantee contracts are initially measured at transaction values and where such values are different from the fair value, at fair value. Transaction costs that are attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from as the case may be, the fair value of such assets or liabilities, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

The financial assets and financial liabilities are offset and presented on net basis in the Balance Sheet when there is a current legally enforceable right to set-off the recognised amounts and it is intended to either settle on net basis or to realise the asset and settle the liability simultaneously.

(i) Financial assets:

i. Initial recognition and measurement of financial assets
All financial assets are recognized initially at fair value. Transaction costs that are directly attributable to the acquisition of financial assets that are not at fair value through profit or loss are added to the fair value on initial recognition.

ii. Subsequent measurement of financial assets
For purposes of subsequent measurement, financial assets are classified in below categories:
• Financial assets at amortized cost
• Financial assets at fair value through profit or loss (FVTPL)

Financial assets at amortized cost :

A financial asset is measured at amortized cost if it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

• Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the above conditions mentioned in "Financial assets at amortised cost" are met. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Financial assets at fair value through profit or loss:

FVTPL is a residual category for financial assets. Any financial asset which does not meet the criteria for categorization as at amortized cost or as FVTOCI is classified as at FVTPL.

iii. De-recognition of financial assets

A financial asset is de-recognized when the contractual rights to the cash flows from the financial asset expire or the Group has transferred its contractual rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

iv. Impairment of financial assets
The Group recognizes loss allowances using the expected credit loss ("ECL") model for the financial assets. Expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in profit or loss.

(ii) Financial liabilities:

i. Initial recognition and measurement of financial liabilities

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts All financial liabilities are recognised initially at fair value, in case of loan and borrowings and payables, fair value is reduced by directly attributable transaction costs.

ii. Subsequent measurement of financial liabilities
The measurement of financial liabilities depends on their classification, as described below:

• Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss (FVTPL).
Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses on changes in fair value of such liability are recognised in the statement of profit or loss.

• Loans and Borrowings

After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the EIR method.

Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortization process.

• Financial liabilities at amortised cost

Financial liabilities that are not held for trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting period. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on effective interest method. Interest expenses that is not capitalized as part of cost of an asset is included in the 'finance cost' line item.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

iii. Derecognition of financial liabilities

A financial liability (or a part of a financial liability) is derecognised from its balance sheet when the obligation specified in the contract is discharged or cancelled or expired.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

n) Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

<u>As lessor</u>

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

Rental income from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Group's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

As lessee

Assets held under finance leases are initially recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Group's general policy on borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

o) 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.

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 are adjusted for the effects of all dilutive potential equity shares.

p) Standard issued not yet effective

On 28 March 2018, Ministry of Corporate Affairs (MCA) has notified new standards and amendments to existing standards. These amendments are effective for annual periods beginning after 1 April 2018.

Ind AS 115 Revenue from contract with customers

Ind AS 115 establishes a comprehensive framework for determining whether, how much and when revenue is recognized. It replaces existing revenue recognition guidance, including Ind AS 18 Revenue and Ins AS 11 Construction Contracts. The core principle of the new standard that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further, the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

This Standard permits two possible methods of transition i.e. retrospective approach and modified retrospective method.

The Company is in the process of evaluating and identifying the key impacts along with transition options to be considered while transiting to Ind AS 115.

Anneuxre V
Notes to Restated Consolidated Financial Information

Note 5 - Property, Plant & Equipment, Capital work-in-progress and Intangible Assets (Rs. in Million)

Gross block	Property, Plant & Equipment									Capital Work in progress	Intangible Assets
	Land	Building	Plant & Machinery	Vehicles	Office Equipment	Computers	Furniture and Fixtures	Electrical Installation	Total		Computer Software
Deemed Cost											
Balance as at April 1, 2014 (Refer note (f) below)	39.65	89.53	621.10	591.16	3.06	1.19	19.73	1.41	1,366.83	24.26	9.51
Additions	8.99	-	561.50	920.39	-	3.54	3.38	0.61	1,498.42	84.11	7.96
Disposals	(1.35)	-	(161.91)	(6.37)	(0.40)	-	(0.01)	-	(170.05)	-	-
Transfer from Capital Work in Progress	-	-	-	-	-	-	-	-	-	(16.58)	-
Balance as at March 31, 2015	**47.28**	**89.53**	**1,020.69**	**1,505.18**	**2.66**	**4.73**	**23.11**	**2.02**	**2,695.20**	**91.78**	**17.47**
Balance as at April 1, 2015	47.28	89.53	1,020.69	1,505.18	2.66	4.73	23.11	2.02	2,695.20	91.78	17.47
Additions	96.30	-	243.70	252.49	-	0.56	1.28	-	594.32	129.74	23.80
Disposals	(0.08)	-	(26.79)	(4.23)	-	-	-	-	(31.10)	-	-
Transfer from Capital Work in Progress	-	-	-	-	-	-	-	-	-	(47.01)	-
Balance as at March 31, 2016	**143.50**	**89.53**	**1,237.60**	**1,753.44**	**2.66**	**5.29**	**24.39**	**2.02**	**3,258.42**	**174.51**	**41.27**
Deemed Cost											
Balance as at April 1, 2016 (Refer note (f) below)	143.50	86.51	1,083.69	1,443.42	0.67	3.59	17.33	1.35	2,780.06	174.51	35.63
Additions	-	-	456.84	187.62	8.81	1.46	-	-	654.75	14.21	67.65
Disposals	-	-	(49.64)	(19.56)	-	-	-	-	(69.20)	-	-
Transfer from Capital Work in Progress	-	-	-	-	-	-	-	-	-	(15.43)	-
Assets received under composite scheme of arrangement (Refer note 43)	-	0.47	-	-	-	-	-	-	0.47	-	-
Assets transferred under composite scheme of arrangement (Refer note 43)	(134.51)	(72.89)	-	-	-	-	-	-	(207.40)	(158.84)	-
Balance as at 31st March, 2017	**8.99**	**14.08**	**1,490.89**	**1,611.48**	**9.48**	**5.05**	**17.33**	**1.35**	**3,158.67**	**14.45**	**103.28**
Balance as at April 1, 2017	8.99	14.08	1,490.89	1,611.48	9.48	5.05	17.33	1.35	3,158.67	14.45	103.28
Additions	-	-	36.20	80.71	3.31	2.93	-	-	123.14	76.70	0.99
Disposals	(8.99)	-	(31.45)	(23.82)	-	-	-	-	(64.27)	-	-
Transfer from Capital Work in Progress	-	-	10.51	3.94	-	-	-	-	14.45	(14.45)	-
Balance as at December 31, 2017	**-**	**14.08**	**1,506.14**	**1,672.31**	**12.79**	**7.98**	**17.33**	**1.35**	**3,231.99**	**76.70**	**104.27**

Montecarlo Limited

Anneuxre V
Notes to Restated Consolidated Financial Information

Note 5 - Property, Plant & Equipment, Capital work-in-progress and Intangible Assets (Rs. in Million)

Accumulated depreciation	Property, Plant & Equipment									Capital Work in progress	Intangible Assets
	Land	Building	Plant & Machinery	Vehicles	Office Equipment	Computers	Furniture and Fixtures	Electrical Installation	Total		Computer Software
Balance as at April 1, 2014	-	-	-	-	-	-	-	-	-	-	-
Depreciation / amortisation for the year	-	1.51	89.14	118.40	0.36	1.17	3.17	0.27	214.02	-	1.56
Transfer to Reserve & Surplus (Refer note (e) below)	-	-	(0.17)	0.84	1.39	(0.20)	-	0.09	1.96	-	-
Disposals	-	-	(39.01)	(5.52)	(0.13)	-	(0.00)	-	(44.66)	-	-
Balance as at March 31, 2015	**-**	**1.51**	**49.97**	**113.73**	**1.63**	**0.97**	**3.17**	**0.36**	**171.33**	**-**	**1.56**
Balance as at April 1, 2015	-	1.51	49.97	113.73	1.63	0.97	3.17	0.36	171.33	-	1.56
Depreciation / amortisation for the year	-	1.51	128.24	198.50	0.36	0.73	3.88	0.31	333.53	-	4.08
Disposals	-	-	(24.29)	(2.21)	-	-	-	-	(26.50)	-	-
Balance as at March 31, 2016	**-**	**3.01**	**153.91**	**310.02**	**1.99**	**1.70**	**7.05**	**0.67**	**478.36**	**-**	**5.64**
Balance as at April 1, 2016	-	-	-	-	-	-	-	-	-	-	-
Depreciation / amortisation for the year	-	0.25	157.90	230.09	0.34	0.91	2.83	0.21	392.53	-	5.85
Disposals	-	-	(34.51)	(10.25)	-	-	-	-	(44.76)	-	-
Balance as at March 31, 2017	**-**	**0.25**	**123.40**	**219.84**	**0.34**	**0.91**	**2.83**	**0.21**	**347.78**	**-**	**5.85**
Balance as at April 1, 2017	-	0.25	123.40	219.84	0.34	0.91	2.83	0.21	347.78	-	5.85
Depreciation / amortisation for the period	-	0.19	137.04	181.12	0.83	0.85	2.13	0.16	322.33	-	8.68
Disposals	-	-	(18.28)	(14.59)	-	-	-	-	(32.87)	-	-
Balance as at December 31, 2017	**-**	**0.44**	**242.16**	**386.37**	**1.17**	**1.76**	**4.96**	**0.37**	**637.24**	**-**	**14.53**

Carrying Amount (Net)	Property, Plant & Equipment									Capital work-in-progress	Intangible assets
	Land	Building	Plant & Machinery	Vehicles	Office Equipment	Computers	Furniture and Fixtures	Electrical Installation	Total		Computer Software
As at 31st March, 2015	47.28	88.02	970.72	1,391.45	1.03	3.76	19.94	1.66	2,523.87	91.78	15.91
As at 31st March, 2016	143.50	86.51	1,083.69	1,443.42	0.67	3.59	17.33	1.35	2,780.06	174.51	35.63
As at 31st March, 2017	8.99	13.83	1,367.49	1,391.64	9.14	4.15	14.50	1.15	2,810.89	14.45	97.44
As at 31st December, 2017	-	13.64	1,263.98	1,285.94	11.62	6.22	12.37	0.99	2,594.75	76.70	89.74

Anneuxre V
Notes to Restated Consolidated Financial Information

Note 5 - Property, Plant & Equipment, Capital work-in-progress and Intangible Assets

(Rs. in Million)

Particulars	For the Nine Months period ended December 31, 2017	For the year ended March 31, 2017	For the year ended March 31, 2016 (Proforma)	For the year ended March 31, 2015 (Proforma)
Depreciation on Property, Plant and Equipment	322.33	392.53	333.53	214.02
Amortisation on Intangible Assets	8.68	5.85	4.08	1.56
Total :	**331.01**	**398.38**	**337.61**	**215.59**

(a) The Company has neither given nor taken any assets on finance lease.
(b) Individual assets of Property, Plant and Equipment has been reclassified wherever necessary.
(c) Refer note 43 for assets received & transferred under composite scheme of arrangement.
(d) Refer note 18.2 & 22.1 for assets pledged as security.
(e) In the year of FY 2014-15, the company has revised the useful lives of certain fixed assets as specified in Schedule II to the Companies Act, 2013. Accordingly the carrying value of fixed assets as on that date net off residual value, has been depreciated over the revised remaining useful lives. Accordingly, the written down value of fixed assets whose lives has been expired as at April 1, 2014 have been adjusted net of tax, in the opening balance of Retained earnings amounting to Rs. 1.96 Million.

f) On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment (PPE) recognised as at April 1, 2016 measured as per the previous Indian GAAP and used that carrying value as the deemed cost of the PPE. While preparing Proforma Ind AS restated financial information for each of the years ended March 31, 2016 and March 31, 2015 the Company has opted the same accounting policy choice as adopted on transition date and accordingly the carrying value of its PPE as at March 31, 2014 has been used as deemed cost of PPE as at April 1, 2014.

 (Rs. in Million)

Note 6 : Investments

Particulars	As at December 31, 2017 (Ind AS)	As at March 31,2017 (Ind AS)	As at March 31,2016 (Proforma Ind AS)	As at March 31,2015 (Proforma Ind AS)
Unquoted Investments (All fully paid)				
(a) Investment in Associate company (Refer note 6.4)				
i) Bijapur-Hungund Tollway Pvt. Ltd. - Equity (at cost) (Refer note 6.2) December, 31 2017 : 23,220,800 (March 31, 2017 : 23,220,800, March 31, 2016: 23,220,800 and March 31, 2015: 23,220,800) Fully Paid up Equity Shares of ₹ 10/- each.	232.21	232.21	232.21	232.21
ii) Bijapur-Hungund Tollway Pvt. Ltd. - Other equity	185.38	252.08	252.08	252.08
	417.59	**484.29**	**484.29**	**484.29**
Less : Accumulated share of loss	(398.11)	(319.61)	(261.23)	(294.42)
	19.48	**164.68**	**223.06**	**189.87**
(b) Other investment				
Sardar Sarovar Narmada Nigam Limited - Bonds	3.00	3.00	3.00	3.00
Total	**22.48**	**167.68**	**226.06**	**192.87**

Note 6.1 : Investment in other Equity includes Investment by way of Sub - ordinate Loan / Interest free Loan given to associate / subsidiary Company accounted as an equity investment as it is perpetual in nature.

Note 6.2 : Company has pledged 6,037,408 shares (March 31, 2017 6,037,408 shares, March 31, 2016 6,037,408 shares and March 31, 2015 6,037,406 shares) with the lender as collateral security for loan taken by Bijapur-Hungund Tollway Pvt. Ltd.

Note 6.3 : Refer note 34 for Related party transactions and outstanding balances.

Note 6.4 : The Company has filed a Company Petition No. 78 of 2013 against Bijapur- Hungund tollway Pvt. Ltd. (BHTPL),Sadbhav Engineering Ltd.(SEL), Sadbhav Infrastructure Projects Ltd. (SIPL), (SEL & SIPL being other investors' in BHTPL) and present & past directors of BHTPL (herein refered to as "Appellant") under sections 397,398,399,402 and 403 of the Companies Act, 1956) before the Company Law Board (CLB), Mumbai. SIPL had filed an Application to stay proceedings before the CLB and refer the matters to arbitration. The said Application was dismissed by the CLB by Order dated January 8, 2014. SIPL then proceeded to file a Writ Petition before the Hon'ble Gujarat High Court challenging the said Order. The Writ Petition was dismissed by Order dated August 14, 2014. SIPL has filed Letter Patents Appeal No.1070 of 2014 before the Division Bench of the Hon'ble Gujarat High Court against the said Order. The Hon'ble Gujarat High Court has by Order dated September 18, 2014 continued the interim Orders passed during the pendency of the Writ Petition and further directed that the proceedings of Company Petition No. 78 of 2013 shall not proceed further. The Letter Patents Appeal is pending hearing before the Hon'ble Gujarat High Court.

Note 6.5 : The Company has determined the recoverable amount of the investment in Bijapur Hungund Tollway Pvt. Ltd. under Ind AS - 36, Impairment of Assets as at December 31, 2017. The said assessment requires significant estimates & judgments to be made by the management with respect to toll rates, traffic estimates, operational costs, inflation adjustments and appropriate discount rates. The Group's management believes that such estimates are reasonable. On a careful evaluation of the aforesaid factors, the Group's management has concluded that the recoverable amount of the investment is higher than the carrying amount & no provision for impairment is considered necessary at this stage.

Note 7 : Other Non current financial assets (Unsecured)

Particulars	As at December 31, 2017 (Ind AS)	As at March 31,2017 (Ind AS)	As at March 31,2016 (Proforma Ind AS)	As at March 31,2015 (Proforma Ind AS)
Non current				
Security deposit / Retention Money	582.94	73.47	35.98	98.45
Fixed Deposits - Maturing after 12 months from reporting date*	6.82	47.05	29.17	34.19
Total	**589.76**	**120.52**	**65.15**	**132.64**

*Above Fixed Deposits made with bank, are given to customers as Security and Earnest Money Deposit and Lien Marked with bank.

Note 7.1 : Refer note 34 for Related party transactions and outstanding balances.

Note 7.2 : Fair value of Security deposit and Retention money is not materially different from the carrying value presented.

Note 7.3 : As at December 31, 2017, the Company has discounted retention money with an aggregate carrying amount of Rs. 187.19 Million (March 31, 2017 Nil, March 31, 2016 Rs. Nil , March 31, 2015 Nil) with an NBFC for cash proceeds of Rs. 186.33 Million (March 31, 2017 Nil, March 31, 2016 Rs. Nil, March 31, 2015 Nil) (net of interest & charges). If the amount is not paid at maturity, the bank has right to request the Company to repay unsettled balance. As the Company has not transferred the significant risk and rewards relating to retention money, it continues to recognized the full carrying amount of the retention money and has recognised the cash received on the transferred as secured borrowings (Refer Note 22).

(Rs. in Million)

Note 8 : Deferred Tax (Assets) / Liabilities (Net)

Particulars	As at December 31, 2017 (Ind AS)	As at March 31,2017 (Ind AS)	As at March 31,2016 (Proforma IND AS)	As at March 31,2015 (Proforma IND AS)
Deferred tax Liabilities				
Excess of depreciation and amortization on fixed assets under income tax law over depreciation and amortization provided in accounts	59.81	63.83	52.76	27.31
Excess of depreciation and amortization on fixed assets under income tax law over depreciation and amortization provided in accounts [Pursuant to the Composite Scheme of Arrangement (Refer note 43)]	-	0.06	-	-
Other Interest Receivable	-	2.45	0.09	0.19
Prepaid Expenses	-	1.27	1.20	1.04
Fair Valuation of financial liabilities	58.05	35.96	46.16	31.93
Less: Deferred Tax Assets				
Provision for Expected Credit Loss	11.00	8.26	4.88	2.32
Provision for Gratuity	13.70	11.76	10.30	4.22
Provision for Compensated absences	8.01	6.14	7.38	1.77
Provision for Bonus	4.88	5.01	3.75	1.92
Interest accrued but not due on Term Loans	-	-	0.78	3.15
Fair Valuation of financial assets	41.44	3.34	2.50	7.08
Unrealised foreign exchange loss	2.66	-	-	-
Unamortised expenditure for Amalgamation u/s 35DD (Refer note 43)	2.39	2.94	0.66	-
MAT Credit Entitlement	339.41	182.13	136.92	-
MAT Credit Entitlement Pursuant to the Composite Scheme of Arrangement (Refer note 43)	-	0.02	-	-
	(305.63)	(116.03)	(66.95)	40.01

Note 9 : Other Non current assets

Particulars	As at December 31, 2017 (Ind AS)	As at March 31,2017 (Ind AS)	As at March 31,2016 (Proforma IND AS)	As at March 31,2015 (Proforma IND AS)
Security deposit	16.02	8.00	6.49	3.87
Advances for capital goods	21.36	18.85	17.01	0.01
Prepaid Expenses	-	-	0.12	-
Advance Income Tax (Net of Provision)	137.19	-	-	-
Total	**174.57**	**26.85**	**23.63**	**3.88**

Note 10 : Inventories (lower of cost and net realisable value)

Particulars	As at December 31, 2017 (Ind AS)	As at March 31,2017 (Ind AS)	As at March 31,2016 (Proforma IND AS)	As at March 31,2015 (Proforma IND AS)
- Construction Material	793.00	793.84	602.39	366.79
- Property Development related Work-in-Progress	431.73	493.80	354.88	250.27
Total	**1,224.73**	**1,287.64**	**957.27**	**617.06**

Note 10.1: Construction material are hypothecated to bank against working capital facility (Refer note 22.1)

Note 11 : Trade receivables

Particulars	As at December 31, 2017 (Ind AS)	As at March 31,2017 (Ind AS)	As at March 31,2016 (Proforma IND AS)	As at March 31,2015 (Proforma IND AS)
Secured, considered good	-	-	-	-
Unsecured, considered good	1,313.47	3,351.29	2,678.51	2,415.33
Doubtful	-	-	-	-
	1,313.47	3,351.29	2,678.51	2,415.33
Allowance for doubtful debts(expected credit loss allowance, Refer note 11.3)	31.78	23.88	14.09	6.83
Total	**1,281.69**	**3,327.41**	**2,664.42**	**2,408.50**

Note 11.1 Fair value of trade receivables is not materially different from the carrying value presented.

Note 11.2 Trade receivables are hypothecated to bank against working capital facility. (Refer note 22.1)

Note 11.3 Expected Credit Loss Allowance.

(a) The Group is having majority of receivables from Government Authorities and regularly receiving dues from its customers. Hence, they are secured from credit losses in the future. Provision for expected delay in realisation in trade receivables beyond contractual terms is determined using a provision matrix which takes into account available external and internal liquidity risk factors including historical credit loss experience and adjusted for forward looking information. The Group uses an estimated economic value based on age of receivables to compute the expected credit loss allowance.

(b) Credit risk / loss arises when a counterparty defaults on its contractual obligations to pay resulting in financial loss to the Group.

Note 11.4 : As at December 31, 2017, the Company has discounted trade receivables with an aggregate carrying amount of Nil (March 31, 2017 Nil, March 31, 2016 Rs. 749.97 Million , March 31, 2015 Nil) with an NBFC for cash proceeds of Rs. Nil (March 31, 2017 Nil, March 31, 2016 Rs. 726.74 Million, March 31, 2015 Nil) (net of interest & charges). If the trade receivables are not paid at maturity, the bank has right to request the Company to repay unsettled balance. As the Company has not transferred the significant risk and rewards relating to trade receivable, it continues to recognized the full carrying amount of the trade receivables and has recognised the cash received on the transferred as secured borrowings (Refer Note 22).

(Rs. in Million)

Provision of Expected Credit Loss Allowances

Particulars	As at December 31, 2017 (Ind AS)	As at March 31,2017 (Ind AS)	As at March 31,2016 (Proforma Ind AS)	As at March 31,2015 (Proforma Ind AS)
At the beginning of the period / year	23.88	14.09	6.83	-
Addition During the Period / year (Refer note 33)	7.91	9.79	7.26	6.83
Provision at the end of the period / year	**31.78**	**23.88**	**14.09**	**6.83**

Note 12 : Cash and Bank Balance

Particulars	As at December 31, 2017 (Ind AS)	As at March 31,2017 (Ind AS)	As at March 31,2016 (Proforma Ind AS)	As at March 31,2015 (Proforma Ind AS)
(A) Cash and Cash Equivalents				
a) Balance with banks				
- In Current Accounts	133.91	66.23	92.19	105.84
- In Cash Credit Accounts	-	-	27.90	-
b) Cash on hand	2.82	2.76	6.84	3.72
Total (A)	**136.73**	**68.99**	**126.93**	**109.56**
(B) Bank balances other than Cash and Cash equivalents				
Fixed Deposits - Maturing within 12 months from reporting date*	116.63	126.73	120.04	76.84
Total (B)	**116.63**	**126.73**	**120.04**	**76.84**
Total (A+B)	**253.36**	**195.72**	**246.97**	**186.41**

*Above Fixed Deposits made with bank is given to customers as Security and Earnest Money Deposit and Lien Marked with bank for working capital facilities.

Note 13 : Other Current financial assets

Particulars	As at December 31, 2017 (Ind AS)	As at March 31,2017 (Ind AS)	As at March 31,2016 (Proforma Ind AS)	As at March 31,2015 (Proforma Ind AS)
Interest accrued but not due on FDR	4.28	1.98	1.33	1.51
Insurance claim receivable	-	31.21	-	-
Unbilled revenue	5,479.50	2,201.92	1,407.84	422.30
Other interest receivable	-	7.07	0.27	0.55
Security deposit/ Retention Money	1,283.05	1,831.79	1,482.27	906.10
Total	**6,766.83**	**4,073.97**	**2,891.71**	**1,330.46**

Note 13.1 Refer note 34 for Related party transactions and outstanding balances.
Note 13.2 Fair value of other current financial are not materially different from the carrying value presented.

Note 14 : Current tax assets (Net)

Particulars	As at December 31, 2017 (Ind AS)	As at March 31,2017 (Ind AS)	As at March 31,2016 (Proforma Ind AS)	As at March 31,2015 (Proforma Ind AS)
Total Current tax assets (Advance Tax & TDS)	319.74	703.82	475.41	344.61
Total Current tax liabilities	-	(335.26)	(309.77)	(332.87)
Current tax assets (Net)	**319.74**	**368.56**	**165.64**	**11.74**

Note 15 : Other current assets

Particulars	As at December 31, 2017 (Ind AS)	As at March 31,2017 (Ind AS)	As at March 31,2016 (Proforma Ind AS)	As at March 31,2015 (Proforma Ind AS)
Prepaid Expenses	94.94	54.81	46.88	36.38
Balance with Government Authorities	696.49	422.35	137.58	108.32
Security deposit	-	2.14	2.24	2.75
Advance to Suppliers	932.45	1,741.70	2,130.15	1,351.19
Other current assets	3.80	1.59	1.86	3.71
Total	**1,727.68**	**2,222.59**	**2,318.71**	**1,502.35**

Note 15.1 Refer note 34 for Related party transactions and outstanding balances.

Annexure V

Notes to Restated Consolidated Financial Information (Rs. in Million)

Note 16 : Share capital

a) Authorized, Issued, Subscribed & Paid up Share Capital

Particulars	As at December 31, 2017 (Ind AS)	As at March 31,2017 (Ind AS)	As at March 31,2016 (Proforma Ind AS)	As at March 31,2015 (Proforma Ind AS)
Authorised:				
82,550,000 Equity shares (March 31, 2017: 82,550,000, March 31, 2016: 80,000,000, March 31, 2015: 20,000,000) of Rs. 10 each	825.50	825.50	800.00	200.00
Issued, Subscribed & fully Paid up :				
64,125,002 Equity shares (March 31, 2017 : 64,125,002 and March 31, 2016: 64,125,000, March 31, 2015: 12,825,000)of Rs. 10 each	641.25	641.25	641.25	128.25
Total	**641.25**	**641.25**	**641.25**	**128.25**

b) Reconciliation of the shares outstanding at the end of the reporting period :

Particulars	As at December 31, 2017 (Ind AS)	As at March 31,2017 (Ind AS)	As at March 31,2016 (Proforma Ind AS)	As at March 31,2015 (Proforma Ind AS)
Equity Shares at the beginning of the year / period	6,41,25,002	6,41,25,000	1,28,25,000	25,65,000
Add: Bonus Shares issued during the year / period	-	-	5,13,00,000	1,02,60,000
Add: Shares Issued pursuant to the Scheme of Arrangement (Refer note 43)	-	3,46,25,002	-	-
Less: Share cancelled pursuant to the Scheme of Arrangement (Refer note 43)	-	(3,46,25,000)	-	-
Equity Shares at the end of the year	**6,41,25,002**	**6,41,25,002**	**6,41,25,000**	**1,28,25,000**

c) Rights of Shareholders and Repayment of Capital

- The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled for one vote per share.

- In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company after distribution to all preferential amounts if any. The distribution will be in proportion to the number of Equity shares held by the share holders.

d) Shares with voting rights held by each share holder holding more than 5% Equity shares of the Company:-

Particulars	As at December 31, 2017 (Ind AS)	As at March 31,2017 (Ind AS)	As at March 31,2016 (Proforma Ind AS)	As at March 31,2015 (Proforma Ind AS)
Kanubhai M. Patel, Brijesh K. Patel & Mrunal K. Patel (On behalf of Kanubhai M. Patel Trust) as on December 31, 2017. Mrunal K Patel (On behalf of Kanubhai M. Patel Trust) as on March 31, 2017.				
No. of Shares	6,40,92,682	6,40,91,960	0.00	0
% of Holding	99.95%	99.95%	0.00%	0.00%
Montecarlo Engineering Pvt. Ltd.*				
No. of Shares	0.00	0.00	1,20,00,000	24,00,000
% of Holding	0.00%	0.00%	18.71%	18.71%
Montecarlo Projects Pvt. Ltd.*				
No. of Shares	0.00	0.00	1,20,00,000	24,00,000
% of Holding	0.00%	0.00%	18.71%	18.71%
Montecarlo Infrastructure Ltd.*				
No. of Shares	0.00	0.00	1,06,25,000	21,25,000
% of Holding	0.00%	0.00%	16.57%	16.57%
Kanubhai M Patel				
No. of Shares	5,720	5,000	98,06,250	19,62,850
% of Holding	0.01%	0.01%	15.29%	15.30%
Brijesh K Patel				
No. of Shares	5,720	5,000	67,17,500	13,43,500
% of Holding	0.01%	0.01%	10.48%	10.48%
Mrunal K Patel				
No. of Shares	5,720	5,000	66,25,250	13,25,050
% of Holding	0.01%	0.01%	10.33%	10.33%
Dinaben K Patel				
No. of Shares	5,720	5,000	63,37,750	12,67,550
% of Holding	0.01%	0.01%	9.88%	9.88%

There are no shares which are reserved to be issued under options and there are no securities issued/ outstanding which are convertible into equity shares.

* Pursuant to Composite Scheme of arrangement between Montecarlo Limited and group companies of Montecarlo Limited namely Montecarlo Engineering Private Limited, Montecarlo Projects Private Limited, Montecarlo Energy Limited and Montecarlo Infrastructure Limited., were merged into Montecarlo Limited effective from appointed date i.e. April 1, 2016. (Refer note 43)

(Rs. in Million)

e) Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date.

Particulars	As at December 31, 2017	As at March 31,2017	As at March 31,2016	As at March 31,2015
Equity shares allotted as fully paid bonus shares #	6,15,60,000	6,15,60,000	6,15,60,000	1,02,60,000

Subsequent to December 31, 2017, the Company issued 21,375,001 bonus shares to the existing share holders in the ratio of 1 share for every 3 shares held by the existing share holders.

During the year ended on March 31, 2016, the Company issued 51,300,000 bonus shares to existing shareholders in the ratio of 4 shares for every 1 share held by them.

During the year ended on March 31, 2015, the Company issued 10,260,000 bonus shares to existing shareholders in the ratio of 4 shares for every 1 share held by them.

Note 17 : Other Equity

Particulars	As at December 31, 2017 (Ind AS)	As at March 31,2017 (Ind AS)	As at March 31,2016 (Proforma Ind AS)	As at March 31,2015 (Proforma Ind AS)
(a) Retained earnings				
Profit & loss	1,885.81	1,474.04	1,198.93	583.36
Total Retained Earnings	**1,885.81**	**1,474.04**	**1,198.93**	**583.36**
(b) Other Reserves				
(i) General reserve	2,218.30	2,218.30	1,562.00	1,375.00
(ii) Equity security premium	-	-	29.25	29.25
(ii) Debenture Redemption Reserve	225.00	-	-	-
Total Other Reserves	**2,443.30**	**2,218.30**	**1,591.25**	**1,404.25**
Total (a+b)	**4,329.11**	**3,692.34**	**2,790.18**	**1,987.61**
17 (a) Retained earnings				
- Balance at the beginning of the year	1,474.04	1,198.93	583.36	1,070.63
- Adjustment to the opening balance of retained earning (Refer Annexure VIII)	-	-	107.96	(570.02)
- Profit attributable to owners of the Company	635.97	1,259.10	1,211.10	487.91
- Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	0.80	7.70	(3.50)	(3.20)
- Transfer to Debenture Redemption Reserve	(225.00)	-	-	-
- Transfer to General Reserve	-	(1,000.00)	(700.00)	(400.00)
- Adjustment relating to fixed assets (Refer note 5)	-	-	-	(1.96)
- Profit received as per Scheme of Arrangement (Refer note 43)	-	8.31	-	-
Balance at the end of the year	**1,885.81**	**1,474.04**	**1,198.93**	**583.36**
17 (b) (i) General Reserve				
Balance at the beginning of the year	2,218.30	1,562.00	1,375.00	975.00
Utilized during the year for Scheme of Arrangement (Refer note 43)	-	(343.70)	-	-
Issue of share capital	-	-	(513.00)	-
Addition on account of transfer from profit for the year	-	1,000.00	700.00	400.00
Balance at the end of the year	**2,218.30**	**2,218.30**	**1,562.00**	**1,375.00**
The General reserve is used from time to time to transfer profits from retained earning for appropriation purposes.				
17 (b) (ii) Equity share premium				
Balance at the beginning of the year	-	29.25	29.25	131.85
Issue of share capital	-	-	-	(102.60)
Utilized during the year for Scheme of Arrangement (Refer note 43)	-	(29.25)	-	-
Balance at the end of the year	**-**	**-**	**29.25**	**29.25**
17 (b) (iii) Debenture Redemption Reserve				
Balance at the beginning of the year	-	-	-	-
Addition on account of transfer from profit for the year as per provisions of the Companies Act, 2013	225.00	-	-	-
Balance at the end of the year	**225.00**	**-**	**-**	**-**

a) The Company has issued redeemable non-convertible debentures and created DRR out of the profits of the Company in terms of the Companies (Share capital and Debenture) Rules, 2014 (as amended). The Company is required to maintain a DRR of 25% of the value of debentures issued, either by a public issue or on a private placement basis. The amounts credited to the DRR may not be utilised by the Company except to redeem debenture.

b) The Company has given effects of Ind AS transition adjustments pertaining to BHTPL (Associate company) in Consolidated Retained Earning as April 1, 2015.

Annexure V
Notes to Restated Consolidated Financial Information (Rs. in Million)

Note 18 : Long Term Borrowings

Particulars	As at December 31, 2017 (Ind AS)	As at March 31,2017 (Ind AS)	As at March 31,2016 (Proforma Ind AS)	As at March 31,2015 (Proforma Ind AS)
a) Secured 9.75% Redeemable Non Convertible Debenture (Refer note 18.1)	720.00	-	-	-
b) Secured-Term loan from banks (Refer note 18.2)	258.51	457.58	603.16	723.27
c) Secured-Term loan from Financial Institutions (Refer note 18.2)	150.56	223.80	379.17	611.48
Total	**1,129.07**	**681.38**	**982.33**	**1,334.75**

Note 18.1 Secured 9.75% Redeemable Non Convertible Debenture

Face Value per debenture (Rs.)	Date of allotment	Interest %
Rs. 1,000,000	31.Jul.17	9.75%. P.a.

Repayment Details:

Series of NCDs	No. of NCDs issued	Date of redemption
975ML18	180	31.Jul.18
975ML19	180	31.Jul.19
975ML20	270	31.Jul.20
975ML21	270	30.Jul.21

(a) Debentures redeemable within a period of one year of Rs. 180.00 Million are shown under 'Current Maturity of Long Term Borrowings '(Refer No 24 'Other Current Financial Liabilities')

(b) The Debentures are secured by :

(i) First ranking exclusive charge, created by way of hypothecation over the unenccumbered construction equipments, vehicles and other movable assets.

(ii) Unconditional, irrevocable and continuing personal guarantee from Mr. Kanubhai Mafatlal Patel, Mr. Brijesh Kanubhai Patel & Mr. Mrunal Kanubhai Patel.

(c) Fair value of long term borrowings are not materially different from the carrying value presented.

Annexure V
Notes to Restated Consolidated Financial Information

Note 18.2 Long Term Borrowings - Term loans from banks and financial institution (including current maturities) as at December 31, 2017

Secured Loans

(Rs. in Million)

Sr. No.	Lender	Nature of facility	No. of Outstanding Loans	Loan currency	Amount Sanctioned	Amount Outstanding	Rate of Interest (p.a)	Balance No. of installments as at December 31, 2017	Frequency of Installments
1	Axis Bank Ltd.	Vehicle Loan	4	INR	2.83	1.39	9.65% - 9.75%	15-18	Monthly
2	Axis Bank Ltd.	Construction Equipment Loan	23	INR	95.78	53.54	8.25% - 10.50%	9-47	Monthly
3	Cholamandalam Investment And Finance Company Ltd.	Construction Equipment Loan	6	INR	41.04	10.93	10..21%	11	Monthly
4	Daimler Financial Services India Pvt.	Construction Equipment Loan	22	INR	70.67	69.42	7.03% - 7.75%	33-47	Monthly
5	HDB Financial Services Ltd.	Construction Equipment Loan	17	INR	47.28	29.11	8.69% - 10.50%	25-30	Monthly
6	HDFC Bank Ltd.	Construction Equipment Loan	56	INR	541.00	155.88	8.16% - 10.03%	3-46	Monthly
7	ICICI Bank Ltd.	Vehicle Loan	73	INR	63.32	39.19	8.36% - 10.26%	2-48	Monthly
8	ICICI Bank Ltd.	Construction Equipment Loan	15	INR	125.51	23.09	9.05% - 10.83%	8-47	Monthly
9	Kotak Mahindra Bank Ltd.	Construction Equipment Loan	22	INR	229.57	113.70	7.51% - 10.78%	7-47	Monthly
10	Kotak Mahindra Prime Ltd.	Vehicle Loan	1	INR	12.00	4.24	9.54%	15	Monthly
11	Magma Fincorp Ltd.	Construction Equipment Loan	3	INR	23.26	5.01	9.50%	9	Monthly
12	Srei Equipment Finance Ltd.	Construction Equipment Loan	32	INR	176.63	61.74	9% - 11%	6-32	Monthly
13	State Bank of India	Vehicle Loan	1	INR	23.30	20.41	8.45%	51	Monthly
14	Sundaram Finance Ltd.	Construction Equipment Loan	26	INR	54.67	34.31	7.92% - 10.01%	24-37	Monthly
15	Tata Capital Financial Services Ltd.	Construction Equipment Loan	13	INR	41.34	29.11	8.74% - 10.01%	25-39	Monthly
16	Tata Motors Finance Ltd.	Construction Equipment Loan	10	INR	23.91	19.87	7.70% - 9.35%	24-39	Monthly
17	Volkswagen Finance Pvt Ltd.	Vehicle Loan	1	INR	3.00	0.18	9.56%	2	Monthly
18	Yes Bank Ltd.	Construction Equipment Loan	15	INR	134.38	77.60	10.25% - 12.50%	13-29	Monthly
	Total :				**1,709.47**	**748.73**			

(i) All above Secured Loans are secured by exclusive charge on respective Vehicle and/or Construction Equipment. Also the Personal Guarantee of our Promoter Mr. Kanubhai M Patel, Mr. Brijesh K Patel and Mr. Mrunal K Patel on respective secured loan were obtained.

Unsecured Loan

1	Tata Capital Financial Services Ltd.	Construction Equipment Loan	1	INR	50.00	27.27	9.75%	7	Monthly

(i) For the above Unsecured Loan, Personal Guarantee of our Promoter Mr. Mrunal K Patel was obtained.

Annexure V

Notes to Restated Consolidated Financial Information (Rs. in Million)

Note 19 : Other Non current financial liabilities

Particulars	As at December 31, 2017 (Ind AS)	As at March 31,2017 (Ind AS)	As at March 31,2016 (Proforma Ind AS)	As at March 31,2015 (Proforma Ind AS)
Deposits from vendor	757.94	368.59	549.23	328.34
Total	**757.94**	**368.59**	**549.23**	**328.34**

Note 19.1 Refer note 34 for Related party transactions and outstanding balances.
Note 19.2 Fair value of deposits from vendor is not materially different from the carrying value presented.

Note 20 : Long term provisions

Particulars	As at December 31, 2017 (Ind AS)	As at March 31,2017 (Ind AS)	As at March 31,2016 (Proforma Ind AS)	As at March 31,2015 (Proforma Ind AS)
Provision for Gratuity (Refer note 36)	17.89	16.16	1.15	3.60
Provision for Compensated Absences (Refer note 36)	16.84	13.66	18.22	4.54
Total	**34.73**	**29.82**	**19.37**	**8.14**

Note 21 : Other Non current liabilities

Particulars	As at December 31, 2017 (Ind AS)	As at March 31,2017 (Ind AS)	As at March 31,2016 (Proforma Ind AS)	As at March 31,2015 (Proforma Ind AS)
Advances from customers	302.75	2,052.80	1,453.61	1,815.68
	302.75	**2,052.80**	**1,453.61**	**1,815.68**

Note 22 : Short term borrowings

Particulars	As at December 31, 2017 (Ind AS)	As at March 31,2017 (Ind AS)	As at March 31,2016 (Proforma Ind AS)	As at March 31,2015 (Proforma Ind AS)
Secured - borrowings from banks (Refer note 22.1)	2,240.61	1,963.02	1,691.52	1,262.88
Unsecured - borrowings from banks	0.08	150.00	-	-
Secured - borrowings from others (Refer note 22.1)	187.43	-	743.67	-
Loan from Directors	0.25	-	-	-
Total	**2,428.37**	**2,113.02**	**2,435.19**	**1,262.88**

Montecarlo Limited

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Notes to Restated Consolidated Financial Information

Note 22.1 : Short term borrowings as on December 31, 2017

(Rs. in Million)

Sr. No.	Lender	Nature of Facility	Loan Currency	Amount Sanctioned	Amount Outstanding	Rate of Intrest (p.a)	Mode Of Repayment
1	Bank of Baroda	Cash Credit	INR	200.00	0.05	10.15%	Repayable on demand
2	IDBI Bank	Cash Credit	INR	400.00	4.01	11.35%	Repayable on demand
3	IDFC Bank	Cash Credit	INR	250.00	194.61	10.10%	Repayable on demand
4	Indian Overseas Bank	Cash Credit	INR	450.00	374.35	11.20%	Repayable on demand
5	Karur Vysya Bank	Cash Credit	INR	100.00	47.56	11.00%	Repayable on demand
6	Oriental Bank of Commerce	Cash Credit	INR	600.00	487.09	10.95%	Repayable on demand
7	RBL Bank	Cash Credit	INR	410.00	391.70	9.95%	Repayable on demand
8	State Bank of India	Cash Credit	INR	350.00	141.26	9.90%	Repayable on demand
9	Karur Vysya Bank	WCDL	INR	150.00	150.00	8.90%	Repayable within 90 days from drawdown
10	State Bank of India	WCDL	INR	450.00	450.00	8.50%	Repayable within 90 days from drawdown
11	India Factoring and Finance Solutions Pvt. Ltd.	Factoring	INR	200.00	187.43	11.25%	Repayable within 120 days from drawdown
	Total :			**3,560.00**	**2,428.04**		

(i) All above Cash Credit Limits are subject to Annual Renewal.
(ii) All WCDL limits above are sub-limit of Cash Credit Limits.
(iii) Primary Security: Secured by Hypothecation of receivables, Inventories and other current assets as per the sanctions of member banks in the consortium.
(iv) Collateral Security : First paripassu charge by equitable mortgage on the immovable properties described below:
- Properties of the Company, mainly Corporate Office having Unit No.706 to 709 situated at Shilp Building, Near Municipal Market, C.G. Road, Navrangpura, Ahmedabad.
- Personal Properties of Promoters and Others

(v) Personal Guarantee: (A) Promoters of the Company and (B) Property Owner of Immovable Properties provided as collateral Security.

Note 22.2 Fair value of short term borrowings are not materially different from the carrying value presented.

Annexure V

Notes to Restated Consolidated Financial Information (Rs. in Million)

Note 23 : Trade payables

Particulars	As at December 31, 2017 (Ind AS)	As at March 31,2017 (Ind AS)	As at March 31,2016 (Proforma Ind AS)	As at March 31,2015 (Proforma Ind AS)
(a) To Micro, Small and Medium Enterprises (Refer note 23.2)	-	-	-	-
(b) Others	3,185.37	3,091.59	2,584.36	1,303.08
	3,185.37	**3,091.59**	**2,584.36**	**1,303.08**

Note 23.1 : Trade Payable are payable on account of goods purchased and services availed in the normal course of business.

Note 23.2 : Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from 2 October 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with the Management, there are no Micro, Small and Medium Enterprises, to whom the Company owes dues (including interest on outstanding dues) which are outstanding as at balance sheet date.

Note 23.3 : Refer note 34 for Related party transactions and outstanding balances.

Note 23.4 Fair value of trade payables are not materially different from the carrying value presented.

Note 24 : Other current financial liabilities

Particulars	As at December 31, 2017 (Ind AS)	As at March 31,2017 (Ind AS)	As at March 31,2016 (Proforma Ind AS)	As at March 31,2015 (Proforma Ind AS)
Current maturities of long term borrowings (Secured) (Refer note 18.2)				
- From Banks	226.30	444.37	350.82	267.74
- From Financial institutions	113.36	295.89	293.66	252.70
- Non Convertible Debentures	180.00	-	-	-
Current maturities of long term borrowings from Financial institutions (Unsecured) (Refer note 18.2)	27.27	-	-	-
Employee related dues	86.33	79.66	73.68	56.94
Capital creditors and other payables	18.89	90.61	26.69	19.92
Deposit from vendor	613.15	936.03	257.92	170.35
Interest Accrued but not due	80.90	7.79	10.58	14.04
Total	**1,346.20**	**1,854.35**	**1,013.35**	**781.69**

Note 24.1 Refer note 34 for Related party transactions and outstanding balances.

Note 25 : Short term provisions

Particulars	As at December 31, 2017 (Ind AS)	As at March 31,2017 (Ind AS)	As at March 31,2016 (Proforma Ind AS)	As at March 31,2015 (Proforma Ind AS)
Provision for Gratuity (Refer note 36)	21.70	17.82	28.61	8.81
Provision for Compensated Absences (Refer note 36)	6.31	4.07	3.09	0.66
Total	**28.01**	**21.89**	**31.70**	**9.47**

Note 26 : Other current liabilities

Particulars	As at December 31, 2017 (Ind AS)	As at March 31,2017 (Ind AS)	As at March 31,2016 (Proforma Ind AS)	As at March 31,2015 (Proforma Ind AS)
Statutory liabilities	70.61	151.29	23.30	17.56
Advances from customers	1,174.25	131.43	92.84	-
Total	**1,244.86**	**282.72**	**116.14**	**17.56**

Note 27 : Revenue from Operations

Particulars	For the period ended December 31, 2017 (Ind AS)	For the year ended March 31, 2017 (Ind AS)	For the year ended March 31, 2016 (Proforma Ind AS)	For the year ended March 31, 2015 (Proforma Ind AS)
Contract Revenue *	13,011.34	19,778.23	16,827.00	10,099.69
Revenue from Property Development	136.18	-	-	-
Total	**13,147.52**	**19,778.23**	**16,827.00**	**10,099.69**
Other operating revenue				
Scrap sales	24.97	4.97	-	-
Other revenue	30.26	18.34	15.67	14.30
Total	55.23	23.31	15.67	14.30
Total Revenue from Operations	**13,202.75**	**19,801.54**	**16,842.67**	**10,113.99**

* Contract Revenue includes net effect of changes in unbilled revenue at the beginning and end of the period / year.

(Rs. in Million)

Note 28 : Other Income

Particulars	For the period ended December 31, 2017 (Ind AS)	For the year ended March 31, 2017 (Ind AS)	For the year ended March 31, 2016 (Proforma Ind AS)	For the year ended March 31, 2015 (Proforma Ind AS)
Interest on Deposits with Banks	6.77	11.88	9.43	8.92
Other Interest	3.65	14.94	0.64	28.59
Interest Income on Retention monies	62.13	-	54.35	-
Other Non-Operating Income	6.20	44.23	49.60	10.48
Net gain on account of foreign exchange fluctuation	-	7.14	-	1.65
Total	**78.75**	**78.19**	**114.02**	**49.64**

Note 29 : Changes in inventories of work-in-progress

Particulars	For the period ended December 31, 2017 (Ind AS)	For the year ended March 31, 2017 (Ind AS)	For the year ended March 31, 2016 (Proforma Ind AS)	For the year ended March 31, 2015 (Proforma Ind AS)
Property Development related Work-in-Progress				
Opening Balance	493.80	337.46	250.27	182.03
Closing Balance	431.73	493.80	337.46	250.27
Changes In Inventories:	**62.07**	**(156.35)**	**(87.19)**	**(68.24)**

Note 30 : Construction Expenses

Particulars	For the period ended December 31, 2017 (Ind AS)	For the year ended March 31, 2017 (Ind AS)	For the year ended March 31, 2016 (Proforma Ind AS)	For the year ended March 31, 2015 (Proforma Ind AS)
Sub-contracting expense	6,875.79	10,059.90	8,882.83	4,727.68
Consumption of Construction Material	1,739.97	3,233.70	2,053.51	1,421.88
Camp and Site Expenses	46.68	109.96	120.29	25.72
Running & Maintenance of Plant and Machinery	1,552.11	2,141.71	1,866.75	1,247.66
Stores Expense	222.95	385.63	379.40	250.49
Hiring Expense	30.97	98.55	101.38	62.23
Transport Expense	23.80	38.70	39.02	29.91
Total	**10,492.27**	**16,068.15**	**13,443.18**	**7,765.57**

Note 30.1 Refer note 34 for Related party transactions.

Note 31 : Employee Benefits Expenses

Particulars	For the period ended December 31, 2017 (Ind AS)	For the year ended March 31, 2017 (Ind AS)	For the year ended March 31, 2016 (Proforma Ind AS)	For the year ended March 31, 2015 (Proforma Ind AS)
Salaries, Wages and Bonus	743.67	925.25	859.68	448.36
Contributions to Provident and other fund	41.38	42.86	28.27	12.45
Gratuity expense (Refer note 36)	8.64	16.41	12.83	2.72
Staff Welfare Expenses	61.97	75.98	74.57	49.46
Total	**855.66**	**1,060.50**	**975.35**	**512.99**

Note 31.1 Refer note 34 for Related party transactions.

Note 32 : Finance Costs

Particulars	For the period ended December 31, 2017 (Ind AS)	For the year ended March 31, 2017 (Ind AS)	For the year ended March 31, 2016 (Proforma Ind AS)	For the year ended March 31, 2015 (Proforma Ind AS)
Interest on Working Capital Facilities	148.86	226.71	197.41	207.93
Interest on long term borrowings	78.31	158.83	181.44	126.36
Interest on Loans from Related Parties	7.47	16.25	11.91	-
Other Interest expense	88.18	-	-	3.37
Other Borrowing Costs	65.28	82.75	44.98	39.61
Interest expense on Retention monies	109.73	31.88	-	16.65
Total	**497.84**	**516.42**	**435.74**	**393.92**

Note 32.1 Refer note 34 for Related party transactions

Annexure V
Notes to Restated Consolidated Financial Information (Rs. in Million)

Note 33 : Other Expenses

Particulars	For the period ended December 31, 2017 (Ind AS)	For the year ended March 31, 2017 (Ind AS)	For the year ended March 31, 2016 (Proforma Ind AS)	For the year ended March 31, 2015 (Proforma Ind AS)
Payment to Auditors (Refer note 42)	3.70	3.86	2.86	2.25
Rent	38.02	50.28	38.28	30.14
Rates and Taxes	23.39	57.52	50.84	93.72
Insurance	40.09	41.39	24.00	22.34
Service tax	10.76	6.70	3.28	1.13
Business Promotion expenses	2.66	2.37	9.76	2.38
Repair & Maintenance expense	33.11	38.47	25.88	21.06
Communication Expenses	4.49	6.95	4.32	5.33
Travelling and Conveyance	19.69	25.51	19.64	18.98
Legal and Professional Charges	73.29	116.85	95.96	52.44
Donations	1.26	0.76	1.25	7.88
Corporate social responsibility expenses (Refer note 37)	11.57	20.88	13.40	9.06
Bank Charges	15.37	5.44	4.57	13.22
Net loss on sale / disposal of Property, Plant and Equipment	10.26	1.32	1.53	120.81
Stationery & Printing Expenses	8.44	6.15	5.68	6.32
Gain/Loss on Foreign Currency Transaction	7.68	-	-	-
Provision for Doubtful debts / Written Off	16.11	-	-	-
Provision for Expected Credit Loss on Receivables (Refer note 11)	7.91	9.79	7.26	6.83
Tender fees	12.05	34.49	3.70	4.67
Miscellaneous Expenses	21.09	29.83	49.25	26.66
Total	**360.94**	**458.56**	**361.46**	**445.22**

Note 33.1 Refer note 34 for Related party transactions

Montecarlo Limited

Annexure V
Notes to Restated Consolidated Financial Information

Note 34 Related Party Transactions

Following is the list of related parties with whom the Group has entered into transactions during the period: (Rs. in Million)

Particulars	For the period ended December 31, 2017	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015
Controlling Entity	Kanubhai M. Patel Trust	Kanubhai M. Patel Trust	-	-
Associate Company	Bijapur Hungund Tollway Private Limited (BHTPL)	Bijapur Hungund Tollway Private Limited (BHTPL)	Bijapur Hungund Tollway Private Limited (BHTPL)	Bijapur Hungund Tollway Private Limited (BHTPL)
Key Management Personnel (KMP)	Kanubhai M. Patel (Director)	Kanubhai M. Patel (Director)	Kanubhai M. Patel (Director)	Kanubhai M. Patel (Director)
	Brijesh K. Patel (Director)	Brijesh K. Patel (Director)	Brijesh K. Patel (Director)	Brijesh K. Patel (Director)
	Mrunal K. Patel (Director)	Mrunal K. Patel (Director)	Mrunal K. Patel (Director)	Mrunal K. Patel (Director)
	Naresh P. Suthar (Director)	Naresh P. Suthar (Director)	Naresh P. Suthar (Director)	Naresh P. Suthar (Director)
	Suhas V. Joshi (Director)	Suhas V. Joshi (Director)	Suhas V. Joshi (Director)	Suhas V. Joshi (Director)
	Ajay V. Mehta (Independent Director)	Ajay V. Mehta (Independent Director)	Ajay V. Mehta (Independent Director)	Ajay V. Mehta (Independent Director)
	Ketan H. Mehta (Independent Director)	Ketan H. Mehta (Independent Director)	Ketan H. Mehta (Independent Director)	Ketan H. Mehta (Independent Director)
	Ms. Malini Ganesh (Independent Director)	Ms. Malini Ganesh (Independent Director)	Ms. Malini Ganesh (Independent Director)	Ms. Malini Ganesh (Independent Director)
	Dipak K. Palkar (Independent Director w.e.f February 17, 2018)	-	-	-
	Dinesh B. Patel (Independent Director w.e.f February 17, 2018)	-	-	-
	Nigam G. Shah (Chief Financial Officer)	Nigam G. Shah (Chief Financial Officer)	Nigam G. Shah (Chief Financial Officer)	-
	Kalpesh P. Desai (Company Secretary)	Kalpesh P. Desai (Company Secretary) (w.e.f. June 1, 2016)	Parthiv P. Parikh (Company Secretary) (w.e.f. June 1, 2015 to December 31, 2015)	Gunjan M. Tank (Company Secretary) (upto March 7, 2015)
Relatives of KMP	Kanubhai M. Patel (HUF)	Kanubhai M. Patel (HUF)	Kanubhai M. Patel (HUF)	Kanubhai M. Patel (HUF)
	Dinaben K. Patel (Wife of Kanubhai M. Patel)	Dinaben K. Patel (Wife of Kanubhai M. Patel)	Dinaben K. Patel (Wife of Kanubhai M. Patel)	Dinaben K. Patel (Wife of Kanubhai M. Patel)
	Alpaben B. Patel (Wife of Brijesh K. Patel)	Alpaben B. Patel (Wife of Brijesh K. Patel)	Alpaben B. Patel (Wife of Brijesh K. Patel)	Alpaben B. Patel (Wife of Brijesh K. Patel)
	Jankiben M. Patel (Wife of Mrunal K. Patel)	Jankiben M. Patel (Wife of Mrunal K. Patel)	Jankiben M. Patel (Wife of Mrunal K. Patel)	Jankiben M. Patel (Wife of Mrunal K. Patel)
Enterprises over which KMP and/or Relatives of KMP are able to exercise significant Influence	-	Montecarlo Infrastructure Limited(*)	Montecarlo Infrastructure Limited	Montecarlo Infrastructure Limited
	-	Montecarlo Projects Private Limited(*)	Montecarlo Projects Private Limited	Montecarlo Projects Private Limited
	-	Montecarlo Engineering Private Limited(*)	Montecarlo Engineering Private Limited	Montecarlo Engineering Private Limited
	Montecarlo Charitable Trust	Montecarlo Charitable Trust	Montecarlo Charitable Trust	Montecarlo Charitable Trust
	Montecarlo Realty LLP (Formerly known as Montecarlo Realty Limited)	Montecarlo Realty LLP (Formerly known as Montecarlo Realty Limited)	Montecarlo Realty Limited	Montecarlo Realty Limited
	-	Montecarlo Energy Private Limited(*)	Montecarlo Energy Private Limited	Montecarlo Energy Private Limited
	Montecarlo Asset Holdings LLP (Formerly known as Montecarlo Construction Private Limited)	Montecarlo Construction LLP (Formerly known as Montecarlo Construction Private Limited)	Montecarlo Construction Private Limited	Montecarlo Construction Private Limited
	Kanubhai M. Patel Trust	Kanubhai M. Patel Trust	-	-
	Nitin Construction Limited	Nitin Construction Limited	Nitin Construction Limited	Nitin Construction Limited

(*) These companies have merged with Montecarlo Ltd. as per the Scheme of Arrangement approved by the Honourable Gujarat High Court. (Refer note 43)

Related Party Transactions : Associate Company

Particulars	For the period ended December 31, 2017	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015
Sub-ordinate debt returned back (Refer note 6)	66.70	-	-	-

Annexure V
Notes to Restated Consolidated Financial Information

Note 34 Related Party Transactions
Investment (other equity) : Associate Company

Particulars	As at December 31, 2017	As at		
		March 31, 2017	March 31, 2016	March 31, 2015
- Bijapur Hungund Tollway Private Limited (Refer note 6)	185.38	252.08	252.08	252.08

Related Party Transactions : Key Management Personnel

Particulars	For the period ended December 31, 2017	For the year ended		
		March 31, 2017	March 31, 2016	March 31, 2015
Remuneration				
Kanubhai M. Patel	20.70	27.60	39.30	27.60
Brijesh K. Patel	13.50	18.00	24.04	18.00
Mrunal K. Patel	13.50	18.00	24.04	18.00
Naresh P. Suthar	4.77	5.84	4.80	4.80
Suhas V. Joshi	4.77	6.19	5.86	5.86
Nigam G. Shah	3.38	3.75	3.02	-
Gunjan M. Tank	-	-	-	0.53
Parthiv P. Parikh	-	-	0.98	-
Kalpesh P. Desai	1.28	1.30	-	-
Sitting fees				
Ajay V. Mehta (Independent Director)	0.20	0.20	0.50	-
Ketan H. Mehta (Independent Director)	0.30	0.40	0.60	-
Ms. Malini Ganesh (Independent Director)	0.30	0.40	0.50	-
Interest Expense				
Kanubhai M. Patel	0.16	0.14	0.35	-
Brijesh K. Patel	2.40	6.47	4.87	-
Mrunal K. Patel	4.92	9.64	6.69	-
Rent				
Kanubhai M. Patel	1.50	1.76	1.60	1.45
Brijesh K. Patel	1.50	1.76	1.60	1.45
Mrunal K. Patel	0.05			
Loans from Key management personnel				
Kanubhai M. Patel	8.11	3.56	14.40	-
Brijesh K. Patel	104.34	220.74	183.30	-
Mrunal K. Patel	184.40	325.30	240.50	-
Loans Repaid during the year				
Kanubhai M. Patel	8.10	3.56	14.40	-
Brijesh K. Patel	104.30	220.74	183.30	-
Mrunal K. Patel	184.20	325.30	240.50	-
Closing Balances of Loans				
Kanubhai M. Patel	0.01	-	-	-
Brijesh K. Patel	0.04	-	-	-
Mrunal K. Patel	0.20	-	-	-
Maximum balance of loan outstanding from Key management personnel				
Kanubhai M. Patel	4.90	3.00	11.00	-
Brijesh K. Patel	52.50	58.20	43.90	-
Mrunal K. Patel	79.00	86.70	73.90	-

Salary payable : Key Management Personnel	As at December 31, 2017	As at		
		March 31, 2017	March 31, 2016	March 31, 2015
Kanubhai M. Patel	1.50	1.68	1.38	1.04
Brijesh K. Patel	0.99	0.44	-	0.49
Mrunal K. Patel	0.99	0.00	-	0.21
Naresh P. Suthar	-	0.15	0.27	1.26
Suhas V. Joshi	0.37	0.33	0.36	0.37
Nigam G. Shah	0.28	0.30	0.23	-
Kalpesh P. Desai	0.11	0.13	-	-

Annexure V
Notes to Restated Consolidated Financial Information

Note 34 Related Party Transactions

Bonus payable	As at December 31, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
Nigam G. Shah	0.08	0.08	0.06	-
Kalpesh P. Desai	0.03	0.03	-	-

Related Party Transactions : Relatives of KMP

Particulars	For the period ended December 31, 2017	For the year ended		
		March 31, 2017	March 31, 2016	March 31, 2015
Salary				
Alpaben B. Patel	0.62	0.84	0.85	0.84
Jankiben M. Patel	0.62	0.84	0.86	0.84
Rent				
Kanubhai M. Patel HUF	0.51	0.80	0.73	0.66

Amount payable : Relatives of KMP

Particulars	As at December 31, 2017	As at		
		March 31, 2017	March 31, 2016	March 31, 2015
Salary				
Alpaben B. Patel	0.06	0.05	0.04	0.05
Jankiben M. Patel	0.06	0.05	0.05	0.04

Related Party Transactions : Enterprises over which KMP and/or Relatives of KMP are able to exercise significant Influence

Particulars	For the period ended December 31, 2017	For the year ended		
		March 31, 2017	March 31, 2016	March 31, 2015
Interest Paid				
Montecarlo Projects Private Limited	-	-	-	8.36
Donation				
Montecarlo Charitable Trust	1.27	1.67	0.94	0.17
Loans taken from Enterprises				
Montecarlo Projects Private Limited	-	-	-	312.05
Loans Repaid during the year				
Montecarlo Projects Private Limited	-	-	-	312.05
Sub-contract Expense				
Nitin Construction Limited	3.16	5.00	47.73	103.97
Particulars	**As at December 31, 2017**	**As at**		
		March 31, 2017	**March 31, 2016**	**March 31, 2015**
Rent paid / payable				
Montecarlo Infrastructure Limited	-	-	0.11	-
Montecarlo Realty LLP (Formerly known as Montecarlo Realty Limited)	3.20	-	-	-
Montecarlo Asset Holdings LLP (Formerly known as Montecarlo Construction Private Limited)	0.45	-	-	-
Rent received				
Montecarlo Realty LLP (Formerly known as Montecarlo Realty Limited)	-	-	0.14	-
Security deposit Retained During the year				
Nitin Construction Limited	0.54	0.25	2.76	8.94
Security deposit Released During the year				
Jenil Corporation	-	-	-	0.10
Nitin Construction Limited	-	2.35	5.93	3.42

Annexure V
Notes to Restated Consolidated Financial Information

Note 34 Related Party Transactions

Advance to Party	For the period ended	For the year ended		
Nitin Construction Limited	**December 31, 2017**	**March 31, 2017**	**March 31, 2016**	**March 31, 2015**
Opening balance of advance to party	0.40	-	-	1.70
Advance given to party during the year	1.90	0.98	3.50	63.73
Advance recovered during the year	1.15	0.58	3.50	65.43
Closing balance of Advance	1.15	0.40	-	-

Outstanding balances receivable	As at	As at		
	December 31, 2017	**March 31, 2017**	**March 31, 2016**	**March 31, 2015**
Montecarlo Asset Holdings LLP (Formerly known as Montecarlo Construction Private	88.20	139.33	-	-

Outstanding balances payable / (receivable)	As at	As at		
	December 31, 2017	**March 31, 2017**	**March 31, 2016**	**March 31, 2015**
Nitin construction (Trade payable)	1.55	1.18	1.61	(0.42)
Nitin construction (Security deposit)	1.03	0.87	2.97	5.93
Montecarlo Realty LLP (Formerly known as Montecarlo Realty Limited)	1.64	(2.19)	(0.14)	-

Note 34.1 The amounts outstanding are unsecured and will be settled in cash or kind, for which no guarantees have been given or received. No expense has been recognised in current or prior years for bad or doubtful debts in respect of the amounts owed by related parties.

Note 34.2 The Company is Sponsor for the projects BOT Project of BHTPL (23% stake), where necessary Sponsor's Undertaking were provided.

Note 34.3 In addition to the transactions and balances mentioned above, refer note 43 for transactions with related parties pursuant to the scheme of arrangement.

 (Rs. in Million)

Note 35 - Financial Instruments and Fair Value Measurement

A Categories of Financial Instruments

Particulars	Amount as at December 31, 2017			
	Fair Value through Profit & Loss	Fair Value through Other Comprehensive Income	Amortised Cost	Total
Financial assets				
(i) Investments	-	-	22.48	22.48
(ii) Trade receivables	-	-	1,281.69	1,281.69
(iii) Cash and cash equivalents	-	-	136.73	136.73
(iv) Other financial assets	-	-	7,356.59	7,356.59
(v) Bank balance other than (iii) above	-	-	116.63	116.63
Total	**-**	**-**	**8,914.12**	**8,914.12**
Financial liabilities				
(i) Trade payables	-	-	3,185.37	3,185.37
(ii) Borrowings	-	-	4,104.37	4,104.37
(iii) Other financial liabilities	-	-	1,557.21	1,557.21
Total	**-**	**-**	**8,846.95**	**8,846.95**

Particulars	Amount as at March 31, 2017			
	Fair Value through Profit & Loss	Fair Value through Other Comprehensive Income	Amortised Cost	Total
Financial assets				
(i) Investments	-	-	167.68	167.68
(ii) Trade receivables	-	-	3,327.41	3,327.41
(iii) Cash and cash equivalents	-	-	68.99	68.99
(iv) Other financial assets	-	-	4,194.49	4,194.49
(v) Bank balance other than (iii) above	-	-	126.73	126.73
Total	**-**	**-**	**7,885.30**	**7,885.30**
Financial liabilities				
(i) Trade payables	-	-	3,091.59	3,091.59
(ii) Borrowings	-	-	3,534.65	3,534.65
(iii) Other financial liabilities	-	-	1,482.68	1,482.68
Total	**-**	**-**	**8,108.93**	**8,108.93**

Particulars	Amount as at March 31, 2016			
	Fair Value through Profit & Loss	Fair Value through Other Comprehensive Income	Amortised Cost	Total
Financial assets				
(i) Investments	-	-	226.06	226.06
(ii) Trade receivables	-	-	2,664.42	2,664.42
(iii) Cash and cash equivalents	-	-	126.93	126.93
(iv) Other financial assets	-	-	2,956.86	2,956.86
(v) Bank balance other than (iii) above	-	-	120.04	120.04
Total	**-**	**-**	**6,094.31**	**6,094.31**
Financial liabilities				
(i) Trade payables	-	-	2,584.36	2,584.36
(ii) Borrowings	-	-	4,062.00	4,062.00
(iii) Other financial liabilities	-	-	918.10	918.10
Total	**-**	**-**	**7,564.46**	**7,564.46**

Note 35 - Financial Instruments and Fair Value Measurement

Particulars	Amount as at March 31, 2015			
	Fair Value through Profit & Loss	Fair Value through Other Comprehensive Income	Amortised Cost	Total
Financial assets				
(i) Investments	-	-	192.87	192.87
(ii) Trade receivables	-	-	2,408.50	2,408.50
(iii) Cash and cash equivalents	-	-	109.56	109.56
(iv) Other financial assets	-	-	1,463.10	1,463.10
(v) Bank balance other than (iii) above	-	-	76.84	76.84
Total	**-**	**-**	**4,250.87**	**4,250.87**
Financial liabilities				
(i) Trade payables	-	-	1,303.08	1,303.08
(ii) Borrowings	-	-	3,118.07	3,118.07
(iii) Other financial liabilities	-	-	589.59	589.59
Total	**-**	**-**	**5,010.74**	**5,010.74**

B Capital Management

i) For the purpose of the Company’s capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The Company strives to safeguard its ability to continue as a going concern so that they can maximise returns for the shareholders and benefits for other stake holders. The Company aims to maintain an optimal capital structure through combination of debt and equity in a manner so as to minimise the cost of capital.

ii) Consistent with others in the industry, the Company monitors its capital using Gearing Ratio, Net Debt (Short Term and Long Term Borrowings including Current maturities) divided by Total Equity (Capital plus Net Debt).

(Rs. in Million)

Particulars	As at December 31, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
Long Term Borrowings (Refer note 18, 24)	1,676.00	1,421.63	1,626.81	1,855.19
Short Term Borrowings (Refer note 22)	2,428.37	2,113.02	2,435.19	1,262.88
Less: Cash & Cash Equivalents (Refer note 12)	136.73	68.99	126.93	109.56
Net Debt	3,967.64	3,465.66	3,935.07	3,008.51
Total equity*	4,745.36	4,333.59	3,431.43	2,115.86
Total Capital	8,713.00	7,799.25	7,366.50	5,124.37
Gearing Ratio	46%	44%	53%	59%

* Excluding Debenture Redemption Reserve of Rs. 225.00 Million.

iii) In order to achieve this overall objective, the Company’s capital management, amongst other things, aims to ensure that it meets financial covenants attached to the borrowings that define the capital structure requirements.

C Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's financial assets include trade and other receivables, and cash & cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a Current Corporate Affairs Committee that advises on financial risks and the appropriate financial risk governance framework for the Company. This committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below:

Note 35 - Financial Instruments and Fair Value Measurement

1 **Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of interest rate risk, foreign currency risk and commodity risk.

1.1 **Interest Rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's working capital obligations with floating interest rates. The Company is carrying its working capital borrowings primarily at variable rate. The Company expects the variable rate to decline, accordingly the Company is currently carrying its loans at variable interest rates.

The sensitivity analysis have been carried out based on the exposure to interest rates for loans carried at variable rate.

Particulars	As at December 31, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
Variable Rate Borrowings	1,640.29	1,059.58	1,213.62	712.88
% change in interest rates	0.50%	0.50%	0.50%	0.50%
Impact on Profit for the year	8.20	5.30	6.07	3.56

1.2 **Foreign Currency Risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company does not have significant exposure in foreign currency. The details of the same have been given in Note 40 of Annexure V

1.3 **Commodity Risk**

The Company is affected by price volatility of certain commodities. Its operating activities require the on-going purchase or continuous supply of such commodities. There the Company monitors its purchases closely to optimise the prices.

2 **Credit Risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is having majority of the receivables from Government Authorities and hence they are secured from credit losses in the future. Refer to Note no.11

3 **Liquidity Risk**

The Company monitors its risk of a shortage of funds by estimating the future cash flows. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, cash credit facilities and bank loans. The Company has access to a sufficient variety of sources of funding.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

(Rs. in Million)

Particulars	Within 1 Year	1 to 5 Year	More than 5 Year	Carrying Amount
As at December 31, 2017				
Borrowings	2,975.30	1,129.07	-	4,104.37
Trade Payables	3,185.37	-	-	3,185.37
Other Financial Liabilities	799.27	677.36	80.58	1,557.21
As at March 31, 2017				
Borrowings	2,853.28	681.38	-	3,534.66
Trade Payables	3,091.59	-	-	3,091.59
Other Financial Liabilities	1,114.09	368.59	-	1,482.68
As at March 31, 2016				
Borrowings	3,079.67	982.33	-	4,062.00
Trade Payables	2,584.36	-	-	2,584.36
Other Financial Liabilities	368.87	549.23	-	918.11
As at March 31, 2015				
Borrowings	1,783.32	1,334.75	-	3,118.07
Trade Payables	1,303.08	-	-	1,303.08
Other Financial Liabilities	261.25	328.34	-	589.59

Montecarlo Limited

Annexure V
Notes to Restated Consolidated Financial Information

Note 36 : Employee Benefits

(a) Defined Contribution Plan

The Company's contribution to Provident Fund aggregating Rs. 40.45 Million (March 31, 2017 : Rs. 46.67 Million, March 31, 2016 : Rs. 31.01 Million, March 31, 2015 : Rs. 14.00 Million) has been recognised in the Statement of Profit or Loss under the head Employee Benefits Expense.

(b) Defined Benefit Plan:

Gratuity

The Company operates a defined benefit plan (the Gratuity plan) covering eligible employees, which provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

The status of gratuity plan as required under Ind AS-19 : (Rs. in Million)

Particulars	As at December 31, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
i. Reconciliation of Opening and Closing Balances of defined benefit obligation				
Present Value of Defined Benefit Obligations at the beginning of the period/year	36.05	31.69	13.87	6.73
Current Service Cost	6.71	14.04	4.63	2.22
Past service Cost	-	-	7.21	-
Interest Cost	2.05	2.52	1.10	0.63
Benefit paid	(1.80)	(0.42)	(0.44)	(0.35)
Change in demographic assumptions	(4.03)	-	-	-
Change in financial assumptions	0.27	1.98	-	2.36
Experience variance (i.e. Actual experience vs. assumptions)	2.53	(13.77)	5.33	2.28
Present Value of Defined Benefit Obligations at the end of the	**41.77**	**36.05**	**31.69**	**13.87**
ii. Reconciliation of Opening and Closing Balances of the Fair value of Plan assets				
Fair Value of Plan assets at the beginning of the period/year	2.07	1.93	1.46	1.30
Actuarial gain/(loss) on plan assets	(0.00)	(0.02)	(0.03)	(0.02)
Expected return on plan assets	0.12	0.15	0.12	0.12
Employer's Contribution	0.00	0.00	0.50	0.06
Benefit paid	0.00	0.00	(0.11)	0.00
Fair Value of Plan assets at the end of the period/year	**2.18**	**2.07**	**1.93**	**1.46**

Montecarlo Limited

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Notes to Restated Consolidated Financial Information

Note 36 : Employee Benefits

Particulars	**As at December 31, 2017**	**As at March 31, 2017**	**As at March 31, 2016**	**As at March 31, 2015**
iii. Reconciliation of the Present value of defined benefit obligation and Fair value of plan assets				
Present Value of Defined Benefit Obligations at the end of the	41.77	36.05	31.69	13.87
Fair Value of Plan assets at the end of the period / year	2.18	2.07	1.93	1.46
Net Asset / (Liability) recognized in balance sheet as at the end of the period/year	(39.59)	(33.98)	(29.76)	(12.41)
iv. Composition of Plan Assets 100% of Plan Assets are administered by LIC				
Particulars	**For the period ended December 31, 2017**	**For the year ended March 31, 2017**	**For the year ended March 31, 2016**	**For the year ended March 31, 2015**
v. Gratuity Cost for the Year				
Current service cost	6.71	14.04	4.63	2.21
Interest Cost	1.93	2.37	0.99	0.51
Past service Cost	-	-	7.21	-
Expected return on plan assets	-	-	-	-
Expenses recognised in the income statement	**8.64**	**16.41**	**12.83**	**2.72**
vi. Other Comprehensive Income				
Actuarial (Gain) / loss				
Change in demographic assumptions	(4.03)	-	-	-
Change in financial assumptions	0.27	1.98	-	2.36
Experience variance (i.e. Actual experience vs assumptions)	2.53	(13.77)	5.33	2.28
Return on plan assets, excluding amount recognised in net interest expense	0.00	0.02	0.03	0.02
Components of defined benefit costs recognised in other comprehensive income	(1.23)	(11.77)	5.35	4.66
vii. Actuarial Assumptions	**As at December 31, 2017**	**As at March 31, 2017**	**As at March 31, 2016**	**As at March 31, 2015**
Discount Rate (per annum)	7.48%	7.57%	7.96%	7.96%
Annual Increase in Salary Cost	8.00%	8.00%	8.00%	8.00%
Rate of Employee Turnover	10.00%	2.00%	2.00%	2.00%
Mortality Rates as given under Indian Assured Lives Mortality (2006-08) Ultimate Retirement Age 60 Years.				

Montecarlo Limited

Annexure V
Notes to Restated Consolidated Financial Information

Note 36 : Employee Benefits

viii. Sensitivity Analysis
Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and attrition rate. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

Particulars	As at December 31, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
Defined Benefit Obligation(Base)	**41.77**	**36.05**	**31.69**	**13.87**

Particulars	As at December 31, 2017		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015	
	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	3.21	(2.80)	5.87	(4.77)	5.57	(4.48)	2.31	(1.89)
(% change compared to base due to sensitivity	7.69%	-6.71%	16.29%	-13.23%	17.59%	-14.13%	16.68%	-13.59%
Salary Growth Rate (- / + 1%)	(2.81)	3.17	(4.79)	5.79	(4.51)	5.51	(1.90)	2.29
(% change compared to base due to sensitivity)	-6.74%	7.58%	-13.29%	16.05%	-14.24%	17.40%	-13.70%	16.50%
Attrition Rate (- / + 1%)	0.43	(0.41)	0.54	(0.49)	0.50	(0.48)	0.10	(0.11)
(% change compared to base due to sensitivity)	1.04%	-0.99%	1.49%	-1.36%	1.57%	-1.53%	0.74%	-0.78%

ix. Asset Liability Matching Strategies

The Company has purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance Company, as part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan,the duration of assets is shorter compared to the duration of liabilities. Thus, the Company is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in a increase in liability without corresponding increase in the asset).

x. Effect of Plan on Entity's Future Cash Flows

a) Funding arrangements and Funding Policy
The Company has purchased an insurance policy to provide for payment of gratuity to the employees. Every year, the insurance Company carries out a funding valuation based on the latest employee data provided by the Company. The Company, after making contribution to the fund, carries the differential liability towards the defined benefit obligations in its books of account.

b) Maturity Profile of Defined Benefit Obligation
Weighted average duration (based on discounted cashflows) - 10 years

Note 36 : Employee Benefits

Particulars	As at December 31, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
Expected cash flows over the next (valued on undiscounted basis):	**Amount**	**Amount**	**Amount**	**Amount**
1st Following Year	5.16	2.41	2.51	0.87
2nd Following year	2.85	0.77	0.39	0.25
3rd Following Year	3.48	0.76	0.69	0.51
4th Following Year	3.85	0.88	0.70	0.46
5th Following Year	4.03	1.10	0.94	0.59
sum of years 6 to 10	18.04	7.80	7.03	3.06

xi. The Company has defined benefit plans for Gratuity to eligible employees, the contributions for which are made to Life Insurance Corporation of India who invests the funds as per Insurance Regulatory Development Authority guidelines.

The discount rate is based on the prevailing market yields of Government of India's securities as at the balance sheet date for the estimated term of the obligations.
The defined plans expose the Company to acturial risks such as Interest rate risk, Salary risk, Investment risk, Asset liability matching risk, Longevity risk.

Interest rate risk: A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increase the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Longevity risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan do not have any longevity risk.

(c) Other Long Term Employee Benefits

The actuarial liability for compensated absences as at the period ended 31st December, 2017 is Rs 23.15 Million (March 31, 2017 : Rs. 17.73 Million, March 31, 2016 : Rs. 21.31 Million, March 31, 2015 : Rs. 5.19 Million)

Annexure V
Notes to Restated Consolidated Financial Information

Note 37 : Corporate Social Responsibility (CSR)

Expenditure towards Corporate Social Responsibility as per Companies Act, 2013 read with Rules and Regulations thereof is treated as an appropriation of profit.

(Rs. in Million)

For the period ended December 31, 2017

Particulars	Amount	In cash	Yet to be paid in cash	Total
Gross Amount required to be spent by the Company	-	-	-	27.53
Amount Spent during the year towards activities specified in CSR Policy	-	-	-	-
i) Construction/acquisition of any asset	-	-	-	-
ii) On purposes other than (i)above	11.57	11.57	-	11.57
Related Party Transactions in relation to CSR	0.71	0.71	-	0.71

For the year ended March 31, 2017

Particulars	Amount	In cash	Yet to be paid in cash	Total
Gross Amount required to be spent by the Company	-	-	-	20.72
Amount Spent during the year towards activities specified	-	-	-	-
i) Construction/acquisition of any asset	-	-	-	-
ii) On purposes other than (i)above	20.88	20.88	-	20.88
Related Party Transactions in relation to CSR	0.95	0.95	-	0.95

For the year ended March 31, 2016

Particulars	Amount	In cash	Yet to be paid in cash	Total
Gross Amount required to be spent by the Company	-	-	-	14.18
Amount Spent during the year towards activities specified in CSR Policy	-	-	-	-
i) Construction/acquisition of any asset	-	-	-	-
ii) On purposes other than (i)above	13.40	13.40	-	13.40
Related Party Transactions in relation to CSR	0.36	0.36	-	0.36

For the year ended March 31, 2015

Particulars	Amount	In cash	Yet to be paid in cash	Total
Gross Amount required to be spent by the Company	-	-	-	11.91
Amount Spent during the year towards activities specified in CSR Policy	-	-	-	-
i) Construction/acquisition of any asset	-	-	-	-
ii) On purposes other than (i)above	9.06	9.06	-	9.06
Related Party Transactions in relation to CSR	-	-	-	-

Annexure V
Notes to Restated Consolidated Financial Information

Note 38 : Construction Contracts (Rs. in Million)

Revenue from fixed price construction contracts are recognized on the percentage of completion method on the basis of physical measurement of contract work actually completed at the year / period ended.

Particulars	For the period ended December 31, 2017	For the year ended		
		March 31, 2017	March 31, 2016	March 31, 2015
Amount of Contract Revenue recognised as revenue for the year / period	10,962.29	16,881.64	13,760.21	6,758.11
Gross amount due from customers	4,634.72	1,417.31	746.92	408.60
For contracts in progress at the end of the reporting period:				
Aggregate amount of costs incurred and recognised profits (less recognised losses) to date	51,589.89	35,645.59	21,982.97	16,480.32
Amount of advances received as at year / period end	1,373.84	2,051.42	1,471.96	1,595.32
Retention amounts due from customers as at year / period end	1,684.57	1,747.97	1,070.45	954.45

Note 39 : Basic and Diluted Earnings Per Share

Particulars	For the period ended December 31, 2017	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015
Earnings per equity share				
Profit attributable to equity shareholders (Rs. In Million)	635.97	1,259.10	1,211.10	487.91
Weighted average number of equity shares outstanding during the year*	8,55,00,003	8,55,00,003	8,55,00,003	8,55,00,003
Nominal value of equity per share	10.00	10.00	10.00	10.00
Basic and Diluted EPS (Rs. Per Share)#	7.44	14.73	14.16	5.71

Earning per share for the period ended December 31, 2017 is not annualised.

Note 39.1
* Subsequent to the balance sheet date the Company issued 21,375,001 bonus shares to the existing shareholders in the ratio of 1 share against 3 fully paid up equity shares. As per the requirement IND AS 33 for the purpose of computing Basic and Diluted EPS, the weighted average number of equity shares outstanding have been adjusted.

Note 39.2
During the year ended on March 31, 2016, the Company has issued 4 shares as bonus against each fully paid up equity shares.

Note 39.3
During the year ended on March 31, 2015, the Company has issued 4 shares as bonus against each fully paid up equity shares.

Annexure V
Notes to Restated Consolidated Financial Information

Note 40 : Unhedged forex exposure

The details of foreign currency exposure not hedged by derivative instruments are as under:

Sr. no.	Particulars	As at December 31, 2017		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015	
		Amount (Rs. In Million)	Foreign Currency (Euro)	Amount (Rs. In Million)	Foreign Currency (Euro)	Amount (Rs. In Million)	Foreign Currency (Euro)	Amount (Rs. In Million)	Foreign Currency (Euro)
1	Import Creditors	82.11	10,75,000	74.44	10,75,000	-	-	-	-

Note 41 : Contingent liabilities and Commitments

(Rs. in Million)

a) Contingent liabilities

Particulars	As at December 31, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
Claim against the Company not acknowledged as debt in respect of -				
- Income Tax (Refer note 41.1)	145.09	145.09	145.09	141.81
- Indirect Tax (Refer note 41.2)				
VAT	9.92	121.87	135.85	135.01
Entry Tax	0.84	0.84	1.38	1.38
Excise	25.98	25.98	-	-

Note 41.1 The Company has received favourable orders' from the Commissioner of Income tax (Appeals) for previous Assessment years against which the Income tax Department has filed appeals with ITAT. Similarly on certain matters including 80IA(4), the Company has received unfavorable orders' from Commissioner of Income Tax (Appeals), against which the Company has filed appeals with ITAT. The matter are subjudice. The Management is not expecting any future cash outflows with respect to above litigations.

Note 41.2 Matters relating to VAT, Entry tax and Excise duty are being contested at various levels of Indirect Taxation Authorities. The Management is not expecting any future cash outflows with respect to above litigations.

b) Commitments

Particulars	For the period ended December 31, 2017	For the year ended		
		31.Mar.17	31.Mar.16	31.Mar.15
Estimated amount of contracts remaining to be executed on capital account and not provided for	36.46	-	17.92	4.60

Note 42 - Payment to Auditors

(Rs. in Million)

Particulars	As at December 31, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
For Audit	2.70	2.30	1.37	2.25
For Taxation matters	-	1.56	1.49	-
For other matters	1.00	-	-	-
Total	**3.70**	**3.86**	**2.86**	**2.25**

Note 42.1 Payments prior to December 31, 2017 have been made to predecessor auditor.

Note 43 - Composite Scheme of Arrangement between Group Companies of Montecarlo Limited

(i) The Honourable High Court of Gujarat vide its Order dated December 2, 2016 sanctioned the Composite Scheme of Arrangement (referred as "the Scheme") effective from Appointed Date i.e. April 1, 2016, inter alia provides for the Amalgamation between Montecarlo Projects Pvt. Ltd, Montecarlo Infrastructure Ltd, Montecarlo Engineering Pvt. Ltd and Montecarlo Energy Pvt. Ltd, (together referred as the "Transferor Companies"), with Montecarlo Ltd. (referred as " Transferee Company") and their respective shareholders and creditors, pursuant to the provisions of section 391 to 394 read with Section 100 to 103 and other provisions of the Companies Act, 1956 and/or Companies Act, 2013.

The accounting of this Arrangement was done as per the scheme and the same has been given effect to in the financial statements. The Transferee Company has recorded all assets and liabilities of the Transferor Companies pursuance to the Scheme, at the respective book values thereof, as appearing in the books of account of the Transferor Companies immediately before the Appointed date.

(Rs. in Million)

Particulars	**Amount**
EQUITY AND LIABILITIES	
Securities Premium	116.41
Profit & Loss	8.31
General Reserve	0.10
Loans & Advances	0.68
Current Liabilities	0.10
Total	**125.60**
Assets	
Property, Plant & Equipment	0.47
Deposit	0.45
Loans & Advances	0.22
Debtors	0.08
Cash and Cash Equivalents	0.56
Other Current Assets	0.00
Misc. Expenses (Assets)	0.19
Total	**1.97**
Assests Over Liabilities	**(123.63)**
Less : Share Capital as per the Scheme of Arrangement (*)	0.00
Securities Premium Utilised for the Scheme of Arrangement	**(123.63)**

(*) 34,625,002 Equity shares were issued pursuant to Composite Scheme of Arrangement and 34,625,000 Equity shares were cancelled pursuant to the said scheme.

(ii) The Honourable High Court of Gujarat vide its Order dated 2nd December, 2016 sanctioned the scheme of arrangement effective from Appointed Date i.e. 1st April, 2016, inter alia provides for Demerger of undertakings from Montecarlo Limited to Montecarlo Realty Ltd. and Montecarlo Construction Pvt. Ltd. with their respective shareholders and creditors, pursuant to the provisions of section 391 to 394 read with Section 100 to 103 and other provisions of the Companies Act, 1956 and/or Companies Act, 2013.

(Rs. in Million)

Particulars	**Amount**
Land	134.51
Gross Block of Property, Plant and Equipment (other than land)	80.16
Accumulated Depreciation	7.27
Net Block of Property, Plant and Equipment (other than land)	72.89
Capital Work In Progress	158.84
TDS	(0.41)
Total	**365.83**
General Reserve Utilised as per the Scheme of Arrangement	343.80
Securities Premium Utilised as per the Scheme of Arrangement	22.03

Annexure V
Notes to Restated Consolidated Financial Information

Note 44 - Segment reporting for the period ended Decemeber 31, 2017

Operating segments:
Operating segments are identified as those components of the Group (a) that engage in business activities to earn revenues and incur expenses; (b) whose operating results are regularly reviewed by the Company's Operating Decision Maker ('CODM') to make decisions about resource allocation and performance assessment and (c) for which discrete financial information is available.
The Company has determined following reporting segments based on the information reviewed by the Company's Chief Operating Decision Maker ('CODM').

(i) Infrastructure Development comprising of Road construction, Railway infrastructure development, Engineering and construction of Building and factories, Transmission and Distribution of Energy, Water and Irrigation projects including Water Treatment System, Sanitation and Sewerage system, and solid waste management system.

(ii) Mining including extraction of minerals and removal of overburden.

Reportable segments:
An operating segment is classified as reportable segment if reported revenue (including inter-segment revenue) or absolute amount of result or assets exceeds 10% or more of the combined total of all the operating segments.
Segment revenue and results:
The expenses and income which are not directly attributable to any business segment are shown as unallocable expenditure.

Segment assets and liabilities: Segment assets include all operating assets used by the operating segment and mainly consist of property, plant and equipment, trade receivables, Inventory and other operating assets. Segment liabilities primarily include trade payable and other liabilities. Common assets and liabilities which can not be allocated to any of the business segment are shown as unallocable assets / liabilities.

The Group is operating in a single geographical segment i.e. India, accordingly, the reporting requirement as per Ind AS 108, 'Segment reporting', is not applicable, and hence, details thereon are not given.

(Rs. in Million)

Particular	Infrastructure Development	Mining	Unallocable	Total
Revenue from Operations				
Revenue from External Customers	11,125.22	2,068.50	9.03	13,202.75
Inter Segment Revenue	-	-	-	-
Total Revenue from Operations	11,125.22	2,068.50	9.03	13,202.75
Result				
Segment Result	1,489.39	55.44	-	1,544.82
Unallocated corporate Income/(Expenditure)	-	-	(444.01)	(444.01)
Operating Profit before Interest and Tax	-	-	-	1,100.81
Finance Costs	-	-	(497.84)	(497.84)
Other Income	-	-	78.74	78.74
Profit Before Tax (PBT)	-	-	-	681.72
Provision for Current Tax	-	-	157.29	157.29
Provision for Deferred Tax	-	-	(190.04)	(190.04)
Profit After Tax (PAT)	-	-	-	714.46
Share of Profit/(Loss) in Associate				(78.49)
Profit/ (Loss) for the period ended December 31, 2017				**635.97**
Other Information				
Segment Assets	11,899.08	3,413.81	114.77	15,427.66
Segment Liabilities	5,759.24	429.28	4,268.78	10,457.30
Capital Expenditure	-	-	-	-
Depreciation (Including obsolescence and amortization) included in segment expenses	108.21	198.56	24.24	331.01
Non-Cash expenses included in segment	-	-	-	-
Non-Cash expenses except Depreciation and amortisation	-	-	7.43	7.43

The Group is operating in a single geographical segment i.e. India, accordingly, the reporting requirement as per Ind AS 108, 'Segment reporting', is not applicable, and hence, details thereon are not given.

The Group derives revenue in excess of 10% from 3 major customers, viz.; Ministry of Road Transport and Highways - Rs. 4,310.09 Million, National Highways Authority of India - Rs. 1,834.90 Million, and Rail Vikas Nigam Limited - Rs. 1,526.90 Million. All the 3 contribute to the Infrastructure Development segment. Revenue from no other individual customers is in excess of 10% of total revenue.

Annexure V
Notes to Restated Consolidated Financial Information

Note 44 - Segment reporting for the year ended March 31, 2017

(Rs. in Million)

Particular	Infrastructure Development	Mining	Unallocable	Total
Revenue from Operations				
Revenue from External Customers	16,881.64	2,896.59	23.31	19,801.54
Inter Segment Revenue	-	-	-	-
Total Revenue from Operations	16,881.64	2,896.59	23.31	19,801.54
Segment Result	2,173.68	262.91	-	2,436.59
Unallocated corporate Income/(Expenditure)	-	-	(464.29)	(464.29)
Operating Profit before Interest and Tax (PBIT)	-	-	-	1,972.30
Finance Costs	-	-	(516.42)	(516.42)
Other Income	-	-	78.19	78.19
Profit Before Tax (PBT)	-	-	-	**1,534.07**
Provision for Current Tax	-	-	269.77	269.77
Provision for Deferred Tax	-	-	(53.19)	(53.19)
Profit After Tax (PAT)	-	-		1,317.49
Share of Profit/(Loss) in Associate				(58.39)
Profit/ (Loss) for the year ended March 31, 2017				**1,259.10**
Other Information				
Segment Assets	9,879.07	3,748.38	1,202.29	14,829.75
Segment Liabilities	5,598.76	426.08	4,471.32	10,496.16
Capital Expenditure	12.26	1.43	3.55	17.24
Depreciation (Including obsolescence and amortization) included in segment expenses	103.67	258.52	36.19	398.38
Non-Cash expenses included in segment	-	-	-	-
Non-Cash expenses except Depreciation and amortisation	-	-	0.34	0.34

The Group is operating in a single geographical segment i.e. India, accordingly, the reporting requirement as per Ind AS 108, ‘Segment reporting’, is not applicable, and hence, details thereon are not given.

The Group derives revenue in excess of 10% from 2 major customers, viz.; Ministry of Road Transport and Highways - Rs. 3,648.86 Million, Rail Vikas Nigam Limited - Rs. 2,520.67 Million. Both the customers contribute to the Infrastructure Development segment. Revenue from no other individual customers is in excess of 10% of total revenue.

Annexure V
Notes to Restated Consolidated Financial Information

Note 44 - Segment reporting for the year ended March 31, 2016

(Rs. in Million)

Particular	Infrastructure Development	Mining	Unallocable	Total
Revenue from Operations				
Revenue from External Customers	13,760.20	3,066.80	15.67	16,842.67
Inter Segment Revenue	-	-	-	-
Total Revenue from Operations	13,760.21	3,066.80	15.67	16,842.67
Result				
Segment Result	1,961.54	308.25	-	2,269.79
Unallocated corporate Income/(Expenditure)	-	-	(457.52)	(457.52)
Operating Profit before Interest and Tax (PBIT)	-	-	-	1,812.26
Finance Costs	-	-	(435.74)	(435.74)
Other Income	-	-	114.02	114.02
Profit Before Extra ordinary Items	-	-	-	1,490.54
Less:- Extraordinary Items	-	-	-	-
Profit Before Tax (PBT)	-	-	-	1,490.54
Provision for Current Tax	-	-	309.77	309.77
Provision for Deferred Tax	-	-	(105.10)	(105.10)
Profit After Tax (PAT)	-	-		1,285.87
Share of Profit/(Loss) in Associate (Net)				(74.77)
Net Profit/(Loss) for the year ended March 31, 2016				**1,211.10**
Other Information				
Segment Assets	8,133.67	3,493.77	989.26	12,616.71
Segment Liabilities	4,646.58	385.56	4,153.14	9,185.28
Capital Expenditure	11.30	2.28	5.60	19.18
Depreciation (Including obsolescence and amortization) included in segment expenses	83.48	227.28	26.85	337.61
Non-Cash expenses included in segment expenses	-	-	-	-
Non-Cash expenses except Depreciation and amortisation	-	-	1.04	1.04

The Group is operating in a single geographical segment i.e. India, accordingly, the reporting requirement as per Ind AS 108, 'Segment reporting', is not applicable, and hence, details thereon are not given.

The Group derives revenue in excess of 10% from 3 major customers, viz.; Ministry of Road Transport and Highways - Rs. 2,682.24 Million, IL&FS Transportation Network Limited - Rs. 2,737.62 Million, and Rail Vikas Nigam Limited - Rs. 1,816.77 Million. All the 3 customers contribute to the Infrastructure Development segment. Revenue from no other individual customers is in excess of 10% of total revenue.

Annexure V
Notes to Restated Consolidated Financial Information

Note 44 - Segment reporting for the year ended March 31, 2015

(Rs. in Million)

Particular	Infrastructure Development	Mining	Unallocable	Total
Revenue from Operations				
Revenue from External Customers	6,758.11	3,341.57	14.30	10,113.99
Inter Segment Revenue	-	-	-	-
Total Revenue from Operations	6,758.11	3,341.57	14.30	10,113.99
Result				
Segment Result	584.63	1,090.45	-	1,675.08
Unallocated corporate Income/(Expenditure)	-	-	(432.21)	(432.21)
Operating Profit before Interest and Tax (PBIT)	-	-	-	1,242.87
Finance Costs	-	-	(393.92)	(393.92)
Other Income	-	-	49.64	49.64
Profit Before Tax (PBT)	-	-	-	898.58
Provision for Current Tax	-	-	329.32	329.32
Provision for Deferred Tax	-	-	(21.30)	(21.30)
Profit After Tax (PAT)	-	-	-	590.56
Share of Profit/(Loss) in Associate (Net)				(102.65)
Net Profit/(Loss) for the year ended March 31, 2015				**487.91**
Other Information				
Segment Assets	5,623.93	2,200.83	1,192.70	9,017.46
Segment Liabilities	3,106.58	405.85	3,389.17	6,901.60
Capital Expenditure	14.18	3.29	-	17.47
Depreciation (Including obsolescence and amortization) included in segment expenses	51.14	111.77	52.67	215.58
Non-Cash expenses except Depreciation and amortisation	-	-	121.26	121.26

The Group is operating in a single geographical segment i.e. India, accordingly, the reporting requirement as per Ind AS 108, ‘Segment reporting’, is not applicable, and hence, details thereon are not given.

The Group derives revenue in excess of 10% from 3 major customers, viz.; IL&FS Transportation Network Limited (ITNL) - Rs. 2,085.29 Million., Northern Coalfield Limited - Rs. 1,640.86 Million., Gujarat Mineral Development Corporation Ltd - 1355.71 Million. From the above ITNL revenue contributes to the Infrastructure Development Segment and rest both contribute to Mining Segment respectively. Revenue from no other individual customers is in excess of 10% of total revenue.

Note 45 : Movement in deferred tax assets / liabilities

Recognized deferred tax (assets) and liabilities

(Rs. in Million)

Particulars	Balance as at April 1, 2014	Recognized in profit or loss during 2014-15	Recognized in OCI during 2014-15	Balance as at March 31, 2015	Balance as at April 1, 2015	Recognized in profit or loss during 2015-16	Recognized in OCI during 2015-16	Balance as at March 31, 2016	Balance as at April 1, 2016	Recognized in profit or loss during 2016-17	Recognized in OCI during 2016-17	Balance as at March 31, 2017	Balance as at April 1, 2017	Recognized in profit or loss during period ended on December 31,2017	Recognized in OCI during the period ended on December 31,2017	Balance as at December 31, 2017
Deferred tax Liabilities																
Excess of depreciation and amortization on fixed assets under income tax law over depreciation and amortization provided in accounts	35.31	(8.01)	-	27.30	27.30	25.45	-	52.76	52.76	11.07	-	63.83	63.83	(4.02)	-	59.81
Excess of depreciation and amortization on fixed assets under income tax law over depreciation and amortization provided in accounts [Pursuant to the Composite Scheme of Arrangement (Refer note 43)]	-	-	-	-	-	-	-	-	-	0.06	-	0.06	0.06	(0.06)	-	-
Other Interest Receivable	0.81	(0.63)	-	0.19	0.19	(0.09)	-	0.09	0.09	2.35	-	2.45	2.45	(2.45)	-	-
Prepaid Expenses	0.75	0.29	-	1.04	1.04	0.16	-	1.20	1.20	0.06	-	1.27	1.27	(1.27)	-	-
Fair Valuation of financial liabilities	32.48	(0.55)	-	31.93	31.93	14.24	-	46.16	46.16	(10.20)	-	35.96	35.96	22.09	-	58.05
													-			
Deferred Tax Assets													-			
Provision for Gratuity	(1.85)	(0.91)	(1.46)	(4.22)	(4.22)	(4.23)	(1.85)	(10.30)	(10.30)	(5.54)	4.07	(11.76)	(11.76)	(2.37)	0.43	(13.70)
Provision for Leave Encashment	(0.80)	(0.96)	-	(1.77)	(1.77)	(5.61)	-	(7.37)	(7.37)	1.24	-	(6.14)	(6.14)	(1.87)	-	(8.01)
Provision for Bonus	(1.06)	(0.86)	-	(1.92)	(1.92)	(1.83)	-	(3.75)	(3.75)	(1.27)	-	(5.01)	(5.01)	0.13	-	(4.88)
Interest accrued but not due on Term Loans	(0.91)	(2.23)	-	(3.15)	(3.15)	2.37	-	(0.78)	(0.78)	0.78	-	-	-	-	-	-
Fair Valuation of financial assets	(1.97)	(5.11)	-	(7.08)	(7.08)	4.57	-	(2.50)	(2.50)	(0.83)	-	(3.34)	(3.34)	(38.10)	-	(41.44)
Unrealised foreign exchange loss													-	(2.66)		(2.66)
Unamortised expenditure for Amalgamation u/s 35DD (Refer note 43)	-	-	-	-	-	(0.66)	-	(0.66)	(0.66)	(2.29)	-	(2.94)	(2.94)	0.55	-	(2.39)
Provision of Expected Credit Loss	-	(2.32)	-	(2.32)	(2.32)	(2.55)	-	(4.88)	(4.88)	(3.39)	-	(8.26)	(8.26)	(2.74)	-	(11.00)
MAT Credit Entitlement	-	-	-	-	-	(136.92)	-	(136.92)	(136.92)	(45.21)	-	(182.13)	(182.13)	(157.29)	-	(339.41)
MAT Credit Entitlement Pursuant to the Composite Scheme of Arrangement (Refer note 43)	-	-	-	-	-	-	-	-	-	(0.02)	-	(0.02)	(0.02)	0.02	-	-
Total	**62.77**	**(21.30)**	**(1.46)**	**40.01**	**40.01**	**(105.10)**	**(1.85)**	**(66.95)**	**(66.95)**	**(53.19)**	**4.07**	**(116.03)**	**(116.03)**	**(190.04)**	**0.43**	**(305.63)**

The current tax expense for the year / period is reconciled to the accounting profit in the Schedule VI.

Note 46 Details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016 given hereunder:

Particulars	**SBNs**	**Other Denomination Notes**	**Amount in Rupees**
Closing cash in hand as on 08.11.2016	23,89,500	46,17,171	70,06,671
Permitted receipts	-	1,99,77,932	1,99,77,932
Permitted payments	-	(1,94,69,428)	(1,94,69,428)
Amount Deposited in Bank	(23,89,500)	-	(23,89,500)
Closing cash in hand as on 30.12.2016	-	51,25,675	51,25,675

Note 47 Survey u/s 133A of the Income Tax Act, 1961 was carried out at the office of the Company on April 6, 2017, where assessment proceedings are pending.

Note 48 The Company had appointed Varsani Construction Company ("VCC"), pursuant to two separate agreements dated 01.12.2011 and 20.05.2013 to carry out certain works of Western Coal Fields ("WCF") and Northern Coal Fields ("NCF") respectively. Due to non-fulfilment of various contractual obligation by VCC, these contracts were annulled. VCC has admitted amount of Rs. 3.56 million and Rs. 205.00 million for the contract of WCF and NCF respectively, due to the Company through its various communications with the Company. VCC has initiated arbitration proceedings against the Company claiming aggregate amount of Rs.1346.08 million towards default in payments of certain contractual dues, wrongful retention of VCC's machinery, hiring charges for such wrongful retention of machinery and lack of re-imbursements on account of escalation in the wages to workers, etc. The Company has denied all the allegations made by VCC and has filed counter claims aggregating to Rs. 2,031.66 million towards losses suffered by the Company due to non-performance by VCC and liquidated damages imposed on it under the principal contracts with WCF and NCF. As at the reporting date, the matters relating to the settlement of these dues is pending adjudication by the Arbitrator. The Company has been legally advised that the claims made by VCC appear to be frivolous and unsustainable based on the terms of the then binding agreement between the two parties. The Company has been further legally advised that the claims of the Company in respect of the amounts expressly admitted by VCC in its letters to the Company as legal debts owed to the Company appear to be the strongest on merits. Considering the aforesaid information and the legal advice obtained by the Company, the Company has concluded that the advances due from VCC are good and it would not be unreasonable to expect ultimate collection of the same.

Restated Consolidated Financial Information - Indian GAAP

Indian GAAP	March 31, 2014
Indian GAAP	March 31, 2013

Annexure I	Restated Consolidated Statement of Assets and Liabilities
Anneuxre II	Restated Consolidated Statement of Profit and Losses
Anneuxre III	Intentionally Left Blank
Anneuxre IV	Restated Consolidated Statement of Cashflows
Anneuxre V	Notes to Restated Consolidated Financial Information
Anneuxre VI (Common with Ind AS)	Statement of Tax Shelter
Anneuxre VII (Common with Ind AS)	Material Adjustments to Audited Consolidated Financial Information and notes thereon
Anneuxre VIII (Common with Ind AS)	Statement of Equity Reconciliation to Audited Consolidated Financial Information
Anneuxre IX (Common with Ind AS)	Restated Consolidated Statement of Accounting Ratio
Anneuxre X (Common with Ind AS)	Restated Consolidated Statement of Capitalisation

Annexure I

Restated Consolidated Statement of Assets and Liabilities (Rs. In Million)

	Particulars	Note No. of Annexure V	As at March 31, 2014 (Indian GAAP)	As at March 31, 2013 (Indian GAAP)
I.	**Equity and Liabilities**			
1	**Shareholders' funds**			
	Share Capital	1	25.65	25.65
	Reserves and Surplus	2	2,177.48	1,860.47
2	**Non-current liabilities**			
	Long-Term Borrowings	3	589.27	60.37
	Deferred Tax Liabilities (Net)	4	32.25	27.35
	Other Long Term Liabilities	5	390.71	521.24
	Long-Term Provisions	6	2.22	8.17
3	**Current liabilities**			
	Short-Term Borrowings	7	1,741.97	1,397.22
	Trade Payables	8		
	- Micro and Small Enterprises		-	-
	- Others		1,348.05	1,003.26
	Other Current Liabilities	9	799.01	534.67
	Short-Term Provisions	10	5.71	0.15
	TOTAL		**7,112.32**	**5,438.55**
II.	**Assets**			
1	**Non-current assets**			
	Property, Plant & Equipments	11	1,366.83	728.94
	Intangible Assets	11	9.51	5.82
	Capital Work-in-Progress	11	24.26	73.73
	Non-Current Investments	12	672.72	520.70
	Long-Term Loans and Advances	13	342.56	433.75
	Other Non Current Assets	14	61.94	41.35
2	**Current assets**			
	Inventories	15	320.69	300.58
	Trade Receivables	16	2,525.72	1,939.54
	Cash and Bank balance	17	24.74	24.22
	Short-Term Loans and Advances	18	1,261.70	738.59
	Other Current Assets	19	501.65	631.33
	TOTAL		**7,112.32**	**5,438.55**

The above statement should be read with the Notes to the Restated Consolidated Financial Information as appearing in Annexure V and Material Adjustments to Restated Consolidated Financial Information and notes thereon appearing in Annexure VII.

As per our report of even date

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

Sd/-
Kartikeya Raval
Partner

Place : Ahmedabad
Date : May 05, 2018

For and on behalf of Board of Directors
Montecarlo Limited
CIN :- U40300GJ1995PLC025082

Sd/-
Kanubhai M. Patel
Chairman & Managing Director
DIN: 00025552

Sd/-
Brijesh K. Patel
Jt. Managing Director
DIN: 00025479

Sd/-
Nigam G. Shah
Chief Financial Officer

Sd/-
Kalpesh P. Desai
Company Secretary

Place : Ahmedabad
Date : May 05, 2018

Montecarlo Limited

Annexure II
Restated Consolidated Statement of Profit and Losses (Rs. In Million)

	Particulars	Note No. of Annexure V	For the Year ended on March 31, 2014 (Indian GAAP)	For the Year ended on March 31, 2013 (Indian GAAP)
I	**Revenue:**			
	Revenue From Operations	20	7,382.62	6,781.42
	Other Income	21	30.10	13.14
	Total Revenue (I)		**7,412.72**	**6,794.56**
II	**Expenses:**			
	Changes in Work in Progress	22	(29.60)	(22.28)
	Construction Expenses	23	5,919.22	5,666.52
	Employee Benefit Expense	24	346.25	286.88
	Finance Cost	25	286.69	142.87
	Depreciation and Amortization Expense	26	158.25	104.08
	Other Expenses	27	207.72	137.84
	Total Expenses (II)		**6,888.53**	**6,315.91**
III	**Restated Profit Before Tax (I - II)**		**524.19**	**478.65**
IV	**Tax expense:**			
	Current Tax		185.10	160.93
	Deferred Tax		4.91	(0.57)
V	**Restated Net Profit for the year (III - IV)**		**334.18**	**318.29**
VI	**Share of Profit / (Loss) in Associate**		**(17.17)**	**(174.09)**
VII	**Profit / (Loss) for the period**		**317.01**	**144.20**
VIII	Earnings Per Equity Share:			
	Basic and Diluted (Refer note 31.3)		3.71	1.69

The above statement should be read with the Notes to the Restated Consolidated Financial Information as appearing in Annexure V and Material Adjustments to Restated Consolidated Financial Information and notes thereon appearing in Annexure VII.

As per our report of even date

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

Sd/-
Kartikeya Raval
Partner

Place : Ahmedabad
Date : May 05, 2018

For and on behalf of Board of Directors
Montecarlo Limited
CIN :- U40300GJ1995PLC025082

Sd/-
Kanubhai M. Patel
Chairman & Managing Director
DIN: 00025552

Sd/-
Brijesh K. Patel
Jt. Managing Director
DIN: 00025479

Sd/-
Nigam G. Shah
Chief Financial Officer

Sd/-
Kalpesh P. Desai
Company Secretary

Place : Ahmedabad
Date : May 05, 2018

Montecarlo Limited

Annexure III

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Montecarlo Limited

Annexure IV
Restated Consolidated Statement of Cashflows (Rs. In Million)

	PARTICULARS	As at March 31, 2014 (Indian GAAP)	As at March 31, 2013 (Indian GAAP)
A	**Cash Flow From Operating Activities**		
	Restated Net Profit before Tax	524.19	478.65
	Adjustment for:		
	Depreciation and Amortisation Expense	158.25	104.08
	(Profit) / Loss on Disposal of Items of Property, Plant and Equipment (net)	0.68	-
	Interest and other borrowing cost	286.69	142.87
	Interest income on FDRs	(5.95)	(3.84)
	Operating Profit Before Working Capital Changes	963.86	721.76
	Adjustment For Working Capital Changes:		
	Changes in Inventories	(20.11)	143.66
	Changes in Trade Receivables	(586.18)	(512.84)
	Changes in Loans & Advances	(383.89)	(496.36)
	Changes in Trade and Other Payables	350.00	(317.32)
	Cash Generated From Operations	**323.68**	**(461.10)**
	Direct Taxes paid (Net)	**(102.47)**	**(174.18)**
	Net Cash Flow from Operating Activities	**221.21**	**(635.28)**
B	**Cash Flow From Investing Activities:**		
	Purchase of Property Plant and Equipment (including advances for capital expenditure)	(798.56)	(123.45)
	Proceeds from sale of Items of Property Plant and Equipment	46.54	4.91
	Investment in Associates (made) / sold (net)	(169.19)	-
	Interest income on FDRs	5.95	3.84
	Changes in FDRs other than Cash and Cash Equivalents	(24.42)	(46.34)
	Net Cash Flow used In Investing Activities	**(939.68)**	**(161.04)**
C	**Cash Flow From Financing Activities:**		
	Proceeds from Secured Loans	739.38	123.83
	Repayment of Term Loans	(82.27)	(68.06)
	Increase in borrowings - Working Capital	344.76	834.50
	Interest and other borrowing cost	(286.69)	(142.87)
	Net Cash Used In Financing Activities	**715.18**	**747.40**
	Net Increase/ (Decrease) In Cash And Cash Equivalents	**(3.30)**	**(48.91)**
	Cash And Cash Equivalents At The Beginning Of The Year	**11.42**	**60.33**
	Cash And Cash Equivalents At The End Of The Year	**8.12**	**11.42**

The above Statement of Cash Flow has been prepared under the "Indirect Method" as set out in Indian Accounting Standard AS - 3 " Cash Flow Statements".

2. Cash and cash equivalent comprises of:

PARTICULARS	As at March 31, 2014 (Indian GAAP)	As at March 31, 2013 (Indian GAAP)
Balances with banks:		
- Current Accounts	4.07	5.29
- Cash credit account	-	3.22
Cash on hand	4.05	2.91
Cash and cash equivalents in statement of cash flow	**8.12**	**11.42**

The above statement should be read with the Notes to the Restated Consolidated Financial Information as appearing in Annexure V and Material Adjustments to Restated Consolidated Financial Information and notes thereon appearing in Annexure VII.

As per our report of even date

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

Sd/-
Kartikeya Raval
Partner

For and on behalf of Board of Directors
Montecarlo Limited
CIN :- U40300GJ1995PLC025082

Sd/-
Kanubhai M. Patel
Chairman & Managing Director
DIN: 00025552

Sd/-
Brijesh K. Patel
Jt. Managing Director
DIN: 00025479

Sd/-
Nigam G. Shah
Chief Financial Officer

Sd/-
Kalpesh P. Desai
Company Secretary

Place : Ahmedabad
Date : May 05, 2018

Place : Ahmedabad
Date : May 05, 2018

Montecarlo Limited

Annexure V
Notes to the Restated Consolidated Financial Information

Note A - Corporate Information

Montecarlo Limited (the company) is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The company is engaged in business of Infrastructure Development, Mining, and Infrastructure for Power Transmission & Distribution and Property Development.

Note B - Basis of Preparation

The Restated Consolidated Statement of Assets and Liabilities of the Company as at March 31, 2014 and March 31, 2013 and the related Restated Consolidated Statement of Profits and Loss and Restated Consolidated Statement of Cash Flows for the period ended March 31, 2014 and March 31, 2013 and other restated financial information (herein collectively referred to as "Restated Consolidated Financial Information") have been compiled by the Management from the then Audited Standalone Financial Statements of the Company and Audited Standalone Financial Statements of the Associate for the respective corresponding periods and after making consolidation adjustments.

The Audited Standalone Financial Statements of the Company and Associate for the years ended March 31, 2014 and March 31, 2013 were prepared in accordance with the generally accepted accounting principles in India (Indian GAAP) at the relevant time. The Company has prepared the Restated Consolidated Financial Information to comply in all material aspects with the Accounting Standards notified under Section 133 of the Companies Act, 2013 ('the Act'), read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2006, as amended from time to time. The Restated Consolidated Financial Information have been prepared on an accrual basis and under the historical cost convention. The accounting policies are applied consistently in preparation of restated consolidated Financial Information.

These Restated Consolidated Financial Information have been prepared by the Management for inclusion in the Offer Document to be filed by the Company with the Securities and Exchange Board of India ('SEBI') in connection with proposed Initial Public Offering of its equity shares, in accordance with the requirements of:

(a) Section 26 of Part 1 Chapter III of the Act read with Rule 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014;

(b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time (the "Regulations") issued by the Securities and Exchange Board of India ('SEBI') on 26 August 2009, in pursuance of the Securities and Exchange Board of India Act, 1992 read along with SEBI Circular No. SEBI/HO/CFD/DIL/CIR/P/2016/47 dated 31st March, 2016; and

(c) Guidance note on reports in company prospectuses (2016).

The Restated Consolidated Financial Information have been prepared after incorporating adjustments for the changes in accounting policies retrospectively in financial year ended March 31, 2013 to reflect the same accounting treatment as per accounting policies as at and for the year ended March 31, 2014.

Montecarlo Limited

Annexure V
Notes to the Restated Consolidated Financial Information

This Restated Consolidated Financial Information has been prepared after incorporating adjustments for the material amounts in the respective years to which they relate.

The Restated Consolidated Financial Information are presented in Indian Rupees, rounded off to nearest million, except per share data, face value of equity shares and expressly stated otherwise.

Presentation and Disclosure

With effect from March 31, 2012, the Revised Schedule VI under the Companies Act, 1956 came into effect and accordingly, the Audited Consolidated financial statements pertaining to the period March 31, 2013 and the year ended March 31, 2014 was prepared as per Revised Schedule VI. With effect from April 1, 2014, Schedule III has been notified under the Act for the preparation and presentation of financial statements. The adoption of Schedule III does not impact recognition and measurement principles followed for preparation of Consolidated financial statements. The Company has prepared the Restated Consolidated Financial Information along with the relevant notes in accordance with the requirements of Schedule III of the Act.

Principles of Consolidation

Investments in Associates:

Investment in associate is accounted using the equity method prescribed in Accounting Standard 23 (AS-23) "Accounting for Investments in Associates in Consolidated Financial Statements" and disclosed separately in the Consolidated Balance Sheet. The Associate considered in Restated Consolidated Financial Information are:

Name of the Company	% of Holding	
	31- March-14	31-March-13
Bijapur - Hungund Tollway Private Limited	23%	23%

B.1 Summary of significant accounting policies

a) Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results may differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in current and future periods.

b) Property, Plant & Equipment and Depreciation

Property, Plant & Equipment are stated at cost of acquisition or construction less accumulated depreciation and accumulated impairment loss. Cost includes purchase price and all other attributable cost of bringing the asset to working condition for intended use. Financing costs relating to borrowing funds attributable to acquisition of Property, Plant & Equipment are also included, for the period till such asset is put to use.

Subsequent expenditures related to an item of property, plant and equipment are added to its book value if and only if, it is probable that future economic benefits associated with the item will flow to the enterprise and the cost of the item can be measured reliably.

Capital work in-progress represents expenditure incurred in respect of assets which are yet to be brought to it working condition for its intended use and are carried at cost. Cost includes related acquisition expenses, construction or development cost, borrowing costs capitalised and other direct expenditure.

Depreciation on Property, Plant & Equipment is provided on the Straight Line Method (SLM) as per the rates prescribed under Schedule XIV to the Companies Act, 1956. In respect of the Property, Plant & Equipment purchased during the year, depreciation is provided on pro rata basis from the date on which such asset is ready to be put to use.

c) Intangible Assets and Amortisation

Intangible assets acquired separately are measured on initial recognition at cost and amortized on a Straight Line basis over the estimated useful economic life.

d) Impairment of Tangible and Intangible Assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

e) Foreign Currency Transactions

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Exchange differences arising on acquisition of a fixed asset are capitalized and depreciated over the remaining useful life of the asset.

All other exchange differences are recognized as income or as expenses in the period in which they arise.

f) Borrowing Costs

Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalized as a part of the cost of such asset. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. All others borrowing cost are charged to revenue.

g) Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long term investments are carried at cost and provision for diminution in value is made to recognize a decline, other than temporary, in the value of the investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares, securities or other assets, the acquisition cost is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

h) Inventories

Inventories are stated at the lower of cost and net realizable value. Costs of inventories are determined on weighted average cost basis, except for certain in-house developed materials which are determined on a standard cost basis.

i) Work in Progress

Work in progress in respect of construction contracts is valued at Contract Rates and on the basis of technical estimates and percentage completion basis.

j) Revenue Recognition

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

a. Contract revenue

Revenue from Construction Contracts:

If the outcome of the construction contract can be estimated reliably, revenue from construction contracts is recognised by reference to the stage of completion of the contract activity. The stage of completion is determined by survey of work performed and / or on completion of a physical proportion of the contract work, as the case may be. The Company's claims for extra work, incentives, escalation in rates relating to execution of contracts are recognized as revenue in the year in which the said claims are finally accepted by the customers.

The estimated outcome of a contract is considered reliable when all the following conditions are satisfied:

i. the amount of revenue can be measured reliably;
ii. it is probable that the economic benefits associated with the contract will flow to the company;
iii. the stage of completion of the contract at the end of the reporting period can be measured reliably; and
iv. the costs incurred or to be incurred in respect of the contract can be measured reliably.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognized as an expense immediately.

Rendering of services:

Revenue from contracts to provide services (other than those covered under construction contracts referred above) are recognized by reference to the stage of completion of the contract.

b. Interest Income

Interest Income is recognized on a time proportionate basis taking into account the amount outstanding and the rate applicable.

k) Employee Benefits:

Defined benefit plans

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees through Group Gratuity Scheme of Life Insurance Corporation of India. The Company accounts for the liability for the gratuity benefits payable in future based on an independent actuarial valuation carried out using Projected Unit Credit Method considering discounting rate relevant to Government Securities at the Balance Sheet Date.

Defined benefit costs in the nature of current and past service cost and net interest expense or income are recognized in the statement of profit and loss in the period in which they occur. Actuarial gains and losses on remeasurement is reflected immediately in the balance sheet with a charge or credit recognized profit or loss statement. Past service cost is recognised in profit or loss in the period of a plan amendment.

Defined Contribution plan

Retirement Benefits in the form of Provident Fund, which is a defined contribution scheme, is charged to the Statement of Profit and Loss for the period in which the contributions to the fund accrue.

Compensated Absences:

Provision for Compensated Absences and its classifications between current and non-current liabilities are based on independent actuarial valuation. The actuarial valuation is done as per the projected unit credit method as at the reporting date.

Short term employee benefits:

They are recognised at an undiscounted amount in the Statement of Profit and Loss for the year in which the related services are rendered.

l) Income Taxes

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income tax Act 1961, and based on the expected outcome of assessments/appeals. Current income tax assets and current income tax liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted at the reporting date.

Deferred tax assets and liabilities are recognized for future tax consequences attributable to timing differences between financial statements' carrying amount of existing assets and liabilities and their respective tax basis. Deferred tax assets are recognized only to the extent that there is a reasonable certainty that sufficient future income will be available except that deferred tax assets, in case there are unabsorbed depreciation or losses, are recognized if there is virtual certainty that sufficient future taxable income will be available to realize the same. Deferred tax assets and liabilities are measured using the enacted tax rates or tax rates that have been enacted or substantively enacted by the

Balance Sheet date. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the period that includes the enactment date.

m) Segment Reporting

The group operates on Pan India basis, and accordingly, the geographical segment is India as a whole. The group operates mainly in two segments:

i) Infrastructure Development comprising of Road construction, Railway infrastructure development, Engineering and construction of Building and factories, Transmission and Distribution of Energy, Water and Irrigation projects including Water Treatment System, Sanitation and Sewerage system, and solid waste management system.

ii) Mining including extraction of minerals and removal of overburden.

Allocation of common costs:

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated Items:

Unallocated items include general corporate incomes and expenses which are not allocated to any business segment. Assets and liabilities that cannot be allocated between the segments are shown as a part of unallocated corporate assets and liabilities respectively.

n) Cash and cash equivalents

Cash and cash equivalents comprise of cash at bank and cash on hand. The Group considers all highly liquid investments without encumbrance/lien having maturity of three month or less from the reporting date to be cash equivalents.

o) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and weighted average number of equity shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

p) Provisions Contingent Liabilities & Contingent Assets:

A provision is recognized when the group has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Contingent Liabilities are not provided for and are disclosed by way of notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

Montecarlo Limited

Annexure V

Note 1: Restated Consolidated Statement of Share Capital (Rs. In Million)

Particulars	As at March 31, 2014 (Indian GAAP)		As at March 31, 2013 (Indian GAAP)	
	Number of shares	Amount	Number of shares	Amount
a) Authorised Share Capital				
Equity Shares of Rs. 10 each	50,00,000	50.00	50,00,000	50.00
b) Issued Subscribed and fully Paid up Share Capital				
Equity Shares of Rs. 10 each	25,65,000	25.65	25,65,000	25.65

c) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period :

Particulars	As at March 31, 2014 (Indian GAAP)		As at March 31, 2013 (Indian GAAP)	
	Number of shares	Amount	Number of shares	Amount
Outstanding at the beginning of the year	25,65,000	25.65	25,65,000	25.65
Add: Issued during the year	-	-	-	-
Outstanding at the end of the year	25,65,000	25.65	25,65,000	25.65

d) Terms/rights attached to equity shares :

The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled for one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

e) Details of shareholders holding more than 5% Shares :

Name of Shareholder	As at March 31, 2014 (Indian GAAP)		As at March 31, 2013 (Indian GAAP)	
	No. of Shares	% of Holding	No. of Shares	% of
Equity Shares of Rs. 10 each fully paid				
Montecarlo Engineering Pvt Ltd	4,80,000	18.71%	4,80,000	18.71%
Montecarlo Projects Pvt Ltd	4,80,000	18.71%	4,80,000	18.71%
Montecarlo Infrastructure Limited	4,25,000	16.57%	4,25,000	16.57%
Kanubhai Mafatlal Patel	3,92,570	15.31%	3,92,570	15.31%
Brijesh Kanubhai Patel	2,68,700	10.47%	2,68,700	10.47%
Mrunal Kanubhai Patel	2,65,010	10.33%	2,65,010	10.33%
Dinaben Kanubhai Patel	2,53,510	9.88%	2,53,510	9.88%

Note: - In Case of Joint Shareholders, First Shareholders Name clubbed with his/her Individual shareholding.

There are no shares which are reserved to be issued under options and there are no securities issued/ outstanding which are convertible into equity shares.

As per the records of the company including its register of shareholders / members and other declarations received from the shareholders.

Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date.

Subsequent to December 31, 2017, the Company issued 21,375,001 bonus shares to the existing share holders in the ratio of 1 share for every 3 shares held by the existing share holders.

During the year ended on March 31, 2016, the Company issued 5,13,00,000 bonus shares to existing shareholders in the ratio of 4 shares for every 1 share held by them.

During the year ended on March 31, 2015, the Company issued 1,02,60,000 bonus shares to existing shareholders in the ratio of 4 shares for every 1 share held by them.

Annexure V
Notes to Restated Consolidated Financial Information

(Rs. In Million)

Note 2: Restated Consolidated Statement of Reserves and Surplus

Particulars	As at March 31, 2014 (Indian GAAP)	As at March 31, 2013 (Indian GAAP)
A. Securities Premium Account		
At the beginning of the year	131.85	131.85
Less:- Utilized during the year	-	-
Balance at the end of the year (A)	**131.85**	**131.85**
B. General Reserve		
At the beginning of the year	725.00	500.00
Add:- Transfer from Surplus of Profit and Loss	250.00	225.00
Balance at the end of the year (B)	**975.00**	**725.00**
C. Capital Reserve - NHAI Grant		
Opening Balance	629.28	629.28
Less:- Utilized during the Year	-	-
Add:- Current Year Transfer	-	-
Closing Balance (C)	**629.28**	**629.28**
D. Surplus as per Restated Consolidated Statement of Profit & Loss		
At the beginning of the year	374.34	455.14
Add:- Restated Consolidated Profit for the year	317.01	144.20
Less:- Transfer to General Reserve	(250.00)	(225.00)
Balance at the end of the year (D)	**441.35**	**374.34**
Total (A+B+C+D)	**2,177.48**	**1,860.47**

Note 3: Restated Consolidated Statement of Long Term Borrowings

Particulars	As at March 31, 2014 (Indian GAAP)	As at March 31, 2013 (Indian GAAP)
Long term borrowings - Non current portion (Refer note 3.1)		
Secured		
Term Loans		
- From Banks	383.56	60.37
- From Financial Institutions	205.71	-
Total	**589.27**	**60.37**

Particulars	As at March 31, 2014 (Indian GAAP)	As at March 31, 2013 (Indian GAAP)
Current portion of Long Term Borrowings is disclosed under the head "Other current liabilities" (Refer Note 9)	210.73	82.52

Annexure V
Notes to Restated Consolidated Financial Information

Note no. 3.1 Long Term Borrowing

Sr. No	Lender	Nature of facility	No. of Outstanding Loans	Loan currency	Amount Sanctioned (Rs. In Million)	Amount Outstanding As on 31.03.2014 (Rs. In Million)	Rate of Interest (p.a)	Range of Balance No. of installments as at march 31.03.2014	Frequency of Installments
1	HDFC Bank Limited	Vehicle Loan	1	INR	5.928	3.85	6.80%	28	Monthly
2	HDFC Bank Limited	Construction Equipment Loan	50	INR	520.13	390.82	9.40%-13.64%	03-49	Monthly
3	Sundaram Finance Limited	Construction Equipment Loan	4	INR	41.13	35.49	9.41%-9.75%	39	Monthly
4	Kotak Mahindra Bank	Construction Equipment Loan	2	INR	1.25	0.24	11.25%	6	Monthly
5	Tata Capital Financial Services limited	Construction Equipment Loan	11	INR	126.2	126.2	11.96%-12.23%	46	Monthly
6	Axis Bank Limited	Vehicle Loan	1	INR	0.975	0.3846	6.25%	24	Monthly
7	Axis Bank Limited	Construction Equipment Loan	6	INR	9.08	4.58	10.13%-10.60%	24-37	Monthly
8	ICICI Bank Limited	Vehicle Loan	14	INR	10.452	6.68	6.80%-10.25%	24-31	Monthly
9	ICICI Bank Limited	Construction Equipment Loan	12	INR	130.62	123.28	10.83%-10.94%	53-55	Monthly
10	SREI Infrastructure Finance Limited	Construction Equipment Loan	7	INR	83.9	73.06	8.54%-8.74%	40	Monthly
11	Daimler Financial Services	Construction Equipment Loan	17	INR	38.94	35.4	9.51%-10.40%	38-45	Monthly
	Total :				**968.61**	**800.00**			

(i) All above Secured Loans are secured by exclusive charge on respective Vehicle and/or Construction Equipment. Also the Personal Guarantee of our Promoter Mr. Kanubhai M Patel, Mr. Brijesh K Patel and Mr. Mrunal K Patel on respective secured loan were also obtained.

Annexure V
Notes to Restated Consolidated Financial Information

(Rs. In Million)

Note 4 : Restated Consolidated Statement of Deferred Tax Liabilities (Net)

Particulars	As at March 31, 2014 (Indian GAAP)	As at March 31, 2013 (Indian GAAP)
Deferred Tax Liabilities		
Excess of depreciation and amortization on fixed assets under Income Tax law over depreciation and amortization provided in accounts	35.31	26.01
Other Interest Receivable	0.81	4.60
Prepaid Expenses	0.75	0.54
Less: Deferred Tax Assets		
Provision for Gratuity	1.85	1.99
Provision for Leave Encashment	0.80	0.66
Provision for Bonus	1.06	0.90
Interest accrued but not due on Term Loans	0.91	0.25
Deferred Tax Liability (Net)	**32.25**	**27.35**

Note 5: Restated Consolidated Statement of Other Long Term Liabilities

Particulars	As at March 31, 2014 (Indian GAAP)	As at March 31, 2013 (Indian GAAP)
Security and Other Deposits	379.80	119.78
Mobilisation Advances & Other Advances	10.91	401.46
Total	**390.71**	**521.24**

Note 6: Restated Consolidated Statement of Long Term Provisions

Particulars	As at March 31, 2014 (Indian GAAP)	As at March 31, 2013 (Indian GAAP)
Provision for employee benefits		
Gratuity	0.24	6.15
Compensated Absences	1.98	2.02
Total	**2.22**	**8.17**

Note 7: Restated Consolidated Statement of Short Term Borrowings

Particulars	As at March 31, 2014 (Indian GAAP)	As at March 31, 2013 (Indian GAAP)
Working Capital Facilities		
Secured		
- From Banks (Refer note 7.1)	1,741.97	1,397.22
Total	**1,741.97**	**1,397.22**

Montecarlo Limited

Annexure V
Notes to Restated Consolidated Financial Information

Note 7.1 : Short Term borrowings

Sr. No.	Lender	Nature of Facility	Loan Currency	Amount Sanctioned as on 31.03.2014 (Rs. In Million)	Amount Outstanding as on 31.03.2014 (Rs. In Million)	Rate of interest(p.a)	Mode of Repayment
1	Oriental Bank of Commerce	Cash Credit	INR	300.00	219.32	12.40%	Repayable on demand subject to annual renewal
2	State Bank of India	Cash Credit	INR	300.00	299.09	11.50%	Repayable on demand subject to annual renewal
3	Bank of Baroda	Cash Credit	INR	200.00	199.09	12.25%	Repayable on demand subject to annual renewal
4	Indian Overseas Bank	Cash Credit	INR	300.00	289.49	12.25%	Repayable on demand subject to annual renewal
5	Indian Overseas Bank	WCDL	INR	250.00	250.00	12.25%	1 Year Validity of sanction / Rollover of facility on every 60 days / 70 days / 90 days
6	IDBI Bank	Cash Credit	INR	200.00	195.89	12.25%	Repayable on demand subject to annual renewal
7	Karur Vysya Bank	Cash Credit	INR	200.00	280.97	12.50%	Repayable on demand subject to annual renewal
8	Karur Vysya Bank	Overdraft	INR	9.72	8.12	10.25%	Repayable on demand subject to annual renewal
	Total			**1,759.72**	**1,741.97**		

(i) All above Cash Credit Limits are subject to Annual Renewal
(ii) All WCDL limits above are sub-limit of Cash Credit Limits.
(iii) Primary Security: Secured by Hypothecation of receivables, Inventories and other current assets as per the sanctions of member banks in the consortium.
(iv) Collateral Security : First paripassu charge by equitable mortgage on the immovable properties described below:
- Properties of the Company, mainly Corporate Office having Unit No.706 to 709 situated at Shilp Building, Near Municipal Market, C.G. Road, Navrangpura, Ahmedabad.

(v) Personal Guarantee: (A) Promoters of the Company and (B) Property Owner of Immovable Properties provided as collateral Security.

Annexure V
Notes to Restated Consolidated Financial Information

(Rs. In Million)

Note 8: Restated Consolidated Statement of Trade Payables

Particulars	As at March 31, 2014 (Indian GAAP)	As at March 31, 2013 (Indian GAAP)
For Materials	530.25	510.59
For Expenses	817.80	492.67
Total	**1,348.05**	**1,003.26**

Note 8.1 : Trade Payable are payable on account of goods purchased and services availed in the normal course of business.

Note 8.2 Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from 2 October 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with the Management, there are no Micro, Small and Medium Enterprises, to whom the Company owes dues (including interest on outstanding dues) which are outstanding as at balance sheet date.

Note 8.2 Refer Note 29 for Related Party Transactions and outstanding balances.

Note 9: Restated Consolidated Statement of Other Current Liabilities

Particulars	As at March 31, 2014 (Indian GAAP)	As at March 31, 2013 (Indian GAAP)
Current Maturities of Long Term Borrowing (Refer note 3.1)		
Secured Loans from Banks	146.29	82.33
Secured Loans from Financial institutions	64.44	0.19
Other Payables		
Securities and other Deposits	41.60	229.47
Advance received from customers	3.91	11.51
Mobilisation Advances & Other Advances	495.99	165.54
Statutory Dues	13.83	24.31
Creditors for Capital Expenditure	0.11	0.03
Employee related dues	27.84	20.52
Interest accrued but not due	5.00	0.77
Total	**799.01**	**534.67**

Note 9.1 Refer Note 29 for Related Party Transactions and outstanding balances.

Note 10: Restated Consolidated Statement of Short Term Provisions

Particulars	As at March 31, 2014 (Indian GAAP)	As at March 31, 2013 (Indian GAAP)
A) Provision for Employee Benefits		
Gratuity	5.19	-
Compensated Absences	0.37	-
Total (A)	**5.56**	**-**
B) Others Provisions		
Wealth Tax Provision	0.15	0.15
Total (B)	**0.15**	**0.15**
Total (A+B)	**5.71**	**0.15**

Montecarlo Limited

Annexure V
Notes to Restated Consolidated Financial Information

Note 11: Restated Consolidated Statement of Property, Plant & Equipment, Capital Work-in-Progress and Intangible Assets

As at March 31, 2014 (Rs. In Million)

	Particulars	Gross Block				Accumulated Depreciation				Net Block
		As at April 1, 2013	Additions	Deletions / Disposals	As at March 31, 2014	As at April 1, 2013	Depreciation charge for the Year	On Deletion / Disposals	As at March 31, 2014	As at March 31, 2014
A	**Property, Plant & Equipment**									
	Freehold Land	49.68	-	10.04	39.65	-	-	-	-	39.65
	Building	96.52	-	-	96.52	5.38	1.61	-	6.99	89.53
	Machinery	843.34	281.27	85.70	1,038.92	372.28	94.67	49.13	417.82	621.10
	Vehicles	144.96	559.40	3.05	701.30	56.24	56.34	2.44	110.14	591.16
	Office Equipment	4.88	-	-	4.88	1.57	0.26	-	1.82	3.06
	Computer	11.35	-	-	11.35	9.19	0.97	-	10.16	1.19
	Furniture & Fixtures	26.10	-	-	26.10	4.72	1.65	-	6.37	19.73
	Electric Installation	1.89	-	-	1.89	0.39	0.09	-	0.48	1.41
	Total (A)	1,178.71	840.67	98.79	1,920.60	449.77	155.57	51.57	553.77	1,366.83
B	**Intangible Assets**									
	Software & Licenses	13.47	6.37	-	19.84	7.65	2.68	-	10.33	9.51
	Total (B)	13.47	6.37	-	19.84	7.65	2.68	-	10.33	9.51
C	**Capital work In Progress**	73.73	26.81	76.29	24.26	-	-	-	-	24.26
	Total (C)	73.73	26.81	76.29	24.26	-	-	-	-	24.26
	Grand Total (A+B+C)	**1,265.92**	**873.85**	**175.07**	**1,964.69**	**457.41**	**158.25**	**51.57**	**564.10**	**1,400.60**

i) For Capital Commitments made by the company as at the reporting date, refer Note 28.
(ii) Refer Note 3.1 & 7.1 for assets pledged as security.

Montecarlo Limited

Annexure V

Notes to Restated Consolidated Financial Information

Note 11: Restated Consolidated Statement of Property, Plant & Equipment, Capital Work-in-Progress and Intangible Assets

As at March 31, 2013 (Rs. In Million)

	Particulars	Gross Block				Accumulated Depreciation				Net Block
		As at April 1, 2012	Additions	Deletions / Disposals	As at March 31, 2013	As at April 1, 2012	Depreciation charge for the Year	On Deletion / Disposals	As at March 31, 2013	As at March 31, 2013
A	**Property, Plant & Equipments**									
	Land	39.65	10.04	-	49.68	-	-	-	-	49.68
	Building	84.20	12.31	-	96.52	3.87	1.52	-	5.38	91.13
	Machinery	851.30	2.24	10.20	843.34	295.81	82.37	5.90	372.28	471.06
	Vehicles	132.27	22.38	9.70	144.96	51.09	14.23	9.08	56.24	88.71
	Office Equipment	4.88	-	-	4.88	1.31	0.26	-	1.57	3.31
	Computer	11.35	-	-	11.35	7.72	1.48	-	9.19	2.16
	Furniture & Fixtures	13.20	12.90	-	26.10	3.25	1.46	-	4.72	21.38
	Electric Installation	1.30	0.59	-	1.89	0.31	0.08	-	0.39	1.50
	Total (A)	1,138.14	60.46	19.89	1,178.71	363.36	101.39	14.98	449.77	728.94
B	**Intangible Assets**									
	Software & Licenses	13.47	-	-	13.47	4.95	2.69	-	7.65	5.82
	Total (B)	13.47	-	-	13.47	4.95	2.69	-	7.65	5.82
C	**Capital work In Progress**	11.69	70.19	8.15	73.73	-	-	-	-	73.73
	Total (C)	11.69	70.19	8.15	73.73	-	-	-	-	73.73
	Grand Total (A+B+C)	**1,163.30**	**130.66**	**28.04**	**1,265.92**	**368.31**	**104.08**	**14.98**	**457.41**	**808.50**

Note :

i) For Capital Commitments made by the company as at the reporting date, refer Note 28.

(ii) Refer Note 3.1 & 7.1 for assets pledged as security.

Montecarlo Limited

Annexure V
Notes to Restated Consolidated Financial Information

Note 12: Restated Consolidated Statement of Non-current Investments (Rs. In Million)

Particulars	As at 31st March, 2014		As at 31st March, 2013	
	Nos./Units	Rs.	Nos./Units	Rs.
Non-Trade Investment				
Unquoted Investments (All fully paid)				
Investment in Equity instruments				
Equity Shares of Rs. 10 each of Bijapur-Hungund Tollway Private Limited	2,32,20,800	232.21	63,02,000	63.02
Add:				
Accumulated share in Capital Reserve-Grant from NHAI of the associate		629.28		629.28
Accumulated share in profit/(loss) of the associate companies at beginning of the		(174.60)		(0.51)
Share in profit/(loss) (net) of associate companies-during the period		(17.17)		(174.09)
Investment in Government Securities				
Sardar Sarovar Narmada Nigam Ltd. - Security Bond	-	3.00	-	3.00
Total	**2,32,20,800**	**672.72**	**63,02,000**	**520.70**

Notes:

12.1 Company has pledged 6,037,408 (March 31, 2013, 3,079,078) shares of Bijapur Hungund Tollway Pvt. Ltd. with the Borrower as collateral security for loan taken by Bijapur Hungund Tollway Pvt. Ltd.

12.2 Refer note 29 for Related party transactions and outstanding balances.

12.3: The Company has filed a Company Petition No. 78 of 2013 against Bijapur- Hungund tollway Pvt. Ltd. (BHTPL),Sadbhav Engineering Ltd. (SEL), Sadbhav Infrastructure Projects Ltd. (SIPL), (SEL and SIPL being other Investors' in BHTPL) and present & past directors of BHTPL (herein referred to as "Appellant") under sections 397,398,399,402 and 403 of the Companies Act, 1956) before the Company Law Board (CLB), Mumbai. SIPL had filed an Application to stay proceedings before the CLB and refer the matters to arbitration. The said Application was dismissed by the CLB by Order dated January 8, 2014. SIPL then proceeded to file a Writ Petition before the Hon'ble Gujarat High Court challenging the said Order. The Writ Petition was dismissed by Order dated August 14, 2014. SIPL has filed Letters Patent Appeal No.1070 of 2014 before the Division Bench of the Hon'ble Gujarat High Court against the said Order. The Hon'ble Gujarat High Court has by Order dated September 18, 2014 continued the interim Orders passed during the pendency of the Writ Petition and further directed that the proceedings of Company Petition No. 78 of 2013 shall not proceed further. The Letter Patents Appeal is pending hearing before the Hon'ble Gujarat High Court.

Annexure V
Notes to Restated Consolidated Financial Information

(Rs. In Million)

Note 13: Restated Consolidated Statement of Long Term Loans and Advances

Particulars	As at March 31, 2014 (Indian GAAP)	As at March 31, 2013 (Indian GAAP)
(Unsecured, considered good)		
Security and other deposits	50.14	50.52
Loan to Associate Company	252.08	252.08
Advance paid to Vendor	39.34	130.21
Capital Advances	1.00	0.94
Total	**342.56**	**433.75**

Note 13.1 Refer Note 29 for Related Party Transactions and outstanding balances.

Note 14: Restated Consolidated Statement of Other Non Current Assets

Particulars	As at March 31, 2014 (Indian GAAP)	As at March 31, 2013 (Indian GAAP)
Fixed Deposit - Maturing after 12 months from the reporting date*	61.94	41.35
Total	**61.94**	**41.35**

*Above Fixed Deposits made with bank is given to customers as Security and Earnest Money Deposit and lien marked with bank for working capital facilities.

Note 15: Restated Consolidated Statement of Inventories

Particulars	As at March 31, 2014 (Indian GAAP)	As at March 31, 2013 (Indian GAAP)
Construction Materials	138.66	148.15
Property Development related Work-in-Progress	182.03	152.43
Total	**320.69**	**300.58**

Note 15.1 Inventories are valued at cost or net realisable value whichever is lower
Note 15.2 Construction materials are hypothecated as securities for short term borrowings / working capital facilities from Banks. (Refer note 7.1)

Note 16: Restated Consolidated Statement of Trade Receivables

Particulars	As at March 31, 2014 (Indian GAAP)	As at March 31, 2013 (Indian GAAP)
Unsecured, considered good		
Outstanding for more than six months	89.21	24.36
Outstanding for less than six months	2,436.51	1,915.18
Total	**2,525.72**	**1,939.54**

i) Short Term Borrowings are secured against above trade receivables (Refer Note 7.1).

Annexure V
Notes to Restated Consolidated Financial Information

(Rs. In Million)

Note17: Restated Consolidated Statement of Cash and Bank balance

Particulars	As at March 31, 2014 (Indian GAAP)	As at March 31, 2013 (Indian GAAP)
(A) Cash and Cash equivalents		
a) Cash on hand	4.05	2.91
b) Balances with banks		
- In Current Accounts	4.07	5.29
- In Cash Credit Accounts	-	3.22
Total (A)	**8.12**	**11.42**
(B) Other Bank balances		
Fixed Deposits maturing within 12 months from reporting date*	16.62	12.80
Total (B)	**16.62**	**12.80**
Total (A+B)	**24.74**	**24.22**

*Fixed deposits made with bank is given to customers as Security & Earnest money deposit and lien marked bank for working capital facilities.

Note 18: Restated Consolidated statement of Short-Term Loans and Advances

Particulars	As at March 31, 2014 (Indian GAAP)	As at March 31, 2013 (Indian GAAP)
(Unsecured, considered good)		
Advance Paid to Vendors	456.79	232.89
Security and other deposits	676.75	328.71
Balance with Revenue Authorities	98.69	148.54
Other advance recoverable in cash or kind	29.47	28.45
Total	**1,261.70**	**738.59**

Please refer Note 29 for Related Party Transactions and outstanding balances.

Note 19: Restated Consolidated Statement of Other Current Assets

Particulars	As at March 31, 2014 (Indian GAAP)	As at March 31, 2013 (Indian GAAP)
Interest Accrued but not due on FDRs	1.28	1.10
Other interest receivable	2.39	14.18
Unbilled Revenue	497.98	616.05
Total	**501.65**	**631.33**

Note 20: Restated Consolidated Statement of Revenue From Operations

Particulars	For the Year ended on March 31, 2014 (Indian GAAP)	For the Year ended on March 31, 2013 (Indian GAAP)
Contract Receipts *	7,354.85	6,759.81
Other operating revenues	27.77	21.61
Total Revenue From Operations	**7,382.62**	**6,781.42**

* Contract Revenue includes net effect of changes in unbilled revenue at the beginning and end of the year.

Annexure V
Notes to Restated Consolidated Financial Information

(Rs. In Million)

Note 21: Restated Consolidated Statement of Other Income

Particulars	For the Year ended on March 31, 2014 (Indian GAAP)	For the Year ended on March 31, 2013 (Indian GAAP)
Interest Income		
- From Banks	5.95	3.84
- Others	24.05	9.23
Income on disposal of Items of Property, Plant and Equipment	-	0.07
Misc. Income	0.10	-
Total	**30.10**	**13.14**

Note 22: Restated Consolidated Statement of Changes in Inventories of Work-in-Progress

Particulars	For the Year ended on March 31, 2014 (Indian GAAP)	For the Year ended on March 31, 2013 (Indian GAAP)
Property Development related Work-in-Progress		
At the beginning of the year	152.43	130.15
Less: At the end of the year	182.03	152.43
Change in inventories of Work in Progress	**(29.60)**	**(22.28)**

Note 23: Restated Consolidated Statement of Construction Expenses

Particulars	For the Year ended on March 31, 2014 (Indian GAAP)	For the Year ended on March 31, 2013 (Indian GAAP)
Sub-contracting Expenses	4,102.82	3,954.89
Camp and Site Expenses	38.29	22.19
Consumption of Construction Material	1,218.97	1,452.47
Running & Maintenance of Plant and Machinery	454.01	140.02
Store Expenses	51.91	35.80
Hiring Expense	28.67	38.63
Transport Expense	24.55	22.52
Total	**5,919.22**	**5,666.52**

Note 24: Restated Consolidated Statement of Employee Benefit Expenses

Particulars	For the Year ended on March 31, 2014 (Indian GAAP)	For the Year ended on March 31, 2013 (Indian GAAP)
Salaries, Wages and Bonus	317.80	261.76
Contributions to Provident and other funds	7.09	5.45
Gratuity expense	(0.12)	(0.04)
Staff welfare expenses	21.48	19.71
Total	**346.25**	**286.88**

Annexure V
Notes to Restated Consolidated Financial Information

(Rs. In Million)

Note 25: Restated Consolidated Statement of Finance Cost

Particulars	For the Year ended on March 31, 2014 (Indian GAAP)	For the Year ended on March 31, 2013 (Indian GAAP)
Interest on Working Capital Facilities	197.32	106.55
Interest on Term Loans from Banks and Financial	58.64	11.85
Interest on Loans from Related Parties	4.81	2.07
Other borrowing costs	25.92	22.40
Total	**286.69**	**142.87**

Note -26 Restated Consolidated Statement of Depreciation and Amortisation expenses

Particulars	For the Year ended on March 31, 2014 (Indian GAAP)	For the Year ended on March 31, 2013 (Indian GAAP)
Depreciation on Property, Plant and Equipment	155.57	101.39
Amortisation on Intangible Assets	2.68	2.69
Total	**158.25**	**104.08**

Note 27 : Restated Consolidated Statement of Other Expenses

Particulars	For the Year ended on March 31, 2014 (Indian GAAP)	For the Year ended on March 31, 2013 (Indian GAAP)
Auditor's Remuneration (Refer note 31.4)	1.35	1.35
Business Promotion Expenses	1.63	4.57
Donation	13.93	8.98
Legal & Professional charges	38.95	8.22
Net loss on disposal of Property, Plant and Equipment	0.78	-
Miscellaneous Expenses	28.19	25.93
Repair and Maintenance of other	7.35	6.27
Tender fee	3.40	1.67
Rent Expenses	14.04	13.57
Service Tax	5.48	1.81
Stationery, Postage & Telephone Expense	7.10	6.56
Bank Charges	7.54	12.62
Rates & Taxes	38.01	19.39
Insurance Expense	13.59	9.36
Traveling Expenses	15.91	9.04
Running & Maintenance of Vehicle	10.47	8.50
TOTAL	**207.72**	**137.84**

Annexure V
Notes to Restated Consolidated Financial Information

(Rs. In Million)

Note 28: Restated Consolidated Statement of Contingent Liabilities and Capital Commitments

Contingent Liabilities

Particulars	As at March 31, 2014 (Indian GAAP)	As at March 31, 2013 (Indian GAAP)
Claim against the company not acknowledged as debt		
- Income Tax (Refer note 28.1)	141.81	34.35
- Indirect Tax (Refer note 28.2)	136.39	4.05
Total	**278.20**	**38.40**

Note 28.1 :- The Company has received favourable orders' from the Commissioner of Income tax (Appeals) for previous Assessment years against which the Income tax Department has filed appeals with ITAT. Similarly on certain matters including 80IA(4), the Company has received unfavourble orders' from Commissioner of Income Tax (Appeals), against which the Company has filed appeals with ITAT. The matter are subjudice. The Management is not expecting any future cash outflows with respect to above litigations.

Note 28.2 :-Matters relating to VAT, Entry tax and Excise duty are being contested at various levels of Indirect Taxation Authorities. The Management is not expecting any future cash outflows with respect to above litigations.

Capital Commitments

Particulars	As at March 31, 2014 (Indian GAAP)	As at March 31, 2013 (Indian GAAP)
Capital Commitments - Acquisition of Capital Assets (Net of Capital Advances)	0.19	1.81

Montecarlo Limited

Annexure V
Notes to Restated Consolidated Financial Information

Note 29 - Related Party Transactions

Particulars	For the year ended	
	31-Mar-14	31-Mar-13
Associate Company	Bijapur hungund Tollway Private Limited	Bijapur hungund Tollway Private Limited

Key Management Personnel (KMP)	Kanubhai M. Patel (Chairman and Managing Director)	Kanubhai M. Patel (Chairman and Managing Director)
	Brijesh K. Patel (Joint Managing Director)	Brijesh K. Patel (Joint Managing Director)
	Mrunal K. Patel (Joint Managing Director)	Mrunal K. Patel (Joint Managing Director)
	Naresh P. Suthar (Executive Director)	Naresh P. Suthar (Executive Director)
	Jigar Shaileshbhai Patel (Executive Director)	Jigar Shaileshbhai Patel (Executive Director)
	Suhas V. Joshi (Whole Time Director)	-
	Gunjan M Taunk (Company Secretary)	Gunjan M Taunk (Company Secretary)

Relatives of KMP	Kanubhai M. Patel (HUF)	Kanubhai M. Patel (HUF)
	Dinaben K. Patel (Wife of Kanubhai M. Patel)	Dinaben K. Patel (Wife of Kanubhai M. Patel)
	Alpaben B. Patel (Wife of Brijesh K. Patel)	Alpaben B. Patel (Wife of Brijesh K. Patel)
	Jankiben M. Patel (Wife of Mrunal K. Patel)	Jankiben M. Patel (Wife of Mrunal K. Patel)

Enterprises over which KMP and/or Relatives of KMP are able to exercise significant Influence	Montecarlo Infrastructure Limited	Montecarlo Infrastructure Limited
	Montecarlo Projects Private Limited	Montecarlo Projects Private Limited
	Montecarlo Engineering Private Limited	Montecarlo Engineering Private Limited
	-	Spark Power Projects Private Limited
	Montecarlo Charitable Trust	Montecarlo Charitable Trust
	Jenil Corporation	Jenil Corporation
	Montecarlo Realty Limited	-
	Montecarlo Energy Private Limited	-
	Montecarlo Construction Private Limited	-
	Nitin Construction Limited	-

Montecarlo Limited

Annexure V
Notes to Restated Consolidated Financial Information

Note 29 - Related Party Transactions

Related Party Transactions : Associate Companies

Particulars	For the year ended	
	31-Mar-14	31-Mar-13
Acquisition of Investments		
Bijapur hungund Tollway Private Limited	169.19	-
Outstanding Long Term Advances		
Bijapur hungund Tollway Private Limited	252.08	252.08

Related Party Transactions : Key Management Personnel

(Rs. In Million)

Particulars	For the year ended	
	31-Mar-14	31-Mar-13
Remuneration		
Kanubhai M. Patel	27.60	27.60
Brijesh K. Patel	18.00	18.00
Mrunal K. Patel	18.00	18.00
Naresh P. Suthar	3.30	3.30
Jigar S. Patel	1.10	3.30
Suhas V. Joshi	4.47	-
Gunjan Tank	0.48	0.48
Rent		
Kanubhai M. Patel	1.32	1.20
Brijesh K. Patel	1.32	1.20

Remuneration payable		
Kanubhai M. Patel	1.54	1.53
Brijesh K. Patel	1.01	1.00
Mrunal K. Patel	1.01	0.98
Naresh P. Suthar	0.21	-
Jigar S. Patel	-	0.19
Suhas V. Joshi	0.11	-
Gunjan Tank	0.04	0.04

Montecarlo Limited

Annexure V
Notes to Restated Consolidated Financial Information

Note 29 - Related Party Transactions

Related Party Transactions : Relatives of KMP

Particulars	For the year ended	
	31-Mar-14	31-Mar-13
Salary		
Alpaben B. Patel	0.83	0.82
Jankiben M. Patel	0.83	0.82
Rent		
Kanubhai M. Patel HUF	0.60	0.55
Salary payable		
Alpaben B. Patel	0.06	0.06
Jankiben M. Patel	0.06	0.06

Related Party Transactions : Enterprises over which KMP and/or Relatives of KMP are able to exercise significant Influence

Particulars	For the year ended	
	31-Mar-14	31-Mar-13
Hiring Charges		
Jenil Corporation	0.75	3.10
Interest Paid		
Montecarlo Projects Private Limited	4.81	2.07
Donation		
Montecarlo Charitable Trust	0.52	1.90
Loans taken from Enterprises		
Montecarlo Projects Private limited	216.43	113.66
Loans Repaid during the year		
Montecarlo Projects Private Limited	216.43	113.66
Closing Balances of Loan Given		
Montecarlo Projects Private Limited	-	-
Maximum balance of Loan Given		
Montecarlo Projects Private Limited	51.78	35.87
Advance paid		
Nitin Construction Limited	1.70	-
Car Insurance paid, recovered as debit note		
Nitin Construction Limited	0.05	-
Security deposit Retained		
Jenil Corporation	0.02	0.08

Montecarlo Limited

Annexure V
Notes to Restated Consolidated Financial Information

Note 30 : Segment reporting for the year ended March 31, 2014

The Company operates under one geographical segment in India. The company in engaged in business segment as given here under:

(i) Infrastructure Development comprising of Road construction, Railway infrastructure development, Engineering and construction of Building and factories, Transmission and Distribution of Energy, Water and Irrigation projects including Water Treatment System, Sanitation and Sewerage system, and solid waste management system.

(ii) Mining including extraction of minerals and removal of overburden.

(Rs. In Million)

Particular	Infrastructure Development	Mining	Unallocable	Total
Revenue from Operations				
External	4,825.53	2,529.33	27.77	**7,382.62**
Inter-segment				
Total Revenue from Operations	4,825.53	2,529.33	27.77	**7,382.62**
Result				
Segment Result	639.80	357.86	-	**997.66**
Unallocated corporate Income/(Expenditure)	-	-	(216.88)	**(216.88)**
Operating Profit before Interest and Tax (PBIT)	-	-	-	**780.78**
Finance Costs	-	-	(286.69)	**(286.69)**
Other Income	-	-	30.10	**30.10**
Profit Before Tax (PBT)	-	-	-	**524.19**
Provision for Current Tax	-	-	185.10	**185.10**
Provision for Deferred Tax	-	-	4.91	**4.91**
Profit After Tax (PAT)	-	-	334.20	**334.18**
Share of Loss in Associate				**(17.17)**
Net Profit/(Loss) for the year after Tax				**317.01**
Other Information				
Segment Assets	5,033.15	1,616.62	462.55	**7,112.32**
Segment Liabilities	4,123.13	883.28	(97.21)	**4,909.19**
Capital Expenditure	17.32	6.93	-	**24.26**
Depreciation (Including obsolescence and amortization) included in segment expenses	82.46	59.48	16.31	158.25
Non-Cash expenses included in segment expenses	-	-	-	-
Non-Cash expenses except Depreciation and amortisation	-	-	0.36	0.36

Montecarlo Limited

Annexure V
Notes to Restated Consolidated Financial Information

Note 30: Segment reporting for the year ended March 31, 2013

The Company operates under one geographical segment in India. The company in engaged in business segment as given here under:

(i) Infrastructure Development comprising of Road construction, Railway infrastructure development, Engineering and construction of Building and factories, Transmission and Distribution of Energy, Water and Irrigation projects including Water Treatment System, Sanitation and Sewerage system, and solid waste management system.

(ii) Mining including extraction of minerals and removal of overburden.

(Rs. In Million)

Particular	Infrastructure Development	Mining	Unallocable	Total
Revenue from Operations				
External	5,500.08	1,259.73	21.61	**6,781.42**
Inter-segment				
Total Revenue from Operations	5,500.08	1,259.73	21.61	**6,781.42**
Result				
Segment Result	711.73	59.97	-	**771.71**
Unallocated corporate Income/(Expenditure)	-	-	(449.07)	**(449.07)**
Operating Profit before Interest and Tax (PBIT)	-	-	-	**322.64**
Finance Costs	-	-	(142.87)	**(142.87)**
Other Income	-	-	13.14	**13.14**
Profit Before Extra ordinary Items	-	-	-	**478.65**
Less:- Extraordinary Items	-	-	-	**-**
Profit Before Tax (PBT)	-	-	-	**478.65**
Provision for Current Tax	-	-	160.93	**160.93**
Provision for Deferred Tax	-	-	(0.57)	**(0.57)**
Profit After Tax (PAT)	-	-		**318.29**
Share of Loss in Associate				**(174.09)**
Net Profit/(Loss) for the year after Tax				**144.20**
Other Information				
Segment Assets	4,768.23	464.41	205.91	**5,438.55**
Segment Liabilities	1,688.85	236.47	1,627.12	**3,552.44**
Capital Expenditure	21.05	52.69	-	**73.73**
Depreciation (Including obsolescence and	86.22	1.20	16.66	104.08
Non-Cash expenses included in segment expenses	-	-	-	-
Non-Cash expenses except Depreciation and amortisation	-	-	1.04	1.04

Annexure V
Notes to Restated Consolidated Financial Information

Note 31: Additional Information

31.1 Disclosures as per Accounting Standard 7 - Construction Contracts (Rs. In Million)

Particulars	For the year ended	
	March 31, 2014	March 31, 2013
For contracts in progress and completed projects during the year		
Contract Revenue recognised as revenue for the year	4,825.53	5,500.08
Gross amount due from customers for contract work	497.98	616.05
For contracts in progress at the year end		
Aggregate amount of contract costs incurred and recognised profits (less recognised losses) upto reporting date for all contracts in progress at the reporting date	13,503.73	12,712.00
Customer Advances pertaining to the contracts in progress	497.00	567.00
Retention amounts due from customers	644.14	140.91

31.2 Disclosures as per Accounting Standard 15 - Employee Benefits
Defined benefit plans

(a) Defined Contribution Plan
The company has recognised the following amounts in the Statement of Profit and Loss for the year:

Particulars	For the year ended	
	March 31, 2014	March 31, 2013
The company has recognised the following amounts in the Restated Consolidated Statement of Profit and Loss for the year	6.09	4.51

(b) Defined Benefit Plans:
Gratuity
(i) Details of the company’s post-retirement gratuity plans for its employees including whole-time directors are given below, which is certified by the actuary and relied upon by the auditors.

(i) Amount to be recognised in Balance Sheet

Particulars	As at March 31, 2014	As at March 31, 2013
Present Value of Funded Obligations	6.73	6.92
Fair Value of Plan Assets	(1.30)	(0.78)
Net Liability	**5.43**	**6.15**
Current portion of the above	5.19	-
Non current portion of the above	0.24	6.15

(ii) Expenses /(Income) to be recognized in Statement of Profit and Loss.

Particulars	For the year ended	
	March 31, 2014	March 31, 2013
Current Service Cost	2.40	2.26
Interest on Defined Benefit Obligation	0.57	0.61
Expected Return on Plan assets	(0.07)	(0.05)
Net Actuarial Losses / (Gains)	(3.03)	(3.12)
Expenses/(Income) Recognised in Statement of Profit and Loss	**(0.13)**	**(0.30)**

Annexure V
Notes to Restated Consolidated Financial Information

Note 31: Additional Information

(Rs. In Million)

(iii) Reconciliation of defined benefit obligation and plan assets for the year

Particulars	As at March 31, 2014	As at March 31, 2013
Change in present value of Defined Benefit Obligation		
Opening Defined Benefit Obligation	6.92	7.17
Current Service Cost	2.40	2.26
Interest Cost	0.57	0.61
Actuarial Losses / (Gain) on obligation	(3.01)	(3.05)
Direct Receipts	(0.16)	-
Benefits Paid	-	(0.06)
Closing Defined Benefit Obligation	**6.73**	**6.92**
Change in Fair value of Plant Assets		
Opening Fair Value of Plan assets	0.78	0.64
Expected Return on Plan Assets	0.07	0.05
Actuarial Losses / (Gain) on Plant assets	0.03	0.06
Contributions	0.43	0.08
Benefits Paid	-	(0.06)
Closing Fair Value of Plan Assets	**1.30**	**0.78**

(iv) Summary of principal actuarial assumptions

Particulars	As at March 31, 2014	As at March 31, 2013
Discount rate (p.a)	9.31%	8.25%
Expected Rate of Return on Plan Assets (p.a)	8.70%	8.70%
Expected Salary Escalation Rate (p.a)	8.00%	8.00%
Attrition Rate	2.00%	2.00%

(v) Balance Sheet Reconciliation:

Particulars	As at March 31, 2014	As at March 31, 2013
Opening net liability	6.15	6.53
Expense/(Income) as above	(0.13)	(0.30)
Benefit paid directly by the Employer	(0.16)	-
Employer's contribution	(0.43)	(0.08)
Net Liability/(Asset) Recognized in Balance Sheet	**5.43**	**6.15**

31.3 Basic and Diluted Earnings Per Share

Particulars	As at March 31, 2014	As at March 31, 2013
Earnings per equity share		
Profit attributable to equity shareholders (Rs. In Million)	317.01	144.20
Weighted average number of equity shares outstanding during the year*	8,55,00,003	8,55,00,003
Nominal value of equity per share	10.00	10.00
Basic and Diluted EPS (Rs. Per Share)	3.71	1.69

* Subsequent to the balance sheet date the Company issued 21,375,001 bonus shares to the existing shareholders in the ratio of 1 share against 3 fully paid up equity shares. As per the requirement IND AS 33 for the purpose of computing Basic and Diluted EPS, the weighted average number of equity shares outstanding have been adjusted.

During the year ended on March 31, 2016, the Company has issued 4 shares as bonus against each fully paid up equity shares.

During the year ended on March 31, 2015, the Company has issued 4 shares as bonus against each fully paid up equity shares.

Annexure V
Notes to Restated Consolidated Financial Information

Note 31: Additional Information

31.4 Payment to Auditors

(Rs. In Million)

Particulars	As at March 31, 2014	As at March 31, 2013
For Audit	1.35	1.35
Total	**1.35**	**1.35**

31.5 Balances of Sundry Creditors, Debtors, Receivables / Payables from / to various parties / authorities, loans and advances are subject to confirmation from the respective parties and necessary adjustments, if any, will be made on its reconciliation.

31.6 In the opinion of the Board of Directors, the aggregate value of current assets, loans and advances on realisation in ordinary course of business will not be less than the amount at which these are stated in the Balance Sheet

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Montecarlo Limited

Annexure - VII

Material Adjustments to Restated Consolidated Financial Information and notes thereon (Rs. in Million)

Sr.No	Particulars	Note	For the period / year ended					
			31.Dec.17	**31-Mar-17**	**31-Mar-16**	**31-Mar-15**	**31-Mar-14**	**31-Mar-13**
A	**Net profit / total comprehensive income as per Audited Financial Statements ***		948.40	1,153.27	842.28	629.64	395.60	334.69
B	**Material Adjustments**							
	Interest on Term Loans from Banks and FIs not provided for	1	-	-	(2.26)	(9.26)	(2.69)	(0.77)
	Interest on Term Loans from Banks and FIs relating to previous period	1	-	2.25	9.26	2.69	0.77	0.42
	Interest accruals on Income Tax Refund	2	-	7.09	0.10	0.80	4.77	4.77
	Reversal of Interest on Income Tax Refund recorded on receipt basis	2	(7.09)	(0.29)	(0.38)	(2.64)	(16.56)	-
	Reversal of interest expense capitalised in the cost of investment in equity	3	-	(2.32)	(5.55)	(7.16)	(5.62)	-
	Reversal of foreign exchange gain capitalised in property, plant and equipment	4	-	7.15	-	1.65	-	-
	Depreciation on foreign exchange gain decapitalised from property, plant and equipment	4	-	(0.17)	(0.18)	(0.01)	-	-
	Recognition of Prepaid Expense	5	-	3.66	3.59	3.06	2.27	1.61
	Reversal of Prepaid Expense	5	-	(3.59)	(3.06)	(2.27)	(1.67)	(2.14)
	Prior Period Items	6	-	-	-	0.46	(0.46)	-
	Remeasurements of defined benefit liability / (asset)	7	-	(11.77)	5.35	4.66	-	-
	Fair Valuation of Financial Assets	8	-	(29.47)	41.13	(1.62)	-	-
	Fair Valuation of Financial Liabilities	8	-	(2.41)	13.21	(15.03)	-	-
	Provision for Expected Credit Loss	9	-	(9.79)	(7.26)	(6.83)	-	-
	Interest income short provided of FDRs'	10	-	0.16	-	-	-	-
	Materialisation of Contingent Liabilities	11	-	0.65	-	-	-	0.73
	Share of profit / (loss) from Associate company	12	-	-	14.14	(102.65)	(17.17)	(174.09)
	Short / Excess Provision of Income Tax of Earlier Years	13	(261.82)	85.56	177.64	(20.04)	(45.06)	(18.96)
	Minimum Alternative Tax	14	(45.20)	45.20	136.92	-	-	-
	Deferred Tax charge / (credit) pertaining to previous years	15	2.49	1.00	6.72	3.92	(1.63)	(0.79)
C	Deferred tax (charge)/ credit on material adjustments	16	-	12.92	(20.58)	8.55	4.46	(1.26)
D	**Restated profit / (loss) after tax (A + B + C)**		**636.77**	**1,259.10**	**1,211.10**	**487.91**	**317.01**	**144.20**
E	**Other Comprehensive Income**							
	Remeasurements of defined benefit liability / (asset) through other comprehensive income		-	11.77	(5.35)	(4.66)	-	-
	Deferred tax on Remeasurements of defined benefit liability / (asset) through other comprehensive income		-	(4.07)	1.85	1.46	-	-
F	**Restated total other comprehensive income (D - E)**		**636.77**	**1,266.79**	**1,207.60**	**484.71**	**317.01**	**144.20**

* Net Profit as per Audited Standalone Financial Statements for the year ended March 31, 2015, 2014 and 2013 has been considered, since consolidated financial statements for the said year have not been prepared pursuant to provisions of Companies Act, 1956 read with relevant rules and Companies Act 2013, read with relevant rules.

A **Restatement adjustments made in the Restated Consolidated Statement of Reserves and Surplus as at 1 April 2012, to the Profit and Loss in the Restated Consolidated Statement of Profit and Loss, as detailed below:**

(Rs. in Million)

Particulars	Note	Amount
A) Net Surplus in the Statement of Profit and Loss as at 1 April 2012 as per audited financial statements		**361.81**
B) Material Adjustments:		
Interest on Term Loans from Banks and Financial Institutions not provided for	1	(0.42)
Interest accruals on Income Tax Refund	2	9.41
Recognition of Prepaid Expense	5	2.20
Materialisation of Contingent Liabilities	11	(1.37)
Short / Excess Provision of Income Tax of Earlier Years	13	82.65
Deferred Tax charge / (credit) pertaining to previous years	15	5.00
C) Deferred tax (charge)/ credit on material adjustments	16	(3.63)
Net Surplus in the Restated Consolidated of Profit and Loss as at 1 April, 2012 (A + B + C)		**455.65**

B **Notes to Material Adjustments in Restated Consolidated Financial Information**

1 **Interest on Term Loans from Banks and Financial Institutions**

Interest on term loans from banks and financial institutions accrued but not due as on March 31, 2013, March 31, 2014, March 31, 2015 and March 31, 2016 falling due and payable in respective succeeding financial year, recorded in the books of accounts for the year ended on March 31, 2014, March 31, 2015, March 31, 2016, and March 31, 2017 respectively has been restated to the year to which it pertains. Similarly, interest accrued but not due as on March 31, 2012 recorded in the books of accounts for the year ended on March 31, 2013 has been adjusted to the surplus as per profit and loss as on April 1, 2012.

2 **Interest on Income Tax Refund**

Interest on Income Tax Refund has been recorded in the year of receipt. The Company on restatement has restated the recorded interest income pertaining to the year n been recorded to the respective years and including interest pertaining to the period upto March 31, 2012 has been adjusted to the surplus as per profit and loss as on April 1, 2012.

3 **Reversal of interest expense capitalised in the cost of investment in equity instruments**

The Company on restatement, has reversed the interest expense capitalised in the cost of investments in equity instruments and charged off to Profit and Loss Statement in the year to which it pertains.

4 Reversal of foreign exchange gain capitalised in property, plant and equipment

The Company on restatement, has reversed the foreign exchange gain capitalised in the items of property, plant and equipment and consequently increased the gross block of asset in the year of acquisition. Further, revised depreciation has been charged off to Profit and Loss Statement in the year of acquisition and subsequent years.

5 Prepaid Expense

Expense pertaining to the period beyond reporting date recorded in a financial year has been recognized as prepaid expense and charged off to Profit and Loss Statement in the year to which it pertains.

6 Prior Period Items

The Company on restatement, has identified prior period items and recognised in the Profit and Loss Statement in the year to which it pertains.

7 Gratuity Expense

Based on the report of Independent Actuary, cumulative expenditure towards Gratuity for the services rendered by the employees relating to each of the year / period, considered in restated financials to the year to which it pertains.

8 Fair Valuation of Financial Assets and Financial Liabilities

Based on Ind AS - 109 "Financial Instruments", financial assets in the form of non-current interest free deposits retained by the customers have been accounted at fair value on the date of transition to Ind AS and subsequently measured at amortized cost using the effective interest rate method. Similarly, financial liabilities in the form non-current deposits of vendors retained by the Company has been accounted at fair value on the date of transition to Ind AS and subsequently measured at amortized cost using the effective interest rate method.

9 Provision for Expected Credit Loss

As per Ind-AS 109, the Company applies Expected Credit Loss (ECL) model on Receivables for measurement and recognition of impairment loss. The Company applies the simplified approach on trade receivables to measure liquefy risk. The same is provided in restated financials to the receivable pertains to respective years.

10 Interest income short provided of FDRs

For the year ended March 31, 2017 Company had shortly provided for interest on FDRs. The Company on restatement has now provided the same.

11 Materialisation of Contingent Liabilities

In the financial statements for the years ended 31st March 2017, 31st March 2016, 31st March 2015, 31st March 2014 and 31st March 2013, contingent liabilities are disclosed in the notes to accounts and are not recognized in the books of accounts . However during the said periods certain contingent liabilities had subsequently materialised and were provided for only in the subsequent year. For the purpose of Restatement, the said liabilities have been adjusted to the respective year in which the liability relates to, including adjustment to the balance brought forward in Profit and Loss Account as at 1st April 2012.

12 Share of profit / (loss) from Associate company

The company on restatement has considered it's share in net assets of the associate for consolidation and accordingly it's share in profit/(loss) has been recognized through restated profit and loss statement in respective years. For the year ended March 31, 2016 the company on restatement, has recognized it's share of profit / loss pertaining to Ind AS Adjustments in the profit and loss statement recorded by associate through restated profit and loss statement.

13 Short / Excess Provision of Income Tax of Earlier Years

In the audited financial statements, for the period / years ended December 31, 2017, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013, the Company had considered the tax effects of income tax return filings, assessment proceedings, appeal effects and all other informations made in the year of crystallisation of demand / refund. On restatement, such amounts have been recorded in respective year to which the income tax assessment relates.

14 Minimum Alternate Tax

Based on the Computation of Income Tax at the time of filing Income Tax Return, MAT credit reflected in reserve amounting to Rs. 136.92 million pertaining to March 31, 2016 and Rs. 45.20 million pertaining to March 31,2017 has been restated.

15 Deferred Tax (charge) / credit pertaining to previous periods

The Company on restatement has reassessed deferred tax asset and deferred tax liability taking into consideration the income tax rates prevailing in the respective years for timing difference or temporary differences as applicable and corresponding charge / credit has been made in the Profit and Loss Statement for the year to which it pertains.

16 Deferred tax (charge)/ credit on material adjustments

Deferred tax has been computed on adjustments made as detailed above and has been adjusted in the restated profits and losses for the period /years ended December 31, 2017, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 and Surplus as per Profit and Loss as on April 1, 2012.

C <u>Material regroupings</u>

Appropriate adjustments have been made in the respective years of Restated Consolidated Statements of Assets and Liabilities, Profits and Loss and Cash flows, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the regroupings as per the audited financials of the Company for the period ended in December 31, 2017, prepared in accordance with Revised Schedule III, and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009 (as amended).

D <u>Related Party Transactions</u>

Certain disclosures in respect of related party transactions were either not included or the amounts were incorrectly considered in the earlier audited financial statements have now been rectified in the Restated Consolidated Financial Information.

E <u>Contingent Liabilities</u>

Certain contingent liabilities were erroneously considered in the disclosure in the earlier audited financial statements, which have now been rectified in the Restated Consolidated Financial Information.

F <u>Non-adjusting items</u>

Audit Qualifications in Auditors' Report, which do not require any corrective adjustments in the Restated Consolidated Financial Information

In addition to the audit opinion on the financial statements, the auditors are required to comment upon the matters included in the Companies (Auditor’s Report) Order, 2016 issued by the Central Government of India terms of sub-section (11) of Section 143 of the Companies Act, 2013 for the year ended March 31, 2017 and March 31, 2016, Companies (Auditor’s Report) Order, 2015 issued by the Central Government of India terms of sub-section (11) of Section 143 of the Companies Act, 2013 for the year ended March 31, 2015 and the Companies (Auditor’s Report) Order, 2003 (‘CARO’) issued by the Central Government of India under sub section (4A) of Section 227 of the Companies Act, 1956 for the years ended 31 March 2014 and 31 March 2013. Certain statements/comments included in the annexure to the Audit report on the financial statements (i.e. CARO), which do not require any adjustments in the Restated Consolidated Financial Information are reproduced below in respect of the financial information presented:

Annexure - VII

Material Adjustments to Restated Consolidated Financial Information and notes thereon (Rs. in Million)

Montecarlo Limited (Parent Company)

For the year ended March 31, 2013

(i) Clause (ix)(b) of CARO

According to the information & explanation given to us followings are the disputed statutory dues which have not been deposited on account of matters pending before the appropriate authorities are as under:

Name of Statute	Amount (Rs. In Million)	Period to which relates	Forum where dispute is pending
Income Tax Act, 1961	2.65	A.Y. 2004-05	Income Tax Appellant Tribunal (Ahmedabad)
	5.15	A.Y. 2005-06	
Income Tax Act, 1961	4.86	A.Y. 2009-10	Commissioner of Income Tax (Appeals)
	21.71	A.Y. 2011-12	
M.P. Entry Tax Act, 1976	4.05	F.Y.2007-08	Additional Commissioner of Appeals

For the year ended March 31, 2014

(i) Clause (ix)(b) of CARO

According to the information & explanation given to us followings are the disputed statutory dues which have not been deposited on account of matters pending before the appropriate authorities are as under:

Nature of dues	Amount (Rs. In Million)	Period to which the amount relates	Forum where dispute is pending
M.P. VAT &Entry Tax	14.52	F.Y. 2010-11	Dy. Commissioner of Appeal, Jabalpur
Jharkhand VAT	1.81	F.Y. 2009-10	Commercial Tax Tribunal, Ranchi
	120.06	F.Y. 2010-11	

For the year ended March 31, 2015

(i) Clause (ix)(b) of CARO

According to the information and explanations given to us, there are no material dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax or cess which have not been deposited with the appropriate authorities on account of any dispute, Except the followings:-

Nature of dues	Amount (Rs. In Million)	Period to which the amount relates	Forum where dispute is pending
MP VAT & Entry Tax	14.52	F.Y. 2010-11	Dy. Commissioner of Appeal, Jabalpur
	0.84	F.Y. 2012-13	
Jharkhand VAT	1.81	F.Y. 2009-10	Commercial Tax Tribunal, Ranchi
	120.06	F.Y. 2010-11	

For the year ended March 31, 2016

(i) Clause (ix)(b) of CARO

According to the information and explanations given to us, there are no material dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax or cess which have not been deposited with the appropriate authorities on account of any dispute, Except the followings:-

Nature of dues	Amount (Rs. In Million)	Period to which the amount relates	Forum where dispute is pending
MP VAT & Entry Tax	14.52	F.Y. 2010-11	Dy. Commissioner of Appeal, Jabalpur
	0.84	F.Y. 2012-13	
Jharkhand VAT	1.81	F.Y. 2009-10	Commercial Tax Tribunal, Ranchi
	120.06	F.Y. 2010-11	

For the year ended March 31, 2017

(i) Clause (ix)(b) of CARO

According to the information and explanations given to us, there are no material dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax or cess which have not been deposited with the appropriate authorities on account of any dispute, Except the followings:-

Nature of dues	Amount (Rs. In Million)	Period to which the amount relates	Forum where dispute is pending
MP Entry Tax	0.84	F.Y. 2012-13	Dy. Commissioner of Appeal,
Jharkhand VAT	1.81	F.Y. 2009-10	Dy. Commissioner of Commercial Tax, Ranchi
	120.06	F.Y. 2010-11	

Annexure VIII
Statement of Equity Reconciliation to Restated Consolidated Financial Information

Reconciliations between previous GAAP and Ind AS Ind AS 101 requires an entity to reconcile equity for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS restated figures.

(Rs. in Million)

Sr.No.	Particulars	Note	As at		
			31-Mar-17	31-Mar-16	31-Mar-15
	Balance of Equity as per Audited Financial Statements*		3,972.78	3,554.42	2,377.29
	Share in Net Asset of Associate's Audited Financial Statement				334.85
	Cummulative Adjustments upto respective previous years				
a	Restatement Adjustments for the period upto 31st March 2014	1 & 16			16.03
b	Restatement Adjustments for the period upto 31st March 2015	1		(596.28)	
c	Restatement Adjustments for the period upto 31st March 2016	1	(122.99)		
	Opening Retained Earning Adjustment (Refer Note 17 (a))				
d	Fair Value Adjustments (Net)	2	-	-	89.77
	Deferred Tax Adjustment on (b) above	2	-	-	(30.51)
e	Adjustment in share of Net Assets of Associate	3	-	107.96	(629.28)
			-	**107.96**	**(570.02)**
f	Adjustment in net assets of BHTPL	4	507.18		
	Current period adjustments in				
g	Property, plant and equipment	5	6.98	(0.18)	1.64
h	Investment	6	(2.32)	8.59	(7.16)
i	Other Non current financial assets	7	(2.41)	13.21	(15.03)
j	Deferred Tax(Net)	8	55.05	124.92	13.93
k	Other Current financial assets	9	0.80	-	0.46
l	Trade Receivable	10	(9.79)	(7.26)	(6.83)
m	Current tax assets	11	92.37	177.37	(21.89)
n	Other current assets	12	0.07	0.53	0.79
o	Other Equity - MAT Adjustment	13	(136.92)	-	-
p	Other Non current financial liabilities	14	(29.47)	41.13	(1.62)
q	Other current financial liabilities	15	2.25	7.00	(6.57)
	Total of opening and current year / period restatement adustments		**360.81**	**(122.99)**	**(596.28)**
	Total equity - Restated		**4,333.59**	**3,431.43**	**2,115.86**

* Balance of Equity as per Audited Standalone Financial Statements for the year ended March 31, 2015 has been considered, since consolidated financial statements for the said year have not been prepared pursuant to provisions of Companies Act, 1956 read with relevant rules and Companies Act 2013, read with relevant rules.

Notes

1 **Adjustments of the Previous Period**

- Adjustment to the previous period represent cumulative change in retained earnings upto beginning of the respective reporting period.

2 **Adjustment to the opening balance of retained earning**

- For the purpose of Proforma Ind AS Consolidated financial information for the year ended March 31, 2015, the Company has followed the same accounting policy as initially adopted on the transition date (i.e. April 1, 2016). Accordingly, suitable restatement adjustments in the accounting heads are made to the Proforma Ind AS Consolidated financial information in the opening retained earnings of financial year ended 2015.

3 **Adjustment in share of Net Assets of Associate**

With the applicability of Ind-AS, suitable restatement adjustments in the share of net assets are made to the Proforma Ind AS Consolidated financial information in the opening retained earnings of financial year ended 2015 and financial year 2016.

Annexure VIII
Statement of Equity Reconciliation to Restated Consolidated Financial Information

4 Adjustment in net assets of BHTPL
Reversal of Ind-AS adjustments of BHTPL as already considered in earlier years.

5 Property, plant and equipment

The Company on restatement, has reversed the foreign exchange gain capitalised in the items of property, plant and equipment and consequently increased the gross block of asset in the year of acquisition. Further, revised depreciation has been charged off to Profit and Loss Statement in the year of acquisition and subsequent years.

6 Investment
The Company on restatement, has reversed the interest expense capitalised in the cost of investments in equity instruments and charged off to Profit and Loss Statement in the year to which it pertains.

7 Other Non current financial assets

Financial assets in the form of non-current interest free deposits retained by the customers have been accounted at fair value on the date of transition to Ind AS and subsequently measured at amortized cost using the effective interest rate method.

8 Deferred Tax(Net)

The Company on restatement has reassessed deferred tax asset and deferred tax liability taking into consideration the income tax rates prevailing in the respective years for timing difference or temporary differences as applicable and corresponding charge / credit has been made in the Profit and Loss Statement for the year to which it pertains.

9 Other Current financial assets
As per Ind-AS 109, the Company applies Expected Credit Loss (ECL) model on Receivables and the same is provided in restated financials to the receivable pertains to respective years.

10 Trade Receivable
Expense pertaining to the period beyond reporting date now been recorded as expense in the year to which it pertains.

11 Current tax assets
Interest on Income Tax Refund has been recorded in the year of receipt. Also considered the tax impact of income tax return / assessment / orders of earlier years in the year of crystallisation of demand / refund. On restatement, such amounts have been recorded in respective year to which the income tax assessment relates.

12 Other current assets
Expense pertaining to the period beyond reporting date now been recorded as prepaid expense in the year to which it pertains.

13 Other Equity - MAT Adjustment
MAT credit earlier recognised as MAT Credit Reserve directly in Equity pertaining to March 31, 2016 , now been recognised in the Restated Profit & Loss financial statements.

14 Other Non current financial liabilities
Financial liabilities in the form non-current deposits of vendors retained by the Company has been accounted at fair value on the date of transition to Ind AS and subsequently measured at amortized cost using the effective interest rate method.

15 Other current financial liabilities
Interest on term loans accrued but not due, falling due and payable in respective succeeding financial year, recorded in the books of accounts and has been restated to the year to which it pertains.

16 Adjustment to the Opening Equity as on April 1, 2014 for the Restated purpose are as below:

Particulars	Rs. In Million
Investment in subsidiary, associate and joint venture (Note 3 of Anx-VII)	(5.62)
Deferred Tax(Net)(Note 11, 12 of Anx-VII)	0.77
Other Current financial assets (Note 6 & 15 of Anx-VII)	0.27
Current tax assets (Note 2, 9 of Anx-VII)	(71.03)
Other current assets (Note 5 of Anx-VII)	0.07
Other current financial liabilities (Note 1 of Anx-VII)	(2.27)
Adjustments pertains to April 1, 2012 (Note A of Anx-VII)	93.84
Total	**16.03**

Montecarlo Limited

Annexure IX
Restated Consolidated Statement of Accounting Ratio

(Rs. in Million)

Sr. No.	Particulars	Note	For the period / year ended					
			31-Dec-17 #	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
			Ind AS	Ind AS	Proforma Ind	Proforma Ind	India GAAP	India GAAP
A	**Earning per Share (EPS) - Basic and Diluted**	1						
	Restated Profit attributable to equity shareholders (Rs. In Million)		635.97	1,259.10	1,211.10	487.91	317.01	144.20
	Weighted average number of equity shares outstanding		8,55,00,003	8,55,00,003	8,55,00,003	8,55,00,003	8,55,00,003	8,55,00,003
	Nominal value of equity per share		10.00	10.00	10.00	10.00	10.00	10.00
	Basic and Diluted EPS (Rs. Per Share)	#	7.44	14.73	14.16	5.71	3.71	1.69
B	**Return on Net Worth**	2						
	Restated Net Profit / (Loss) for the periods (Rupees in million)		635.97	1,259.10	1,211.10	487.91	317.01	144.20
	Net worth at the end of the periods (Rupees in million)		4,745.36	4,333.59	3,431.43	2,115.86	2,203.13	1,886.12
	Return on Net Worth (%)	#	**13%**	**29%**	**35%**	**23%**	**14%**	**8%**
C	**Net Asset Value Per Equity Share**	3						
	Net worth at the end of the periods (Rupees in million)		4,745.36	4,333.59	3,431.43	2,115.86	2,203.13	1,886.12
	Total number of equity shares outstanding at end of the periods*		8,55,00,003	8,55,00,003	8,55,00,003	8,55,00,003	8,55,00,003	8,55,00,003
	Net Asset Value Per Equity Share (in Rupees)		**55.50**	**50.69**	**40.13**	**24.75**	**25.77**	**22.06**

Ratio of Earning per share and Return on Net Worth for the period ended December 31, 2017 are not annualised.

Note

1 **Earning per Share (Basic and Diluted)**

$$\frac{\text{Restated Profit / Loss after Tax attributable to Equity Shareholders}}{\text{Weighted Average No. of Equity Shares}}$$

Note 1.1
Subsequent to the balance sheet date the Company issued 21,375,001 bonus shares to the existing shareholders in the ratio of 3:1. As per the requirement IND AS 33 for the purpose of computing Basic and Diluted EPS, the weighted average number of equity share outstanding have been adjusted.

Note 1.2
During the year ended on March 31, 2016, the Company has issued 4 shares as bonus against each fully paid up equity shares.

Note 1.3
During the year ended on March 31, 2015, the Company has issued 4 shares as bonus against each fully paid up equity shares.

2 **Return on Net Worth**

$$\frac{\text{Profit/Loss after tax (as restated)}}{\text{Net worth at the end of the periods}}$$

Net Worth = Paid up Share Capital (Equity) + Other Equity (Reserve & Surplus) attributable to Equity Holders

3 **Net Asset Value Per Equity Share**

$$\frac{\text{Net worth at the end of the periods}}{\text{Total number of equity shares outstanding at end of the periods}}$$

* Total no. of equity shares outstanding at the end of the periods have been adjusted for bonus shares issued as given in note 1.1, 1.2 & 1.3 above.

Annexure X
Restated Consolidated Statement of Capitalisation

(Rs. in Million)

Particulars	Pre-Issue as at December 31, 2017	Post-Issue
Long Term Borrowings (Refer note 18, 24)	1,676.00	[*]
Short Term Borrowings (Refer note 22)	2,428.37	[*]
Net Debt	4,104.37	[*]
Equity share capital	641.25	
Other Equity (excluding DRR)	4,104.11	
Total equity	4,745.36	[*]
Debt / Equity Ratio	0.86	[*]

[*] Post Issue Capitalization will be determined after finalization of issue price.

Long term Borrowings (Refer note 18)

Particulars	As at December 31, 2017
a) Secured 9.75% Redeemable Non Convertible Debenture (Refer note 18.1)	720.00
b) Secured-Term loan from banks (Refer note 18.2)	258.51
c) Secured-Term loan from Financial Institutions (Refer note 18.2)	150.56
d) Current maturities of long term borrowings (Secured)	
- From Banks	226.30
- From Financial institution	113.36
- Non Convertible Debentures	180.00
e) Current maturities of long term borrowings from Financial institution (Unsecured)	27.27
Total :	**1,676.00**

Short Term Borrowings (Refer note 22)

Secured - borrowings from banks	2,240.61
Secured - borrowings from others	187.43
Unsecured - borrowings from banks	0.08
Loan from Directors	0.25
Total :	**2,428.37**

1. The above have been computed on the basis of restated statement of accounts.
2. For the purpose of Long term debt / Equity ratio, Long term debt has been considered including current maturities of long term debt.

FINANCIAL INDEBTEDNESS

Our Company has availed loans in the ordinary course of business for the purposes of meeting working capital requirements and for capital expenditure. Our Company has obtained the necessary consents and has notified the relevant lenders as required under the relevant loan documentation for undertaking activities, such as change in its shareholding pattern.

As on March 31, 2018, the outstanding amount under the borrowings of our Company on a consolidated basis was ₹ 16,730.90 million. Set forth below is a brief summary of the aggregate borrowings of our Company on a consolidated basis as on March 31, 2018, as certified by M/s Surana Maloo & Co., independent chartered accountant on May 9, 2018:

(in ₹ million)

Category of borrowing	Sanctioned amount	Outstanding amount
Term loans		
Secured	11,202.48	864.81
Unsecured	50.00	13.64
Total (A)	**11,252.48**	**878.45**
Working capital facilities		
Fund based		
Secured	3,360.00	1,948.83
Unsecured	600.00	0.00
Total (B)	**3,960.00**	**1,948.83**
Others		
Non-convertible debentures*	900.00	900.00
Total (C)	**900.00**	**900.00**
Total (A + B + C)	**16,112.48**	**3,727.28**
Non-fund based facilites		
Secured	13,250.00	11,759.12
Unsecured	1,500.00	1,244.50
Total (D)	**14,750.00**	**13,003.62**
Total (A + B + C + D)	**30,862.48**	**16,730.90**

* *The non-convertible debentures issued by our Company are listed on BSE.*

For details in relation to financial indebtedness of our Company as of December 31, 2017, see the section "*Financial Statements*", beginning on page 232.

Principal terms of the borrowings availed by our Company

The details provided below are indicative and there may be additional terms, conditions and requirements under the various borrowing arrangements entered into by our Company.

1. ***Interest:***

   In terms of the loans availed by us, the interest rate is typically base rate plus basis points of the specified lender.

2. ***Tenor:***

   The tenor of the term loan facilities availed by us typically ranges from three to four years. The tenor of the non-convertible debentures varies from one to four years from the deemed date of allotment of such non-convertible debentures. Additionally, the short-term working capital facilities of our Company are renewable on a yearly basis.

3. ***Security:***

   In terms of our borrowings where security needs to be created, we are typically required to create security by way of, amongst others, hypothecation of the current assets and moveable assets of our Company; mortgage of certain immoveable properties; fixed deposits. There may be additional requirements for creation of security under the various borrowing arrangements entered into by us.

4. ***Repayment:***

   The repayment period of term loan facilities typically is on a quarterly/ half yearly basis, typically after a moratorium of six months from the date of disbursement. In the event of a pre-payment, our Company may be subjected to certain pre-payment penalties as levied by our lenders, which is typically one percent to four percent of the prepayment amount.

5. ***Events of default:***

Borrowing arrangements entered into by our Company contain standard events of default, including:

a) failure to pay amounts on the due date;

b) any material adverse effect which would have an effect on our ability to repay the facilities availed;

c) suspension or cessation of business; and

d) change in the constitution of our Company.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*Unless otherwise stated, the financial information in this section has been derived from the Restated Consolidated Financial Statements included in this Draft Red Herring Prospectus. While we have historically prepared our financial statements in accordance with Indian GAAP, including our consolidated financial statements as of and for the Fiscals ended March 31, 2017, 2016, 2015, 2014 and 2013, we are transitioning to preparing and auditing our financial statements in accordance with Indian Accounting Standards ("**Ind-AS**") as required by the "Companies (Indian Accounting Standards) Rules, 2015" on February 16, 2015. For the purposes of transition to Ind-AS, we have followed the guidance prescribed in "Ind AS 101 - First Time adoption of Indian Accounting Standard". The Restated Financial Statements, prepared and presented in accordance with Ind AS or Indian GAAP, as applicable, in each case have been restated in accordance with the requirements of Section 26 of the Companies Act, 2013, the SEBI ICDR Regulations and the Guidance Note on "Reports in Company Prospectus (Revised 2016)" issued by the ICAI.*

This section includes a discussion of financial results for the nine month period ended December 31, 2017 and the Fiscal 2017, which were prepared under Ind-AS and financial results for Fiscals 2016 and 2015 which were prepared as Proforma Ind AS.

This discussion contains certain forward-looking statements that involve risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors, such as the risks set forth in the sections "Risk Factors" and "Forward Looking Statements" on pages 16 and 15, respectively.

Unless stated otherwise, industry and market data used in this section has been obtained or derived from publicly available information as well as industry publications, other sources and the CRISIL Report. Unless otherwise indicated, all financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year refers to such information for the relevant calendar year.

Overview

We are an infrastructure construction and development company, with operations diversified across highways, railways, buildings and factories, mining, energy infrastructure and water and irrigation verticals of the infrastructure sector. As part of our infrastructure construction and development operations, through our Subsidiaries, we are undertaking two highways projects on HAM basis and one mining project on MDO basis.

We have more than two decades of execution experience having completed 66 EPC projects with an Order Book as of December 31, 2017, aggregating to ₹ 53,078.78 million with 31 ongoing EPC projects, spanning across 11 states and one union territory in India including the states of Odisha, Karnataka, Gujarat, Uttar Pradesh and Rajasthan and in the union territory of Andaman and Nicobar Islands.

Subsequent to December 31, 2017, we have been awarded 11 new infrastructure construction and development projects spanning across eight states, including the states of Maharashtra, Chhattisgarh and West Bengal aggregating to ₹ 46,622.78 million.

Over the past two decades, we have established a track record in executing majority of our infrastructure construction and development projects in a timely manner. Pursuant to our executional experience, we have been able to develop and establish competencies in the verticals in which we operate. The infrastructure verticals in which we currently operate include:

- *Highways*: We undertake design, construction, widening, strengthening, operation and maintenance of highways, roads, carriageways, major bridges, culverts and road over bridges. As per our Restated Consolidated Financial Statements, our revenue from highways vertical accounted for 46.41% and 36.71% of our contract revenue (including revenue from property development) for the period of nine months ended December 31, 2017 and Fiscal 2017, respectively. Furthermore, as of December 31, 2017, our highways infrastructure construction and development projects accounted for 69.76% of our Order Book;

- *Railways*: We undertake construction of railway stations and bridges, track laying, gauge conversion, electrical signaling and communication works. As per our Restated Consolidated Financial Statements, revenue from our railways vertical accounted for 11.61% and 12.74% of our contract revenue (including revenue from property development) for the period of nine months ended December 31, 2017 and Fiscal 2017, respectively. Furthermore, as of December 31, 2017, our railways infrastructure construction and development projects accounted for 8.62% of our Order Book;

- *Building and Factories*: We undertake construction of commercial complex, district court, housing projects, townships, IT parks, hotels, shopping malls, hospitals and ancillary construction works for industrial buildings. As per our Restated Consolidated Financial Statements, revenue from our building and factories vertical accounted for 19.65% and 22.05% of our contract revenue (including revenue from property development) for the period of nine months ended December 31, 2017 and Fiscal 2017, respectively. Furthermore, as of December 31, 2017, our building and factories projects accounted for 9.77% of our Order Book;

- *Mining*: We undertake blast-hole drilling, removal of overburden, removal of inter-burden and excavation of coal and lignite, as part of infrastructure construction and development activities under the mining vertical. As per our Restated Consolidated Financial Statements, revenue from our mining vertical accounted for 15.59% and 14.65% of our contract revenue (including revenue from property development) for the period of nine months ended December 31, 2017 and Fiscal 2017, respectively. Furthermore, as of December 31, 2017, our mining infrastructure construction and development projects accounted for 7.54% of our Order Book;

- *Energy infrastructure*: We undertake design, installing, laying testing and commissioning of electricity transmission lines, electricity distribution lines and electricity sub-stations, respectively. As per our Restated Consolidated Financial Statements, revenue from our energy infrastructure vertical accounted for 3.90% and 9.49% of our contract revenue (including revenue from property development) for the period of nine months ended December 31, 2017 and Fiscal 2017, respectively. Furthermore, as of December 31, 2017, our energy infrastructure construction and development projects accounted for 0.87% of our Order Book; and

- *Water and Irrigation*: We undertake construction of, canals, water supply projects, aqueducts and sewage drainage pipelines. As per our Restated Consolidated Financial Statements, revenue from our water and irrigation vertical accounted for 2.84% and 4.36% of our contract revenue (including revenue from property development) for the period of nine months ended December 31, 2017 and Fiscal 2017, respectively. Furthermore, as of December 31, 2017, our water and irrigation projects accounted for 3.44% of our Order Book.

For further details in relation to our business activities, see "- *Our Business Description*" on page 169.

As of December 31, 2017, our Order Book for our ongoing infrastructure construction and development projects aggregated to ₹ 53,078.78 million. The following table sets forth a vertical wise summary of our Order Book as of December 31, 2017:

Verticals	No. of Contracts	Outstanding order value*#	% of total outstanding order value#
Highways	9	37,027.80	69.76
Railways	4	4,573.77	8.62
Buildings and factories	10	5,186.50	9.77
Mining	4	4,001.02	7.54
Energy infrastructure	2	462.83	0.87
Water and Irrigation	2	1,826.86	3.44
Total	**31**	**53,078.78**	**100.00**

* *in ₹ million.*

\# *calculated after deducting the provisional GST payable by our Company.*

Our major clients include NHAI, RVNL, BCCL, MPMKVVCL and WBPDCL. As of December 31, 2017, approximately 98.34% of our Order Book comprised of projects being undertaken by the Government, relevant State Governments or other government undertakings.

Additionally, we own and maintain a large fleet of modern construction equipment in India. We own modern construction equipment, which we believe will meet majority of the requirements for our ongoing projects. As of December 31, 2017, we maintained a fleet of 1,241 modern construction equipment which allows us to undertake multiple projects simultaneously. Furthermore, we have implemented advanced technology systems like SAP, Wenco mining system and Hectronic diesel consumption system at our project sites to enable us to undertake our operations efficiently.

We received the award for the third fastest growing construction company in medium category at the Construction World Annual Awards, 2017. We also received the "*Excellence in Best Achiever of the Year 2016*" award by Gujarat Contractors Association at Gujarat Vibrant Summit, 2016.

For the nine months ended December 31, 2017 and for Fiscals 2017, 2016 and 2015, as per the Restated Consolidated Financial Statements, our revenue from operation was ₹ 13,202.75 million, ₹ 19,801.54 million, ₹ 16,842.67 million and ₹ 10,113.99 million, respectively. For the nine months ended December 31, 2017 and for Fiscals 2017, 2016 and 2015, as per the Restated Consolidated Financial Statements, our PAT was ₹ 714.46 million, ₹ 1,317.49 million, ₹ 1,285.87 million and ₹ 590.56 million, respectively. Additionally, for Fiscal 2015 to Fiscal 2017, we achieved a CAGR of 39.92% in revenue and 49.36% in PAT, as per the Restated Consolidated Financial Statements.

Key Factors Affecting Our Results of Operations and Financial Condition

The results of our operations and our financial condition are affected by numerous factors and uncertainties, many of which may be beyond our control, including as discussed in "*Risk Factors*", beginning on page 16. The following is a discussion of certain factors that we believe have had and will continue to have or expected to have a significant effect on our financial condition and results of operations:

Government policies and macroeconomic environment in India

We are an infrastructure construction and development company, with operations diversified across highways, railways, buildings and factories, mining, energy infrastructure and water and irrigation verticals of the infrastructure sector. We have more than two decades of execution experience having completed 66 EPC projects with an Order Book as of December 31, 2017, aggregating to ₹ 53,078.78 million with 31 ongoing EPC projects.

We have pursued growth in the above verticals opportunistically. Government policies play a significant role in determining the verticals on which we focus and change in such policies could change the number of projects that we are undertaking and also the proportion of projects for which we bid in each vertical. Further, as substantially all of our revenue from operations is from government contracts, we are dependent on projects undertaken by the government in the infrastructure sector. Budgetary allocations made by central and state Governments for this sector as well as funding provided by financial institutions for the infrastructure sector also affects our results of operations significantly. Investment by the private sector in the infrastructure sector is dependent on the potential returns from such projects and is therefore linked to Government policies relating to private sector participation and sharing of risks and returns from such projects. Accordingly, change in government polices and emphasis or infrastructure sector could impact our business and financial condition. Further, economic growth in sectors such as manufacturing, services and logistics may lead to increase in demand for better transportation facilities including construction, upgradation and maintenance of highways. Additionally, we are affected by the general economic conditions in India, including factors such as inflation, interest rates, as well as the Indian political and economic environment and global economic conditions, such as slow-down in the economic growth of other countries or increases in the price of oil, as they have an impact on the growth of the Indian economy. While the ultimate effect of such factors cannot be predicted, these events may have an adverse effect on our ability to borrow or raise additional funds in the capital markets on favourable terms, or at all. Further, demand for infrastructure facilities may be adversely affected as a result of the slowdown in the Indian economy.

Ability to pre-qualify for projects either on our own or jointly with other entities and execution capability

Over the past two decades, we have established a track record in executing majority of our infrastructure construction and development projects in a timely manner. Pursuant to our executional experience, we have been able to develop and establish competencies in the verticals in which we operate.

We enter into contracts primarily through a competitive bidding process, which often requires qualification in terms of technical capacity and financial strength. Although price competitiveness of the bid is usually the most important selection criterion in selecting contractors for major projects, clients generally limit the tender to contractors that have pre-qualified based on several criteria, including experience, technical ability, performance, reputation for quality, safety record, financial strength and the size of previous contracts executed in similar projects. Therefore, our ability to bid for, and hence, undertake infrastructure projects will continue to depend on our ability to pre-qualify for these projects. In case we do not possess the qualification to take up certain projects independently and the tender documents allow association of more than one entity to participate and bid for the project, then we sometimes seek to form joint ventures with other experienced and qualified entities and bid for the project by combining the technical abilities and financial resources of the entities.

Order Book and project portfolio

As of December 31, 2017, our Order Book for our ongoing infrastructure construction and development projects aggregated to ₹ 53,078.78 million. The following table sets forth a vertical wise summary of our Order Book as of December 31, 2017:

Verticals	No. of Contracts	Outstanding order value*#	% of total outstanding order value#
Highways	9	37,027.80	69.76
Railways	4	4,573.77	8.62
Buildings and factories	10	5,186.50	9.77
Mining	4	4,001.02	7.54
Energy infrastructure	2	462.83	0.87
Water and Irrigation	2	1,826.86	3.44
Total	**31**	**53,078.78**	**100.00**

* *in ₹ million*

\# *calculated after deducting the provisional GST payable by our Company.*

Subsequent to December 31, 2017, we have received letter of awards for 11 new infrastructure construction and development projects, aggregating to ₹ 46,622.78 million, spanning across eight states. Under the highways vertical, our Company received letters of award for five EPC projects, aggregating to ₹ 23,725.46 million in terms of the value stipulated as part of the respective letters of award, in the states of Odisha, Madhya Pradesh and Maharashtra. Additionally, under the railways vertical, our Company through one of its joint ventures received the letter of award for one railways infrastructure construction and development projects, amounting to ₹ 8,306.00 million, in the state of Andhra Pradesh. Further, under the building and factories vertical, our Company received the letter of award for two infrastructure construction and development projects, amounting to ₹ 1,624.43 million, in the states of Karnataka and Chhattisgarh. Furthermore, under the energy infrastructure vertical, our Company received the letter of award for two energy infrastructure construction and development projects, aggregating to ₹ 4,389.39 million, in the state of Bihar. As part of our mining vertical, our Company received the letter of award for one mining infrastructure construction and development projects, aggregating to ₹ 8,577.50 million, in the state of West Bengal.

We select our projects based on a number of important factors, including (i) estimated costs of the projects and the profit margins expected; (ii) applicable regulatory requirements for the project; and (iii) availability of financing to execute the project. Our business is subject to various operational uncertainties including the availability and retention of skilled manpower, could affect our ability meet milestones or to complete projects. This could lead to increased financing costs, delayed payments from the client, invocation or damages or penalty clauses or even termination of the contract. Further, inability to meet milestones or complete projects could also lead to loss of goodwill which may affect our ability to prequalify for future projects. Our business, results of operations and financial condition could be affected if our estimates are incorrect or due to operational uncertainties.

Competition

We compete against various infrastructure and engineering and construction companies at the national and local levels. 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. Competition from other infrastructure and asset development companies in terms of various factors, including prior experience in certain kind of projects, geographical presence, familiarity with local working conditions, cost effective services or sophisticated technology and equipment, may affect our ability to bid and secure new infrastructure projects in various business verticals in which we operate.

Access to Capital and Cost of Financing

Project financing is a combination of net working capital, advances from customers and bank financing. Typically our operations have long working capital cycles, particularly in connection with projects with long gestation periods and government contracts and need two to three months of net working capital. Our funding requirements are primarily for purchase of materials and equipment. We also require funding to finance projects undertaken by us before the payment is received from clients and for general corporate purposes. The actual amount and timing of our future capital requirements are dependent on the schedule and estimated costs of our projects. As at March 31, 2018, our Company had aggregate outstanding borrowings in the form of working capital facilities for amounts aggregating ₹ 1,948.83 million. To the extent that our capital requirements exceed available resources, we will be required to seek additional debt or equity financing. Additional debt financing could increase our interest expense and may require us to comply with additional restrictive covenants under our financing agreements. Our ability to obtain additional financing will depend on a number of factors, including our future financial condition, results of operations and cash flows, general market conditions for infrastructure companies and economic, political and other conditions in the markets where we operate. Any inability to obtain sufficient financing could result in the delay or abandonment of our development and expansion plans, the failure to meet roll-out obligations pursuant to our agreements or our inability to continue to provide appropriate levels of service in our projects. Our ability to finance our capital needs, and secure other financing when needed, on favourable terms, is a key factor in the operation of our business.

Further, we may from time to time encounter delays in collecting receivables from our clients. The outstanding days for our receivables were 61 days as per the Restated Consolidated Balance Sheet as on March 31, 2017. Substantially all of our clients are government owned or controlled or funded entities resulting in us being subject to additional regulatory and other scrutiny associated with commercial transactions with government controlled entities as public funds are used in such transactions. Such scrutiny may result in delays, or in some cases, even non-payment of dues from such clients. As we would have already incurred expenses in funding the construction work, in anticipation of payment within a certain time, any such delay or non-payment would result in additional burden on our cash position or will result in a breach of the terms of the loans we had availed unless we can re-negotiate the repayment terms of such loans. Any such delays or non-payment of receivables by clients will significantly affect our financial condition.

Accordingly we require adequate capital and financing from time to time to meet our working capital requirements. Our Company has had, and expects to have, substantial liquidity and capital resource requirements. The ability of our Company to obtain such financing, in a timely manner, on commercially favourable terms to us, or at all affects our business, results of operations, financial condition and prospects.

Operating Expenses

The cost of raw materials, fuel, labour and other inputs constitutes a significant part of our operating expenses. Construction expenses constituted 83.27%, 87.59 %, 86.92% and 83.82% of our total expenses for nine months ended December 31, 2017, Fiscals 2017, 2016 and 2015, respectively. Our construction operations require various raw materials, including fuel, steel and cement. 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 and import duties. Our ability to pass on increases in the purchase price of raw materials, fuel and other inputs may be limited in the case of construction 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, labour and other inputs, unforeseen construction conditions, including inability of the client to obtain requisite environmental and other approvals, delays caused by local weather conditions and suppliers' or subcontractors' failures to perform. Occurrence of such events may 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 losses.

Seasonality and Weather Conditions

Our operations are also adversely affected by difficult working conditions and extremely high temperatures during summer months and during the monsoon season, each of which may restrict our ability to carry on construction activities and fully utilize our resources. During periods of curtailed activity due to adverse weather conditions, we may continue to incur overhead and financing expenses, but our revenues from operations may be delayed or reduced.

Our business operations may also be adversely affected by severe weather conditions, requiring us to evacuate personnel or curtail services, which 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.

Taxation

Our projects are eligible for tax benefits and incentives that accord favourable treatment to development activities. For example, a company engaged in infrastructure development was eligible for a tax holiday under section 80 IA of the Income-tax, 1961, as amended, for any 10 consecutive assessment years out of 15 years beginning from the year in which the undertaking develops, operates and maintains the infrastructure facility. However, pursuant to the Finance Act, 2016, the benefit under Section 80 IA of the Income-tax Act, 1961 shall not be available to an enterprise which starts the development or operation and maintenance of the infrastructure facility on or after April 1, 2017. In the future, we believe that any change in the existing tax benefits and/or introduction of new tax incentives may affect our results of operations.

Basis of Preparation

The restated consolidated financial statements have been prepared under Ind AS. The restated consolidated financial information for Fiscals 2016 and 2015 have been prepared on proforma basis in accordance with the requirements of the circular issued by the SEBI dated March 31, 2016 and the Guidance Note on Reports in Company Prospectuses issued by the ICAI ("**Proforma Consolidated Ind AS Financial Statements**"). For the purpose of the Proforma Consolidated Ind AS Financial Statements, our Company has followed the same accounting policies and accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101 as initial adopted on the transition date i.e., April 1, 2016). Accordingly, suitable restatement adjustments (both remeasurements and reclassification) in the accounting heads are made to prepare Proforma Consolidated Ind AS Financial Statements as of and for the Fiscals 2016 and 2015. For further information, see the section *"Financial Statements*", beginning on page 232.

Key Sources of Estimation Uncertainty

Certain key assumptions in relation to the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next Fiscal are set out below. Existing circumstances and assumptions about future developments may change due to market changes or circumstances arising that are beyond the control of our Company. Such changes are reflected in the assumptions when they occur.

(a) Useful lives of property, plant and equipment

Useful lives of tangible assets are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases where the useful lives are different from that prescribed in Schedule II, such changes are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset and the operating conditions of the asset.

(b) Fair value measurement of financial instruments

Our Company uses market observable data to the extent available in estimating the fair value of financial assets and financial liabilities. Where such inputs are not available, our Company establishes appropriate valuation techniques and inputs to the model which may involve a certain degree of judgment in establishing fair values.

(c) Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include determination of discount rate, future salary increases and mortality rates. The defined benefit obligation is highly sensitive to changes in these assumptions due to the complexities involved in the valuation and its long-term nature. All assumptions are reviewed at each reporting date.

(d) Impairment of investment in associate

Determining whether investment in associates is impaired requires an estimation of the value in use of the investee entity. The value in use calculation requires management to estimate the future cash flows expected to arise from the associate's operations and a suitable discount rate in order to calculate present value.

(e) Taxes

Significant management judgment is required to determine the amount of current taxes and tax credits that can be recognised, based on the likely timing and the level of future taxable profits together with future tax planning strategies.

(f) Provision for estimated losses on construction contracts

If it is probable that total contract costs will exceed contract revenues, the expected loss is required to be recognised as an expense immediately. The major component of contract estimate is budgeted costs to complete the contract. While estimating the total costs, management makes various assumptions such as timelines of project completion, the estimated costs escalations and consumption norms.

Critical Accounting Policies and Estimates

A summary of the significant accounting policies applied in the preparation of our financial statements is set out in the notes to the financial statements included elsewhere in this Draft Red Herring Prospectus.

(a) Property, Plant and Equipment

Property, Plant and Equipment are stated at cost of acquisition or construction less accumulated depreciation. Cost includes purchase price and all other attributable cost of bringing the asset to working condition for intended use. Financing costs relating to borrowing funds attributable to acquisition of Property, Plant and Equipment are also included, for the period till such asset is put to use. Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Depreciation on Property, Plant and Equipment is provided on the Straight Line Method (SLM) over the useful life of the assets as prescribed under Schedule II to the Companies Act, 2013. In respect of the Property, Plant and Equipment purchased during the year, depreciation is provided on pro rata basis from the date on which such asset is ready to be put to use.

For the transition to Ind AS, our Company has elected to adopt as deemed cost, the carrying value of property, plant and equipment measured in accordance with Indian GAAP on the transition date of April 1, 2016.

(b) Intangible Assets

Intangible assets with finite useful lives that are acquired separately are measured on initial recognition at cost and carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognised on a straight line basis over the estimated useful life.

For transition to Ind AS, our Company has elected to adopt as deemed cost, the carrying value of the intangible assets, measured in accordance with Indian GAAP on the transition date of April 1, 2016.

(c) Foreign Currency Transactions

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Exchange differences are monetary items and are recognized as income or as expenses in the period in which they arise except for exchange differences on foreign currency borrowings related to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

Our Company has elected to continue the policy adopted for exchange differences arising from translation of long term foreign currency monetary items outstanding and recognised in the financial statements of the period ending immediately before the beginning of the first Ind AS financial reporting period as per the previous GAAP.

(d) Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as a part of the cost of such asset. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. All others borrowing cost are recognised in the profit and loss in the period in which they are incurred.

(e) Impairment of Tangible and Intangible Assets

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

(f) Revenue Recognition

Revenue from Construction Contracts:

If the outcome of the construction contract can be estimated reliably, revenue from construction contacts is recognized by reference to the stage of completion of the contract activity. The stage of completion is determined by survey of work performed and/or on completion of a physical proportion of the contract work, as the case may be. Our Company's claims for extra work, incentives, escalation in rates relating to execution of contracts are recognised as revenue in the year which the said claims are finally accepted by the customers.

When it is probable that the total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Revenue from Property Development:

Revenue from property development is recognised when the significant risks and rewards related to the ownership of the property is transferred to the buyer.

Rendering of services:

Revenue from contracts to provide services (other than those covered under construction contracts referred above) are recognized by reference to the stage of completion of the contract.

Interest income is accrued on a time proportion basis. Other income is accounted for on accrual basis. Where the receipt of income is uncertain, it is accounted for on receipt basis.

(g) Inventories

Inventories are stated at the lower of cost and net realizable value. Costs of inventories are determined on weighted average cost basis, except for certain in-house developed materials which are determined on a standard cost basis.

Inventories under property development is recognised at the lower of cost and net realisable value.

(h) Retirement Benefits

(i) *Defined benefit plans:* Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees through the Group Gratuity Scheme of Life Insurance Corporation of India. Such benefits are provided for as at balance sheet date, based on the valuation made by independent actuaries. Defined benefit costs in the nature of current and past service cost and net interest expenses or income are recognised in the statement of profit and loss in the period in which they occur. Actuarial gains and losses on remeasurement is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur and is reflected immediately in retained earnings and not reclassified to profit or loss.

(ii) *Defined Contribution Plan:* Retirement benefit in the form of provident fund is charged to the statement of profit and loss for the period in which the contributions to the fund accrue.

(iii) *Compensated Absences:* Provision for compensated absences and its classifications between current and non-current liabilities are based on independent actuarial valuation.

(iv) *Short term employee benefits:* They are recognised at an undiscounted amount in the statement of profit and loss for the year in which the related services are rendered.

(i) Income Taxes

Tax on income is determined on the basis of taxable income and tax credits computed in accordance with the Indian Income-tax Act, 1961. Current income tax assets and current income tax liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in our Company's financial statements and the corresponding tax bases used in computation of taxable profit.

(j) Segment Reporting

Our Company's activities during the year revolve around construction activity. Considering the nature of our Company's business and operations and based on reviews of operating results by the chief operating decision maker to make decisions about resource allocation and performance measurement, there are two reportable segments.

(k) Provisions Contingent Liabilities and Contingent Assets

A provision is recognized when the company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are determined based on the best estimate required to settle the obligation at the end of the reporting period. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Contingent Liabilities are not provided for and are disclosed by way of notes. Contingent Assets are not recognized but disclosed in the financial statements, if an inflow of economic benefits is probable.

(l) Interests in joint operations

Our Company as a joint operator recognises in relation to its interest in a joint operation, its share in the assets/liabilities held/incurred jointly with the other parties of the joint arrangement. Revenue is recognised for its share of revenue from the sale of output by the joint venture. Expenses are recognised for its share of expenses incurred jointly with other parties as part of the joint operations.

(m) Financial Instruments

Financial assets and/or financial liabilities are recognised when our Company becomes party to a contract embodying the related financial instruments. All financial assets, financial liabilities and financial guarantee contracts are initially measured at transaction values and where such values are different from the fair value, at fair value.

(i) Financial Assets

Initial recognition and measurement of financial assets: All financial assets are recognised initially at fair value. Transaction costs that are directly attributable to the acquisition of financial assets that are not at fair value through profit or loss are added to the fair value on initial recognition.

Subsequent measurement of financial assets

For purposes of subsequent measurement, financial assets are classified in below categories:

- Financial assets at amortized cost

- Financial assets at fair value through profit or loss (FVTPL)

Financial assets at amortized cost

A financial asset is measured at amortized cost if it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss

FVTPL is a residual category for financial assets. Any financial asset which does not meet the criterial for categorization as at amortized cost or as FVTOCI is classified as FVTPL.

(ii) Financial liabilities

Initial recognition and measurement of financial liabilities: All financial liabilities are recognised initially at fair value, in case of loan and borrowings and payables, fair value is reduced by directly attributable transaction costs.

Subsequent measurement of financial liabilities: The measurement of financial liabilities depends on their classification, as described below:

- Financial liabilities at fair value through profit or loss: Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss (FVTPL). For liabilities designated as FVTPL, fair value gains/losses on changes in fair value of such liability are recognised in the statement of profit or loss.

- Loans and borrowings: After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

(n) 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. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to the equity shareholders and the weighted average number of shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares.

Results of Operations

The following table sets forth the Restated Consolidated Statement of Profit and Loss of the Company for nine months ended December 31, 2017, Fiscals 2017, 2016 and 2015, the components of which are also expressed as a percentage of total income for such periods.

	Nine months ended December 31, 2017		**Fiscal 2017**		**Fiscal 2016 (Proforma Ind AS)**		**Fiscal 2015 (Proforma Ind AS)**	
	Amount (₹ in million)	**% of Total Income**	**Amount (₹ in million)**	**% of Total Income**	**Amount (₹ in million)**	**% of Total Income**	**Amount (₹ in million)**	**% of Total Income**
Income:								
Revenue from Operations	13,202.75	99.41	19,801.54	99.61	16,842.67	99.33	10,113.99	99.51
Other Income	78.75	0.59	78.19	0.39	114.02	0.67	49.64	0.49
Total Income	**13,281.50**	**100.00**	**19,879.73**	**100.00**	**16,956.69**	**100.00**	**10,163.63**	**100.00**

	Nine months ended December 31, 2017		Fiscal 2017		Fiscal 2016 (Proforma Ind AS)		Fiscal 2015 (Proforma Ind AS)	
	Amount (₹ in million)	% of Total Income	Amount (₹ in million)	% of Total Income	Amount (₹ in million)	% of Total Income	Amount (₹ in million)	% of Total Income
Expenses:								
Changes in Inventories of Work-in-Progress	62.07	0.47	(156.35)	(0.79)	(87.19)	(0.51)	(68.24)	(0.67)
Construction Expenses	10,492.27	79.00	16,068.15	80.83	13,443.18	79.28	7,765.57	76.41
Employee Benefits Expense	855.66	6.44	1,060.50	5.33	975.35	5.75	512.99	5.05
Finance Costs	497.84	3.75	516.42	2.60	435.74	2.57	393.92	3.88
Depreciation and Amortization Expenses	331.01	2.49	398.38	2.00	337.61	1.99	215.59	2.12
Other Expenses	360.94	2.72	458.56	2.31	361.46	2.13	445.22	4.38
Total Expenses	**12,599.79**	**94.87**	**18,345.66**	**92.28**	**15,466.15**	**91.21**	**9,265.05**	**91.16**
Profit before tax	**681.71**	**5.13**	**1,534.07**	**7.72**	**1,490.54**	**8.79**	**898.58**	**8.84**
Tax Expense:								
(1) Current Tax	157.29	1.18	269.77	1.36	309.77	1.83	329.32	3.24
(2) Deferred Tax (Assets)/Liabilities	(190.04)	(1.43)	(53.19)	(0.27)	(105.10)	(0.62)	(21.30)	(0.21)
Profit/(Loss) After Tax	**714.46**	**5.38**	**1,317.49**	**6.63**	**1,285.87**	**7.58**	**590.56**	**5.81**
Share of Profit/(Loss) in Associate	(78.49)	(0.59)	(58.39)	(0.29)	(74.77)	(0.44)	(102.65)	(1.01)
Profit/(Loss) for the Period	**635.97**	**4.79**	**1,259.10**	**6.33**	**1,211.10**	**7.14**	**487.91**	**4.80**

Principal Components of Statement of Profit and Loss

Income

Our total income comprises (i) revenue from operations and (ii) other income.

Revenue from Operations

Our revenue from operations comprises (i) contract revenue; (ii) revenue from property development; and (iii) other operating revenue.

Contract revenue primarily comprises revenue generated from execution of various EPC contracts from highways, railways, building and factories, mining, energy infrastructure and water and irrigation verticals.

Expenses

Our expenses consist of (i) changes in inventories of work-in-progress, (ii) construction expenses, (iii) employee benefits expense, (iv) finance costs, (v) depreciation and amortization expenses and (vi) other expenses.

Construction Expenses

Construction expenses primarily consists of expenditure incurred towards sub-contracting expense, consumption of construction material, camp and site expenses and running and maintenance of plant and machinery. Construction expenses accounted for 79.00%, 80.83%, 79.28% and 76.41% of our total income for nine months ended December 31, 2017 and Fiscals 2017, 2016 and 2015, respectively.

Employee Benefits Expenses

Employee benefits expenses comprises (i) salaries, wages and bonus, (ii) contributions to provident and other fund, (iii) gratuity expense and (iv) staff welfare expenses.

Finance Costs

Finance costs comprises (i) interest on working capital facilities, (ii) interest on long term borrowings, (iii) interest on loans from related parties, (iv) other interest expense, (v) other borrowing costs and (vi) interest expenses on financial assets/liabilities.

Other Expenses

Other expenses primarily comprises (i) rent, (ii) rates and taxes, (iii) insurance, (iv) repair and maintenance and (v) legal and professional charges, (vi) travelling and conveyance, (vii) tender fees and (viii) miscellaneous expenses.

Results of Operations for nine months ended December 31, 2017

Revenue

Total income was ₹ 13,281.50 million for the nine months ended December 31, 2017 and comprised revenue from operations and other income.

Revenue from operations

Revenue from operations was ₹ 13,202.75 million for the nine months ended December 31, 2017.

Contract Revenue

Contract revenue was ₹ 13,011.34 million for the nine months ended December 31, 2017.

Revenue from property development

Revenue from property development was ₹ 136.18 million for the nine months ended December 31, 2017.The revenue is from a building and factories project undertaken by our Company in Jabalpur. We have started recognizing revenue for this project from Fiscal 2018 based on the risk and ownership transferred to the customers.

Other Operating Revenue

Other operating revenue comprised scrap sales of ₹24.97 million and other revenue of ₹30.26 million for the nine months ended December 31, 2017.

Other income

Other income was ₹ 78.75 million for the nine months ended December 31, 2017.

Interest on deposits with banks

Interest on deposit with banks was ₹ 6.77 million for the nine months ended December 31, 2017.

Other interest

Other interest was ₹ 3.65 million for the nine months ended December 31, 2017.

Interest income on financial assets/liabilities

Interest income on financial assets/liabilities was ₹ 62.13 million for the nine months ended December 31, 2017.

Other non-operating income

Other non-operating income was ₹ 6.20 million for the nine months ended December 31, 2017.

Expenses

Total expenses was ₹ 12,599.79 million for the nine months ended December 31, 2017 and comprised (i) changes in inventories of work-in-progress, (ii) construction expenses, (iii) employee benefit expense, (iv) finance costs, depreciation and amortization expenses and (v) other expenses.

Changes in inventories of work-in-progress

Changes in inventories of work-in-progress was ₹ 62.07 million for the nine months ended December 31, 2017 and comprised property development related work-in-progress.

Construction expenses

Construction expenses was ₹ 10,492.27 million for the nine months ended December 31, 2017 and comprised sub-contracting expense of ₹ 6,875.79 million, consumption of construction material of ₹ 1,739.97 million, camp and site expenses of ₹ 46.68

million, running and maintenance of plant and machinery of ₹ 1,552.11 million, stores expense of ₹ 222.95 million, hiring expense of ₹ 30.97 million and transport expense of ₹ 23.80 million.

Employee benefits expense

Employee benefits expense was ₹ 855.66 million for the nine months ended December 31, 2017 and comprised salaries, wages and bonus of ₹ 743.67 million, contributions to provident and other fund of ₹ 41.38 million, gratuity expense of ₹ 8.64 million and staff welfare expenses of ₹ 61.97 million.

Finance Costs

Finance costs was ₹ 497.84 million for the nine months ended December 31, 2017.

Depreciation and Amortization Expenses

Depreciation and amortization expenses was ₹ 331.01 million for the nine months ended December 31, 2017.

Other expenses

Other expenses was ₹ 360.94 million for the nine months ended December 31, 2017.

Profit before Tax

Profit before tax was ₹ 681.71 million for the nine months ended December 31, 2017.

Tax Expense

Tax expense comprised current tax of ₹ 157.29 million and deferred tax of ₹ (190.04) million for the nine months ended December 31, 2017.

Profit After Tax

Profit after tax was ₹ 714.46 million for the nine months ended December 31, 2017.

Share of Profit/(Loss) in Associate

Share of loss in Associate using the equity method was ₹ (78.49) million for the nine months ended December 31, 2017.

Results of Operations for Fiscal 2017 compared to Fiscal 2016

Income

Our total income increased by 17.24% to ₹ 19,879.73 million for Fiscal 2017 compared to ₹ 16,956.69 million primarily due to an increase in our revenue from operations.

Our revenue from operations increased by 17.57% to ₹ 19,801.54 million for Fiscal 2017 compared to ₹ 16,842.67 million for Fiscal 2016. This increase in revenue from operations was primarily due to increase in contract revenue.

Contract revenue increased by 17.54% to ₹ 19,778.23 million for Fiscal 2017 compared to ₹ 16,827.00 million for Fiscal 2016. This increase was primarily due to contract revenue from certain projects under full year operation namely, (i) railway project of Kothgangad to Botad Gauge Conversion, Package - 2, from RVNL at Gujarat, (ii) railway project of Kidiyanagar and Chhansara, Package - 3 from RVNL at Gujarat, (iii) energy infrastructure project involving construction and installation of 400 KV transmission lines between Barmer and Bhinmal from RRVPNL at Rajasthan and (iv) energy infrastructure project involving construction and installation of 220 KV transmission lines between Allahabad and Azamgadh from UPTCL at Uttar Pradesh.

Our other income decreased by 31.42% to ₹ 78.19 million for Fiscal 2017 compared to ₹ 114.02 million for Fiscal 2016. This decrease in other income was primarily due to interest income on financial assets/liabilities.

Expenses

Our total expenses increased by 18.62% to ₹ 18,345.66 million for Fiscal 2017 compared to ₹ 15,466.15 million for Fiscal 2016. This increase in expenses was primarily due to construction costs, which was in line with proportionate increase in contract revenue.

Changes in inventories of work-in-progress

Our changes in inventories of work-in-progress decreased by 79.32% to ₹ (156.35) million for Fiscal 2017 compared to ₹ (87.19) million for Fiscal 2016. This decrease was primarily due to construction cost of building and factories projects at Jabalpur under property development.

Construction expenses

Our construction expenses increased by 19.53% to ₹ 16,068.15 million for Fiscal 2017 compared to ₹ 13,443.18 million for Fiscal 2016. This increase was primarily due to certain projects in the highways, building and factories and mining verticals. These projects incurred operational expenses without the corresponding revenue for the period because of initial establishment cost for the projects the following projects: (i) mining project of Barjora (North) coal mines in West Bengal; (ii) highways project of Gorakhpur bypass of NHAI at Uttar Pradesh; (iii) building and factories project of PMAY at Sagar, Madhya Pradesh; and (iv) building and factories project of PMAY at Seoni, Madhya Pradesh.

Employee benefits expense

Our employee benefits expense increased by 8.73% to ₹ 1,060.50 million for Fiscal 2017 compared to ₹ 975.35 million for Fiscal 2016. This increase was primarily due to increase in the number of employees in the railways vertical.

Finance costs

Our finance costs increased by 18.52% to ₹ 516.42 million for Fiscal 2017 compared to ₹ 435.74 million for Fiscal 2016. This increase was primarily due to increase in other borrowings cost including higher utilisation of bank guarantees, higher utilization of letters of credit for projects in the energy infrastructure vertical which have having longer receivables cycle compared to other verticals and due to increase in interest expenses on financial assets/liabilities on account of fair value adjustments of project retention monies.

Depreciation and amortization expenses

Our depreciation and amortization expenses increased by 18.00% to ₹ 398.38 million for Fiscal 2017 compared to ₹ 337.61 million for Fiscal 2016. This increase was in line with increase in revenue from operations.

Other expenses

Our other expenses increased by 26.86% to ₹ 458.56 million for Fiscal 2017 compared to ₹ 361.46 million for Fiscal 2016. This increase was primarily due to increase in tender fees due to higher bidding activity in highways vertical, legal and professional expenses and insurance expenses.

Profit before Tax

As a result of the foregoing factors, our profit before tax increased by 2.92% to ₹ 1,534.07 million for Fiscal 2017 compared to ₹ 1,490.54 million for Fiscal 2016.

Tax Expense

Our current tax expense decreased by 12.91% to ₹ 269.77 million for Fiscal 2017 compared to ₹ 309.77 million for Fiscal 2016. This decreased was primarily due to tax exemption benefit for eligible projects under the highways vertical.

Our deferred tax expense decreased by 49.39% to ₹ (53.19) million for Fiscal 2017 compared to ₹ (105.10) million for Fiscal 2016. This increase was primarily due to MAT credit entitlement recognised in the respective year in accordance with the restatement requirement under the SEBI ICDR Regulations instead of being recognised in Fiscal 2017.

Profit after Tax

As a result of the foregoing factors, our profit after tax increased by 2.46% to ₹ 1,317.49 million for Fiscal 2017 compared to ₹ 1,285.87 million for Fiscal 2016.

Share of Profit/(Loss) in Associate

Our share of loss in our Associate decreased by 21.91% to ₹ (58.39) million for Fiscal 2017 compared to ₹ (74.77) million for Fiscal 2016. This decrease was primarily due to higher toll income of BHTPL, an associate company.

Profit for the Year

As a result of the foregoing factors, our profit for the year increased by 3.96% to ₹ 1,259.10 million for Fiscal 2017 compared to ₹ 1,211.10 million for Fiscal 2016.

Results of Operations for Fiscal 2016 Compared to Fiscal 2015

Income

Our total income increased by 66.84% to ₹ 16,956.69 million for Fiscal 2016 compared to ₹ 10,163.63 million primarily due to an increase in our revenue from operations.

Our revenue from operations increased by 66.53% to ₹ 16,842.67 million for Fiscal 2016 compared to ₹ 10,113.99 million for Fiscal 2015. This increase in revenue from operations was primarily due to increase in contract revenue.

Contract revenue increased by 66.60% to ₹ 16,827.00 million for Fiscal 2016 compared to ₹ 10,099.69 million for Fiscal 2015. This increase was primarily due to projects in the highways vertical such as Barmer - Sanchor road project from NHAI at Rajasthan and Arisabad-Aurangabad-Hariharganj road project from MoRTH at Bihar and projects in the railways vertical such as Railway Civil Work Package - 1 and Package - 2 at Nellore, Andhra Pradesh, which became operational in terms of generating revenue from the Fiscal 2017. Our other income increased by 129.67% to ₹ 114.02 million for Fiscal 2016 compared to ₹ 49.64 million for Fiscal 2015. This increase in other income was primarily due to interest income on financial assets/liabilities in relation to fair value adjustment of retention monies and other non-operating income.

Expenses

Our total expenses increased by 66.93% to ₹ 15,466.15 million for Fiscal 2016 compared to ₹ 9,265.05 million for Fiscal 2015. This increase in expenses was primarily due to construction expenses in line with increase in contract revenue.

Changes in inventories of work-in-progress

Our changes in inventories of work-in-progress decreased by 27.77% to ₹ (87.19) million for Fiscal 2016 compared to ₹ (68.24) million for Fiscal 2015. This decrease was primarily due to increase in construction expenses for the project at Jabalpur under property development.

Construction expenses

Our construction expenses increased by 73.11% to ₹ 13,443.18 million for Fiscal 2016 compared to ₹ 7,765.57 million for Fiscal 2016. This increase was primarily due to projects from the highways, railways and building and factories verticals. Additionally, certain projects incurred operational expenses without the corresponding revenue for the period because of newly awarded projects and initial cost of camp and site establishment and construction cost of the following projects: Fatuah - Harnaut - Barh road project at Bihar, Kota – Darah road project at Rajasthan, in the highways vertical; construction and installation of 400 KV transmission lines between Barmer and Bhinmal in the energy infrastructure vertical; and Kothgangad to Botad Gauge Conversion, Package -2 of RVNL at Rajasthan in the railways vertical.

Employee benefits expense

Our employee benefits expense increased by 90.13% to ₹ 975.35 million for Fiscal 2016 compared to ₹ 512.99 million for Fiscal 2015. This increase was primarily due to expenses incurred in recruiting new employees to start the railways as well as increase in the number of employees for the following building projects: (i) construction of power plant and undertaking other ancillary civil works for Sasan Power Limited at Madhya Pradesh, (ii) TATA Value Home at Bahadurgarh, Haryana; (iii) Construction of EWS, LIG and MIG Houses PMAY, Sagar, Madhya Pradesh; and (iv) Construction of EWS, LIG and MIG Houses (PMAY), Seoni, Madhya Pradesh; and (v) the railway project of Kothgangad to Botad Gauge Conversion - Package - 2.

Finance costs

Our finance costs increased by 10.62% to ₹ 435.74 million for Fiscal 2016 compared to ₹ 393.92 million for Fiscal 2015. This increase was primarily due to interest on long term borrowings for procurement of machinery for the following projects in the highways vertical: (i) Kota – Darah road project at Rajasthan of MoRTH and (ii) Fatuah – Harnaut – Barh project of MoRTH at Bihar.

Depreciation and amortization expenses

Our depreciation and amortization expenses increased by 56.60% to ₹ 337.61 million for Fiscal 2016 compared to ₹ 215.59 million for Fiscal 2015. This increase was primarily due to additional vehicles and equipment purchased for the following projects in the highways vertical: (i) Kota – Darah road project at Rajasthan of MoRTH and (ii) Fatuah – Harnaut – Barh project of MoRTH at Bihar.

Other expenses

Our other expenses decreased by 18.81% to ₹ 361.46 million for Fiscal 2016 compared to ₹ 445.22 million for Fiscal 2015. This decrease was primarily due to reduction in expenses on rates and taxes as well as comparative reduction on expenses of net loss on sale/ disposal of property, plant and equipment since few assets were written-off during the fiscal 2015.

Profit before Tax

As a result of the foregoing factors, our profit before tax increased by 65.88% to ₹ 1,490.54 million for Fiscal 2016 compared to ₹ 898.58 million for Fiscal 2015.

Tax Expense

Our current tax expense decreased by 5.94% to ₹ 309.77 million for Fiscal 2016 compared to ₹ 329.32 million for Fiscal 2015. This decrease was primarily due to tax exemption benefit for eligible projects in the highways vertical.

Our deferred tax expense (credit) decreased by 393.43% to ₹ (105.10) million for Fiscal 2016 compared to ₹ (21.30) million for Fiscal 2015. This decrease was mainly due to MAT credit entitlement availed in Fiscal 2016.

Profit after Tax

As a result of the foregoing factors, our profit after tax increased by 117.74% to ₹ 1,285.87 million for Fiscal 2016 compared to ₹ 590.56 million for Fiscal 2015. This increase was primarily due to progress in certain projects in the highways and building and factories verticals. Further, the investment in recurring expenses made in earlier years was started generating returns during Fiscal 2016. Certain projects generated higher revenue from operations and margin such as (i) Barmer - Sanchor road project and Anisabad – Aurangabad road project at Bihar in the highways vertical; (ii) Jabalpur District Court building project in the building and factories vertical and (iii) Lignite mining Project at Mata no Madh, GMDCL in the mining vertical.

Share of Profit/(Loss) in Associate

Our share of loss in our Associate was ₹ (74.77) million for Fiscal 2016 compared to a loss of ₹ 102.65 million for Fiscal 2015. This was primarily due to decrease in toll collection by BHTPL.

Profit for the Year

As a result of the foregoing factors, our profit for the year increased by 148.22% to ₹ 1,211.10 million for Fiscal 2016 compared to ₹ 487.91 million for Fiscal 2015.

Liquidity and Capital Resources

The table below summarises the statement of cash flows, as per our restated cash flow statements, for the nine months ended December 31, 2017 and Fiscals 2017, 2016 and 2015.

(₹ in million)

Receipts and Payments Accounts	Nine months ended December 31, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
Net cash generated from/(used in) operating activities	55.18	1,637.36	249.20	1,496.12
Net cash generated from/(used in) investing activities	(132.42)	(649.31)	(736.57)	(1,585.88)
Net cash generated from/(used in) financing activities	144.98	(1,046.55)	504.74	191.21

Cash Flows from Operating Activities

Nine months ended December 31, 2017

Net cash generated from operating activities for the nine months ended December 31, 2017 was ₹ 55.18 million, and consisted of profit before tax was ₹ 681.71 million, which was adjusted for, among other things, depreciation and amortization expense of ₹ 331.01 million and interest and borrowing cost of ₹ 497.84 million.

Fiscal 2017

Net cash generated from operating activities for Fiscal 2017 was ₹ 1,637.36 million and consisted of profit before tax was ₹ 1,534.07 million, which was adjusted for, among other things, depreciation and amortization expense of ₹ 398.38 million and interest and other borrowing cost of ₹ 516.42 million.

Fiscal 2016

Net cash generated from operating activities for Fiscal 2016 was 249.20. The profit before tax was ₹ 1,490.54 million, which was adjusted for, among other things, depreciation and amortization expense of ₹ 337.61 million and interest and other borrowing cost of ₹ 435.74 million.

Fiscal 2015

Net cash generated from operating activities for Fiscal 2015 was ₹ 1,496.12 million and consisted of profit before tax was ₹ 898.58 million, which was adjusted for, among other things, depreciation and amortization expense of ₹ 215.59 million, loss on sale of items of property, plant and equipment of ₹ 120.81 million and interest and other borrowing cost of ₹ 393.93 million.

Cash Flows from Investing Activities

Nine months ended December 31, 2017

Net cash used in investing activities for the nine months ended December 31, 2017 was ₹ (132.42) million, primarily representing purchase of property plant and equipment (including advances for capital expenditure) of ₹ 275.07 million, which was partly offset by income from investment in subsidiaries of ₹ 66.70 million and change in FDRs other than cash and cash equivalents of ₹ 50.34 million of during this period.

Fiscal 2017

Net cash used in investing activities for the Fiscal 2017 was ₹ 649.31 million, primarily representing purchase of property plant and equipment (including advances for capital expenditure) of ₹ 659.09 million, which was partly offset by income from sale of items of property, plant and equipment of ₹ 23.13 million and interest income on FDRs of ₹ (11.88) million and increasing in FDRs other than cash and cash equivalent of ₹ 24.58 million of during this period.

Fiscal 2016

Net cash used in investing activities for the Fiscal 2016 was ₹ 736.57 million, primarily representing purchase of property plant and equipment (including advances for capital expenditure) of ₹ 711.07 million, which was partly offset by income from sale of items of property, plant and equipment of ₹ 3.07 million and interest income on FDRs of ₹ 9.61 million of during this period.

Fiscal 2015

Net cash used in investing activities for the Fiscal 2015 was ₹ 1,585.88 million, primarily representing purchase of property plant and equipment (including advances for capital expenditure) of ₹ 1,569.69 million, which was partly offset by income from sale of items of property, plant and equipment of ₹ 4.58 million and interest income on FDRs of ₹ 9.11million of during this period.

Cash Flows from Financing Activities

Nine months ended December 31, 2017

Net cash generated from financing activities for the nine months ended December 31, 2017 was ₹ 144.98 million, primarily representing proceeds from secured loans of ₹ 1,120.24 million, which was partly offset by interest and other borrowing cost of ₹ 424.73 million and repayment of loans of ₹ 865.88 million during this period.

Fiscal 2017

Net cash used in financing activities for Fiscal 2017 was ₹ 1,046.55 million, primarily representing proceeds from secured loans of ₹ 500.98 repayment of secured loans of ₹ 706.15 million and interest and other borrowing cost of ₹ 519.21 million.

Fiscal 2016

Net cash generated from financing activities for Fiscal 2016 was ₹ 504.74 million, primarily representing proceeds from secured loans of ₹ 314.09 million, from working capital of Rs. 1172.31 million, which was offset by repayment of term loans 542.47 million and partly offset by interest and other borrowing cost of ₹ 439.20 million during this period.

Fiscal 2015

Net cash generated from financing activities for Fiscal 2015 was ₹ 191.21 million, primarily representing proceeds from secured loans of ₹ 1433.38 million, which was partly offset by interest and other borrowing cost of ₹ 384.88 million and repayment of term loans of ₹ 378.20 million during this period.

Indebtedness

See "*Financial Indebtedness*", beginning on page 442.

Contractual Obligations and Commitments

The following table sets forth certain information relating to future payments due under known contractual commitments as of December 31, 2017, aggregated by type of contractual obligation:

(₹ in millions)

Particulars	As at December 31, 2017
Estimated amount of contract remaining to be executed on capital account and not provided for	36.46

Contingent Liabilities

As at December 31, 2017, our contingent liabilities that have not been provided for was ₹ 181.83 million which comprised the following:

(₹ in millions)

Particulars	As at December 31, 2017
Claim against the Company not acknowledged as debt	
- Income Tax	145.09
- VAT	9.92
- Entry Tax	0.84
- Excise	25.98

As at December 31, 2017, our Company has capital commitments of ₹ 36.46 million comprising estimated amount of contract remaining to be executed on capital account and not provided for.

Capital Expenditure

For nine months ended December 31, 2017, Fiscal 2017, 2016 and 2015, our cash flow related to capital expenditure was ₹ 275.07 million, ₹ 659.09 million, ₹ 711.07 million, ₹ 1,569.69 million, respectively. This primarily consists of plant, property and equipment (including advances for capital expenditure).

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements, derivative instruments or other relationships with other entities that would have been established for the purpose of facilitating off-balance sheet arrangements.

Related Party Transactions

We enter into various transactions with related parties. Please see the section "*Related Party Transactions*" on page 231.

Quantitative and Qualitative Disclosures about Market Risk

Market risk is the risk of loss related to adverse changes in market prices, including interest rate risk, commodity risk, credit risk, inflation risk and foreign currency exchange risk.

Commodity Price Risk

We are exposed to market risk with respect to the prices of the materials used for our EPC business. These materials include steel, cement, bitumen and diesel. The costs for these materials procured domestically or through imports, are subject to fluctuation based on their prices. The costs of materials sourced from outside manufacturers may also fluctuate based on their availability from suppliers.

Interest Rate Risk

We are exposed to interest rate risk resulting from fluctuations in interest rates on our borrowings. While all of our long term borrowings from banks and financial institutions are on fixed rate basis, our working capital 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.

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.

Significant Economic Changes

Other than as described above under the heading entitled "- *Key Factors Affecting Our Results of Operations and Financial Conditions*" on page 445 and the section "*Risk Factors",* beginning on page 16, to the knowledge of the management of our Company, there are no other significant economic changes that materially affect or are likely to affect income from continuing operations.

Competitive Conditions

We compete against various domestic engineering, construction and infrastructure companies. For further information, see "*Our Business – Competition*" on page 181.

Unusual or Infrequent Events of Transactions

Except as described in the sections "*Risk Factors*" and "*Our Business*", beginning on pages 16 and 163, 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 affected and we expect will continue to be affected by the trends identified above in " - *Key Factors Affecting Our Results of Operations and Financial Conditions*" on page 445 and the uncertainties described in the section "*Risk Factors*", beginning on page 16. To our knowledge, except as described or anticipated in this Draft Red Herring Prospectus, there are no known factors which we expect will have a material adverse effect on our revenues or income from continuing operations.

Future Relationship between Cost 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, 163 and 444, 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 Dependence on a Single or Few Customers

Our business is substantially dependent on projects in India awarded or funded by the Government or state Governments. We derive majority of our revenue from three major revenue from three customers, namely MoRTH, NHAI and RVNL. For further details see section "Risk Factors - *Our business is substantially dependent on projects in India awarded or funded by the Government or State Governments and we derive substantial revenues from contracts with a limited number of government entities. Any changes in the Government or State Government policies or focus, or delay in payment may affect our business and results of operations*" on page 27.

Seasonality of Business

See "- *Key Factors Affecting Our Results of Operations and Financial Condition – Seasonality and Weather Conditions*, on page 445.

Significant Developments after March 31, 2017 that may affect our Future Results of Operations

Except as stated in this Draft Red Herring Prospectus, to our knowledge, no circumstances have arisen since the date of our restated financial statements as disclosed in this Draft Red Herring Prospectus which materially and adversely affect or are likely to affect the operations or profitability of our Company, or the value of our assets or our ability to pay our material liabilities within the next 12 months.

SECTION VI: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no (i) outstanding criminal proceedings, (ii) actions taken by statutory or regulatory authorities, (iii) outstanding claims related to direct and indirect taxes, (iv) other outstanding material litigation (including arbitration), in each case involving our Company, the Promoters, the Subsidiaries, the Joint Ventures, the Directors or the Group Companies; (v) outstanding litigation involving our Company, the Promoters, the Directors, the Subsidiaries, the Joint Ventures, the Group Companies or any other person, whose outcome could have a material adverse effect on the position of the Company; (vi) default in or non-payment of any statutory dues by our Company; and (vii) proceedings initiated against our Company for any economic offences.

In relation to (iv) above, the Board in its meeting held on May 5, 2018, has considered and adopted a policy of materiality for identification of material litigation. In terms of the materiality policy adopted by the Board, all outstanding litigation/arbitration claims:

(a) *involving our Company, the Subsidiaries, the Joint Ventures or the Group Companies exceed the amount which is lesser of 1% of the total income and 5% of the profit after tax as per the Restated Consolidated Financial Statements of our Company as of and for the Fiscal ended March 31, 2017 have been considered material. The total income and profit after tax of our Company for the Fiscal ended March 31, 2017 is ₹ 19,879.73 million and ₹ 1,317.49 million, respectively, and accordingly, all litigation involving our Company, the Subsidiaries, the Joint Ventures or the Group Companies in which the amount involved in such individual litigation exceeds ₹ 65.87 million have been considered as material. Further, (i) where the decision in one case is likely to affect the decision in similar cases, even though the amount involved in an individual litigation may not exceed ₹ 65.87 million; and (ii) all other outstanding litigation which may not meet the specific threshold and parameters as set out hereinabove, but where an adverse outcome would materially and adversely affect the business, operations or financial position or reputation of our Company, have been considered material.*

(b) *involving the Promoters where an adverse outcome would materially and adversely affect the business, operations or financial position or reputation of the Company, have been considered material, and accordingly, each of the Promoters have identified and provided information relating to such outstanding litigation involving themselves.*

(c) *involving the Directors where an adverse outcome would materially and adversely affect the business, operations or financial position or reputation of the Company, have been considered material, and accordingly, each of the individual Directors have identified and provided information relating to such outstanding litigation involving themselves.*

In relation to criminal proceedings and actions by statutory or regulatory authorities, no materiality threshold has been applied.

We have disclosed matters relating to direct and indirect taxes involving our Company, the Directors and the Promoters in a consolidated manner giving details of number of cases and total amount involved in such claims.

Unless the context otherwise requires, the terms defined in each of the summaries set out in this section, shall bear the meaning ascribed to such terms in that particular summary.

I. Litigation involving our Company

A. Litigation filed against our Company

Criminal Proceedings

1. Henry James Chacko (the "**Complainant**") lodged a criminal complaint before the Court of Chief Judicial Magistrate, Bhuj, against *inter alia* our Company, alleging forgery, criminal breach of trust, conspiracy and misappropriation of government funds (approximately ₹ 33.72 million), with respect to the tender for setting up permanent infrastructure for tent city (Rann Utsav 2013-14) at Dhordo, Tal. Bhuj, District Kutch awarded by the R&B Department, Bhuj (Kutch) to our Company (the "**Complaint**"). The Magistrate pursuant to order dated May 26, 2015, directed the concerned police officer to report to the Magistrate as to the status of registration of a first information report and investigation, under Section 210 of the Code of Criminal Procedure, 1973. In view of the said report, the Magistrate, pursuant to order dated July 14, 2015, directed investigation under Section 156(3) of the Code of Criminal Procedure, 1973, and a first information report dated July 15, 2015 was registered with 'B' Division Police Station, Bhuj city.

Our Company has filed a special criminal application before the High Court of Gujarat, for (i) quashing and setting aside the impugned order dated July 14, 2015 and the first information report dated July 15, 2015; and (ii) stay of investigation/further proceedings in connection with the said first information report, on the grounds that *inter alia*, (a) the impugned order passed by the Magistrate and the subsequent registration of the first information report is bad in law, illegal and against the settled principles of law laid down by the courts, (b) the Complainant is in the habit of making false and fabricated complaints and has abused the process of law; and (c) the Magistrate lacked the power to revert to pre-cognizance stage after having taken cognizance of the impugned Complaint. Pursuant to the order dated August 25, 2015, the High Court of Gujarat has stayed further proceedings in the matter. The matter is currently pending.

The allegations made in the Complaint were also the subject matter of an investigation being carried out by the Anti-Corruption Bureau. The Assistant Director, Anti-Corruption Bureau, Border Camp, Bhuj-Kutch had informed the Magistrate that after conducting the preliminary investigation, the office of Director, Anti-Corruption Bureau has sought permission from the state authorities to conduct an open investigation in connection with the alleged offence. Our Company has not received any further communication in this regard.

2. Police Station, Bohadpur, Gwalior (Madhya Pradesh) registered a first information report under Section 304A of the IPC, against Shailendra Kumar (employee of our Company, working in the capacity of a supervisor), in relation to the death of a labourer Avnish due to electrocution, and a charge sheet was filed by the investigating officer. The matter is currently pending before the Chief Judicial Magistrate, Gwalior.

3. Bipin Arjun Thakkar (the "**Complainant**") filed an application dated May 5, 2015, before the Additional Civil Judge/ Judicial Magistrate at Duddhi, Sonebhadra, Uttar Pradesh, against Mrunal Kanubhai Patel alleging that the Complainant is the owner of 10 tippers that were deployed at Krishnashila mining site, and that our Company has unlawfully retained the said vehicles and is misusing the same. Pursuant to the submission of the report by the concerned police stating that the said vehicles were sold by M/s Varsani Construction Company ("**Varsani**") to the Complainant, while the said vehicles were retained by our Company, and upon hearing the said application, the Additional Civil Judge/ Judicial Magistrate at Duddhi, Sonebhadra passed an order dated May 16, 2015, directing registration of the case and to report the proceedings.

   Being aggrieved by the said order dated May 16, 2015, our Company and Mrunal Kanubhai Patel have filed a writ petition, before the High Court of Allahabad, on June 3, 2015, *inter alia* for setting aside the said order and to command the concerned police to not lodge the first information report in pursuance of order dated May 16, 2015. Pursuant to the order dated June 15, 2015, the High Court of Allahabad has stayed the proceedings in the court of Additional Civil Judge/ Judicial Magistrate, Duddhi, Sonebhadra, Uttar Pradesh. The matter is currently pending.

4. The Labour Enforcement Officer (Central), Kutch filed a criminal complaint against our Company (represented by Mrunal Kanubhai Patel), before the Court of Judicial Magistrate First Class, Lakhpat, Kutch, under Sections 23 and 24 of the Contract Labour (Regulation and Abolition) Act, 1970 and Contract Labour (Regulation and Abolition) Central Rules 1971, alleging that on inspection by the Labour Enforcement Officer at the lignite project site Mata no Madh, Kutch, our Company was found to be in breach of certain provisions of such enactments.

   Our Company, through Mrunal Kanubhai Patel, has received summons dated March 16, 2018, from the Court of Judicial Magistrate First Class, Lakhpat, Kutch, in relation to the said complaint. The matter is currently pending.

5. Kanubhai Mafatlal Patel has received summons dated January 17, 2017, in his capacity as the Chairman and Managing Director of our Company, from the court of the Chief Judicial Magistrate, Barmer, in relation to the criminal complaint, filed by the Labour Enforcement Officer (Central), Jodhpur, against our Company, for the alleged non-compliance with Sections 23 and 24 of the Contract Labour (Regulation and Abolition) Act, 1970, in the Sanchar Project. The matter is currently pending.

Civil Proceedings

1. Monte Carlo Fashions Limited ("**MFL**") filed a suit (the "**Suit**") on October 31, 2017 (and an application for amendment of the plaint on January 8, 2018), against our Company, Montecarlo Construction Private Limited, Kanubhai Mafatlal Patel and Mrunal Kanubhai Patel (together the "**Defendants**" and individually the "**Defendant**"), before the Court of District Judge, Ludhiana, for permanent and mandatory injunction, restraining alleged infringement by the Defendants, their proprietors, partners or directors, principal officers, servants, agents and all other acting for and on behalf of the Defendants, of its registered trade mark (i.e., 'MONTE CARLO' and 'MC' (Device)), for passing off, dilution and for rendition of accounts, recovery of damages and delivery up of all infringing material, in relation to the alleged infringement of MFL's registered trademark. The challenge is on the grounds *inter alia* that, MFL is the undisputed prior user of the trademark, the trademark/tradename is associated exclusively and solely with MFL by the members of trade and public and that MFL is the registered proprietor of the said trademark in various classes since the last 23 years.

In this regard, MFL also filed an application before the District Judge, Ludhiana on October 31, 2017, seeking an interim injunction against the Defendants. Pursuant to the order dated November 3, 2017 (the "**Interim Injunction Order**"), the Additional District Judge, Ludhiana, granted an ex-parte ad-interim injunction, restraining the Defendants, their proprietors, partners or directors, principal officers, servants, agents and all other acting for and on behalf of the Defendants from using directly or indirectly, or dealing in any goods or services under the mark 'MONTECARLO' and 'MC', and any other identical or deceptively similar trademark to 'MONTE CARLO' of MFL, in any manner, till further orders.

A reply to the Suit was filed by our Company, by way of its written statement dated December 1, 2017 (the "**Written Statement**"). In the Written Statement, our Company has raised certain preliminary objections to the Suit on the grounds *inter alia* that, (i) the Suit is not maintainable as our Company is a registered proprietor of the trademark; (ii) the trademark of MFL had no reputation in India at the time when our Company started to use the trademark in the year 1995; (iii) the goods and services of MFL and our Company are completely different; and (iv) there is misjoinder of parties (including that Montecarlo Construction Private Limited is not in existence). In addition, our Company has made certain preliminary submissions to defend the Suit on the grounds *inter alia* that, our Company being the registered owner of the trademark 'MONTECARLO' in various classes of goods and services has a statutory right in the said mark, our Company is also a registered copyright holder of 'MONTECARLO' device and that our Company is the prior adopter and continuous user of the trademark/tradename 'MONTECARLO'. The matter is currently pending before the Additional District Judge, Ludhiana.

Separately, being aggrieved by the said Interim Injunction Order, the Defendants filed an application dated November 20, 2017, before the High Court of Punjab and Haryana, seeking a stay on the operation of the impugned Interim Injunction Order on the grounds that *inter alia* the interim injunction has been granted erroneously, illegally and arbitrarily, the Interim Injunction Order is legally unsustainable and that MFL did not have a prima facie case in its favour. Pursuant to the order dated November 22, 2017, the High Court of Punjab and Haryana has noted that, MFL has assured that till the case is heard at the motion stage, MFL shall not press for any contempt of the Interim Injunction Order. Further, pursuant to the order dated November 27, 2017, the High Court of Punjab and Haryana has observed that all plea for final decision of the temporary injunction application (which has been listed before the trial court pursuant to the Interim Injunction Order passed), should be raised before the trial court, at this stage. This matter is currently pending before the High Court of Punjab and Haryana.

2. Our Company appointed Varsani pursuant to (a) an agreement dated December 1, 2011 (as amended) (the "**WCL Contract**") to carry out certain works at Juna Kunada Open Cast Mining of Majri Area of Western Coalfields Limited) (the "**Juna Kunada Works**"); and (b) a letter dated December 17, 2012 and an agreement dated May 30, 2013 (as amended) (the "**Northern Coal Contract**") to carry out certain works at Krishnashila Open Cast Project (Mining) of Northern Coal (the "**Krishnashila Works**"). A letter of authority dated March 7, 2013 (the "**Letter of Authority**") was executed by Varsani, authorizing our Company to operate the bank account (current account) of Varsani, with respect to the Juna Kunada Works and the Krishnashila Works. The following disputes (the "**Disputes**") have arisen between our Company and Varsani in this respect:

(a) Varsani filed a suit on February 4, 2015, before the City Civil Court, Ahmedabad, for declaration and injunction against our Company, challenging the legality of the bank transactions undertaken by our Company on behalf of Varsani, pursuant to the Letter of Authority, and alleging misuse of the Letter of Authority. In the said suit, our Company had filed an application dated April 22, 2015, before the City Civil Court of Ahmedabad, under Section 8 of the Arbitration Act (the "**Arbitration Application**"), for reference of the said dispute to arbitration, in terms of Clause 69 and Clause 46 of the WCL Contract and the Northern Coal Contract, respectively, and disposal of the said civil suit in terms thereof. The Arbitration Application is currently pending.

    Varsani itself has preferred two applications before the High Court of Gujarat, for referral of the Disputes to arbitration. Pursuant to the order of August 28, 2015, the High Court of Gujarat has appointed a sole arbitrator to arbitrate the Disputes.

(b) Varsani, with respect to the Northern Coal Contract, filed an application before the sole arbitrator, on March 5, 2016, seeking *inter alia*, hiring charges from our Company amounting to ₹ 216.44 million along with interest at the rate of 18% per annum, for retention of machines, which were employed by Varsani to undertake the Krishnashila Works pursuant to the Northern Coal Contract, by our Company. The arbitrator passed an order dated March 27, 2017 directing our Company to pay a sum of ₹ 140.00 million to Varsani as hiring charges or mesne profits. Aggrieved by this order, our Company filed a civil miscellaneous application before the Commercial Court at Ahmedabad on April 25, 2017 (the "**Northern Coal CMA**") requesting for setting aside of the said order passed by the arbitrator. The Commercial Court at City Civil Court, allowed the Northern Coal CMA filed by our Company, and made its interim order dated April 28, 2017 (which *inter alia* kept in *abeyance*, the execution, implementation and operation of the order of the arbitrator) absolute, pending disposal of the final arbitration proceedings initiated in this same matter (as discussed below).

Varsani has initiated arbitration proceedings against our Company, before the sole arbitrator, in relation to the Northern Coal Contract, claiming an amount of approximately ₹ 919.66 million and other unquantified amounts along with interest at the rate of 18% per annum, *inter alia* on the allegations that our Company defaulted in payment of certain amounts due to Varsani for works undertaken by it pursuant to the Northern Coal Contract, lack of reimbursements due to Varsani on account of escalation in the wages of the workers, for termination by our Company of such contract and wrongful retention of the machinery purchased by Varsani to perform its end of the Northern Coal Contract, post termination of such contract.

In its reply of August 22, 2016, our Company has denied the allegations made by Varsani, and has also filed a counter claim before the sole arbitrator on September 17, 2016, raising a claim of approximately ₹ 744.55 million together with interest at 24% per annum, against Varsani *inter alia* for the amounts due to be paid by Varsani, costs incurred by our Company for execution of the work at the site post termination of the Northern Coal Contract, certain penalties, including, liquidated damages imposed on it, under the principal contract with Northern Coal due to delay caused for performance of works thereunder, *inter alia* owing to the failure of Varsani to achieve its targets under the Northern Coal Contract. Further, by way of an application for production of documents dated March 16, 2018, submitted by our Company before the sole arbitrator, *inter alia* the aforesaid claim of approximately ₹ 744.55 million was revised to ₹ 1,379.48 million, as on Januray 31, 2018. The matter is currently pending.

(c) Varsani with respect to the WCL Contract, filed an application before the sole arbitrator, on March 5, 2016 seeking *inter alia*, hiring charges from our Company amounting to ₹ 93.99 million along with interest at the rate of 18% per annum for retention of machines by our Company, which were employed by Varsani to undertake the Juna Kunada Works pursuant to the WCL Contract. The arbitrator passed an order dated March 26, 2017 directing our Company to pay a sum of ₹ 60.00 million to Varsani as hiring charges or mesne profits. Aggrieved by this order, our Company filed a civil miscellaneous application before the Commercial Court at Ahmedabad on April 25, 2017 (the "**WCL CMA**") requesting for setting aside of the said order passed by the arbitrator. The Commercial Court at City Civil Court, allowed the WCL CMA filed by our Company, and made its interim order of April 28, 2017 (which *inter alia* kept in *abeyance*, the execution, implementation and operation of the order of the arbitrator) absolute, pending disposal of the final arbitration proceedings initiated in this same matter (as discussed below).

Varsani has initiated arbitration proceedings against our Company, before the sole arbitrator, in relation to the WCL Contract, claiming an amount of approximately ₹ 426.42 million together with interest at 24% per annum, *inter alia* on the allegations that our Company defaulted in payment of certain amounts due to Varsani for works undertaken by it pursuant to the WCL Contract, for illegal termination by our Company of such contract and for wrongful retention of the machinery purchased by Varsani to perform its end of the WCL Contract, post termination of such contract.

In its reply of August 6, 2016, our Company has denied the allegations made by Varsani, and has also filed a counter claim against Varsani before the arbitral tribunal on June 3, 2016, raising a claim of approximately ₹ 607.26 million together with interest at 24% per annum, against Varsani *inter alia* for the losses suffered by our Company and certain liquidated damages imposed on it under the principal contract with Western Coalfield Limited due to delay caused for performance of works thereunder, *inter alia* owing to the failure of Varsani to achieve its targets under the WCL Contract. Further, by way of an application for production of documents dated March 16, 2018, submitted by our Company before the sole arbitrator, *inter alia* the aforesaid claim of approximately ₹ 607.26 million was revised to ₹ 652.19 million, as on Januray 31, 2018. The matter is currently pending.

3. Bipin Arjun Thakkar (the "**Petitioner**") filed a civil suit on August 10, 2016, for recovery of mesne profit and damages, before the Court of City Civil Judge, Ahmedabad, against our Company and Varsani. The Petitioner claims that 10 multiaxle goods vehicle were purchased by him from Varsani on November 13, 2014 and the said vehicles were transferred and registered in the name of the Petitioner on November 29, 2014, while the vehicles continued to be used by our Company, causing damage to the same. The Petitioner has *inter alia* sought recovery of an amount of ₹ 93.60 million on account of mesne profits and ₹ 40.00 million on account of damages caused to the vehicles. The Petitioner has also filed an application dated August 10, 2016, before the Court of City Civil Judge, Ahmedabad, seeking interim injunction against our Company, to *inter alia* handover the possession of the said vehicles. Our Company has filed a written statement cum reply on May 10, 2017 *inter alia* praying that the suit as well as the application for injunction be dismissed, on the grounds that *inter alia* (i) there is no privity of contract between the Petitioner and our Company; and (ii) our Company has been allowed to use seven out of the 10 vehicles pursuant to the order dated October 31, 2015 of the arbitral tribunal. The matter is currently pending.

The Petitioner has also filed a criminal complaint against our Company in relation to the above subject matter. For details, see "– *Litigation involving our Company – Litigation filed against our Company – Criminal Proceedings*", on page 462.

Arbitration Proceedings

1. For details in relation to the arbitration proceedings initiated by Varsani Construction Company against our Company, see "– *Litigation involving our Company – Litigation filed against our Company – Civil Proceedings*", on page 463.

2. M/s Kirit Construction Company ("**KCC**") has initiated arbitration proceedings against our Company, before the sole arbitrator, Justice (Retired) M. B. Shah, at Ahmedabad, pursuant to the statement of claim filed on March 23, 2018, in relation to a memorandum of understanding (the "**MOU**") dated January 27, 2015, executed between KCC and our Company. Pursuant to the MOU, KCC was to undertake certain works for our Company, such works being the works required to be undertaken by our Company, in terms of the principal contract awarded to our Company by Rail Vikas Nigam Limited. Under the principal contract with Rail Vikas Nigam Limited, our Company was to undertake works relating to *inter alia*, execution of gauge conversion of the existing meter gauge track between Sabarmati and Kotgangad stations (77 km) ("**RVNL Package-I**") and execution of gauge conversion of meter gauge track between Kotgangad to Botad stations (88.40 km) ("**RVNL Package-II**"). In its petition, KCC has *inter alia* (i) claimed an aggregate amount of approximately ₹ 75.96 million along with interest at 12% per annum, accumulated from March 27, 2017, from our Company; and (ii) has prayed for specific performance of the contract in relation to RVNL Package-II alleging that, our Company has committed a breach of the terms and conditions of the MOU by not entrusting the work in relation to RVNL Package-II to KCC. The matter is currently pending.

   Our Company has filed a statement of defence dated April 24, 2018, claiming that *inter alia* KCC is not entitled to the claim amount or for specific performance of the contract on the grounds *inter alia* that (i) the MOU on which the claim is based stands automatically terminated in accordace with Clause 15 of the MOU; and (ii) under the MOU, KCC has no rights, claims, demand and financial liability, of any nature, arising out of or in relation to the said project.

Outstanding actions by regulatory and statutory authorities

1. Our Company received a letter dated March 30, 2017 (the "**Letter**"), from the Office of the Assistant Director (the "**Authority**"), Ministry of Corporate Affairs (Cost Audit Branch), requesting our Company to furnish information/explanations/reply, in accordance with Section 148(7) of the Companies Act, 2013, in relation to certain inconsistencies identified in the cost audit report filed by our Company for the Fiscal 2015-2016. Pursuant to the said Letter, our Company received a show cause notice dated August 30, 2017 (the "**Show Cause Notice**"), from the Authority, calling upon our Company to show cause as to why action should not be taken against our Company and every officer in default, under Section 148(8)(a) read with Section 147(1) of the Companies Act, 2013, for the contravention of Section 148(7) of the Companies Act, 2013.

   Our Company has submitted its reply dated August 31, 2017, to the Show Cause Notice *inter alia* submitting that, the cost statements have been prepared as per CRA-1, service-wise/site-wise, reflecting the cost of operations, cost of sales and margins and as per Form CRA-3, Rule 6(4) of the Companies (Cost Records and Audit) Amendment Rules, 2014, the cost statements have been prepared/furnished separately for each of the three types of services in which our Company is engaged. Our Company has not received any further communications in this regard.

2. Our Company received a letter dated July 16, 2014 (the "**Letter**") from the Office of Registrar of Companies, Gujarat, in relation to a complaint against our Company, alleging poor performance *inter alia* in relation to removal of overburden under a mining contract and coal extraction at Juna Kunada Open Cast Mining of Majri Area, awarded by M/s Western Coalfields Limited, a subsidiary of Coal India Limited in December 2011. Under the said Letter, our Company *inter alia* was directed to submit an 'Action Take Report' within 10 days from the date of the Letter.

   Our Company filed its response dated July 21, 2014, to the Letter stating *inter alia* that the shortfall in the quantity of overburden removal is merely 3.79% and that our Company has placed purchase orders for deployment of new machinery, in order to make up for the deficit quantity of overburden removal. Our Company has not received any further communications in this regard.

Taxation Matters

<u>Direct Tax matters</u>

10 direct tax matters involving our Company are pending before the Income Tax Appellate Tribunal, involving an aggregate amount of approximately ₹ 145.09 million and in relation to, among others, disallowance of delayed

payments made for employees' contribution to provident fund and deduction of profits and gains from enterprises engaged in infrastructure development.

Indirect Tax matters

Nine indirect tax matters involving our Company are pending before various forums, such as the Deputy Commissioner (Appeals) Jabalpur, Deputy Commissioner of Commercial Tax, Ramgarh circle, Ramgarh and the Assistant Director of Foreign Trade, Ahmedabad, involving an aggregate amount of approximately ₹ 36.74 million, and in relation to, among others, return of duty draw back refund received by our Company and adjustment of wrong demand of entry tax against the VAT refund.

B. Litigation filed by our Company

Criminal Proceedings

1. Our Company has filed a complaint against Vikram Pratap Singh (an ex-employee of our Company), before the court of the Additional Chief Metropolitan Magistrate, Ahmedabad, for recovery/refund of amount of ₹ 0.43 million misappropriated by Vikram Pratap Singh, in collusion with the some suppliers, labourers and other persons. Vikram Pratap Singh has been accused of *inter alia* committing breach of trust, collusion and carrying out fictitious and fraudulent financial transactions with the view to misappropriate funds, to cheat our Company and cause wrongful loss to our Company. This matter is currently pending.

Civil Proceedings

1. Our Company filed a suit on March 7, 2014, before the City Civil Court, Ahmedabad, for recovery of money, against Spectrum Techno Consultants Private Limited ("**Spectrum**"). The NHAI had floated tenders for carrying out work in relation to the rehabilitation and augmentation of two projects namely, Lambia-Raipur section (PKG.II) NH-458 and Raipur-Bheem (Jassa Khera) section (PKG.III) NH-458. Our Company issued a work order for an amount of ₹ 1.48 million as per terms and conditions dated February 7, 2013 pursuant to which, Spectrum was to *inter alia* provide, pre-bidding services and engineering, design and consultancy services. Our Company also paid an advance of ₹ 0.37 million against the said amount of ₹ 1.48 million.

   Our Company has filed the said suit to recover an amount of ₹ 260.96 million for the losses suffered by our Company, on account of Spectrum's failure to carry out the work assigned to it. Such losses include, ₹ 1.29 million towards the tendering expenses incurred by our Company and ₹ 259.30 million loss of opportunity and profits. A reply was filed by Spectrum on May 2, 2014, claiming that the work was carried out by Spectrum as per the work order, and that the said suit be dismissed with compensatory costs. The matter is currently pending.

2. Our Company has filed a writ petition against Madhya Pradesh Madhya Kshetra Vidyut Vitran Company Limited ("**MPCL**"), the Government of Madhya Pradesh, Madhya Pradesh Power Management Company Limited and the Project Manager of MPCL (collectively, "**MPCL and Others**") on October 14, 2014, before the High Court of Madhya Pradesh, Jabalpur (the "**MP Writ Petition**"). The MP Writ Petition was filed challenging certain provisions (as being arbitrary and unconstitutional) of the contracts awarded to our Company by MPCL for the cities of Bhopal and Gwalior, pursuant to a tender floated by it, to carry out certain renovation, installation and commissioning of electrical works and for annual maintenance of the same, for a period of five years (the "**MPCL Contracts**"). In the MP Writ Petition, our Company challenged certain provisions of the MPCL Contracts which seek to impose liquidated damages on our Company, in the event, it fails to achieve the prescribed threshold of minimising the aggregate technical and commercial losses (the "**AT&C Losses**") based on a formula, on the grounds that these provisions are unreasonable and based on factors which fall outside the scope of our Company's work under the MPCL Contracts. Our Company has claimed that it has completed majority of the works and has been raising its invoices thereunder periodically. However, from the payments being made to our Company, amounts aggregating to approximately ₹ 389.00 million are being withheld by MPCL on account of our Company failing to meet the requisite thresholds for AT&C Losses.

   In response to the MP Writ Petition, MPCL and Others filed an application dated July 13, 2015, seeking dismissal of the MP Writ Petition. MPCL and Others also filed a reply dated July 25, 2015 to the MP Writ Petition, seeking its dismissal. A rejoinder dated August 12, 2015, was filed by our Company *inter alia* denying the contentions raised by MPCL and Others. The matter is currently pending.

3. For details in relation to the company petition filed by our Company, before the Company Law Board, Regional Bench, Mumbai against SIPL, SEL, BHTPL, Vishnubhai M. Patel and others, see "– *Litigation involving the Group Companies – BHTPL – Civil Proceedings*", on page 471.

Arbitration Proceedings

1. Pursuant to a contract dated March 21, 2014, our Company was awarded works by the Ministry of Road, Transport and Highways, for the rehabilitation and upgradation to two lanes/two lane with paved shoulders configuration of Anisabad-Aurangabad-Hariharganj section (0.00 km to 154.625 km) of NH-98 in Bihar (the "**Project**"). In relation to the said Project, certain claims (*as detailed herein below*) were raised by our Company and pursuant to the rejection of these claims by the Engineer, Intercontinental Consultants and Technocrats Private Limited, our Company, pursuant to letters dated January 1, 2018 and January 3, 2018 referred the following four claims to the Disputes Board, against the Superintending Engineer (EPA)-II, Ministry of Road Transport & Highways, New Delhi and Engineer, Intercontinental Consultants and Technocrats Private Limited, amounting to approximately ₹ 100.43 million along with interest, towards, increase of royalty/seigniorage for up to March 31, 2016, additional cost incurred towards additional treatment of self-adhesive glass grid and overlay section, additional excise duty levied and additional cost incurred due to a revision in the minimum wages of labour by the central government. The matter is currently pending.

2. Our Company initiated arbitration proceedings before the Gujarat Public Works Contracts, Disputes Arbitration Tribunal, at Ahmedabad, against the Executive Engineer SSNNL and the Chairman of Sardar Sarovar Narmada Nigam Limited (collectively, the "**Respondents**"), pursuant to an arbitration petition filed in March 2016, arising out of a contract awarded to our Company for constructing earthwork, lining, structures and service road of Radhanpur branch canal in between Ch. 11.515 to 24.475 Km (Slice-II). In its petition, our Company has raised a claim of approximately ₹ 123.05 million (including interest) against the Respondents *inter alia* on account of (a) unjust, unwarranted and arbitrary deduction from the final bill; (b) loss due to underutilization of machinery and equipment; (c) loss due to infructuous overheads; (d) loss of interest due to delay in payments; and (e) loss due to non-refund of royalty charges. The matter is currently pending.

3. Our Company initiated arbitration proceedings against the Executive Engineer Sardar Sarovar Narmada Nigam Limited and the Chairman of Sardar Sarovar Narmada Nigam Limited (collectively, the "**SSNNL Group**"), pursuant to the arbitration petition filed on October 13, 2014, arising out of the contract awarded to our Company by SSNNL pursuant to a tender floated by it (the "**SSNNL Petition**"). As a successful bidder, our Company had executed a contract with SSNNL in September 2004, in terms of which it was to undertake works relating to the construction of earthwork, structures, lining and service road of Kachchh branch Canal Reach 112.50 to 122.219 Km (Package K-1) ("**SSNNL Contract**"). In the SSNNL Petition, our Company has raised a claim of approximately ₹ 413.39 million together with interest at the rate of 18% per annum or any other rate deemed fit and approximately ₹ 1.5 million for arbitration proceedings, from SSNNL Group *inter alia* on account of (a) certain amounts being withheld by SSNNL from various running account bills of our Company and consequent damages incurred by our Company for arranging funds from the banks at a high cost in order to keep the work ongoing; (b) interest due on delayed payments of the price varied for steel and cement, (c) loss due to underutilisation of the plant and machinery deployed for completion of the project; (d) costs associated with extension of bank guarantees. The matter is currently pending.

II. Litigation involving the Directors

Criminal Proceedings

1. Sanjay Singh, Managing Director, M/s Roof Matrix Technologies Private Limited (the "**Complainant**") lodged a first information report against Suhas Vasant Joshi (in his capacity as Managing Director of M/s JMC Projects (India) Limited) and others (the "**Applicants**" and Suhas Vasant Joshi, the "**Applicant 1**") on January 28, 2012 under Section 420 of the IPC, in relation to a sub-contract awarded to the Complainant, pursuant to a memorandum of understanding dated November 18, 2009 and work order dated January 5, 2010. The Applicant 1 was awarded a contract by Central Public Works Department (the "**CPWD**") for the construction of indoor cycling velodrome at Indira Gandhi Stadium Complex, New Delhi for the Common Wealth Games 2010. In relation to the said project, a sub-contract was awarded to the Complainant for installation of specified works. Due to unsatisfactory work of the Complainant, CPWD called upon the Applicants for defect rectification. Thereafter, the sub-contract awarded to the Complainant was cancelled pursuant to communication dated April 8, 2011, and M/s JMC Projects (India) Limited issued a legal notice dated October 19, 2011 to the Complainant demanding payment of ₹ 7.8 million as risk cost. The present case relates to disputes arising therefrom.

   Being aggrieved by the said first information report, the Applicants preferred a writ petition before the High Court of Allahabad on March 16, 2012, in which the High Court of Allahabad passed an interim order dated March 23, 2012, staying the arrest of the Applicants. The investigating officer submitted his final report dated July 2, 2012, observing that no case is established under Section 420 of the IPC. Pursuant to the said final report of the investigating officer, the Complainant filed a protest petition on March 5, 2013 before the Chief Judicial Magistrate, Gautam Budh Nagar who allowed the said protest petition and cancelled the final report, directing reinvestigation pursuant to order dated February 3, 2014. Being aggrieved by the said order dated February 3, 2014, the Applicants preferred a a criminal revision application before the District and Sessions Judge, Gautam Budh Nagar, and the District and Sessions Judge by order dated March 6, 2014, admitted the revision. In compliance with the said order, superintendent of police, Gautam Budh Nagar, proceeded with further investigations (pursuant to order dated August 25, 2014 investigation was transferred the investigation to crime branch Gautam Budh Nagar). Upon receipt of the charge sheet filed by the investigating officer on February 17, 2016, the Magistrate took cognizance in the matter and summoned the Applicants pursuant to order dated April 26, 2016.

The Applicants have filed an application dated May 18, 2016, before the High Court of Allahabad for, (i) quashing the impugned charge sheet no. 5 of 2016 dated February 17, 2016 in criminal case no. 88 of 2012; (ii) the impugned summoning order dated April 26, 2016; and (iii) stay of further proceedings in case no. 470 of 2016 arising out of criminal case no. 88 of 2012, on the grounds that *inter alia* (a) complaints in respect of all the allegations before the CPWD have been turned down on the grounds that, the complaint is filed with malafide intention and are frivolous in nature; (b) the Complainant has already given a no claim certificate to the Applicants and therefore, the entire proceedings are contrary to settled principles of law; and (c) that the dispute is purely contractual in nature. The matter is currently pending.

2. For details in relation to the criminal complaint filed by Bipin Arjun Thakkar before the Additional Civil Judge/ Judicial Magistrate at Duddhi, Sonebhadra, Uttar Pradesh, against Mrunal Kanubhai Patel, see "– *Litigation involving our Company – Litigation filed against our Company – Criminal Proceedings*", on page 462.

3. For details in relation to the summons received by Mrunal Kanubhai Patel, on behalf of the Company, from the Judicial Magistrate First Class, Lakhpat, Kutch, under Sections 23 and 24 of The Contract Labour (Regulation and Abolition) Act, 1970 and Central Rules 1971, see "– *Litigation involving our Company – Litigation filed against our Company – Criminal Proceedings*", on page 462.

4. For details in relation to the summons received by Kanubhai Mafatlal Patel, in his capacity as the Chairman and Managing Director of our Company, from the Chief Judicial Magistrate, Barmer, in relation to the criminal complaint, filed by the Labour Enforcement Officer (Central), Jodhpur, see "– *Litigation involving our Company – Litigation filed against our Company – Criminal Proceedings*", on page 462.

Civil Proceedings

1. Prakash Rajmal Zawar and others (the "**Petitioners**") filed a writ petition dated October 13, 2014 (the "**Writ Petition**"), against Suhas Vasant Joshi (trustee) and others (the "**Respondents**"), before the High Court of Judicature at Bombay, Aurangabad bench, under Articles 226 and 227 of the Constitution of India. The Petitioners were the founding members and original trustees of a pubic charitable trust, Dr. Hedgewar Shikshan Prasarak Mandal Shendurni (the "**Trust**"). Pursuant to order dated June 16, 2011, the Assistant Charity Commissioner, Jalgaon Region, accepted the change report No. 129/2011, for recording changes in the management committee of the said trust, recording the Petitioners as the outgoing trustees. The Petitioners filed an appeal against the order dated June 16, 2011, which was disposed of by the Joint Charity Commissioner, Nasik Region pursuant to order dated November 30, 2012, for non-compliance by the Petitioners with its order dated October 15, 2012. Thereafter, the Petitioners filed an application, before the Joint Charity Commissioner, Nasik Region, for restoration of the said appeal. The application was rejected by the Joint Charity Commissioner, Nasik Region, pursuant to its order dated September 12, 2014 on the grounds that *inter alia* the application was defective and not maintainable.

The Petitioners have filed the present Writ Petition to set aside and quash the impugned order dated September 12, 2014 and restoring the appeal against the order dated June 16, 2011 on the grounds that *inter alia* the impugned order is unjust, illegal and against principles of equity and good conscience, that the Joint Charity Commissioner, Nasik Region has the power to entertain the application for setting aside the order dated November 30, 2012 and that the order dated November 30, 2012 is procedural in nature and therefore, within the incidental powers of the Joint Charity Commissioner, Nasik Region. The matter is currently pending.

In relation to the above Trust and disputes arising therefrom, the Petitioners have also filed another writ petition dated November 22, 2014, before the High Court of Judicature at Bombay, Aurangabad bench, challenging Maha-Lokadalat's impugned order dated March 4, 2012, passed in change report No. 1389/2011 (which was filed before the Assistant Charity Commissioner, Jalgaon, for change in the office address of the Trust), on the grounds that *inter alia* the signature on the no objection certificate signed by Prakash Rajmal Zawar and submitted along with the said change report, is forged. The matter is currently pending.

2. Kanubhai Mafatlal Patel has received a notice dated March 13, 2018, under Rule 35 of the Madhya Pradesh Real Estate (Regulation and Development) Rules, 2016, in relation to a complaint filed by Kavita Pinyani (the "**Complainant**"), pertaining to our Company's residential project tilted, 'Monte Carlo Lake View Apartments', in Jabalpur, Madhya Pradesh. The Complainant has alleged that *inter alia* our Company demanded money without the necessary sanctions having been obtained from the relevant municipal corporation, and upon request of the Complainant, whilst our Company agreed to return the principle amount, it was not agreeable to pay the interest. The Complainant has therefore, through the said complaint, sought the principal amount along with an interest at the rate of 15% per annum compounded quarterly and action against our Company for the alleged fraud. Our Company has

filed a reply dated April 6, 2018, before the Real Estate Regulatory Authority at Jabalpur, praying the dismissal of cost and the said Complaint with interest. The matter is currently pending.

In relation to the aforesaid subject matter, Kanubhai Mafatlal Patel has also received an unsigned and undated letter from the Complainant, addressed to the Economic Office, Katanga, Jabalpur, *inter alia* requesting to check documents and accounts of our Company and arrange to refund the principle amount with interest, to her. However, Kanubhai Mafatlal Patel has not received any communication from the Economic Office, Katanga, Jabalpur, in this respect.

3. For details in relation to the suit filed by Monte Carlo Fashions Limited on October 31, 2017, before the Court of District Judge, Ludhiana, against Kanubhai Mafatlal Patel and Mrunal Kanubhai Patel, see "*– Litigation involving our Company – Litigation filed against our Company – Civil Proceedings*", on page 463.

4. For details in relation to the company petition filed by Kanubhai Mafatlal Patel and Mrunal Kanubhai Patel before the Company Law Board, Regional Bench, Mumbai, against SIPL, SEL, BHTPL, Vishnubhai M. Patel and others, see " *– Litigation involving the Group Companies – Civil Proceedings"*, on page 471.

Actions initiated by regulatory and statutory authorities in current Fiscal and preceding five Fiscals

1. For details in relation to the show cause notice dated August 30, 2017, from the Office of the Assistant Director, Ministry of Corporate Affairs (Cost Audit Branch), issued to our Company and every officer in default, see "*– Litigation involving our Company – Litigation filed against our Company – Outstanding actions by regulatory and statutory authorities*", on page 466.

Taxation Matters

Litigation involving Kanubhai Mafatlal Patel

Particulars	Number of matters	Amount involved (*in ₹ million approximately*)
Direct tax	5	47.83
Indirect tax	Nil	Nil

III. Litigation involving the Promoters

Criminal Proceedings

1. For details in relation to the summons received by Kanubhai Mafatlal Patel, in his capacity as the Chairman and Managing Director of our Company, from the court of The Chief Judicial Magistrate, Barmer, in relation to the criminal complaint, filed by the Labour Enforcement Officer (Central), Jodhpur, see "*– Litigation involving our Company – Litigation filed against our Company – Criminal Proceedings*", on page 462.

2. For details in relation to the criminal complaint filed by Bipin Arjun Thakkar before the Additional Civil Judge/ Judicial Magistrate at Duddhi, Sonebhadra, Uttar Pradesh, involving Mrunal Kanubhai Patel, see "*– Litigation involving our Company – Litigation filed against our Company – Criminal Proceedings*", on page 462.

3. For details in relation to the summons received by Mrunal Kanubhai Patel, on behalf of the Company, from the Court of Judicial Magistrate First Class, Lakhpat, Kutch, under Sections 23 and 24 of The Contract Labour (Regulation and Abolition) Act, 1970 and Central Rules 1971, see "*– Litigation involving our Company – Litigation filed against our Company – Criminal Proceedings*", on page 462.

Civil Proceedings

1. For details in relation to the suit filed by Monte Carlo Fashions Limited on October 31, 2017, before the Court of District Judge, Ludhiana, against Kanubhai Mafatlal Patel and Mrunal Kanubhai Patel, see "*– Litigation involving our Company – Litigation filed against our Company – Civil Proceedings*", on page 463.

2. For details in relation to the company petition filed by Kanubhai Mafatlal Patel and Mrunal Kanubhai Patel before the Company Law Board, Regional Bench, Mumbai, against SIPL, SEL, BHTPL, Vishnubhai M. Patel and others, see " *– Litigation involving the Group Companies – Civil Proceedings"*, on page 463.

Outstanding actions initiated by regulatory and statutory authorities

1. For details in relation to the show cause notice dated August 30, 2017, from the Office of the Assistant Director, Ministry of Corporate Affairs (Cost Audit Branch), issued to our Company and every officer in default, see "–

Litigation involving our Company – Litigation filed against our Company – Outstanding actions initiated by regulatory and statutory authorities", on page 466.

Taxation Matters

Litigation involving Kanubhai Mafatlal Patel

Particulars	Number of matters	Amount involved (*in ₹ million approximately*)
Direct tax	5	47.83
Indirect tax	Nil	Nil

IV. Litigation involving the Group Companies

BHTPL

Civil proceedings

1. Our Company, Kanubhai Mafatlal Patel and Mrunal Kanubhai Patel (the "**Petitioners**") filed a company petition dated July 7, 2013, before the Company Law Board, Regional Bench, Mumbai (the "**Company Law Board**") against SIPL, SEL, BHTPL, Vishnubhai M. Patel and others (the "**Respondents**"), under Sections 397 and 398 read with 399, 402 and 403 of the Companies Act, 1956, alleging certain irregularities in relation to corporate and other matters pertaining to BHTPL including, acts of oppression and mismanagement of affairs of BHTPL by the Respondents, non-involvement of the nominee director of our Company in the day to day affairs of BHTPL, awarding of EPC contract to SEL and siphoning of an amount to the tune of ₹ 2,000.00 million through the EPC contract, and payment of fees to SIPL through service, rent and O&M agreements. The Petitioners have sought certain reliefs in relation to the aforesaid allegations, including, declaration that memorandum of understanding dated July 9, 2010 entered between SIPL, BHTPL, SEL and our Company is non-binding, certain amount paid by BHTPL to SEL in accordance with the terms of the EPC contract to be refunded, services agreement dated March 1, 2010 entered into by BHTPL with SIPL to be quashed and amount paid under the services agreement to be refunded along with interest and permitting the Petitioners along with chartered accountants/consultants/advocates as representative of the Petitioners to inspect the books of accounts and other books and papers of BHTPL. The Company Law Board passed an interim order dated July 29, 2013 (the "**Interim Order**") allowing the Petitioners to send a representative (Deloitte) to take inspection of the books of accounts and other books and papers of BHTPL and directed BHTPL to give sufficient notice to the Petitioners of its board meetings.

Prior to passing of the aforesaid Interim Order, SIPL and SEL had also issued a notice dated May 9, 2013 to our Company invoking arbitration clause under clause 36 of the BHTPL SHA which was disputed by our Company. In this regard, SIPL, SEL and others had filed a company application, before the Company Law Board under Section 8 of the Arbitration Act, on July 29, 2013 (the "**Arbitration Application**").

Being aggrieved by the Interim Order, SIPL and SEL preferred an appeal before the High Court of Gujarat against the order of the Company Law Board. The High Court of Gujarat has set aside the order passed by the Company Law Board and remanded the matter back to the Company Law Board with a direction to decide the Arbitration Application and pass an order after deciding the Arbitration Application.

The Company Law Board, pursuant to its order dated January 8, 2014, dismissed the said Arbitration Application, on certain grounds including, that the issues alleged by the Petitioners did not fall in the domain of the arbitral tribunal, and the fact that BHTPL was not a party to the arbitration agreement of the BHTPL SHA.

The Company Law Board, in the same order dated January 8, 2014, also granted certain ad-interim reliefs sought by the Petitioners, including that (i) the nominee director of our Company was required to be served with seven days advance notice in respect of the board meetings of BHTPL and notices of other meetings was required to be served under applicable law; (ii) the nominee director of our Company was required to be allowed to participate in the meetings and any comments/objections was required to be recorded and circulated with minutes within three days; (iii) BHTPL was restrained from entering into any arrangement with any person including, other Respondents, without prior approval of the Company Law Board; (iv) our Company, through its nominee directors along with chartered accountant and a company secretary, were permitted to inspect books of accounts and statutory records of BHTPL subject to certain conditions; and (v) Petitioners with the help of experts were allowed to install necessary system to monitor toll plazas/project site online.

The Respondents filed a special civil application (the "**SCA**"), before the High Court of Gujarat, challenging the aforesaid order dated January 8, 2014 of the Company Law Board. The High Court of Gujarat pursuant to order dated February 21, 2014 passed an order restraining the Company Law Board from proceeding further with the company petition till final disposal of the SCA filed by the Respondents.

Subsequently, the Petitioners filed a civil application in relation to the SCA seeking modification of the aforesaid order of the High Court of Gujarat. The said civil application was dismissed by the High Court of Gujarat pursuant to order dated March 12, 2014.

Being aggrieved by the orders dated February 21, 2014 and March 12, 2014, our Company preferred letters patent appeal, before the division bench of the High Court of Gujarat. The division bench of the High Court of Gujarat pursuant to order dated March 25, 2014 clarified that the Petitioners were at liberty to approach the Company Law Board for enforcing the interim order passed by the Company Law Board granting certain ad-interim reliefs sought by the Petitioners.

In relation to the SCA, the High Court of Gujarat pursuant to its order dated August 14, 2014, upheld the order of the Company Law Board, vacated the interim order and dismissed the SCA. The High Court of Gujarat however, directed the Company Law Board not to proceed with the petition for four weeks from the date of the order.

SIPL has filed a letters patent appeal (the "**LPA**")before the High Court of Gujarat against the Company Law Board and others for quashing and setting aside of the order passed by the single bench of the High Court of Gujarat dismissing the SCA and for disallowing the Arbitration Application. The division bench of the High Court of Gujarat pursuant to order dated September 18, 2014 has stayed further proceedings before the Company Law Board and directed that the interim arrangements made by the division bench pursuant to its order dated March 25, 2014 in the letters patent appeals shall continue to operate on the same terms and conditions as an ad-interim arrangement till the next date of hearing. The matter is currently pending.

Our Company preferred a civil application dated October 15, 2014, in LPA, before the High Court of Gujarat, *inter alia*, seeking direction to quash and set aside the circular resolution dated April 29, 2014, passed by the majority directors of BHTPL.

Our Company has preferred another civil application dated December 2, 2015, in the LPA, before the High Court of Gujarat, *inter alia*, seeking direction to quash the board resolution dated May 21, 2015 passed by the directors of BHTPL.

V. Litigation involving the Subsidiaries and Joint Ventures

Except as disclosed below, there are no outstanding litigations involving the Subsidiaries and the Joint Ventures, as per the parameters set out at the beginning of this section, at page 462;

1. The Assistant Manager of MONTECARLO-JPCPL (JV) has filed a first information report on April 17, 2018, in the Sadar Barmer police station, in relation to the theft of tower parts fitted in 400 KV double circuit Barmer Bhinmal transmission line towers. The matter is currently pending.

VI. Defaults in or non-payment of any statutory dues by our Company

Except as disclosed in "*– Litigation involving our Company – Litigation filed against our Company – Taxation Matter*", on page 466, our Company has no outstanding defaults in relation to statutory dues payable.

VII. Proceedings initiated against our Company for any economic offences

Except as disclosed in "*– Litigation involving the Directors – Civil Proceedings*", there are no pending proceedings initiated against our Company for economic offences.

VIII. Material developments

For details of material developments, see the section "*Management's Discussion and Analysis of Financial Condition and Results of Operations*", beginning on page 444.

IX. Outstanding dues to small scale undertakings and other creditors

As of December 31, 2017, we had 2,159 creditors. The aggregate amount outstanding to such creditors as on December 31, 2017 was ₹ 3,185.37 million.

As per the materiality policy of our Board approved in its meeting held on May 5, 2018, the dues owed by our Company to the small scale undertakings and other creditors exceeding 5% of total outstanding dues to small scale undertakings and other creditors as of and for the nine months ended December 31, 2017 shall be considered material. Accordingly, in this regard, the creditors to whom an amount exceeding ₹ 159.27 million was owed as on December 31, 2017, were considered 'material' creditors. Based on the above, there are 4 material creditors of the Company as on December 31, 2017, to whom an aggregate amount of ₹ 1,337.40 million was outstanding on such date.

As of December 31, 2017, our Company had no outstanding dues owed to small scale undertakings.

The details pertaining to amounts due towards such creditors are available on the website of our Company at the following link: https://www.mclindia.com/Content/Data/Files/List-of-creditors1.pdf. It is clarified that such details available on our website do not form a part of this Draft Red Herring Prospectus. Anyone placing reliance on any other source of information, including our Company's website, would be doing so at their own risk.

GOVERNMENT AND OTHER APPROVALS

Except as disclosed herein and in "Risk Factors", beginning on page 16 (in relation to material approvals which are required but not obtained or applied for by us), we have set out below an indicative list of material consents, licenses, permissions and approvals from various governmental, statutory and regulatory authorities in India which are considered material and necessary for the purpose of undertaking our business activities. In view of these material approvals, we can undertake this Offer and our current business activities. Unless stated otherwise, our Company, the Subsidiaries and the Joint Ventures have obtained necessary approvals from the relevant government authorities with respect to our business activities and such approvals are valid as on the date of this Draft Red Herring Prospectus.

In addition to these approvals which are material from the perspective of our business operations, we have also disclosed below (i) the approvals applied for, including renewal applications made, but not received; and (ii) the approvals for which applications are yet to be made by our Company, the Subsidiaries and the Joint Ventures.

The material approvals, consents, licenses, registrations and permits obtained by our Company, the Subsidiaries and the Joint Ventures, which enable us to undertake our current business activities, are set out below:

I. Approvals in relation to the Offer

For details regarding the approvals and authorisations in relation to the Offer, see the section "*Other Regulatory and Statutory Disclosures*", beginning on page 481.

II. Incorporation details

Company

1. Certificate of incorporation dated March 20, 1995, issued at Ahmedabad, by the Assistant Registrar of Companies, Gujarat, Dadra and Nagar Haveli.

2. Fresh certificate of incorporation dated April 21, 2006, issued at Ahmedabad, by the Assistant Registrar of Companies, Gujarat, consequent upon conversion into a public company.

3. Fresh certificate of incorporation dated March 21, 2012, issued at Ahmedabad, by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli, consequent upon change of name.

4. We have been allotted a corporate identity number U40300GJ1995PLC025082, pursuant to the certificate of registration of the special resolution confirming alteration of object clause(s), dated March 27, 2012, issued by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli.

Subsidiaries

MPIL

1. Certificate of incorporation dated August 18, 2016, issued at Manesar, by the Deputy Registrar of Companies, for and on behalf of the Jurisdictional Registrar of Companies.

2. MPIL has been allotted a corporate identity number U45303GJ2016PLC093407.

MBMPL

1. Certificate of incorporation dated August 10, 2016, issued at Manesar, for and on behalf of the Jurisdictional Registrar of Companies.

2. MBMPL has been allotted a corporate identity number U10300GJ2016PTC093311.

MHHHPL

1. Certificate of incorporation dated April 5, 2017, issued at Manesar, by the Assistant Registrar of Companies, for and on behalf of the Jurisdictional Registrar of Companies.

2. MHHHPL has been allotted a corporate identity number U45309GJ2017PTC096675.

MSBHPL

1. Certificate of incorporation dated April 7, 2017, issued at Manesar, for and on behalf of the Jurisdictional Registrar of Companies.

2. MSBHPL has been allotted a corporate identity number U45309GJ2017PTC096751.

III. Tax Related Approvals

Company

1. Permanent account number AAACM7958A issued by the Income Tax Department under the Income Tax Act.

2. Tax deduction account number AHMM00098A issued by the Income Tax Department under the Income Tax Act.

3. Goods and services tax registration numbers, as per the states where the business operations are spread, are as follows:

State	Registration number(s)
Maharashtra	27AAACM7958A1ZH
Gujarat	24AAACM7958A1ZN
Bihar	10AAACM7958A1ZW
West Bengal	19AAACM7958A1ZE
Madhya Pradesh	23AAACM7958A1ZP
Jharkhand	20AAACM7958A1ZV
Haryana	06AAACM7958A1ZL
Rajasthan	08AAACM7958A1ZH
Uttar Pradesh	09AAACM7958A1ZF
Andhra Pradesh	37AAACM7958A1ZG
Delhi	07AAACM7958A1ZJ
Andaman and Nicobar Islands	35AAACM7958A1ZK
Himachal Pradesh	02AAACM7958A1ZT
Arunachal Pradesh	12AAACM7958A1ZS
Odisha	21AAACM7958A1ZT
Karnataka	29AAACM7958A1ZD

4. Input Service Distributor number 24AAACM7958A2ZM under the Central Goods and Services Tax Act, 2017.

Subsidiaries

MPIL

1. Permanent account number AAKCM5228P issued by the Income Tax Department under the Income Tax Act.

2. Tax deduction account number AHMM15499B issued by the Income Tax Department under the Income Tax Act.

3. Goods and services tax registration number for the state of Gujarat is 24AAKCM5228P1ZZ.

MBMPL

1. Permanent account number AAKCM5229N issued by the Income Tax Department under the Income Tax Act.

2. Tax deduction account number AHMM15500C issued by the Income Tax Department under the Income Tax Act.

3. Goods and services tax registration numbers, as per the states where the business operations are spread, are as follows:

State	Registration number(s)
West Bengal	19AAKCM5229N1ZT
Gujarat	24AAKCM5229N1Z2

MHHHPL

1. Permanent account number AAKCM9718L issued by the Income Tax Department under the Income Tax Act.

2. Tax deduction account number AHMM15838E issued by the Income Tax Department under the Income Tax Act.

3. Goods and services tax registration number for the state of Karnataka is 29AAKCM9718L1ZM.

MSBHPL

1. Permanent account number AAKCM9791K issued by the Income Tax Department under the Income Tax Act.

2. Tax deduction account number AHMM15844D issued by the Income Tax Department under the Income Tax Act.

3. Goods and services tax registration number for the state of Odisha is 21AAKCM9791K1ZV.

IV. Employee and Labour Related Approvals

1. Registration for employees' provident fund issued by the Employees' Provident Fund Organisation under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952.

2. Registration of employees of factories and establishments under Section 1(5)/2(12) of the Employees State Insurance Act, 1948.

3. Certificate of registration of shop, issued by the Ahmedabad Municipal Corporation, Shops and Establishment Departments, under the Mumbai Shops and Establishment Rules and Regulations, 1948.

4. We have obtained registrations in the normal course of business for our branches/offices across various states in India under the employees' state insurance, and relevant shops and establishment legislations. Certain licenses may have lapsed under their normal course. We have either made an application to the appropriate authorities for fresh registrations or for renewal of existing registrations, or is in the process of making such applications.

V. Approvals in relation to Business Operations

1. Certificate of importer- exporter code 0805014781, issued by the Office of Joint Director of Foreign Trade, to our Company on February 8, 2006.

2. ISO 9001:2008 certification dated September 28, 2015, issued by the globalgroup, for quality management system for design, construction and project management of civil engineering, mining infrastructure, power transmission and distribution and other infrastructural development works.

3. OHSAS 18001:2007 dated October 15, 2015, issued by GlobalGroup, for occupational health and safety management system for design, construction and project management of civil engineering, mining infrastructure, power transmission and distribution and other infrastructural development works.

4. ISO 14001:2004 dated November 23, 2015, issued by globalgroup, for environmental management system for design, construction and project management of civil engineering, mining infrastructure, power transmission and distribution and other infrastructural development works.

5. We have obtained registrations in the normal course of business for our projects across various states in India, in the nature of commencement certificate, contract labour license, consent from state pollution control boards, registration under the Building and Other Construction Workers Act, 1996, explosives license, permit to cut trees, license for use of inflammable materials and license for disposal of wastes and pollutants. Except as disclosed below, all such material licenses are valid and subsisting as on the date of this Draft Red Herring Prospectus.

VI. Intellectual property rights related approvals

1. Except as disclosed in the table below, we do not have any other registered trademarks:

S. No.	Trademark	Class	Trademark Number	Date of Certificate
1.	Montecarlo – Device	5	2329104	May 9, 2012
2.	Montecarlo – Device	6	2315504	April 13, 2012
3.	Montecarlo – Device	13	2315507	April 13, 2012
4.	Montecarlo – Device	22	2316477	April 17, 2012
5.	Montecarlo – Device	29	2316480	April 17, 2012
6.	Montecarlo – Device	30	2316481	April 17, 2012
7.	Montecarlo – Device	31	2316482	April 17, 2012
8.	Montecarlo – Device	32	2316483	April 17, 2012
9.	Montecarlo – Device	33	2316484	April 17, 2012
10.	Montecarlo – Device	36	2316485	April 17, 2012
11.	Montecarlo – Device	37	2316487	April 17, 2012
12.	Montecarlo – Device	37	1437383	March 24, 2006*
13.	Montecarlo – Device	37	1507893	November 27, 2006**
14.	Montecarlo – Device	39	2316488	April 17, 2012
15.	Montecarlo – Device	40	2316489	April 17, 2012
16.	Montecarlo – Device	42	2316491	April 17, 2012
17.	Montecarlo – Device	44	2316492	April 17, 2012
18.	Montecarlo – Device	45	2316493	April 17, 2012
19.	Montecarlo– Device	36	3481431	February 13, 2017
20.	Montecarlo– Device	37	3481432	February 13, 2017
21.	M device – Device	36	3636546	September 16, 2017

* *The registration of this trademark has been renewed, pursuant to the renewal certificate dated August 28, 2016, with effect from March 24, 2016.*

** *The registration of this trademark has been renewed, pursuant to the renewal certificate dated August 28, 2016, with effect from November 27, 2016.*

2. Application no. 2315509 dated April 13, 2012, under class 17, for the registration of "Montecarlo" as a word mark filed by us was deemed abandoned under Section 21(2) of the Trademarks Act, 1999, for non-filing the counter-statement to the notice of opposition.

3. Copyright registration no. A-77905/2006, registered in the name of Montecarlo Construction Limited, for artistic work, 'MONTECARLO CONSTRUCTION LTD' being the title of the work.

4. Copyright registration no. A-120535/2017, registered in the name of our Company, for artistic work, 'MONTECARLO' being the title of the work.

5. Copyright registration no. A-123551/2018, registered in the name of our Company, for artistic work, 'M Device' being the title of the work.

VII. Approvals applied for but not received

We have provided below, a list of approvals required to be obtained by our Company, the Subsidiaires and the Joint Ventures, for which applications have been made, but approvals have not been received:

1. Application dated January 2, 2018, made to the Project In-Charge, Bahadurgarh, Haryana, seeking renewal of the contract labour license, in relation to the Tata Bhadurgarh Building Project.

2. Applications dated March 6, 2018 and March 6, 2018, made to the Uttar Pradesh State Pollution Control Board, seeking consents under Section 21 of the Air (Prevention and Control of Pollution) Act, 1981 and under Section 25/26 of the Water (Prevention and Control of Pollution) Act, 1974, respectively, in relation to the Gorakhpur Bypass road project.

3. Application dated March 30, 2018, made to the ALC & Licensing Officer, Balotra Barmer, Rajasthan, seeking renewal of license under the Building and other Construction Workers Act, 1996, in relation to the RRVPNL Power Project.

4. Application dated April 9, 2018, made to the Federation of Indian Export Organisation, seeking renewal of the registration cum membership certificate having registration number RCMC No,: AHD/105/2016-2017, issued by the Federation of Indian Exports Organisations, Ministry of Commerce and Industry.

5. We have made the following applications in relation to registration of trademarks:

S. No.	Trademark	Class	Application Number	Date of Application
1.	Montecarlo – Device	1	2315501	April 13, 2012
2.	Montecarlo – Device	2	2315502	April 13, 2012
3.	Montecarlo – Device	5	2315503	April 13, 2012
4.	Montecarlo – Device	7	2315505	April 13, 2012
5.	Montecarlo – Device	8	2329105	May 9, 2012
6.	Montecarlo – Device	9	2331289	May 14, 2012
7.	Montecarlo – Device	10	2315506	April 13, 2012
8.	Montecarlo – Device	11	2329106	May 9, 2012
9.	Montecarlo – Device	12	2329107	May 9, 2012
10.	Montecarlo – Device	15	2315508	April 13, 2012
11.	Montecarlo – Device	16	2329108	May 9, 2012
12.	Montecarlo – Device	19	2315510	April 13, 2012
13.	Montecarlo – Device	21	2331290	May 14, 2012
14.	Montecarlo – Device	26	2316478	April 17, 2012
15.	Montecarlo – Device	27	2316479	April 17, 2012
16.	Montecarlo – Device	28	2329109	May 9, 2012
17.	Montecarlo – Device	35	2316486	April 17, 2012
18.	Montecarlo – Device	38	2329110	May 9, 2012
19.	Montecarlo – Device	41	2316490	April 17, 2012
20.	Montecarlo – Device	43	2329111	May 9, 2012
21.	Montecarlo – Device	37	3362100	September 15, 2016
22.	Montecarlo – Device	01	3508613	March 15, 2017
23.	Montecarlo – Device	02	3508614	March 15, 2017
24.	Montecarlo – Device	04	3508615	March 15, 2017
25.	Montecarlo – Device	05	3508595	March 15, 2017
26.	Montecarlo – Device	06	3508596	March 15, 2017
27.	Montecarlo – Device	07	3508616	March 15, 2017
28.	Montecarlo – Device	08	3508597	March 15, 2017
29.	Montecarlo – Device	09	3508598	March 15, 2017
30.	Montecarlo – Device	10	3520359	April 5, 2017
31.	Montecarlo – Device	11	3508599	March 15, 2017
32.	Montecarlo – Device	12	3508600	March 15, 2017
33.	Montecarlo – Device	13	3508601	March 15, 2017
34.	Montecarlo – Device	15	3508617	March 15, 2017
35.	Montecarlo – Device	16	3508604	March 15, 2017
36.	Montecarlo – Device	17	3508612	March 15, 2017
37.	Montecarlo – Device	19	3508964	March 15, 2017
38.	Montecarlo – Device	20	3508965	March 15, 2017
39.	Montecarlo – Device	21	3508966	March 15, 2017
40.	Montecarlo – Device	22	3508611	March 15, 2017
41.	Montecarlo – Device	23	3508967	March 15, 2017
42.	Montecarlo – Device	26	3508968	March 15, 2017
43.	Montecarlo – Device	27	3508969	March 15, 2017
44.	Montecarlo – Device	28	3508605	March 15, 2017
45.	Montecarlo – Device	29	3508606	March 15, 2017
46.	Montecarlo – Device	30	3508607	March 15, 2017
47.	Montecarlo – Device	31	3508608	March 15, 2017
48.	Montecarlo – Device	32	3508609	March 15, 2017
49.	Montecarlo – Device	33	3508610	March 15, 2017
50.	Montecarlo – Device	35	3520357	April 5, 2017
51.	Montecarlo – Device	36	3633425	September 12, 2017
52.	Montecarlo – Device	37	3473303	February 4, 2017
53.	Montecarlo – Device	38	3507251	March 9, 2017
54.	Montecarlo – Device	39	3507252	March 9, 2017
55.	Montecarlo – Device	40	3507253	March 9, 2017
56.	Montecarlo – Device	41	3507254	March 9, 2017
57.	Montecarlo – Device	42	3507255	March 9, 2017
58.	Montecarlo – Device	43	3507256	March 9, 2017
59.	Montecarlo – Device	44	3507257	March 9, 2017

S. No.	Trademark	Class	Application Number	Date of Application
60.	Montecarlo – Device	45	3507258	March 9, 2017
61.	M device – Device	37	3636550	September 16, 2017

VIII. Approvals for which applications are yet to be made

We have provided below, a list of approvals required to be obtained by our Company, the Subsidiaires and the Joint Ventures, for which applications are yet to be made by us:

1. Consent under the Water (Prevention and Control of Pollution) Act, 1974 and the Air (Prevention and Control of Pollution) Act, 1981, from the State Pollution Control Board of Madhya Pradesh, in relation to the District Court Building Project.

2. No Objection Certificate from the State Electricity Board, Madhya Pradesh, for using diesel generator set, in relation to the District Court Building Project.

3. Consent under the Water (Prevention and Control of Pollution) Act, 1974 and the Air (Prevention and Control of Pollution) Act, 1981, from the State Pollution Control Board of Madhya Pradesh, in relation to the Seoni Building Project.

4. No Objection Certificate from the State Electricity Board, Madhya Pradesh, for using diesel generator set, in relation to the Seoni Building Project.

5. Consent under the Water (Prevention and Control of Pollution) Act, 1974 and the Air (Prevention and Control of Pollution) Act, 1981, from the State Pollution Control Board of Gujarat, in relation to the Sintex Building Project.

6. Permit from the State Government of Arunachal Pradesh, for drawing water from river/reservoir, in relation to the Kanubari – Longding Road Project.

7. Permit from the waste management expert and project implementation unit, under the State Government of Arunachal Pradesh, for safe disposal of unsuitable materials and construction waste, in relation to the Kanubari – Longding Road Project.

8. Permit from the Deputy Commissioner, Longding Division, under the State Government of Arunachal Pradesh, for extracting minerals from government quarry or any existing quarry, in relation to the Kanubari – Longding Road Project.

9. Renewal of the contract labour license (expired on December 31, 2017) from the Office of the Deputy Labour Commissioner, Haryana, in relation to the Tata Primanti Building Project. Application for renewal of the contract labour license has not yet been made as our Company is awaiting for the principal employer's (i.e., Tata Housing Development Company Limited) renewed certificate.

10. License under the Building and other Construction Workers Act, 1996, from the Licensing Officer, State Government of Bihar, in relation to the Anisabad – Aurangabad Road Project.

11. Consent under the Water (Prevention and Control of Pollution) Act, 1974 and the Air (Prevention and Control of Pollution) Act, 1981, from the State Pollution Control Board of Arunachal Pradesh, in relation to the Kanubari – Longding Road Project.

12. License under the Building and other Construction Workers Act, 1996, from the Licensing Officer, Panna, State Government of Madhya Pradesh, in relation to the Pawai Canal Irrigation Project.

13. License under the Building and other Construction Workers Act, 1996, from the Assistant Labour Commissioner, in relation to the Shinawad – Dugarwada Irrigation Project.

14. Consent under the Water (Prevention and Control of Pollution) Act, 1974 and the Air (Prevention and Control of Pollution) Act, 1981, from the Andaman and Nicobar Pollution Control Committee, in relation to the Port Blair Building Project.

15. Consent under the Water (Prevention and Control of Pollution) Act, 1974 and the Air (Prevention and Control of Pollution) Act, 1981, from the State Pollution Control Board of Jharkhand, in relation to the Dhanbad Building Project.

16. Permit from the Deputy Commissioner, Longding Division, under the State Government of Arunachal Pradesh, to use inflammable materials, in relation to the Kanubari – Longding Road Project.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

The Board has approved the Fresh Issue pursuant to the resolution passed at its meeting held on February 16, 2018 and the Shareholders have approved the Fresh Issue pursuant to a special resolution passed at the extra-ordinary general meeting held on February 22, 2018, under Section 62(1)(c) of the Companies Act, 2013. Further, the IPO Committee has approved this Draft Red Herring Prospectus, pursuant to its resolution dated May 8, 2018.

The Offer for Sale for the Offered Shares has been authorised by the Selling Shareholder pursuant to a resolution dated March 13, 2018.

The Equity Shares being offered by the Selling Shareholder in the Offer have been held by it for a period of at least one year prior to the date of filing of this Draft Red Herring Prospectus with SEBI, calculated in the manner as set out under Regulation 26(6) of the SEBI Regulations and are eligible for being offered for sale in the Offer. The Selling Shareholder has also confirmed that it is the legal and beneficial owner of the Equity Shares being offered under the Offer for Sale.

Our Company received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively.

The Selling Shareholder has on its own account confirmed that it has not been prohibited from dealings in the securities market and the Equity Shares proposed to be offered and sold by it are free from any lien, encumbrance, transfer restrictions or third party rights.

Prohibition by SEBI or other Governmental Authorities

Our Company, the Promoters, the Directors, the members of the Promoter Group, the Group Companies, the persons in control of our Company and the Selling Shareholder have not been prohibited from accessing or operating in capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authorities.

The companies, with which the Promoters, the Directors or persons in control of our Company are or were associated as promoter, directors or persons in control have not been prohibited from accessing or operating in capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority.

None of the Directors or the entities that the Directors are associated with are engaged in securities market related business.

There has been no action taken by SEBI against the Directors or any of the entities in which the Directors are involved in as promoter or directors.

The listing of any securities of our Company and the Subsidiaries has never been refused at any time by any of the Stock Exchanges.

Prohibition with respect to Wilful Defaulters

Neither our Company, nor the Promoters, the relatives (as defined in the Companies Act, 2013) of the Promoters, the Directors, the Group Companies, nor the Selling Shareholder have been identified as a Wilful Defaulter. Further, there are no violations of securities laws committed by them in the past or are pending against them.

Eligibility for the Offer

Our Company is eligible for the Offer in accordance with Regulation 26(1) of the SEBI Regulations as explained under the eligibility criteria calculated in accordance with the Restated Consolidated Financial Statements prepared in accordance with the Companies Act and restated in accordance with the SEBI Regulations:

- Our Company has had net tangible assets of at least ₹ 30 million in each of the preceding three full years (of 12 months each, of which not more than 50% are held in monetary assets);

- Our Company has a minimum average pre-tax operating profit of ₹ 150 million calculated on a restated and consolidated basis, during the three most profitable years out of the immediately preceding five years;

- Our Company has a net worth of at least ₹ 10 million in each of the three preceding full years (of 12 months each);

- The aggregate size of the proposed Offer and all previous issues made in the same Fiscal is not expected to exceed five times the pre-Offer net worth as per the audited balance sheet of our Company for the Fiscal 2017; and

- Our Company has not changed its name in the last one year.

Our Company's pre-tax operating profit, net worth, net tangible assets, monetary assets, monetary assets as a percentage of the net tangible assets derived from the Restated Standalone Financial Statements included in this Draft Red Herring Prospectus as at, and for the last five years ended Fiscal 2017 are set forth below:

(*₹ in million, unless otherwise stated*)

	Fiscal 2017	Fiscal 2016	Fiscal 2015	Fiscal 2014	Fiscal 2013
Pre-tax operating profit (1)	1,972.45	1,812.26	1,242.86	780.78	608.38
Net worth(2)	4,653.35	3,692.65	2,410.28	1,765.62	1,431.44
Net tangible asset (3)	4439.88	3,590.07	2,434.38	1,788.36	1,,452.97
Monetary asset (4)	195.66	246.97	186.40	24.74	24.22
Monetary asset as a percentage of the net assets	4.41	6.88	7.66	1.38	1.67

(1) *Pre-tax operating profits' is defined as profit before finance costs, other income and tax.*

(2) *Net worth is sum of subscribed and paid up equity and reserves & surplus (excluding revaluation reserve) of the Company as per Restated Standalone Financial Information and in accordance with Regulation 2(1)(v) of the SEBI Regulations.*

(3) *Net tangible assets is the sum of all net assets of the issuer, excluding deferred tax assets / liabilities & intangible assets as defined in Accounting Standard 26 (AS 26) and Indian Accounting Standard 38 (Ind AS 38) issued by ICAI, in accordance with Explanation (I) of Regulation 26 of SEBI Regulations.*

(4) *Monetary assets represent the sum of cash and bank balance in current and deposits accounts (including non-current portion of deposits with banks).*

Our Company's pre-tax operating profit, net worth, net tangible assets, monetary assets, monetary assets as a percentage of the net tangible assets derived from the Restated Consolidated Financial Statements included in this Draft Red Herring Prospectus as at, and for the last five years ended Fiscal 2017 are set forth below:

(*₹ in million, unless otherwise stated*)

	Fiscal 2017	Fiscal 2016	Fiscal 2015	Fiscal 2014	Fiscal 2013
Pre-tax operating profit (1)	1,972.30	1,812.26	1,242.86	780.78	608.38
Net worth(2)	4,333.59	3,431.43	2,115.86	2,203.13	1,886.12
Net tangible asset (3)	4,120.12	3,328.85	2,139.96	2,225.87	1,907.65
Monetary asset (4)	195.72	246.97	186.40	24.74	24.22
Monetary asset as a percentage of the net assets	4.75	7.42	8.71	1.11	1.27

(1) *Pre-tax operating profits' is defined as profit before finance costs, other income and tax.*

(2) *Net worth is sum of subscribed and paid up equity and reserves & surplus (excluding revaluation reserve) of the Company as per Restated Consolidated Financial Information in accordance with Regulation 2(1)(v) of the SEBI Regulations.*

(3) *Net tangible assets is the sum of all net assets of the issuer, excluding deferred tax assets / liabilities & intangible assets as defined in Accounting Standard 26 (AS 26) and Indian Accounting Standard 38 (Ind AS 38) issued by ICAI, in accordance with Explanation (I) of Regulation 26 of SEBI Regulations.*

(4) *Monetary assets represent the sum of cash and bank balance in current and deposits accounts (including non-current portion of deposits with banks).*

Fiscals 2017, 2016 and 2015 are the three most profitable years out of the immediately preceding five Fiscals in terms of our Restated Financial Statements.

Further, in accordance with Regulation 26(4) of the SEBI Regulations, our Company shall ensure that the number of prospective Allottees to whom the Equity Shares will be allotted will be not less than 1,000, failing which, the entire application monies shall be refunded forthwith. In case of delay, if any, in refund, our Company shall pay interest on the application monies at the rate of 15% per annum for the period.

Our Company is in compliance with the conditions specified in Regulation 4(2) of the SEBI Regulations, to the extent applicable.

DISCLAIMER CLAUSE OF SEBI

AS REQUIRED, A COPY OF THIS DRAFT RED HERRING PROSPECTUS HAS BEEN SUBMITTED TO SEBI. IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS

PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DRAFT RED HERRING PROSPECTUS. THE BRLMS, EDELWEISS FINANCIAL SERVICES LIMITED, AXIS CAPITAL LIMITED, IDFC BANK LIMITED, HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (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 AND SELLING SHAREHOLDERS ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT RED HERRING PROSPECTUS, THE BRLMS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY AND THE SELLING SHAREHOLDER DISCHARGE THEIR RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BRLMS HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED MAY 10, 2018 WHICH READS AS FOLLOWS:

WE, THE BRLMS TO THE 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 MATERIAL DOCUMENTS IN CONNECTION WITH THE FINALISATION OF THIS DRAFT RED HERRING PROSPECTUS DATED MAY 10, 2018 ("DRAFT RED HERRING PROSPECTUS") PERTAINING TO THE SAID OFFER;- COMPLIED WITH**

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 AND THE SELLING SHAREHOLDER, WE CONFIRM THAT:**

   (A) THE DRAFT RED HERRING PROSPECTUS FILED WITH 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 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 THE INVESTMENT IN THE PROPOSED OFFER AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956, AS AMENDED AND REPLACED BY 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 (THE "SEBI (ICDR) REGULATIONS") AND OTHER APPLICABLE LEGAL REQUIREMENTS.- COMPLIED WITH

3. **WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THIS DRAFT RED HERRING PROSPECTUS ARE REGISTERED WITH SEBI AND THAT TILL DATE SUCH REGISTRATION IS VALID. – COMPLIED WITH AND NOTED FOR COMPLIANCE**

4. **WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS. - NOTED FOR COMPLIANCE**

5. **WE CERTIFY THAT A WRITTEN CONSENT FROM THE PROMOTERS HAVE 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 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 TILL THE DATE OF COMMENCEMENT OF THE LOCK-IN PERIOD AS STATED IN THE DRAFT RED HERRING PROSPECTUS.- COMPLIED WITH**

6. **WE CERTIFY THAT REGULATION 33 OF THE SEBI REGULATIONS, WHICH RELATES TO EQUITY SHARES INELIGIBLE FOR COMPUTATION OF THE PROMOTERS' CONTRIBUTION, HAS**

BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS. - COMPLIED WITH AND NOTED FOR COMPLIANCE

7. **WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SEBI (ICDR) REGULATIONS SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTER'S CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE OFFER. WE UNDERTAKE THAT AUDITOR'S CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO SEBI. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTER'S CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE COMPANY ALONG WITH THE PROCEEDS OF THE OFFER. - NOT APPLICABLE**

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 COMPANY'S 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 TO THE EXTENT APPLICABLE**

9. **WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONIES 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 MONIES 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 AND THE COMPANY, AND THE SELLING SHAREHOLDER SPECIFICALLY CONTAINS THIS CONDITION. - NOTED FOR COMPLIANCE. ALL MONIES RECEIVED OUT OF THE OFFER SHALL BE CREDITED/ TRANSFERRED TO A SEPARATE BANK ACCOUNT AS REFERRED TO IN SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013.**

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 HAVE TO BE ISSUED IN DEMATERIALISED FORM ONLY.**

11. **WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SEBI (ICDR) REGULATIONS HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.- COMPLIED WITH**

12. **WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS:**

    (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 SEBI FROM TIME TO TIME.- COMPLIED WITH

13. **WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SEBI (ICDR) REGULATIONS 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 THE CURRENT BUSINESS BACKGROUND OF THE COMPANY, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS' EXPERIENCE, ETC. – COMPLIED WITH**

15. **WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SEBI (ICDR) REGULATIONS, 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. - COMPLIED WITH

16. **WE ENCLOSE STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY THE BRLMS (WHO ARE RESPONSIBLE FOR PRICING THIS OFFER), AS PER FORMAT SPECIFIED BY SEBI THROUGH CIRCULAR. - COMPLIED WITH**

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 OF THE COMPANY REPORTED, IN ACCORDANCE WITH THE ACCOUNTING STANDARD 18 OR INDIAN ACCOUNTING STANDARD 24, AS APPLICABLE INCLUDED IN THE DRAFT RED HERRING PROSPECTUS, AS CERTIFIED BY M/S SURANA MALOO & CO., CHARTERED ACCOUNTANTS PURSUANT TO THEIR CERTIFICATE DATED MAY 9, 2018.**

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 THESE REGULATIONS (IF APPLICABLE) – NOT APPLICABLE**

The filing of this Draft Red Herring Prospectus does not, however, absolve our Company or any person who has authorised 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 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, the Red Herring Prospectus and the Prospectus.

The filing of this Draft Red Herring Prospectus does not absolve the Selling Shareholder from any liability to the extent of the statements made by the Selling Shareholder in respect of the Equity Shares being offered by it under the Offer, under Section 34 and Section 36 of the Companies Act, 2013.

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.

Caution - Disclaimer from our Company, the Selling Shareholder and the BRLMs

Our Company, the Directors, the BRLMs accept no responsibility for statements made otherwise than those confirmed in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance. Anyone placing reliance on any other source of information, including our Company's website www.mclindia.com or the respective websites of the Promoter Group or the Group Companies, would be doing so at his or her own risk. The Selling Shareholder accepts no responsibility for any statements made, other than those specifically made by the Selling Shareholder, in relation to itself and its portion of the Equity Shares being offered by it under the Offer.

The BRLMs accept no responsibility, save to the limited extent as provided in the Offer Agreement and the Underwriting Agreement, to be executed between the Underwriters, our Company and the Selling Shareholder.

All information shall be made available by our Company, the Selling Shareholder, the BRLMs to the public and investors at large and no selective or additional information would be 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.

None among our Company, the Selling Shareholder or any member of the Syndicate shall be liable for any failure in uploading the Bids due to faults in any software or hardware system or otherwise.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholder, 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 any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Selling Shareholder, 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 the Equity Shares.

The BRLMs and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, the Promoter, the Selling Shareholder and their respective directors and officers, group companies, affiliates or associates or third parties 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, the Promoters, the Selling Shareholder and their respective directors and officers, group companies, affiliates or associates or third parties, for which they have received, and may in the future receive, compensation.

Disclaimer in respect of Jurisdiction

This Offer is being made in India to persons resident in India (including Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Indian Mutual Funds registered with the SEBI, VCFs, AIFs, public financial institutions, scheduled commercial banks, state industrial development corporation, permitted national investment funds, Systemically Important NBFCs, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorised under their constitution to hold and invest in equity shares, permitted insurance companies and pension funds, insurance funds set up and managed by the army and navy and insurance funds set up and managed by the Department of Posts, India) and Eligible NRIs and FPIs. This Draft Red Herring Prospectus does not, however, constitute an invitation to subscribe to or purchase Equity Shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person in 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 Ahmedabad 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 had been filed with the SEBI for its observations. Accordingly, the Equity Shares represented thereby 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 sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company, Subsidiaries and the Group Companies or the Selling Shareholder since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

Disclaimer Clause of BSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to the RoC filing.

Disclaimer Clause of NSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to the RoC filing.

Filing

A copy of this Draft Red Herring Prospectus has been filed with SEBI at SEBI Bhavan at Plot No. C 4-A, ‘G’ Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051.

A copy of the Red Herring Prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 would be delivered for registration to the RoC and a copy of the Prospectus to be filed under Section 26 of the Companies Act, 2013 would be delivered for registration with the RoC, at ROC Bhavan, Opp. Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad – 380 013.

Listing

Applications have been made to the Stock Exchanges for permission to deal in and for an official quotation of the Equity Shares. [●] will be the Designated Stock Exchange with which the Basis of Allotment will be finalised.

If the permissions to deal in, and for an official quotation of, the Equity Shares are not granted by any of the Stock Exchanges mentioned above, our Company and the Selling Shareholder will forthwith repay without interest, all moneys received from the applicants in pursuance of the Red Herring Prospectus as required by applicable law. If such money is not repaid within the prescribed time, then our Company, the Selling Shareholder and every officer in default shall be liable to repay the money, with interest, as prescribed under applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at all the Stock Exchanges mentioned above are taken within six Working Days from the Bid/Offer Closing Date. Further, the Selling Shareholder confirms that it shall extend all reasonable co-operation required by our Company, the BRLMs for the 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 or such other timeline as prescribed by law.

If our Company does not Allot Offered 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 the 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 Shareholder undertakes to provide such reasonable support and extend reasonable cooperation as may be requested by our Company in relation to the Equity Shares offered by it in the Offer for Sale, 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.

For details in relation to the expenses for the Offer, see "*Objects of the Offer – Offer related expenses*", on page 107.

Price information of past issues handled by the BRLMs (during the current Fiscal and two Fiscals preceding the current Fiscal)

- ***Edelweiss***

1. Price information of past issues (during current Fiscal and two Fiscals preceding the current Fiscal) handled by Edelweiss:

S. No.	Issue Name	Issue Size (₹ million)	Issue price (₹)	Listing Date	Opening Price on Listing Date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1	ICICI Securities Limited	3,4801.16	520.00	April 4, 2018	435.00	-27.93% [5.44%]	Not Applicable	Not Applicable
2	Galaxy Surfactants Limited	9,370.88	1480.00	February 8, 2018	1,525.00	1.14% [-3.31%]	-0.85% [1.33%]	Not Applicable
3	Amber Enterprises India Limited	6,000.00	859.00^^^	January 30, 2018	1,175.00	27.15% [-5.04%]	32.56% [-2.81%]	Not Applicable
4	Future Supply Chain Solutions Limited	6,496.95	664.00	December 18, 2017	664.00	3.50% [3.00%]	6.27% [-2.83%]	Not Applicable
5	Shalby Limited	5,048.00	248.00	December 15, 2017	239.70	-3.57% [3.95%]	-11.51% [0.75%]	Not Applicable
6	HDFC Standard Life Insurance Company Limited	86,950.07	290.00	November 17, 2017	310.00	30.16% [1.02%]	48.93% [2.11%]	Not Applicable
7	Reliance Nippon Life Asset Management Limited	15,422.40	252.00	November 6, 2017	295.90	3.61% [-3.19%]	8.12% [2.05%]	-4.21% [1.59%]
8	Prataap Snacks Limited	4,815.98	938.00^^	October 5, 2017	1,270.00	25.12% [5.70%]	31.82% [5.60%]	40.99% [3.27%]
9	ICICI Lombard General Insurance Company Limited	57,009.39	661.00	September 27, 2017	651.10	3.62% [6.25%]	18.97% [8.17%]	15.36% [4.06%]
10	Cochin Shipyard	14,429.30	432.00^	August 11, 2017	440.15	30.14% [3.04%]	30.96% [6.10%]	20.01% [8.11%]

S. 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
	Limited							

Source: www.nseindia.com

^^^ *Amber Enterprises India Limited - employee discount of ₹ 85 per equity share to the offer price was offered to the eligible employees bidding in the employee reservation portion. All calculations are based on the offer price of ₹ 859 per equity share*

^^ *Prataap Snacks Limited - employee discount of ₹ 90 per equity share to the issue price was offered to the eligible employees bidding in the employee reservation portion. All calculations are based on the issue price of ₹ 938 per equity share*

^ *Cochin Shipyard Limited - Discount of ₹ 21 per equity share was offered to retail bidders & eligible employees. All calculations are based on the offer price of ₹ 432 per equity share*

Notes

1. *Based on date of listing.*
2. *% of change in closing price on 30th / 90th / 180th calendar day from listing day is calculated vs Issue price. % change in closing benchmark index is calculated based on closing index on listing day vs closing index on 30th/ 90th / 180th calendar day from listing day.*
3. *Wherever 30th/ 90th / 180th calendar day from listing day is a holiday, the closing data of the next trading day has been considered.*
4. *The Nifty 50 index is considered as the Benchmark Index*
5. *Not Applicable. – Period not completed*
6. *Disclosure in Table-1 restricted to 10 issues.*

2. Summary statement of price information of past issues(during current Fiscal and two Fiscals preceding the current Fiscal) handled by Edelweiss:

Fiscal Year	Total no. of IPOs	Total amount of funds raised (₹ Mn.)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days 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%
2018-19*	1	34,801.16	-	1	-	-	-	-	-	-	-	-	-	-
2017-18	11	218,549.76	-	-	1	1	5	4	-	-	1	2	1	2
2016 - 17	6	123,361.22	-	-	1	1	3	1	-	-	-	3	2	1

* *The information is as on the date of the document*

1. *Based on date of listing.*
2. *Wherever 30th and 180th calendar day from listing day is a holiday, the closing data of the next trading day has been considered.*
3. *The Nifty 50 index is considered as the Benchmark Index.*

For the financial year 2018-19 – 1 issue has been completed.

For the financial year 2017-18 – 11 issues have been completed. All the 11 issues have completed 90 days and only 6 issues have completed 180 days yet.

- *Axis*

1. **Price information of past issues (during current Fiscal and two Fiscals preceding the current Fiscal) handled by Axis Capital Limited**

Sr. No.	Issue name	Issue size (₹ millions)	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	Sandhar Technologies Limited	5,124.80	332.00	April 2, 2018	346.10	+19.59% [+4.96%]	-	-
2	Hindustan Aeronautics Limited	41,131.33	1,215.00!	March 28, 2018	1,152.00	-6.96% [4.98%]	-	-
3	Bandhan Bank Limited	44,730.19	375.00	March 27, 2018	499.00	+31.81% [3.79%]	-	-
4	Aster DM Healthcare Limited	9801.00	190.00	February 26, 2018	183.00	-13.66% [-3.77%]	-	-
5	Khadim India Limited	5,430.57	750.00	November 14, 2017	730.00	-10.40% [+0.06%]	-6.47% [+3.47%]	-
6	The New India Assurance Company Limited	18,933.96	800$	November 13, 2017	750.00	-27.91% [+0.15%]	-7.81%, [+3.08%]	-
7	Mahindra Logistics Limited	8,288.84	429^	November 10, 2017	429.00	+2.49% [0.00%]	+9.48% [+1.50%]	+21.00% [+3.84%]
8	Reliance Nippon Life Asset Management Limited	15,422.40	252	November 6, 2017	295.90	+3.61% [-3.19%]	+8.12%, [+2.05%]	-4.21 [+1.59%]
9	General Insurance Corporation of India	111,758.43	912@	October 25, 2017	850.00	-12.92% [+0.52%]	-13.95% [+6.52%]	-22.02% [2.81%]
10	Indian Energy Exchange Limited	10,007.26	1650	October 23, 2017	1,500.00	-8.15% [+1.39%]	-1.95% [+7.67%]	-0.71% [+3.72%]

Source: www.nseindia.com

* *Offer price was ₹ 632.00 per equity share to eligible employees*

@ *Offer price was ₹ 855.00 per equity share to retail individual bidders and eligible employees*

^ *Offer price was ₹ 387.00 per equity share to eligible employees*

$ *Offer price was ₹ 770.00 per equity share to retail individual bidders and eligible employees*

! *Offer price was ₹1,190.00 per equity share to retail individual bidders and eligible employees*

Notes:

a. *Issue size derived from prospectus/final post issue reports, as available.*

b. *The CNX NIFTY is considered as the benchmark index.*

c. *Price on NSE is considered for all of the above calculations.*

d. In case 30th/90th/180th day is not a trading day, closing price on NSE of the next trading day has been considered.

e. Since 30 calendar days, 90 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.

2. Summary statement of price information of past issues(during current Fiscal and two Fiscals preceding the current Fiscal) handled by Axis Capital Limited

Fiscal	Total no. of IPOs	Total funds raised (₹ in Millions)	Nos. of IPOs trading at discount on as on 30th calendar days from listing date			Nos. of IPOs trading at premium on as on 30th calendar days from listing date			Nos. of IPOs trading at discount as on 180th calendar days from listing date			Nos. of IPOs trading at premium as on 180th calendar days from listing date		
			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%
2018-2019*	1	5,124.80	-	-	-	-	-	1	-	-	-	-	-	-
2017-2018	18	415,433.38	-	1	9	1	3	4	-	2	4	3	2	1
2016-2017	10	111,377.80	-	-	1	4	2	3	-	-	-	7	1	2

* *The information is as on the date of the document*

The information for each of the Fiscals is based on issues listed during such Fiscal.

Note: Since 30 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.

- ***IDFC***

1. Price information of past issues (during current Fiscal and two Fiscals preceding the current Fiscal) handled by:

Sr. No.	Issuer Name	Issue Size (₹ Million)	Issue Price (₹)	Listing Date	Opening Price on Listing Date (₹)	+/- % change in closing price, [+/- % change in closing benchmark] - 30th calendar day from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 90th calendar day from listing	+/- % change in closing price, [+/- % change in closing benchmark] – 180th calendar day from listing
1.	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%]
2.	Shankara Building Products Limited	3,450.01	460.00	April 05, 2017	545.00	51.25% [0.51%]	81.25% [4.16%]	214.30% [5.08%]
3.	Dixon Technologies (India) Limited	5,992.79	1,766.00	September 18, 2017	2,725.00	50.07% [0.57%]	97.90% [3.63%]	95.41% [2.32%]
4.	The New India Assurance Company Limited	95,858.23	800.00*	November 13, 2017	748.90	-27.66% [0.59%]	-8.29% [3.84%]	Not Available
5.	Khadim India Limited	5,430.57	750.00	November 14, 2017	730.00	-10.40% [0.06%]	-6.47% [3.47%]	Not Available
6.	HDFC Standard Life Insurance Company Limited	86,950.00	290.00	November 17, 2017	310.00	30.16% [1.02%]	48.93% [2.11%]	Not Available

7.	Shalby Limited	5,048.00	248.00	December 15, 2017	239.70	-3.57% [3.95%]	-11.51% [0.75%]	Not Available
8.	Future Supply Chain Solutions Limited	6,496.95	664.00	December 18, 2017	674.00	3.26% [3.48%]	4.65% [-2.02%]	Not Available
9.	Newgen Software Technologies Ltd	4,246.21	245.00	January 29, 2018	253.00	-0.29% [-5.34%]	2.57% [-3.09%]	Not Available
10.	Amber Enterprises India Ltd	5,995.74	859.00**	January 30, 2018	1,180.00	27.40% [-5.31%]	32.10% [-2.42%]	Not Available

* *The offer price was ₹ 770.00 per equity share after a discount of ₹ 30 per equity share to retail individual bidders and eligible employees.*

** *The offer price was ₹ 774.00 per equity share after a discount of ₹ 85 per equity share to eligible employees.*

Notes:

i. *Source: www.nseindia.com and www.bseindia.com for the price information and prospectus/finalised basis of allotment for issue details.*

ii. *NSE was the designated stock exchange for the IPOs listed as item 1,5,6 & 7 and BSE was the designated stock exchange for the IPOs listed as item 2,3,4,8,9 & 10. Therefore, price information and benchmark index values have been/will be shown only for designated stock exchange. NIFTY and SENSEX have been used as the benchmark indices.*

iii. *In case of reporting dates falling on a trading holiday, values for the trading day, immediately following the trading holiday have been considered.*

iv. *Since 30, 90 and 180 calendar days, from listing date has not elapsed for certain IPOs, data for the same is not available.*

2. Summary statement of price information of past issues(during current Fiscal and two Fiscals preceding the current Fiscal) handled by IDFC:

Fiscal	Total no. of IPOs	Total amount of funds raised (₹ Million)	No. of IPOs trading at discount - 30th calendar day from listing			No. of IPOs trading at premium - 30th calendar day from listing			No. of IPOs trading at discount - 180th calendar day from listing			No. 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%
2018-2019*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2017-2018	9	219,468.50	-	1	3	2	2	1	-	-	-	2	-	-
2016-2017	1	3,610.00	-	-	1	-	-	-	-	1	-	-	-	-

* *As on the date of DRHP*

Notes:

i. *Date of listing of equity shares has been considered for calculating total no. of IPOs in a particular financial year.*

ii. *The discount/premium has been/will be calculated based on the closing stock price.*

iii. *Since 30 and 180 calendar days, from listing date has not elapsed for certain IPOs, data for the same is not available.*

Track record of past issues handled by the BRLMs

For details regarding the track record of the BRLMs, as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please see the websites of the BRLMs as set forth in the table below:

S. No	Name of the BRLMs	Website
1.	Edelweiss	www.edelweissfin.com
2.	Axis	http://www.axiscapital.co.in
3.	IDFC	https://www.idfcbank.com/wholesale-banking/investment-banking/track-record-disclaimer.html

Consents

Consents in writing of the Selling Shareholder, the Directors, the Company Secretary and Compliance Officer, the Chief Financial Officer, the Auditors, Indian Legal Counsel to our Company, Indian Legal Counsel to the BRLMs, Bankers to our Company, the BRLMs, the Syndicate Members, Escrow Collection Bank, Public Offer Bank, Refund Bank and the Registrar to the Offer 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 the Companies Act and such consents shall not be withdrawn up to the time of delivery of the Red Herring Prospectus for registration with the RoC.

In accordance with the Companies Act, 2013 and the SEBI Regulations, the Auditors have given their written consent for inclusion of their reports dated May 5, 2018 on the Restated Financial Statements of our Company and the statement of tax benefits dated May 9, 2018 in the form and context, 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 for filing with SEBI.

Further, our Company has received written consent, dated May 9, 2018, from Surana Maloo & Co., independent chartered accountant, in relation to the certifications provided by it.

Expert to the Offer

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

In accordance with the Companies Act, 2013 and the SEBI Regulations, our Auditors have given their written consent for inclusion of their reports dated May 5, 2018 on the Restated Financial Statements of our Company and the statement of tax benefits dated May 9, 2018 in the form and context, 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 for filing with SEBI.

Further, our Company has received written consent, dated May 9, 2018, from Surana Maloo & Co., independent chartered accountant to include their name as an ‘expert’ in this Draft Red Herring Prospectus, in relation to the certifications provided by it. Such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Offer Expenses

For details of and in relation to the Offer expenses, see the section “*Objects of the Offer*”, beginning on page 102.

All expenses in relation to the offer other than listing fees (which will be borne by our Company) shall be shared between our Company and the Selling Shareholder in accordance with applicable law. The Selling Shareholder shall reimburse our Company for all expenses incurred by our Company in relation to the Offer for Sale on behalf of such Selling Shareholder.

Fees Payable to the Registrar to the Offer

The fees payable by our Company and the Selling Shareholder to the Registrar to the Offer for processing of applications, data entry, printing of Allotment Advice/CAN/refund order, or refund in any of the modes described in this Draft Red Herring Prospectus, preparation of refund data on magnetic tape, printing of bulk mailing register will be as per the agreement dated [●] entered into, between our Company, the Selling Shareholder and the Registrar to the Offer a copy of which is available for inspection at the Registered Office.

The Registrar to the Offer will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, and stamp duty and communication expenses. Adequate funds will be provided to the Registrar to the Offer to enable it to send refund orders or Allotment advice by registered post/ speed post/ under certificate of posting.

Fee, Brokerage and Selling Commission Payable to the Syndicate Members

The total fee payable to the Syndicate Members (including underwriting commission, brokerage and selling commission and reimbursement of their out-of-pocket expense) will be as stated in the Syndicate Agreement, copies of which will be made available for inspection at the Registered Office from the date of the Red Herring Prospectus until the Bid/Offer Closing Date. For further details, see the section "*Objects of the Offer*", beginning on page 102.

Commission payable to SCSBs, Registered Brokers, RTAs and CDPs

For details of the commission payable to SCBS, Registered Brokers, RTAs and CDPs, see the section "*Objects of the Offer*", beginning on page 102.

Particulars regarding public or rights issues by our Company during the last five years

Our Company has not made any public or rights issues during the five years preceding the date of this Draft Red Herring Prospectus.

Previous issues of Equity Shares otherwise than for cash

Except as stated in the section "*Capital Structure*", beginning on page 81, our Company has not issued any Equity Shares for consideration otherwise than for cash.

Underwriting Commission, Brokerage and Selling Commission paid on previous issues of the Equity Shares

Since this is the initial public issue of Equity Shares, no sum has been paid or is payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since our Company's inception.

Previous capital issue during the previous three years by listed Group Companies, Subsidiaries and Associates of our Company

None of the Group Companies, Subsidiaries and Associates of our Company are listed as on the date of this Draft Red Herring Prospectus.

Performance vis-à-vis objects – Public/rights issue of our Company and/or listed Group Companies of our Company and/or listed Subsidiaries and Associates of our Company

Our Company has not undertaken any previous public or rights issue.

None of the Group Companies, the Subsidiaries and the Associates have undertaken any public or rights issue in the last ten years preceding the date of this Draft Red Herring Prospectus.

Outstanding Debentures or Bonds

900 secured, rated, listed, redeemable, non-convertible debentures of face value of ₹ 1,000,000 each aggregating up to ₹ 900,000,000 are outstanding as of the date of filing this Draft Red Herring Prospectus. For further details, see the section "*Financial Indebtedness*", beginning on page 442.

Outstanding Preference Shares or convertible instruments issued by our Company

Our Company does not have any preference shares or convertible instruments as of the date of filing this Draft Red Herring Prospectus.

Partly Paid-up Equity Shares

Our Company does not have any partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus.

Stock Market Data of Equity Shares

This being an initial public offer of our Company, the Equity Shares are not listed on any stock exchange.

Redressal of Investor Grievances

The agreement between the Registrar to the Offer, our Company and the Selling Shareholder provides for retention of records with the Registrar to the Offer for a period of at least three years from the last date of dispatch of the letters of Allotment and demat credit and refund orders to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

All grievances other than of Anchor Investors may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary to whom the ASBA Form was submitted. The Bidder should give full details such as name of the sole or First Bidder, ASBA Form number, Bidder DP ID, Client ID, PAN, date of the submission of Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the ASBA Form was submitted by the Bidder.

Further, the Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned hereinabove.

The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders. Our Company, the BRLMs and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under applicable SEBI Regulations. Investors can contact the Compliance Officer or 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 intimations and non-receipt of funds by electronic mode.

Our Company has not received any investor complaint during the three years preceding the date of this Draft Red Herring Prospectus.

Anchor Investors are required to address all grievances in relation to the Offer to the BRLMs.

Disposal of Investor Grievances by our Company

Our Company estimates that the average time required by our Company or the Registrar to the Offer or the relevant Designated Intermediary, for the redressal of routine investor grievances shall be 10 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 also appointed Kalpesh Punamchand Desai, Company Secretary of our Company as the Compliance Officer for the Offer. For details, see the section "*General Information*", beginning on page 73.

Our Company has constituted a Stakeholders' Relationship Committee comprising Ketan Harshadrai Mehta, Mrunal Kanubhai Patel and Nareshkumar Pranshankar Suthar as its members. For further details on the Stakeholders' Relationship Committee, see the section "*Management*", beginning on page 204.

Disposal of Investor Grievance by listed companies under the same management within the meaning of Section 370(1B)

There are no listed companies under the same management within the meaning of Section 370(1B) of the Companies Act, 1956 and therefore there are no investor complaints pending against our Company.

Changes in Auditors

M/s Surana Maloo & Co. were re-appointed as the statutory auditor of our Company at the 20th annual general meeting held on September 10, 2015 till the conclusion of the 22nd annual general meeting of our Company held on September 30, 2017. The term of M/s Surana Maloo & Co. expired at the 22nd annual general meeting of our Company in accordance with Section 139(2) of the Companies Act, 2013. Deloitte Haskins & Sells, LLP were appointed as the statutory auditor of our Company at the 22nd annual general meeting of our Company held on September 30, 2017 till the conclusion of the 27th annual general meeting of our Company.

Capitalisation of Reserves or Profits

Except as stated in the section, "*Capital Structure*", beginning on page 81, our Company has not capitalised its reserves or profits at any time during the last five years.

Revaluation of Assets

Our Company has not revalued its assets at any time in the last five years.

SECTION VII: OFFER INFORMATION

TERMS OF THE OFFER

The Equity Shares being issued and transferred pursuant to this Offer shall be subject to the provisions of the Companies Act, the SEBI Regulations, the SCRA read with the SCRR, the MoA and AoA, the terms of the Red Herring Prospectus, the Prospectus, the Abridged Prospectus, the Bid cum Application Form, the Revision Form, the CAN/the Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advices and other documents/certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to the applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, RBI, the RoC and/or other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as may be prescribed by SEBI, RBI, the Government of India, the Stock Exchanges, the RoC and/or any other authorities while granting their approval for the Offer.

Offer Expenses

The Offer comprises the Fresh Issue and the Offer for Sale by the Selling Shareholder. All expenses in relation to the Offer, other than listing fees (which will be borne by our Company), shall be paid by and shared pro rata by the Selling Shareholder and our Company in proportion to the number of Equity Shares offered by each of them in the Offer. However, for ease of operations, expenses of the Selling Shareholder may, at the outset, be borne by our Company on behalf of the Selling Shareholder, and the Selling Shareholder agrees that it will reimburse our Company all such expenses.

Ranking of the Equity Shares

The Equity Shares being issued and transferred pursuant to the Offer shall be subject to the provisions of the Companies Act, the SEBI Regulations, the SEBI Listing Regulations, the SCRA read with the SCRR, the MoA and AoA, and shall rank *pari-passu* in all respects with the existing Equity Shares, including in respect of the right to receive dividend. The Allottees upon Allotment of the Equity Shares under the Offer, will be entitled to dividend and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, see the section "*Main Provisions of Articles of Association*", beginning on page 547.

Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of Companies Act, the MoA and AoA and provisions of the SEBI Listing Regulations, as applicable. For further details, in relation to dividends, see the sections "*Dividend Policy*" and "*Main Provisions of the Articles of Association*", beginning on pages 230 and 547, respectively.

Face Value and Offer Price

The face value of each Equity Share is ₹ 10 and the Offer Price at the lower end of the Price Band is ₹ [●] per Equity Share and at the higher end of the Price Band is ₹ [●] per Equity Share. The Anchor Investor Offer Price is ₹ [●] per Equity Share.

The Price Band, Retail Discount and the minimum Bid Lot for the Offer will be decided by our Company and the Selling Shareholder in consultation with the BRLMs, and advertised in [●] editions of [●] an English national daily newspaper [●], [●] editions of a [●], Hindi national daily newspaper and [●] editions of [●], a Gujarati daily newspaper (Gujarati being the regional language of Gujarat, where the Registered Office is located), each with wide circulation, at least five Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading the same 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 on the websites of the Stock Exchanges.

At any given point of time there shall be only one denomination of Equity Shares.

Compliance with Disclosure and Accounting Norms

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, our Shareholders shall have the following rights:

- Right to receive dividends, if declared;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;

- Right to vote on a poll either in person or by proxy, in accordance with the provisions of the Companies Act;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability, subject to applicable laws including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the SEBI Listing Regulations and the MoA and AoA.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/splitting, see the section "*Main Provisions of Articles of Association*", beginning on page 547.

Option to receive Equity Shares in Dematerialised Form

Pursuant to Section 29 of the Companies Act, 2013 the Equity Shares shall be Allotted only in dematerialised form. As per the SEBI Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed amongst our Company, the respective Depositories and the Registrar to the Offer:

- Agreement dated January 13, 2016 amongst NSDL, our Company and the Registrar to the Offer;
- Agreement dated February 17, 2017 amongst CDSL, our Company and the Registrar to the Offer.

Market Lot and Trading Lot

Since trading of the Equity Shares is in dematerialised form, the tradable lot is one Equity Share. Allotment in this Offer will be only in electronic form in multiples of one Equity Share subject to a minimum Allotment of [●] Equity Shares.

Joint Holders

Where two or more persons are registered as the holders of the Equity Shares, they shall be entitled to hold the same as joint tenants with benefits of survivorship.

Jurisdiction

Exclusive jurisdiction for the purpose of this Offer is with the competent courts/authorities in Ahmedabad.

Nomination facility to investors

In accordance with Section 72 of the Companies Act, 2013 read with the Companies (Share Capital and Debenture) Rules, 2014, the sole Bidder, or the First Bidder along 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, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). 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 the Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of the Equity Share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the Registrar and Transfer Agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

a) to register himself or herself as the holder of the Equity Shares; or

b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the 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, the Board may thereafter withhold payment of all dividends, bonuses or other moneys 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 mode there is no need to make a separate nomination with our Company. Nominations registered with respective Depository Participant of the applicant would prevail. If the investor wants to change the nomination, they are requested to inform their respective Depository Participant.

Withdrawal of the Offer

Our Company and the Selling Shareholder, in consultation with the BRLMs, reserve the right not to proceed with the Fresh Issue, and the Selling Shareholder reserves the right not to proceed with the Offer for Sale, in whole or in part thereof, to the extent of the Offered Shares after the Bid/Offer Opening Date but before the Allotment. In such an event, our Company and the Selling Shareholder, in consultation with the BRLMs decide not to proceed with Offer at all, our Company would issue a public notice in the newspapers in which the pre-Offer advertisements were published, within two days of the Bid/Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. The Registrar to the Offer, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders and the BRLMs shall notify the Escrow Collection Bank to release the Bid Amounts of the Anchor Investors within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed. If the Offer is withdrawn after the Designated Date, amounts that have been credited to the Public Offer Account shall be transferred to the Refund Account.

Notwithstanding the foregoing, this Offer is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment, and (ii) the final RoC approval of the Prospectus after it is filed with the RoC. If our Company and the Selling Shareholder withdraw the Offer after the Bid/Offer Closing Date and thereafter determines that it will proceed with an issue/offer for sale of the Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI.

Bid/ Offer Programme

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

* *Our Company and the Selling Shareholder may, in consultation with the BRLMs, consider participation by Anchor Investors, in accordance with the SEBI Regulations. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date in accordance with the SEBI Regulations.*

** *Our Company and the Selling Shareholder may, in consultation with the BRLMs, consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI Regulations.*

An indicative timetable in respect of the Offer is set out below:

Event	Indicative Date
Bid/Offer Closing Date	[●]
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about [●]
Initiation of refunds (if any, for Anchor Investors)/unblocking of funds from ASBA Account	On or about [●]
Credit of Equity Shares to demat accounts of Allottees	On or about [●]
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about [●]

The above timetable, other than the Bid/Offer Closing Date, is indicative and does not constitute any obligation on our Company, the Selling Shareholder or the BRLMs.

Whilst our Company and the Selling Shareholder shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within six Working Days of the Bid/Offer Closing Date, the timetable may be extended due to various factors, such as extension of the Bid/Offer Period by our Company and the Selling Shareholder, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws.

The Selling Shareholder confirms that it shall extend all support and co-operation required by our Company and the BRLMs for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares (offered by each the Selling Shareholder in the Offer for Sale) at all Stock Exchanges within six Working Days from the Bid/Offer Closing Date.

Submission of Bids (other than Bids from Anchor Investors):

Bid/Offer Period (except the Bid/Offer Closing Date)	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time ("**IST**"))
Bid/Offer Closing Date	

Submission and Revision in Bids	Only between 10.00 a.m. and 3.00 p.m. IST

On the Bid/Offer Closing Date, the Bids shall be uploaded until:

(i) 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and

(ii) until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Bidders.

On Bid/Offer Closing Date, extension of time will be granted by Stock Exchanges only for uploading Bids received from Retail Individual Bidders after taking into account the total number of Bids received and as reported by the BRLMs to the Stock Exchanges.

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 SCSBs would be rejected.

In case of any discrepancy in the data entered in the electronic book vis-a-vis data contained in physical Bid cum Application Form, for a particular Bidder the details of the Bid file received from Stock Exchanges may be taken as final data for purposes of Allotment.

Due to limitation of time available for uploading the Bids on the Bid/Offer Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Offer Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/Offer Closing Date as is typically experienced in public offerings, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under this Offer. Bids will be accepted only during Working Days. None among our Company, the Selling Shareholder or any member of the Syndicate is liable for any failure in uploading the Bids due to faults in any software/hardware system or otherwise.

Our Company, in consultation with the Selling Shareholder, the BRLMs, reserves the right to revise the Price Band during the Bid/Offer Period. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. The Floor Price shall not be less than the face value of the Equity Shares.

In case of revision in the Price Band, the Bid/Offer Period shall be extended for at least three additional Working Days after such revision, 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, shall be widely disseminated by notification to the Stock Exchanges, by issuing a press release and also by indicating the change on the terminals of the Syndicate Members.

Minimum Subscription

If our Company does not receive the minimum subscription of 90% of the Fresh Issue or does not make the minimum allotment in terms of Rule 19(2)(b) of the SCRR including devolvement of Underwriters, if any, within 60 days from the date of Bid/Offer Closing Date, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and other applicable law. The requirement for minimum subscription is not applicable to the Offer for Sale. 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. However, after receipt of minimum subscription of 90% of the Fresh Issue, the Equity Shares offered pursuant to the Offer for Sale shall be allocated prior to Equity Shares offered pursuant to the Fresh Issue.

The Selling Shareholder agrees and acknowledges that in the event that any Equity Shares are not sold in the Offer for Sale on account of under-subscription, such unsold Equity Shares shall be subject to lock-in in accordance with this Draft Red Herring Prospectus and the SEBI Regulations.

Further, our Company shall ensure that the number of Allottees shall not be less than 1,000.

Any expense incurred by our Company on behalf of the Selling Shareholder with regard to refunds, interest for delays, etc. for the Equity Shares being offered in the Offer will be reimbursed by the Selling Shareholder to our Company in proportion to the Offered Shares.

Arrangements for Disposal of Odd Lots

There are no arrangements for disposal of odd lots.

Restrictions, if any on Transfer and Transmission of Equity Shares

Except for the lock-in of the pre-Offer capital of our Company, lock-in of the Promoters' minimum contribution and the Anchor Investor lock-in as provided in "*Capital Structure*" beginning on page 81, and except as provided in the AoA, there are no other restrictions on transfer of Equity Shares in India. Further, there are no restrictions on the transmission of shares/debentures of our Company and on their consolidation/splitting, except as provided in the AoA. For details, see the section "*Main Provisions of the Articles of Association*", beginning on page 547.

OFFER STRUCTURE

Offer of up to [●] Equity Shares for cash at price of ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share) aggregating to ₹ [●] million, comprising of a Fresh Issue of up to [●] Equity Shares aggregating up to ₹ 4,500 million by our Company and an Offer of Sale of up to 3,000,000 Equity Shares aggregating up to ₹ [●] million by the Selling Shareholder.

The Offer will constitute [●]% of the post-Offer paid-up Equity Share capital of our Company.

The face value of the Equity Shares is ₹ 10 each.

The Offer is being made through the Book Building Process.

Particulars	QIBs(1)	Non-Institutional Bidders	Retail Individual Bidders
Number of Equity Shares available for Allotment/ allocation* (2)	[●] Equity Shares	Not less than [●] Equity Shares available for allocation or Offer less allocation to QIB Bidders and Retail Individual Bidders	Not less than [●] Equity Shares available for allocation or Offer less allocation to QIB Bidders and Non-Institutional Bidders
Percentage of Offer size available for Allotment/ allocation	50% of the Offer size shall be available for allocation to QIB. However, up to 5% of the QIB Portion (excluding the Anchor Investor Portion) will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be available for all QIBs.	Not less than 15% of the Offer or the Offer less allocation to QIB Bidders and Retail Individual Bidders	Not less than 35% of the Offer or Offer less allocation to QIB Bidders and Non-Institutional Bidders
Basis of Allotment/ allocation if respective category is oversubscribed*	Proportionate as follows (excluding the Anchor Investor Portion): (a) Up to [●] Equity Shares shall be available for allocation 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	Proportionate	Allotment to each Retail Individual Bidder shall not be less than the minimum bid lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares shall be allocated on a proportionate basis. For details, see "*Offer Procedure – Part B – Allotment Procedure and Basis of Allotment*", on page 534.
Minimum Bid	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount exceeds ₹ 200,000	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount exceeds ₹ 200,000	[●] Equity Shares
Maximum Bid	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the Offer size, subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the Offer size, subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹ 200,000
Mode of Bidding	ASBA(3)	ASBA	ASBA

Particulars	QIBs[(1)]	Non-Institutional Bidders	Retail Individual Bidders
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter		
Mode of allotment	Compulsorily in dematerialised form		
Allotment Lot	[●] Equity Shares and in multiples of one Equity Share thereafter		
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, mutual funds registered with SEBI, FPIs other than Category III FPIs, VCFs, AIFs, state industrial development corporation, insurance company 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 laws, National Investment Fund set up by the Government of India, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India and Systemically Important NBFCs.	Resident Indian individuals, Eligible NRIs, HUFs (in the name of Karta), companies, corporate bodies, scientific institutions societies and trusts, Category III FPIs registered with SEBI	Resident Indian individuals, Eligible NRIs and HUFs (in the name of Karta)
Terms of Payment	The entire Bid Amount shall be payable on submission of Bid cum Application form (including for Anchor Investor). 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[(3)]		

* *Assuming full subscription in the Offer and Allotment pursuant thereto.*

(1) *Our Company and the Selling Shareholder may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI Regulations. QIB Portion will be adjusted for shares allocated to the Anchor Investors. 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 at which allocation is being made to other Anchor Investors. For details, see the section "Offer Procedure", beginning on page* 504.

(2) *Subject to valid Bids being received at or above the Offer Price. This Offer is being made in accordance with Rule 19(2)(b) of the SCRR and is being made through the Book Building Process, in compliance with Regulation 26(1) of the SEBI Regulations.*

(3) *Anchor Investors are not permitted to use the ASBA process. Entire Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms. For details of terms of payment applicable to Anchor Investors, see "Offer Procedure -Section 7: Allotment Procedure and Basis of Allotment", on page* 534.

(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. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids in any or all portions.*

Under subscription, if any, in any category, except the QIB Category, would be met with spill-over from the other categories at the discretion of our Company and the Selling Shareholder in consultation with the BRLMs and the Designated Stock Exchange. In case of under-subscription in the Offer, the Equity Shares in the Fresh Issue will be issued prior to the sale of the Equity Shares offered pursuant to the Offer for Sale.

In accordance with the foreign investment regulations, participation by Non-Residents in the Offer is restricted to participation by (i) FPIs through the portfolio investment scheme under Schedule 2 of the FEMA Regulations, in the Offer subject to limit of the individual holding of an FPI below 10% of the post-Offer paid-up capital of the Company and the aggregate limit for FPI investment is 49%; and (ii) Eligible NRIs only on non-repatriation basis under Schedule 4 of the FEMA Regulations. Further, other Non-Residents such as FVCIs and multilateral and bilateral development financial institutions are not permitted to participate in the Offer. As per the existing policy of the Government, OCBs cannot participate in this Offer.

Retail Discount

Our Company and the Selling Shareholder may, in consultation with the BRLMs, offer discount of ₹ [●] per Equity Share to the Offer Price to Retail Individual Bidders in the Retail Category. The Retail Discount, if any, will be offered to the Retail Individual Bidders at the time of making a bid. The Retail Individual Bidders bidding at a price within the Price Band can make payment at the Bid Amount, at the time of making a Bid. The Retail Individual Bidders must ensure that the Bid Amount does not exceed ₹ 200,000. The Retail Individual Bidders must mention the Bid Amount while filing the Bid cum Application Form.

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 circular dated November 10, 2015 (CIR/CFD/POLICYCELL/11/2015) notified by SEBI and SEBI circular bearing SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 (the "**General Information Document**") included below under "**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 Regulations. The General Information Document has been updated to reflect the enactments and regulations, SEBI Regulations and the provisions of the Companies Act, 2013, to the extent applicable to a public issue but has not been updated to reflect the commercial considerations between our Company and the Selling Shareholder with respect to the Offer. The General Information Document is also available on the websites of the Stock Exchanges, the BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer.*

Our Company, the Selling Shareholder, the BRLMs do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft 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 the Equity Shares that can be held by them under applicable law or as specified in this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus.

PART A

Book Building Procedure

The Offer is being made through the Book Building Process wherein 50% of the Offer shall be Allotted to QIBs on a proportionate basis, provided that our Company and the Selling Shareholder in consultation with the BRLMs may allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis in accordance with the SEBI Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from them at or above the Anchor Investor Allocation Price. 5% of the net 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 Bidders and not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Offer Price. However, the value of Allotment to any Retail Individual Bidders shall not exceed ₹ 200,000.

In the event of under-subscription in the Offer, Equity Shares offered pursuant to the Fresh Issue shall be allocated prior to Equity Shares offered pursuant to the Offer for Sale. However, after receipt of minimum subscription of 90% of the Fresh Issue, Equity Shares offered pursuant to the Offer for Sale shall be allocated prior to Equity Shares offered pursuant to the Fresh Issue.

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 combination of categories, at the discretion of our Company and the Selling Shareholder, in consultation with the BRLMs and the Designated Stock Exchange.

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 liable to be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form.

Bid cum Application Form

Copies of the ASBA Form and the abridged prospectus will be available with the Designated Intermediaries at the Bidding Centers, and the Registered Office of our Company. An electronic copy of the ASBA Form will also be available for download on the websites of NSE (www.nseindia.com) and BSE (www.bseindia.com) at least one day prior to the Bid/Offer Opening Date.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process. ASBA Bidders must provide bank account details and authorisation to block funds in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details will be liable to be rejected.

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the relevant Designated Intermediary, submitted at the Bidding Centers only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected.

For Anchor Investors, the Anchor Investor Application Form will be available at the offices of the BRLMs.

The prescribed colour of the Bid cum Application Form for the various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
FPIs applying on a repatriation basis For restrictions on participation in the Offer, see the sections "*Offer Procedure*" and "*Restrictions on Foreign Ownership of Indian Securities*", beginning on pages 504 and 545, respectively	Blue
Anchor Investors	White

* *Excluding electronic Bid cum Application Form*

Designated Intermediaries (other than SCSBs) shall submit/deliver the ASBA Forms 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 in " – *Part B – General Information Document for Investing in Public Issues – Category of Investors Eligible to Participate in an Issue*" on page 517, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines:

- FPIs, other than Category III FPIs;
- Category III FPIs who are foreign corporates or foreign individuals only under the Non-Institutional Portion;
- Scientific and/or industrial research organisations in India, which are authorised to invest in equity shares; and
- Any other person eligible to Bid in this Offer, under the laws, rules, regulations, guidelines and polices applicable to them.

Participation by Promoters, Promoter Group, the BRLMs, the Syndicate Members and persons related to the Promoters/Promoter Group/BRLMs

The BRLMs and the Syndicate Members shall not be allowed to purchase Equity Shares in this Offer in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLMs and the Syndicate Members may Bid for 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 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.

Neither the BRLMs nor any persons related to the BRLMs (other than Mutual Funds sponsored by entities related to the BRLMs), the Promoters and the Promoter Group can apply in the Offer under the Anchor Investor Portion.

The Promoter and members of the Promoter Group will not participate in the Offer except to the extent of the offered Equity Shares.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company and the Selling Shareholder reserve the right to reject any Bid without assigning any reason thereof.

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 can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

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 schemes. 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

NRIs only on non-repatriation basis under Schedule 4 of the FEMA Regulations are allowed to participate in the Offer. For details of restrictions on investment by Eligible NRIs, see the section "*Restrictions on Foreign Ownership of Indian Securities*", beginning on page 545.

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Eligible NRI Bidders Bidding on a non-repatriation basis by using resident forms should authorize their respective SCSBs to block their Non-Resident Ordinary ("**NRO**") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form.

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (White in colour).

Bids by FPIs

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post-Offer Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectoral cap/ statutory ceiling, as applicable, by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company. In this respect, the Board at its meeting held on May 5, 2018 and the Shareholders of our Company in their meeting held on May 7, 2018, approved the increase in the said limit to 49% of the paid-up Equity Share capital of our Company. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

The existing individual and aggregate investment limits for an FPI in our Company are 10% and 49% of the total paid-up Equity Share capital of our Company, respectively.

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

In accordance with the foreign investment regulations, participation by Non-Residents in the Offer is restricted to participation by (i) FPIs through the portfolio investment scheme under Schedule 2 of the FEMA Regulations, in the Offer subject to limit of the individual holding of an FPI below 10% of the post-Offer paid-up capital of the Company and the aggregate limit for FPI investment is 49%; and (ii) Eligible NRIs only on non-repatriation basis under Schedule 4 of the FEMA Regulations. Further, other Non-Residents such as FVCIs and multilateral and bilateral development financial institutions are not permitted to participate in the Offer. As per the existing policy of the Government, OCBs cannot participate in this Offer.Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations and circulars issued in this regard, an FPI, other than Category III Foreign Portfolio Investor and unregulated broad based funds, which are classified as Category II Foreign Portfolio Investor by virtue of their investment manager being appropriately regulated, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with 'know your client' norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

An FPI is also required to ensure that any transfer of offshore derivative instrument is made by, or on behalf of it subject to the following conditions:

(a) offshore derivative instruments are transferred to persons subject to fulfilment of SEBI FPI Regulations; and

(b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

Bids by SEBI registered VCFs and AIFs

The SEBI AIF Regulations *inter-alia* prescribe the investment restrictions on the VCFs and AIFs registered with SEBI.

The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of such VCF. Further, VCFs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

Category I and II AIFs cannot invest more than 25% of their respective corpus in one investee company. A Category III AIF cannot invest more than 10% of its 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. Our Company, the Selling Shareholder, the BRLMs will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency. Further, the shareholding of VCFs, Category I AIFs and FVCIs holding equity shares of a company prior to an initial public offering being undertaken by such company, shall be exempt from lock-in requirements, provided such equity shares have been held for a minimum of one year prior to the date of filing of the draft red herring prospectus.

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.

There is no reservation for Eligible NRI Bidders, AIFs and FPIs. All Bidders will be treated on the same basis with other categories for the purpose of allocation.

Bids by Limited Liability Partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, as amended, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, as amended, must be attached to the Bid cum Application Form of such limited liability partnership. Failing this, our Company and the Selling Shareholder, 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 and the Selling Shareholder, reserve the right to reject any Bid without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "**Banking Regulation Act**"), and the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company, not being its subsidiary engaged in non-financial services, or 10% of the bank's own paid-up share capital and reserves, whichever is lower. Further, the aggregate investment in subsidiaries and other entities engaged in financial services company cannot exceed 20% of the investee company's paid-up share capital and reserves. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt/corporate debt restructuring/strategic debt restructuring, or to protect the bank's interest on loans/investments made to a company. The bank is required to submit a time-bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed), and (ii) investment in a non-financial services company in excess of 10% of such investee company's paid-up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016.

Bids by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars (No. CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013) dated September 13, 2012 and January 2, 2013, respectively. 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 applications.

Bids by Insurance Companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholder, reserves the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2016 as amended (the "**IRDAI Investment Regulations**") are broadly set forth below:

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of (i) an amount of 10%

of the investment assets of a life insurer or general insurer excluding fair value change of certain investment assets as prescribed under the IRDAI Investment Regulations, and (ii) the aggregate amount of investment in debt and investment in equity as calculated under (a), (b) and (c) below, as the case may be.

(a) *Limit for the investee company*: (i) 10%* of the outstanding equity shares (face value); or (ii) 10% of the such funds and reserves as specified under the IRDAI Investment Regulations, in case of a life insurer, or 10% of all assets in case of a general insurer or reinsurer or health insurer, as the case may be, whichever is lower;

(b) *Limit for the entire group of the investee company*: Not more than (i) 15% of such funds and reserves as specified under the IRDAI Investment Regulations, in case of a life insurer, or (ii) 15% of all assets in case of a general insurer or reinsurer or health insurer, as the case may be; and

(c) Limit *for the industry sector to which the investee company belongs*: Not more than (i) 15% of such funds and reserves

as specified under the IRDAI Investment Regulations, in case of a life insurer, or (ii) 15% of all assets in case of a general insurer or reinsurer or health insurer, as the case may be, in any industrial sector.

* *The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹ 2,500,000 million or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹ 500,000* million or more but less than ₹ 2,500,000 million.

Insurance companies participating in this Offer shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

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 a 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 and the Selling Shareholder, in consultation with the BRLMs, reserves the right to reject any Bid without assigning any reason thereof.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FPIs, 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, pension funds with a minimum corpus of ₹ 250 million and Systemically Important Non-Banking Financial Companies subject to applicable laws and in accordance with their respective constitutional documents, 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 attached with the Bid cum Application Form. Failing this, our Company and the Selling Shareholder, in consultation with the BRLMs, 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 Shareholder, in consultation with the BRLMs, in its absolute discretion, reserve the right to relax the above condition of simultaneous attaching of the power of attorney along with the Bid cum Application Form.

Bids by Systemically Important Non-Banking Financial Companies

In case of Bids made by Systemically Important NBFCs registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor, and (iii) such other approval as may be required by the approval Systemically Important NBFCs are required to be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholder, in consultation with the BRLMs, reserves the right to reject any Bid without assigning any reason thereof. Systematically

Important NBFCs participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholder, 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 regulations or as specified in this Draft Red Herring Prospectus or as will be specified in the Red Herring Prospectus and the Prospectus.

General Instructions

***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 you have mentioned the correct ASBA Account number in the Bid cum Application Form;

5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the relevant Designated Intermediary at the concerned Bidding Center within the prescribed time;

6. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to any of the Designated Intermediaries;

7. If the first applicant is not the ASBA Account holder, ensure that the Bid cum Application Form is also signed by the ASBA Account holder. Ensure that you have mentioned the correct ASBA Account number in the Bid cum Application Form;

8. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;

9. In case of joint Bids, the Bid cum Application Form should contain the name of only 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 of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;

11. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;

12. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, ii) submitted by investors who are exempt from the requirement of obtaining/ specifying their PAN for transacting in the securities market, and (iii) 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, all Bidders should mention their PAN allotted under the Income Tax Act. The exemption for the Central or the State Government and officials appointed by the courts for investors who are exempt from the requirement of obtaining/ specifying their PAN for transacting in the securities market 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;

13. Ensure that the Demographic Details are updated, true and correct in all respects;

14. 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;

15. Ensure that the category and the investor status is indicated;

16. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., all relevant documents are submitted;

17. Ensure that Bids submitted by any person outside India is in compliance with applicable foreign and Indian laws;

18. Ensure that the depository account is active, the correct DP ID, Client ID and the PAN are mentioned in the Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID and the PAN entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID and PAN available in the Depository's database;

19. Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the concerned 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; and

20. Ensure that the name(s) 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.

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 for a Bid Amount exceeding ₹ 200,000 (for Bids by Retail Individual Bidders);

3. Do not pay the Bid Amount by cheque(s), demand draft(s) or by cash, money order, postal order or stock invest;

4. Do not send Bid cum Application Forms by post; instead submit the same only to the relevant Designated Intermediary only;

5. Do not submit the Bid cum Application Forms to the Escrow Collection Bank (assuming that such bank is not a SCSB), our Company or the Selling Shareholder;

6. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);

7. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;

8. Do not submit the Bid for an amount more than funds available in your ASBA Account.

9. 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;

10. Do not submit more than five Bid cum Application Forms per ASBA Account;

11. 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;

12. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872, as amended (other than minors having valid depository accounts as per Demographic Details provided by the depository).

13. Do not submit a Bid/revise the Bid Amount, with a price less than the Floor Price or higher than the Cap Price;

14. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries after you have submitted a Bid to the Designated Intermediary;

15. Do not Bid for shares more than specified by respective Stock Exchanges for each category;

16. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for, exceeds the issue size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of the Red Herring Prospectus;

17. 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 Bidder;

18. Do not submit Bids to a Designated Intermediary unless the SCSB where the ASBA Account is maintained, as specified in the Bid cum Application Form, has named at least one branch in that location for the Designated Intermediary to deposit the Bid cum Application Forms; and

19. Do not deliver the Bid cum Application Forms after the time prescribed in the Red Herring Prospectus and the Bid cum Application Forms.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Payment into Anchor Investor Escrow Account for Anchor Investors

Our Company and the Selling Shareholder, in consultation with the BRLMs, in their absolute discretion, will decide the list of Anchor Investors to whom the CAN 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. For Anchor Investors, the payment instruments for payment into the Anchor Investor Escrow Account should be drawn in favour of:

(a) In case of resident Anchor Investors: "[●]"

(b) In case of Non-Resident Anchor Investors: "[●]"

Pre- Offer Advertisement

Subject to Section 30 of the Companies Act, 2013, our Company shall, after registering the Red Herring Prospectus with the RoC, publish a pre-Offer advertisement, in the form prescribed in Part A of Schedule XIII of the SEBI Regulations, in: (i) [●] editions of English national daily newspaper [●]; (ii) [●] editions of Hindi national daily newspaper [●]; and (iii) [●] editions of Gujarati daily newspaper [●], each with wide circulation.

In the pre-Offer advertisement, our Company shall state the Bid/Offer Opening Date and the Bid/Offer Closing Date.

Signing of the Underwriting Agreement and RoC Filing

(a) Our Company, the Selling Shareholder and the Syndicate intend to enter into an Underwriting Agreement after the finalisation of the Offer Price.

(b) After signing the Underwriting Agreement, an updated Red Herring Prospectus will be filed with the RoC in accordance with the applicable law, which then would be termed as the 'Prospectus'. The Prospectus will contain details of the Offer Price, the Anchor Investor Offer Price, Offer size, and underwriting arrangements and will be complete in all material respects.

Impersonation

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013, which is reproduced below:

"*Any person who:*

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

***(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.*"**

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

Undertakings by our Company

Our Company undertakes the following:

- adequate arrangements shall be made to collect all Bid cum Application Forms from the Bidders, and Anchor Investor Application Forms from the Anchor Investors.

- it shall not have any recourse to the net proceeds of the Fresh Issue until final listing and trading approvals have been received from all the Stock Exchanges;

- the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;

- all steps 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 are taken within six Working Days of the Bid/Offer Closing Date;

- if Allotment is not made within the prescribed timelines under the applicable laws, the entire subscription money received, will be refunded/unblocked within the time prescribed under the applicable laws. If there is a delay beyond such prescribed time, our Company shall pay the interest prescribed under the Companies Act, 2013, the SEBI Regulations and other applicable laws for the delayed period;

- if our Company or the Selling Shareholder do not proceed with the Offer after the Bid/Offer Closing Date, the reason thereof shall be given as a public notice to be issued by our Company 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;

- the funds required for making refunds (to the extent applicable) as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;

- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

- the intimations of credit of Equity Shares/refund to Eligible NRIs shall be despatched within specified time; and

- no further issue of the Equity Shares shall be made till the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are unblocked in ASBA Account/refunded on account of non-listing, under-subscription, etc.

Undertakings by the Selling Shareholder

The Selling Shareholder undertakes and confirms the following:

- the Equity Shares being offered by it pursuant to the Offer have been held by it for a period of at least one year prior to the date of filing the Draft Red Herring Prospectus with SEBI, are fully paid-up and are in dematerialised form;

- the Offered Shares are eligible for being offered in the Offer for Sale in terms of Regulation 26(6) of the SEBI Regulations;

- all monies received out of the Offer shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013;

- the Equity Shares being offered by it pursuant to the Offer are free and clear of any pre-emptive rights, liens, mortgages, charges, pledges or any other encumbrances and shall be transferred to the Bidders within the time specified under applicable law;

- it shall provide appropriate instructions and all reasonable co-operation as requested by our Company in relation to the completion of allotment and dispatch of the Allotment Advice and CAN, if required, and refund orders to the extent of the Equity Shares offered by it pursuant to the Offer;

- it shall take all steps and provide all assistance to our Company, the BRLMs, as may be required and necessary from the Selling Shareholder, for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares on all Stock Exchanges within six Working Days from the Bid/Offer Closing Date of the Offer;

- it shall not have recourse to the proceeds of the Offer for Sale until final listing and trading approvals have been received from all the Stock Exchanges;

- it is the legal and beneficial owner of, and has full title to, the Equity Shares being offered in the Offer for Sale;

- it shall deliver the Equity Shares being offered by it in the Offer into an escrow account two days prior to the filing of the Red Herring Prospectus with the RoC;

- it shall not further transfer the Equity Shares except in the Offer during the period commencing from submission of the Red Herring Prospectus until the final trading approvals from all the Stock Exchanges have been obtained for the Equity Shares Allotted/to be Allotted pursuant to the Offer and shall not sell, dispose of in any manner or create any lien, charge or encumbrance on the Equity Shares offered by it in the Offer;

- it shall comply with all applicable laws, in India, including the Companies Act, the SEBI Regulations, the FEMA and the applicable circulars, guidelines and regulations issued by SEBI and RBI, each in relation to the Equity Shares offered by it in the Offer;

- it shall provide reasonable assistance to our Company, the BRLMs to ensure that the Offered Shares shall be transferred to the successful bidders within the time specified under applicable laws; and

- it shall take all steps as may be required to ensure that the Equity Shares being sold by it pursuant to the Offer are available for transfer in the Offer within time specified under the applicable law.

Utilisation of Offer Proceeds

The Board of Directors certify that:

- all monies received out of the Fresh Issue shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013;

- details of all monies utilised out of the Fresh Issue shall be disclosed, and continue to be disclosed till the time any part of the proceeds from the Fresh Issue remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised;

- details of all unutilised monies out of the proceeds from the Fresh Issue, if any, shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilised monies have been invested;

- the utilisation of monies received under the Promoter's contribution, if any, shall be disclosed, and continue to be disclosed till the time any part of the proceeds from the Fresh Issue remains unutilised, under an appropriate head in the balance sheet of our Company, indicating the purpose for which such monies have been utilised; and

- the details of all unutilised monies out of the funds received under the Promoter's contribution, if any, shall be disclosed under a separate head in the balance sheet of our Company indicating the form in which such unutilised monies have been invested.

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 the SEBI ICDR Regulations. Bidders/Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Issue. For taking an investment decision, the Bidders/Applicants should rely on their own examination of the Issuer and the Issue, and should carefully read the Red Herring Prospectus and this Prospectus before investing in the Issue.

SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)

This document is applicable to the public issues undertaken through the Book-Building Process as well as to the Fixed Price Issues. The purpose of the "General Information Document for Investing in Public Issues" is to provide general guidance to potential Bidders/Applicants in IPOs and FPOs, on the processes and procedures governing IPOs and FPOs, undertaken in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("**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 see "*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 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/ Regulation 27 of the SEBI 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 Regulations, the Companies Act, 2013, the Companies Act, 1956 (to the extent applicable), the Securities Contracts (Regulation) Rules, 1957 (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 Regulations, an Issuer can either determine the Issue 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-issue 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/Issue Opening Date, in case of an FPO.

The Floor Price or the Issue price cannot be lesser than the face value of the securities.

Bidders/Applicants should refer to the RHP/Prospectus or Offer advertisements to check whether the Offer is a Book Built Issue or a Fixed Price Issue.

2.5 ISSUE 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/Issue 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 advertisement in the newspaper(s) issued in this regard.

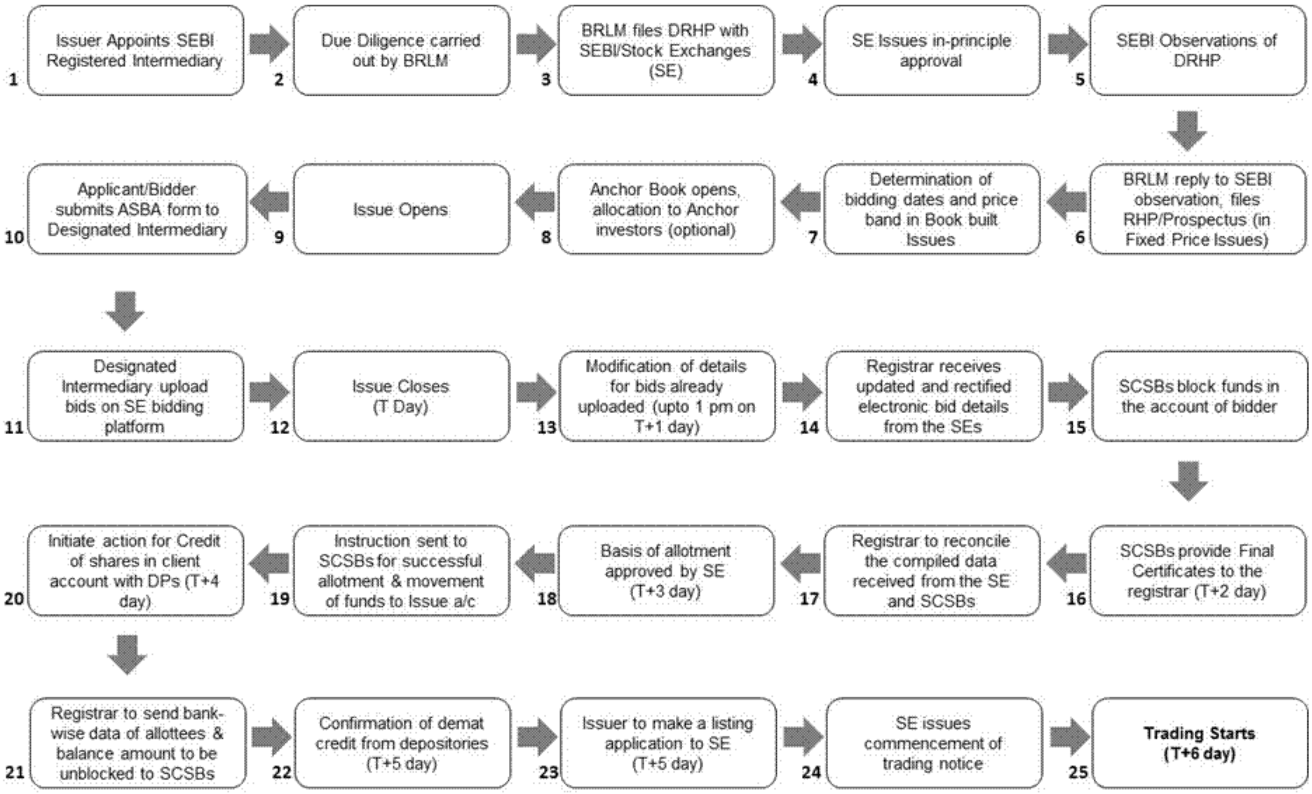
2.6 FLOWCHART OF TIMELINES

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 ASBA Form with any of the 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 ASBA form to Designated Intermediary
11 Designated Intermediary upload bids on SE bidding platform
12 Issue Closes (T Day)
13 Modification of details for bids already uploaded (upto 1 pm on T+1 day)
14 Registrar receives updated and rectified electronic bid details from the SEs
15 SCSBs block funds in the account of bidder
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, 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 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 Regulations and other laws, as applicable);
- FPIs other than Category III foreign portfolio investors Bidding under the QIBs category;
- FPIs which are Category III foreign portfolio investors, Bidding under the NIBs category;
- Scientific and/or industrial research organisations authorised in India to invest in the Equity Shares;
- 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;
- Limited liability partnerships registered under the Limited Liability Partnership Act, 2008;
- Any other person eligible to Bid/Apply in the Offer, 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 ASBA Form (or in case of Anchor Investors, the Anchor Investor Application Form) bearing the stamp of a Designated Intermediary, as available or downloaded from the websites of the Stock Exchanges. Bid cum Application Forms are available with the book running lead managers, 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.

Fixed Price Issue: Applicants should only use the specified Bid cum Application Form bearing the stamp of the relevant Designated Intermediaries, 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 and Corporate 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

Category	Colour of the Bid cum Application Form
NRIs, FVCIs, FPIs, on a repatriation basis	Blue
Anchor Investors (where applicable) & Bidders Bidding/applying in the reserved category	As specified by the Issuer

Securities issued in an IPO can only be in dematerialized form in compliance 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:

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.

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 - R

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price			
Amount Paid (₹)			

Stamp & Signature of Broker / SCSB / DP / RTA

ASBA Bank A/c No.

Bank & Branch

Name of Sole / First Bidder

Acknowledgement Slip for Bidder

Bid cum Application Form No.

PLEASE FILL IN BLOCK LETTERS

TEAR HERE

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

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)_______

4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")

Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures): Bid Price	Retail Discount	Net Price	"Cut-off" (Please ✓ tick)
	8 | 7 | 6 | 5 | 4 | 3 | 2 | 1	3 | 2 | 1	3 | 2 | 1	3 | 2 | 1	
Option 1					☐
(OR) Option 2					☐
(OR) Option 3					☐

5. CATEGORY

☐ Retail Individual Bidder

☐ Non-Institutional Bidder

☐ QIB

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)

PLEASE FILL IN BLOCK LETTERS

TEAR HERE

LOGO

XYZ LIMITED

INITIAL PUBLIC ISSUE - NR

Acknowledgement Slip for Broker/SCSB/ DP/RTA

Bid cum Application Form No.

DPID / CLID

PAN of Sole / First Bidder

Amount paid (₹ in figures) | Bank & Branch

ASBA Bank A/c No.

Received from Mr./Ms.

Telephone / Mobile | Email

Stamp & Signature of SCSB Branch

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

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 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, the 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.

(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:

(d) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

(e) 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

(f) 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 in whose sole or first 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. 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 which provide the GIR Number instead of PAN may be rejected.

(e) Bids/Applications by Bidders/Applicants 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 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 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 other 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 Bidders or Employees or Retail Individual Shareholders can Bid at the Cut-off Price indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIBs and such Bids from QIBs and NIBs may be rejected.

(d) **Minimum Application Value and Bid Lot**: The Issuer in consultation with the BRLMs may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹10,000 to ₹ 15,000. The minimum Bid Lot is accordingly determined by an Issuer on basis of such minimum application value.

(e) **Allotment:** The Allotment of specified securities to each RIB shall not be less than the minimum Bid Lot, subject to availability of shares in the RIB 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 Bidders, Employees and Retail Individual Shareholders must be for such number of shares so as to ensure that the Bid Amount less Discount (as applicable), payable by the Bidder does not exceed ₹ 200,000.

(b) In case the Bid Amount exceeds ₹ 200,000 due to revision of the Bid or any other reason, the Bid may be considered for allocation under the Non-Institutional Category, with it not being eligible for Discount then such Bid may be rejected if it is at the Cut-off Price.

(c) For NRIs, a Bid Amount of up to ₹ 200,000 may be considered under the Retail Category for the purposes of allocation and a Bid Amount exceeding ₹ 200,000 may be considered under the Non-Institutional Category for the purposes of allocation.

(d) Bids by QIBs and NIBs must be for such minimum number of shares such that the Bid Amount exceeds ₹ 200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the Bid cum Application Form and the RHP/Prospectus, or as advertised by the Issuer, as the case may be. NIBs and QIBs are not allowed to Bid at Cut-off Price.

(e) In case the Bid Amount reduces to ₹ 200,000 or less due to a revision of the Price Band, Bids by the NIBs who are eligible for allocation in the Retail Category would be considered for allocation under the Retail Category.

(f) For Anchor Investors, if applicable, the Bid Amount shall be least ₹ 10 crores. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors. Bids by various schemes of a Mutual Fund shall be aggregated to determine the Bid Amount. A Bid cannot be submitted for more than 60% of the QIB Portion 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 Issue Price is lower than the Issue Price, the balance amount shall be payable as per the pay-in-date mentioned in the revised CAN. In case the Issue Price is lower than the Anchor Investor Issue Price, the amount in excess of the Issue Price paid by the Anchor Investors shall not be refunded to them.

(g) A Bid cannot be submitted for more than the 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 Issue Price, the highest number of Equity Shares Bid for by a Bidder at or above the Issue Price may be considered for Allotment and the rest of the Bid(s), irrespective of the Bid Amount may automatically become invalid. This is not applicable in case of FPOs undertaken through Alternate Book Building Process (For details of Bidders may refer to (Section 5.6 (e))

4.1.4.2 **Multiple Bids**

(a) Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of three Bids at 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 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 Portion.

4.1.5 **FIELD NUMBER 5: CATEGORY OF BIDDERS**

(a) The categories of Bidders identified as per the SEBI Regulations for the purpose of Bidding, allocation and Allotment in the Offer are RIBs, NIBs and QIBs.

(b) Up to 60% of the QIB Portion 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 Regulations, with one-third of the Anchor Investor Portion reserved for domestic Mutual Funds subject to valid Bids being received at or above the Issue Price. For details regarding allocation to Anchor Investors, Bidders may refer to the RHP/Prospectus.

(c) An Issuer can make reservation for certain categories of Bidders/Applicants as permitted under the SEBI Regulations. For details of any reservations made in the Offer, Bidders/Applicants may refer to the RHP/Prospectus.

(d) The SEBI 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, 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 in the ASBA Account based on the authorisation provided in the ASBA Form. If Discount is applicable in the Offer, RIBs should indicate the full Bid Amount in the Bid cum Application Form and funds 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) RIBs who Bid at Cut-off Price shall arrange to block the Bid Amount based on the Cap Price.

(c) All Bidders (except Anchor Investors) have to participate in the Offer only through the ASBA mechanism.

(d) Bid Amount cannot be paid in cash, 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 direct credit, RTGS or NEFT.

(c) The Escrow Collection Banks 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 ASBA Bidders**

(a) Bidders may submit the ASBA 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 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, will 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 a Designated Intermediary, 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 ASBA Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.

(i) Upon receipt of the ASBA 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 ASBA 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 accept such Bids and such bids are liable to be rejected.

(l) Upon submission of a completed ASBA 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 ASBA Form in the ASBA Account maintained with the SCSBs.

(m) The Bid Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Offer, 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.

4.1.7.2.1 **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 Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Bid, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Bid, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected Bids, 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 Bidder to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.

(c) In the event of withdrawal or rejection of the ASBA 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.

4.1.7.3 **Discount** (if applicable)

(a) The Discount is stated in absolute rupee terms.

(b) Bidders applying under RIB category, Retail Individual Shareholder and employees are only eligible for discount. For Discounts offered in the Offer, Bidders may refer to the RHP/Prospectus.

(c) The Bidders entitled to the applicable Discount in the Offer may block the Bid Amount less Discount.

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 RIB 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 authorisation/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 duly signed and stamped by the Designated Intermediary, as applicable, for submission of the ASBA Form.

(b) All communications in connection with Bids made in the Offer may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder/Applicant, Bid cum Application Form number, Bidders'/Applicants' DP ID, Client ID, PAN, date of the submission of Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder.

Further, the investor shall also enclose a copy of the Acknowledgment Slip duly received from the Designated Intermediaries in addition to the information mentioned hereinabove.

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 NIBs, 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) RIB may revise their bids or withdraw their Bids till the 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.

TEAR HERE

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
ASBA Bank A/c No.
Received from Mr./Ms.
Telephone / Mobile | Email

Stamp & Signature of SCSB Branch

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 (₹)			

ASBA Bank A/c No.
Bank & Branch

Stamp & Signature of Broker / SCSB / DP / RTA

Name of Sole / First Bidder

Acknowledgement Slip for Bidder

Bid cum Application Form No.

PLEASE FILL IN BLOCK LETTERS

TEAR HERE

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/APPLICANTS, 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 Intermediaries 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 RIBs, Employees and Retail Individual Shareholders, such Bidders/Applicants should ensure that the Bid Amount, subsequent to revision, does not exceed ₹ 200,000. In case the Bid Amount exceeds ₹ 200,000 due to revision of the Bid or for any other reason, the Bid may be considered, subject to eligibility, for allocation under the Non-Institutional Category, not being eligible for Discount (if applicable) and such Bid may be rejected if it is at the Cut-off Price. The Cut-off Price option is given only to the RIBs, Employees and Retail Individual Shareholders indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process.

(d) In case the total amount (i.e., original Bid Amount plus additional payment) exceeds ₹ 200,000, the Bid will be considered for allocation under the Non-Institutional Category in terms of the RHP/Prospectus. If, however, the RIB does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid, where possible, shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RIB and the RIB is deemed to have approved such revised Bid at Cut-off Price.

(e) In case of a downward revision in the Price Band, RIBs 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 may be unblocked after the allotment is finalised.

4.2.3 **FIELD 6: PAYMENT DETAILS**

(a) All Bidders/Applicants are required to authorise that the full Bid Amount (less Discount (if applicable) is blocked. 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/Applicants may issue instructions to block the revised amount based on cap of the revised Price Band (adjusted for the Discount (if applicable) in the ASBA Account, to the same Designated Intermediary through whom such Bidder/Applicant had placed the original Bid to enable the relevant SCSB to block the additional Bid Amount, if any.

(c) In case the total amount (i.e., original Bid Amount less discount (if applicable) plus additional payment) exceeds ₹ 200,000, the Bid may be considered for allocation under the Non-Institutional Category in terms of the RHP/Prospectus. If, however, the Bidder/Applicant does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for, where possible, may be adjusted downwards for the purpose of Allotment, such that additional amount is required blocked 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, RIBs, Employees and Retail Individual Shareholders, who have bid at the Cut-off Price, could either revise their Bid or the excess amount blocked at the time of Bidding may be unblocked after the finalisation of basis of allotment.

4.2.4 **FIELDS 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 Issue 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 may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹ 10,000 to ₹ 15,000. The minimum Lot size is accordingly determined by an Issuer on basis of such minimum application value.

(c) Applications by RIBs**,** Employees and Retail Individual Shareholders, must be for such number of shares so as to ensure that the application amount payable does not exceed ₹ 200,000.

(d) Applications by other investors must be for such minimum number of shares such that the application amount exceeds ₹ 200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the application form and the Prospectus, or as advertised by the Issuer, as the case may be.

(e) An application cannot be submitted for more than the 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, Applications bearing the same PAN may be treated as multiple applications by an Applicant and may be rejected.

ii. For applications from Mutual Funds, submitted under the same PAN, as well as Applications 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, 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 Regulations for the purpose of Bidding, allocation and Allotment in the Offer are RIBs, individual applicants other than RIB'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 Regulations. For details of any reservations made in the Offer, applicants may refer to the Prospectus.

(c) The SEBI 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 of ASBA for applying in the Issue

(b) Application Amount cannot be paid in cash, through money order, cheque, demand draft or through postal order or through stock invest.

4.3.5.1 **Payment instructions for ASBA Applicants**

Applicants should refer to instructions contained in paragraphs 4.1.7.2.

4.3.5.2 **Unblocking of ASBA Account**

Applicants should refer to instructions contained in paragraphs 4.1.7.2.1.

4.3.5.3 **Discount** (if applicable)

Applicants should refer to instructions contained in paragraphs 4.1.7.3.

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/APPLICATION FORM/REVISION 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	1) To the Book Running Lead Managers at the locations mentioned in the Anchor Investors Application Form
ASBA Form	1) To members of the Syndicate in the Specified Locations or Registered Brokers at the Broker Centres or the RTA at the Designated RTA Location or the DP at the Designated DP Location 2) To the Designated Branches of the SCSBs

(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 RoC and as would be required by the RoC after such filing, without prior or subsequent notice of such changes to the relevant Bidder/Applicant.

(c) Upon determination of the Issue Price and filing of the Prospectus with the RoC, the Bid cum Application Form will be considered as the application form.

SECTION 5: ISSUE 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 Issue Price based on the Bids received as detailed in Schedule XI of SEBI Regulations. The Issue Price is finalised after the Bid/Offer Closing Date. Valid Bids received at or above the Issue Price are considered for allocation in the Offer, subject to applicable regulations and other terms and conditions.

5.1 SUBMISSION OF BIDS

(a) During the Bid/Offer Period, Bidders/Applicants may approach any of the Designated Intermediaries 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 NIBs 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 and as disclosed in the Red Herring Prospectus.

(c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 1 p.m. on the next Working 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 Issue for further processing.

5.3 BUILD UP OF THE BOOK

(a) Bids received from various Bidders/Applicants through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchanges' on a regular basis. The book gets built up at various price levels. This information may be available with the BRLMs at the end of the Bid/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) RIBs can withdraw their Bids until Bid/Offer Closing Date. In case a RIB wishes to withdraw the Bid during the Bid/Offer Period, 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 finalisation of basis of allotment. QIBs and NIBs 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 Intermediary.

Any RIB whose Bid has not been considered for Allotment, due to failures on the part of the SCSB may seek redressal from the concerned SCSB within three months of the listing date in accordance with the circular SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018.

(b) The BRLMs and their affiliate Syndicate Members, as the case may be, may reject Bids if all 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, NIBs & RIBs Bidders can be rejected on technical grounds listed herein.

5.5.1 **GROUNDS FOR TECHNICAL REJECTIONS**

Bid cum Application Forms/Application Forms 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, 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 by OCBs;

(c) 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;

(d) 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;

(e) Bids/Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;

(f) Bids/Applications by any person outside India if not in compliance with applicable foreign and Indian laws;

(g) PAN not mentioned in the Bid cum Application Form/Application Forms 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;

(h) In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;

(i) Bids/Applications for lower number of Equity Shares than the minimum specified for that category of investors;

(j) Bids/Applications at a price less than the Floor Price & Bids/Applications at a price more than the Cap Price;

(k) Bids/Applications at Cut-off Price by NIBs and QIBs;

(l) The amounts mentioned in the Bid cum Application Form/Application Forms do not tally with the amount payable for the value of the Equity Shares Bid/Applied for;

(m) Bids/Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;

(n) Submission of more than five ASBA Forms/Application Forms per ASBA Account;

(o) Bids/Applications for number of Equity Shares which are not in multiples Equity Shares as specified in the RHP;

(p) Multiple Bids/Applications as defined in this GID and the RHP/Prospectus;

(q) Bids not uploaded in the Stock Exchanges bidding system.

(r) Inadequate funds in the bank account to block the Bid/Application Amount specified in the ASBA Form/Application Form at the time of blocking such Bid/Application Amount in the bank account;

(s) Where no confirmation is received from SCSB for blocking of funds;

(t) Bids/Applications by Bidders (other than Anchor Investors) not submitted through ASBA process;

(u) Bids/Applications submitted to Designated Intermediaries at locations other than the Bidding Centers or to the Escrow Collecting Banks (assuming that such bank is not a SCSB where the ASBA Account is maintained), to the Issuer or the Registrar to the Offer;

(v) Bids/Applications not uploaded on the terminals of the Stock Exchanges;

(w) 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 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 Portion) 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 Regulations. Unsubscribed portion in QIB Portion is not available for subscription to other categories.

(c) In case of under subscription in the Offer, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Offer. 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 Offer; it also excludes Bidding by Anchor Investors.

Bidders can bid at any price within the price band. For instance, assume a price band of ₹ 20 to ₹ 24 per share, issue size of 3,000 equity shares and receipt of five bids from bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the equity shares of the issuer company at various prices and is collated from bids received from various investors.

Bid Quantity	Bid Price (₹)	Cumulative Quantity	Subscription
500	24	500	16.70%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.70%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the issuer is able to issue the desired number of equity shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The issuer, in consultation with the book running lead managers, will finalise the issue price at or below such cut-off price, i.e., at or below ₹ 22.00. All bids at or above this issue price and cut-off bids are valid bids and are considered for allocation in the respective categories.

(e) **Alternate Method of Book Building**

In case of FPOs, Issuers may opt for an alternate method of Book Building in which only the Floor Price is specified for the purposes of Bidding ("**Alternate Book Building Process**").

The Issuer may specify the Floor Price in the RHP or advertise the Floor Price at least one Working Day prior to the Bid/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. RIBs, NIBs 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: ISSUE PROCEDURE IN FIXED PRICE ISSUE

Applicants may note that there is no Bid cum Application Form in a Fixed Price Offer. As the Issue Price is mentioned in the Fixed Price Offer 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.

Applicants may submit an Application Form either in physical form to the any of 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 Offer, allocation in the net offer to the public category is made as follows: minimum fifty per cent to Retail Individual Bidders; and remaining to (i) individual investors other than Retail Individual Bidders; 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 Bidders 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 Bidder will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Bidder 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 Net 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 RIBs

Bids received from the RIBs at or above the Issue Price may be grouped together to determine the total demand under this category. If the aggregate demand in this category is less than or equal to the Retail Category at or above the Issue Price, full Allotment may be made to the RIBs to the extent of the valid Bids. If the aggregate demand in this category is greater than the allocation to in the Retail Category at or above the Issue Price, then the maximum number of RIBs who can be Allotted the minimum Bid Lot will be computed by dividing the total number of Equity Shares available for Allotment to RIBs by the minimum Bid Lot ("**Maximum RIB Allottees**"). The Allotment to the RIBs will then be made in the following manner:

(a) In the event the number of RIBs who have submitted valid Bids in the Offer is equal to or less than Maximum RIB Allottees, (i) all such RIBs 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 RIBs 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 RIBs who have submitted valid Bids in the Offer is more than Maximum RIB Allottees, the RIBs (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 NIBS

Bids received from NIBs at or above the Issue Price may be grouped together to determine the total demand under this category. The Allotment to all successful NIBs may be made at or above the Issue Price. If the aggregate demand in this category is less than or equal to the Non-Institutional Category at or above the Issue Price, full Allotment may be made to NIBs to the extent of their demand. In case the aggregate demand in this category is greater than the Non-Institutional Category at or above the Issue Price, Allotment may be made on a proportionate basis up to a minimum of the Non-Institutional Category.

7.3 ALLOTMENT TO QIBs

For the Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to the SEBI Regulations or RHP/Prospectus. Bids received from QIBs Bidding in the QIB Portion (net of Anchor Portion) at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Portion may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment may be undertaken in the following manner:

(a) In the first instance allocation to Mutual Funds for up to 5% of the QIB Portion may be determined as follows: (i) In the event that Bids by Mutual Fund exceeds 5% of the QIB Portion, allocation to Mutual Funds may be done on a proportionate basis for up to 5% of the QIB Portion; (ii) In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Portion then all Mutual Funds may get full Allotment to the extent of valid Bids received above the Issue Price; and (iii) Equity Shares remaining unsubscribed, if any and not allocated to Mutual Funds may be available for Allotment to all QIBs as set out at paragraph 7.4(b) below;

(b) In the second instance, Allotment to all QIBs may be determined as follows: (i) In the event of oversubscription in the QIB Portion, all QIBs who have submitted Bids above the Issue Price may be Allotted Equity Shares on a proportionate basis for up to 95% of the QIB Portion; (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 Portion, if any, from Mutual Funds, may be included for allocation to the remaining QIBs on a proportionate basis.

7.4 ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)

(a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Issue Price will be at the discretion of the issuer in consultation with the Selling Shareholder and the BRLMs, subject to compliance with the following requirements:

i. not more than 60% of the QIB Portion 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 ₹ 100 million;

- Minimum of 2 and maximum of 15 Anchor Investors for allocation above ₹ 100 million and upto ₹ 2500 million, subject to minimum allotment of ₹ 50 million per such Anchor Investor; and

- In case of allocation above ₹ 2,500 million, a minimum number of five Anchor Investors and maximum number of 15 Anchor Investors for allocation upto ₹ 2,500 million, and an additional 10 Anchor Investors for every additional ₹ 2,500 million or part thereof, subject to minimum Allotment of ₹ 50 million per such Anchor Investor.

(b) An Anchor Investor shall make an application of a value of at least ₹ 100 million in the Offer.

(c) A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the Issuer in consultation with the BRLMs, selected Anchor Investors will be sent a CAN and if required, a revised CAN.

(d) **In the event that the Issue Price is higher than the Anchor Investor Issue Price**: Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Issue Price and the Anchor Investor Issue Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors.

(e) **In the event the Issue Price is lower than the Anchor Investor Issue Price:** Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

7.5 BASIS OF ALLOTMENT FOR QIBs (OTHER THAN ANCHOR INVESTORS), NIBs 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 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 Banks shall transfer the funds represented by allocation of Equity Shares to Anchor Investors from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account with the Bankers to the Offer. The balance amount after transfer to the Public Issue Account shall be transferred to the Refund Account. Payments of refund to the Bidders applying in the Anchor Investor Portion shall be made from the Refund Account as per the terms of the Escrow Agreement and the RHP. On the Designated Date, the Registrar to the Issue shall instruct the SCSBs to transfer funds represented by allocation of Equity Shares from ASBA Accounts into the Public Issue Account.

(b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity

Shares. Bidders/Applicants are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the 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.

SECTION 8: INTEREST AND REFUNDS

8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Issuer shall 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 initiate corporate action for credit to Equity Shares the beneficiary account with Depositories 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) or obtain permission for listing of the Equity Shares, in accordance with the provisions of Section 40 of the Companies Act, 2013, the Issuer shall be punishable with a fine which shall not be less than ₹ 5 lakhs but which may extend to ₹ 50 lakhs and every officer of the Issuer who is in default shall be punishable with imprisonment for a term which may extend to one year or with fine which shall not be less than ₹ 50,000 but which may extend to ₹ 3 lakhs, or with both.

If the permissions to deal in and an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith take steps to refund, without interest, all moneys received from Bidders/Applicants.

If such money is not refunded to the Bidders/Applicants 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 SUBSCRIPTION

If the Issuer does not receive a minimum subscription of 90% of the Net Offer (excluding any offer for sale of specified securities), including devolvement to the Underwriters, 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. 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 involving a Fresh Issue and an Offer for Sale, 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 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 15 Working Days, 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 Regulations comes for an Offer under Regulation 26(2) of SEBI (ICDR) Regulations, 2009 but fails to Allot at least 75% of the Net Offer to QIBs, in such case full subscription money is to be refunded.

8.3 MODE OF REFUND

(a) **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.

(b) **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.

(c) 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 Anchor Investor 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:

(a) **NACH—**National Automated Clearing House is a consolidated system of ECS. Payment of refunds would be done through NACH for Anchor Investors having an account at one of the centres specified by the RBI, where such facility has been made available. This would be subject to availability of complete bank account details including Magnetic Ink Character Recognition (MICR) code wherever applicable from the depository. The payment of refunds through NACH is mandatory for Anchor Investors having a bank account at any of the centres where NACH facility has been made available by the RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS;

(b) **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 Code 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 Code 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;

(c) **RTGS**—Anchor Investors having a bank account at any of the centers notified by SEBI where clearing houses are managed by the RBI, may have the option to receive refunds, if any, through RTGS.

(d) **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;

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, Anchor Investors 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 Allotment is not made and refund instructions have not been given to the clearing system in the disclosed manner/instructions for unblocking of funds in the ASBA Account are not dispatched within the 15 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.

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 Regulations and the Red Herring Prospectus.
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and Prospectus
Anchor Investor Portion	Up to 60% of the QIB Portion 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 Supported by Blocked Amount /ASBA	An application, whether physical or electronic, used by ASBA Bidders/Applicants, to make a Bid and authorising an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB
Application Supported by Blocked Amount Form /ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders/Applicants, which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB to the extent of the Bid Amount of the ASBA Bidder
ASBA Bidder	All Bidders/Applicants except Anchor Investors
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 Offer
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 Period 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 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

Term	Description
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the context requires
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. Bidders/Applicants 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 Offer, 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. Bidders/Applicants may refer to the RHP/Prospectus for the Bid/Offer Opening Date
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 ASBA Bidders/Applicants 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 Regulations. Bidders/Applicants may refer to the RHP/Prospectus for the Bid/Offer Period
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/Applicants should be construed to mean an Applicant
Book Built Process/Book Building Process/Book Building Method	The book building process as provided under SEBI 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 ASBA 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 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 Bid/Offer Period
Cap Price	The higher end of the Price Band, above which the Issue Price and the Anchor Investor Issue Price may not be finalised and above which no Bids may be accepted
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account
Collecting Depository Participant or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Cut-off Price	Issue Price, finalised by the Issuer in consultation with the Book Running Lead Manager(s), which can be any price within the Price Band. Only RIBs, 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

Term	Description
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/cms/sebi_data/attachdocs/1316087201341.html
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the ASBA 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 ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Date	The date on which funds are transferred by the Escrow Collection Bank(s) from the Escrow Account and the amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, after the Prospectus is filed with the RoC, following which the board of directors may Allot Equity Shares to successful Bidders/Applicants in the Fresh Issue may give delivery instructions for the transfer of the Equity Shares constituting the Offer for Sale
Designated Intermediaries	Syndicate, sub-syndicate/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are authorized to collect ASBA Forms from the ASBA Bidders, in relation to the Offer
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Stock Exchange	The designated stock exchange as disclosed in the RHP/Prospectus of the Issuer
Discount	Discount to the Issue Price that may be provided to Bidders/Applicants in accordance with the SEBI 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 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 Escrow Collection Bank(s) and 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(s) 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(s)	Refer to definition of Banker(s) to the Offer
FCNR Account	Foreign Currency Non-Resident Account

Term	Description
First Bidder/Applicant	The Bidder/Applicant whose name appears first in the Bid cum Application Form or Revision Form
Fixed Price Issue/Fixed Price Process/Fixed Price Method	The Fixed Price process as provided under SEBI Regulations, in terms of which the Offer is being made
Floor Price	The lower end of the Price Band, at or above which the Issue Price and the Anchor Investor Issue Price may be finalised and below which no Bids may be accepted, subject to any revision thereto
FPIs	Foreign Portfolio Investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
FPO	Further public offering
Foreign Venture Capital Investors or FVCIs	Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI (Foreign Venture Capital Investors) Regulations, 2000
IPO	Initial public offering
Issue Price	The final price, less discount (if applicable) at which the Equity Shares may be Allotted in terms of the Prospectus. The Issue Price may be decided by the Issuer in consultation with the Book Running Lead Manager(s)
Issuer/Company	The Issuer proposing the initial public offering/further public offering as applicable
Maximum RIB Allottees	The maximum number of RIBs who can be Allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIBs 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
Mutual Funds Portion	5% of the QIB Portion (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 Bidders or NIBs	All Bidders/Applicants, including 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 NIBs on a proportionate basis and as disclosed in the RHP/Prospectus and the Bid cum Application Form

Term	Description
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
Other Investors	Investors other than Retail Individual Bidders in a Fixed Price Issue. These include individual applicants other than Retail Individual Bidders 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 Issue Price
Prospectus	The prospectus to be filed with the RoC in accordance with Section 26 of the Companies Act, 2013 after the Pricing Date, containing the Issue Price, the size of the Offer and certain other information
Public Issue Account	A Bank 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 Portion	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 Regulations
RTGS	Real Time Gross Settlement
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 Offer. 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
Registrar and Share Transfer Agents or 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

Term	Description
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 Regulations
Retail Individual Bidders/ RIBs	Investors who applies or bids for a value of not more than ₹ 200,000.
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 RIBs which shall not be less than the minimum Bid Lot, subject to availability in RIB 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 Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
Self Certified Syndicate Bank(s) or SCSB(s)	A bank registered with SEBI, which offers the facility of ASBA and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html
Specified Locations	Refer to definition of Broker Centers
Stock Exchanges/SE	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 ASBA Forms by Syndicate Members
Syndicate Member(s)/SM	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	All days other than the second and fourth Saturdays of each month, Sundays or public holidays, on which commercial banks in Mumbai are open for business; provided however, when referring to (a) announcement of Price Band; and (b) Bid/Issue Period, the term shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and (c) the time period between the Bid/Issue Closing Date and the listing of the Equity Shares on the Stock Exchanges, shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, as per the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is governed by the provisions of FEMA Regulations. The government bodies responsible for granting foreign investment approvals are the various departments of the concerned ministries or departments, in consultation with the DIPP.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The DIPP, issued the Consolidated FDI Policy which with effect from August 28, 2017, consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP that were in force and effect as on August 27, 2017.

The Government proposes to update the Consolidated FDI Policy once every year and therefore, the Consolidated FDI Policy will be valid until the DIPP issues an updated circular.

Subject to certain conditions, the transfer of shares by way of sale between an Indian resident and a non-resident does not require the prior approval of the RBI or the relevant ministry or department of the Government of India, provided that (i) the activities of the investee company are under the automatic route under the FDI Policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and RBI.

In accordance with the foreign investment regulations, participation by non-residents in the Offer is restricted to participation by (i) FPIs through the portfolio investment scheme under Schedule 2 of the FEMA Regulations, in the Offer subject to limit of the individual holding of an FPI below 10% of the post-Offer paid-up capital of the Company and the aggregate limit for FPI investment is 49%; and (ii) Eligible NRIs only on non-repatriation basis under Schedule 4 of the FEMA Regulations. Further, other non-residents such as FVCIs and multilateral and bilateral development financial institutions are not permitted to participate in the Offer.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer.

The Equity Shares offered in the Offer have not been and will not be registered, listed or otherwise qualified in any jurisdiction except India and may not be offered or sold to persons outside of India except in compliance with the applicable laws of each such jurisdiction. In particular, the Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act, or the laws of any state of the United States and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. The Equity Shares are being offered and sold only outside the United States pursuant to Regulation S under the U.S. Securities Act ("**Regulation S**").

NO PERSON OUTSIDE INDIA IS ELIGIBLE TO BID FOR EQUITY SHARES UNLESS THAT PERSON HAS RECEIVED A PRELIMINARY OFFERING MEMORANDUM FOR THE OFFER, WHICH COMPRISES THE RED HERRING PROSPECTUS AND A PRELIMINARY INTERNATIONAL WRAP THAT CONTAINS, AMONG OTHER THINGS, THE SELLING RESTRICTIONS APPLICABLE TO THE OFFER OUTSIDE INDIA.

Each purchaser of the Equity Shares in the Offer shall be deemed to:

- Represent and warrant to our Company, the Selling Shareholder, the BRLMs and the Syndicate Members that it was outside the United States (as defined in Regulation S) at the time the offer of the Equity Shares was made to it and it was outside the United States when its buy order for the Equity Shares was originated.

- Represent and warrant to our Company, the Selling Shareholder, the BRLMs and the Syndicate Members that it did not purchase the Equity Shares as result of any "directed selling efforts" (as defined in Regulation S).

- Represent and warrant to our Company, the Selling Shareholder, the BRLMs and the Syndicate Members that it bought the Equity Shares for investment purposes and not with a view to the distribution thereof. If in the future it decides to resell or otherwise transfer any of the Equity Shares, it agrees that it will not offer, sell or otherwise transfer the Equity Shares except in a transaction complying with Rule 903 or Rule 904 of Regulation S or pursuant to any other available exemption from registration under the U.S. Securities Act.

- Represent and warrant to our Company, the Selling Shareholder, the BRLMs and the Syndicate Members that if it acquired any of the Equity Shares as fiduciary or agent for one or more investor accounts, it has sole investment discretion with respect to each such account and that it has full power to make the foregoing representations, warranties, acknowledgements and agreements on behalf of each such account.

- Represent and warrant to our Company, the Selling Shareholder, the BRLMs and the Syndicate Members that if it acquired any of the Equity Shares for one or more managed accounts, that it was authorised in writing by each such managed account to subscribe to the Equity Shares for each managed account and to make (and it hereby makes) the representations, warranties, acknowledgements and agreements herein for and on behalf of each such account, reading the reference to "it" to include such accounts.

- Agree to indemnify and hold the Company, the Selling Shareholder, the BRLMs and the Syndicate Members harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of these representations, warranties or agreements. It agrees that the indemnity set forth in this paragraph shall survive the resale of the Equity Shares.

- Acknowledge that our Company, the Selling Shareholder, the BRLMs, the Syndicate Members and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and agreements.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholder, 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 the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

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 Regulations, the main provisions of the Articles of Association of our Company are detailed below:

Share Capital and Variation of Rights

Article 2 provides that:

"Subject to the provisions of the Act and these Articles, the shares in the capital of the Company 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 par or at a premium or at consideration otherwise than in cash and at such time as they may from time to time think fit. The Company may issue equity with voting rights and/or with differential rights as to dividend, voting or otherwise, in accordance with the Rules and preference shares."

Article 3 provides that:

"Subject to the provisions of the Act and these Articles, the Board may issue, allot or otherwise dispose shares in the capital of the Company on payment or part payment for any property or assets of any kind whatsoever sold or transferred, goods or machinery supplied or for services rendered to the Company in the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than for cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares, as the case may be.

Provided that the option or right to call of shares shall not be given to any person or persons without the sanction of the Company in the general meeting."

Article 10 provides that:

"The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith."

Alteration of Capital and Buy Back of Shares

Article 41 provides that:

"Subject to provisions of the Act, the Company may, from time to time, increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution."

Article 42 provides that:

"Subject to the provisions of the Act, the Company may, from time to time,—

(i) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

(ii) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;

(iii) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;

(iv) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person."

Article 44 provides that:

"The Company may, subject to provisions of the Act, reduce in any manner and with, and subject to, any incident authorised and consent required by law,—

(i) its share capital;

(ii) any capital redemption reserve account; or

(iii) any share premium account."

Article 47 provides that:

"Notwithstanding anything contained in these articles but subject to the provisions of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities."

Payment of Commission and Brokerage

Article 8 provides that:

"(i) The Company may exercise the powers of paying commissions conferred under the Act, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required under the Act and rules made thereunder.

(ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in the Rules.

(iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other."

Calls

Article 17 provides that:

"(i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

(ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.

(iii) A call may be revoked or postponed at the discretion of the Board."

Article 18 provides that:

"A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by installments."

Article 19 provides that:

"The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof."

Article 20 provides that:

"(i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. per annum or at such lower rate, if any, as the Board may determine.

(ii) The Board shall be at liberty to waive payment of any such interest wholly or in part."

Article 21 provides that:

"(i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

(ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified."

Article 22 provides that:

"(i) The Board—

(a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and

(b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance.

(ii) Nothing contained in this Article shall confer on the member (i) any right to participate in profits or dividends; or (ii) any voting rights in respect of the moneys so paid by him, until the same would, but for such payment, become presently payable by him."

Article 23 provides that:

"The provisions of these Articles relating to calls shall *mutatis mutandis* apply to the calls on debentures of the Company."

Forfeiture, Surrender and Lien

Article 34 provides that:

"If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued."

Article 35 provides that:

"The notice aforesaid shall—

(i) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and

(ii) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made, shall be liable to be forfeited."

Article 36 provides that:

"If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect."

Article 37 provides that:

"(i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

(ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit."

Article 38 provides that:

"(i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares.

(ii) The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares."

Article 39 provides that:

"(i) A duly verified declaration in writing that the declarant is a Director, the manager or the secretary, of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;

(ii) The Company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;

(iii) The transferee shall thereupon be registered as the holder of the share; and

(iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share."

Article 40 provides that:

"The provisions of these regulations as to forfeiture shall apply in the case of non payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified."

Article 13 provides that:

"(i) The Company shall have a first and paramount lien—

(a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and

(b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the Company:

Provided that the Board of Directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

(ii) The Company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.

(iii) Unless otherwise agreed by the Board, the registration of a transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares. The fully paid up shares shall be free from all lien and that in case of partly paid shares, the Company's lien shall be restricted to money called or payable at a fixed price in respect of such shares."

Article 14 provides that:

"The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien:

Provided that no sale shall be made—

(i) unless a sum in respect of which the lien exists is presently payable; or

(ii) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists, as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency."

Article 16 provides that:

"(i) The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists, as is presently payable.

(ii) 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 person entitled to the shares at the date of the sale.

The provisions of these Articles relating to lien shall *mutatis mutandis* apply to any other Securities including debentures of the Company."

Transfer and Transmission

Article 24 provides that:

"(i) A common form of transfer shall be used and the instrument of transfer of any share in the Company shall be executed by or on behalf of both the transferor and transferee.

(ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

(iii) No fee 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 other document."

Article 25 provides that:

"The Board may, subject to the right of appeal conferred by the Act decline to register—

(i) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or

(ii) any transfer of shares on which the Company has a lien; or

(iii) the transmission by operation of law of the right to any shares or interest of a member in the Company.

Provided that the registration of transfer of any shares shall not be refused on the ground of the transferor being alone or jointly with any other person or persons, indebted to the Company on any account whatsoever except where the Company has a lien on shares."

Article 26 provides that:

"The Board may decline to recognise any instrument of transfer unless—

(i) the instrument of transfer is in the form as prescribed in rules made under the Act;

(ii) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and

(iii) the instrument of transfer is in respect of only one class of shares."

Article 27 provides that:

"On giving not less than seven days' previous notice in accordance with the Act and rules made there under, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year."

Article 28 provides that:

"The provision of these Articles relating to transfer of shares shall *mutatis mutandis* apply to any other securities including debentures of the Company."

Article 29 provides that:

"(i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares.

(ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons."

Article 30 provides that:

"(i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—

    (a) to be registered himself as holder of the share; or

    (b) to make such transfer of the share as the deceased or insolvent member could have made.

(ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency."

Article 31 provides that:

"(i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.

(ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

(iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member."

Article 32 provides that:

“A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.”

Article 33 provides that:

“The Company shall incur no liability or responsibility whatsoever 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 registration 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 to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting to do so, 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 Directors shall so think fit.”

Borrowing Powers

Article 76(ii) provides that:

“Subject to the provisions of the Act, the Director may borrow, raise and secure the payment of such sum or sums in such manner and upon such terms and conditions in all respects as they may think fit and in particular by any mortgage or charge or other security on the undertaking of the whole of any part of the property of the Company (both present and future) including its uncalled capital for the time being, the issue of bonds, perpetual or redeemable, debenture or debenture-stock, if permissible in applicable law at a discount, premium or otherwise, and on the condition that they or any part of them may be convertible into equity shares of any denomination, and with any privileges and conditions as to the redemption, surrender, allotment of shares, appointment of directors or otherwise. Provided that debentures with rights to allotment of or conversion into equity shares shall not be issued except with, the sanction of the Company in general meeting accorded by a special resolution.”

Conversion of Shares into Stock

Article 43 provides that:

“Where shares are converted into stock,—

(i) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

(ii) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

(iii) such of the regulations of the Company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.”

Convening General Meetings

Article 48 provides that:

“All General Meetings other than the Annual General Meeting shall be called Extra- ordinary General Meetings.”

Article 49 provides that:

"The Board may, whenever it thinks fit, call an Extra-ordinary General Meeting."

Article 50 provides that:

"(i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

(ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in the Act."

Article 51 provides that:

"The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the Company."

Article 52 provides that:

"If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the Directors present shall elect one of their members to be Chairperson of the meeting."

Article 53 provides that:

"If at any meeting no Director is willing to act as Chairperson or if no Director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting."

Votes of Shareholders

Article 55 provides that:

"Subject to any rights or restrictions for the time being attached to any class or classes of shares,—

(i) on a show of hands, every member present in person shall have one vote; and

(ii) on a poll or through voting by electronic means, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company."

Article 56 provides that:

"A member may exercise his vote at a meeting by electronic means in accordance with the Act and shall vote only once."

Article 57 provides that:

"(i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

(ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members."

Article 58 provides that:

"A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll or through voting by electronic means, by his nominee or other legal guardian, and any such nominee or guardian may, on a poll, vote by proxy."

Article 59 provides that:

"Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll."

Article 60 provides that:

"No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid."

Article 61 provides that:

"(i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

(ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive."

Proxies

Article 62 provides that:

"The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or in the case of a poll, not less than 24 hours before the time appointed for taking of the poll; and in default the instrument of proxy shall not be treated as valid."

Article 63 provides that:

"An instrument appointing a proxy shall be in the form as prescribed in the rules made under the Act."

Article 64 provides that:

"A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used."

Directors

Article 65 provides that:

"Until otherwise determined by a General Meeting of the Company and subject to the provisions of the Act, the number of Directors shall not be less than three and more than fifteen."

Article 66 provides that:

"Subject to provisions of the Act, the Board shall have the power to determine the directors whose period of office is or is not liable to determination by retirement of directors by rotation."

Article 67 provides that:

"The same individual may, at the same time, be appointed as Chairman as well as Managing Director or Chief Executive Officer of the Company."

Article 68 provides that:

"(i) The remuneration of the Directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

(ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them—

(a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the Company; or

(b) in connection with the business of the Company."

Article 72 provides that:

"(i) Subject to the provisions of the Act, the Board shall have power at any time, and from time to time, to appoint a person as an Additional Director, provided the number of the Directors and Additional Directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.

(ii) Such person shall hold office only up to the date of the next Annual General Meeting of the Company but shall be eligible for appointment by the Company as a Director at that meeting subject to the provisions of the Act."

Article 73 provides that:

"(i) The Board may appoint an Alternate Director to act for a Director (herein after in this Article called "the Original Director") during his absence for a period of not less than three months from India. No person shall be appointed as an Alternate Director for an Independent Director unless he is qualified to be appointed as an Independent Director under the provisions of the Act.

(ii) An Alternate Director 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 the office if and when the Original Director returns to India.

(iii) If the term of office of the Original Director is determined before he returns to India, the automatic reappointment of retiring directors in default of another appointment shall apply to the Original Director and not the Alternate Director."

Article 74 provides that:

"(i) If the office of any Director appointed by the Company in general meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board of Directors at a meeting of the Board.

(ii) The Director so appointed shall hold office only upto the date till which the Director in whose place he is appointed would have held office if it had not been vacated."

Article 75 provides that:

"Notwithstanding anything to the contrary contained in these Articles, so long as any moneys shall be owing by the Company to any of the financial institutions, corporations, banks or such other financing entities, or so long as any of the aforesaid banks, financial institutions or such other financing entities hold any shares/debentures in the Company as a result of subscription or so long as any guarantee given by any of the aforesaid financial institutions or such other financing entities in respect of any financial obligation or commitment of the Company remains outstanding, then in that event any of the said financial institutions or such other financing entities shall, subject to an agreement in that behalf between it and the Company, have a right but not an obligation, to appoint one or more persons as Director(s) as their nominee on the Board of Company. The aforesaid financial institutions or such other financing entities may, at any time and from time to time, remove the Nominee Director appointed by it and may in the event of such removal and also in case of the Nominee Director ceasing to hold office for any reason whatsoever including resignation or death, appoint other or others to fill up the vacancy. Such appointment or removal shall be made in writing by the relevant corporation and shall be delivered to the Company and the Company shall have no power to remove the Nominee Director from office. Each such Nominee Director shall be entitled to attend all general meetings, Board Meetings and meetings of the committee of which he is a member and he and the financial institutions or such other financing entities appointing him shall also be entitled to receive notice of all such meetings."

Key Managerial Personnel/Managing Director/Whole-time Director

Article 86 provides that:

"(i) 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 members, as Managing Director or Managing Directors and/or Whole Time Directors of the Company for a fixed term not exceeding five years at a time and upon such terms and conditions, including liability to retire by rotation, as the Board thinks fit, and the Board may by resolution vest in such Managing Director or Managing Directors/Whole Time Director(s), 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 condition and subject to such restrictions as it may determine, and the remuneration of such Directors may be way of monthly remuneration and/ or fee for each meeting and/or participation in profits, or by any or all of those modes, or of any other mode not expressly prohibited by the Act.

(ii) The Directors may whenever they appoint more than one Managing Director, designate one or more of them as "Joint Managing Director" or "Joint Managing Directors" or "Deputy Managing Directors" as the case may be.

(iii) Subject to the provisions of the Act, the appointment and payment of remuneration to the above Director shall be subject to approval of the members in the general meeting and of the Central Government, if required."

Article 87 provides that:

Subject to the provisions of the Act,—

"(i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;

(ii) A Director may be appointed as chief executive officer, manager, company secretary or chief financial officer."

Article 88 provides that:

"A provision of the Act or these regulations requiring or authorizing a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer."

Proceedings of the Board of Directors

Article 77 provides that:

"(i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

(ii) A Director may, and the manager or secretary on the requisition of a Director shall, at any time, summon a meeting of the Board."

Article 78 provides that:

"(i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

(ii) In case of an equality of votes, the Chairperson of the Board shall have a second or casting vote."

Article 85 provides that:

"Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, whether manually or electronically, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held."

Dividends

Article 90 provides that:

"The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board, but the Company in a general meeting may declare a lesser dividend."

Article 91 provides that:

"Subject to the provisions of the Act, the Board may from time to time pay to the members such interim dividends of such amount on such class of shares as appear to it to be justified by the profits of the company."

Article 92 provides that:

(i) The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit.

(ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.""

Article 93 provides that:

(i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.

(ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this Article as paid on the share.

(iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly."”

Article 94 provides that:

“The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.”

Article 95 provides that:

“(i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by electronic mode or by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.”

Article 99 provides that:

“No dividend shall bear interest against the Company.”

Capitalisation of Profits

Article 45 provides that:

“(i) The Company in general meeting may, upon the recommendation of the Board, resolve—

(a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company’s reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and

(b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—

(a) paying up any amounts for the time being unpaid on any shares held by such members respectively;

(b) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;

(c) partly in the way specified in sub-clause (a) and partly in that specified in sub- clause (b);

(d) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares;

(e) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.”

Winding up

Article 102 provides that:

“Subject to the applicable provisions of the Act and the Rules—

(i) If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.

(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability."

Indemnity

Article 103 provides that:

"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."

SECTION IX: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Red Herring Prospectus) which are or may be deemed material will be attached to the copy of the Red Herring Prospectus which will be delivered to the RoC for registration. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all Working Days from the date of the Red Herring Prospectus until the Bid/Offer Closing Date.

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 of the provisions contained in the Companies Act and other applicable law.

A. Material Contracts for the Offer

1. Registrar Agreement dated May 8, 2018 entered into between our Company, the Selling Shareholder and the Registrar to the Offer.

2. Offer Agreement dated May 10, 2018 entered into between our Company, the Selling Shareholder, the BRLMs.

3. Cash Escrow Agreement dated [●] entered into between our Company, the Selling Shareholder, the Registrar to the Offer, the BRLMs, and the Escrow Collection Bank.

4. Share Escrow Agreement dated [●] entered into between the Selling Shareholder, our Company, the BRLMs and the Share Escrow Agent.

5. Syndicate Agreement dated [●] entered into between our Company, the Selling Shareholder and the members of the Syndicate.

6. Underwriting Agreement dated [●] entered into between our Company, the Selling Shareholder, and the Underwriters.

B. Material Documents

1. Certified copies of the Memorandum of Association and Articles of Association of our Company as amended from time to time.

2. Certificate of incorporation dated March 20, 1995.

3. Fresh certificate of incorporation dated April 21, 2006 pursuant to change of name from Montecarlo Construction Private Limited to Montecarlo Construction Limited.

4. Fresh certificate of incorporation dated March 21, 2012 pursuant to change of name from Montecarlo Construction Limited to Montecarlo Limited.

5. Annual reports of our Company for Fiscals 2017, 2016, 2015, 2014 and 2013;

6. Audited Financials of our Company (standalone and consolidated) for the nine months ended December 31, 2017;

7. Agreement dated April 19, 2015 in respect of re-appointment of Kanubhai Mafatlal Patel as the Chairman and Managing Director.

8. Agreement dated April 19, 2015 in respect of re-appointment of Brijesh Kanubhai Patel as the Joint Managing Director.

9. Agreement dated April 19, 2015 in respect of re-appointment of Mrunal Kanubhai Patel as the Joint Managing Director.

10. Agreement dated August 22, 2016 in respect of appointment of Suhas Vasant Joshi as the Whole-time Director and letter dated December 1, 2016 issued by our Company to Suhas Vasant Joshi.

11. Agreement dated April 19, 2015 and the supplementary agreement dated December 1, 2016 in respect of appointment of Nareshkumar Pranshankar Suthar as the Whole-time Director.

12. Composite Scheme of Arrangement involving *inter alia* amalgamation of Montecarlo Projects, Montecarlo Infrastructure, Montecarlo Engineering and Montecarlo Energy with our Company and demerger of the 'Consolidated Business Support Undertaking' (as defined in the said scheme) of Montecarlo Infrastructure and our Company in to Montecarlo Realty and demerger of the 'Real Estate Undertaking' (as defined in the said scheme) of our Company and transfer of the same to Montecarlo Construction.

13. Shareholders Agreement dated July 9, 2010 entered into between our Company, SEL, SIPL and BHTPL.

14. Resolution of the Board of Directors dated February 16, 2018 and shareholders' resolution dated February 22, 2018, in relation to the Offer and other related matters.

15. Resolution dated March 13, 2018 from the Kanubhai Trust approving the Offer for Sale for the Offered Shares.

16. The examination reports, each dated May 5, 2018, of the Auditors, on our Company's Restated Unconsolidated Financial Statements and Restated Consolidated Financial Statements included in this Draft Red Herring Prospectus.

17. CRISIL Report of April 2018 and consent letter from CRISIL dated May 9, 2018.

18. Consent letter from the Auditors dated May 9, 2018 for inclusion of their name as experts.

19. The Statement of Tax Benefits dated May 9, 2018 from the Auditors.

20. Consent letter, dated May 9, 2018, from the Surana Maloo & Co., independent chartered accountant.

21. Consents in writing of the Selling Shareholder, the Directors, our Company's Company Secretary and Compliance Officer, our Company's Chief Financial Officer, our Company's Auditors, Indian Legal Counsel to our Company, Indian Legal Counsel to the BRLMs, the Bankers to our Company, the BRLMs, the Syndicate Members, Escrow Collection Bank, Public Offer Bank, Refund Bank, the Registrar to the Offer, to act in their respective capacities.

22. Due Diligence Certificate dated May 10, 2018 addressed to SEBI from the BRLMs.

23. In-principle listing approvals dated [●] and [●] issued by BSE and NSE, respectively.

24. Tripartite agreement dated January 13, 2016 among our Company, NSDL and the Registrar to the Offer.

25. Tripartite agreement dated February 17, 2017 among our Company, CDSL and the Registrar to the Offer.

26. SEBI observation letter no. [●] dated [●].

DECLARATION

We hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations or guidelines issued by the Government or the regulations, rules or guidelines issued by SEBI, established under Section 3 of the SEBI Act, 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 SCRA, SCRR, the SEBI Act or rules or regulations made or guidelines issued thereunder, as the case may be. We further certify that all disclosures made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY ALL THE DIRECTORS OF OUR COMPANY

_________________________	_________________________
Kanubhai Mafatlal Patel *(Chairman and Managing Director)*	**Brijesh Kanubhai Patel** *(Joint Managing Director)*
_________________________	_________________________
Mrunal Kanubhai Patel *(Joint Managing Director)*	**Nareshkumar Pranshankar Suthar** *(Whole-time Director)*
_________________________	_________________________
Suhas Vasant Joshi *(Whole-time Director)*	**Ajay Vasantbhai Mehta** *(Independent Director)*
_________________________	_________________________
Ketan Harshadrai Mehta *(Independent Director)*	**Malini Ganesh** *(Independent Director)*
_________________________	_________________________
Dipak Kamlakar Palkar *(Independent Director)*	**Dinesh Babulal Patel** *(Independent Director)*

SIGNED BY THE CHIEF FINANCIAL OFFICER

____

Nigam Gautambhai Shah
(Chief Financial Officer)

Place: Ahmedabad

Date: May 10, 2018

DECLARATION

The undersigned Selling Shareholder through its trustees, hereby certifies that all statements and undertakings made by it in this Draft Red Herring Prospectus in relation to itself and the Equity Shares being offered by it in the Offer for Sale are true and correct, provided however, the undersigned Selling Shareholder assumes no responsibility for any statements made by the Company, any expert or any other person(s), in this Draft Red Herring Prospectus.

Signed by the Selling Shareholder

For **Kanubhai M. Patel Trust (represented through its trustees)**

Name
____
Kanubhai Mafatlal Patel *(Trustee)*
____
Mrunal Kanubhai Patel *(Trustee)*
____
Brijesh Kanubhai Patel *(Trustee)*

Place: Ahmedabad

Date: May 10, 2018