DRAFT RED HERRING PROSPECTUS
Dated November 17, 2009
Please read Section 60B of the Companies Act, 1956
(The Draft Red Herring Prospectus will be updated upon filing with the RoC)
100% Book Built Issue

PNC INFRATECH LIMITED

Our Company was incorporated on August 9, 1999 at Agra with the Registrar of Companies, National Capital Territory of Delhi and Haryana.
Registered Office: D-5/7, Vasant Vihar, New Delhi 110 057, India. **Tel**: (91 11) 2615 4270; **Fax:** (91 11) 2614 1121, **Company Secretary and Compliance Officer**: Mr. K. N. Mehra; **E-mail**: ipo@pncinfratech.com; **Website**: www.pncinfratech.com. For details in changes of our name and registered office, see ***"History and Certain Corporate Matters"*** on page 87.
Promoters of our Company: Mr. Pradeep Kumar Jain, Mr. Naveen Kumar Jain, Mr. Chakresh Kumar Jain, Mr. Yogesh Kumar Jain, PNC Project Private Limited, PNC Cold Storage Private Limited and Shri Parasnath Infrastructures Private Limited

PUBLIC ISSUE OF UP TO [●] EQUITY SHARES OF Rs. 10 EACH (THE "EQUITY SHARES") FOR CASH AT A PRICE OF Rs. [●] PER EQUITY SHARE OF PNC INFRATECH LIMITED (THE "COMPANY" OR THE "ISSUER") (INCLUDING A SHARE PREMIUM OF Rs. [●] PER EQUITY SHARE) AGGREGATING UP TO Rs. 1,750 MILLION (THE "ISSUE"). THE ISSUE COMPRISES A NET ISSUE TO THE PUBLIC OF UP TO [●] EQUITY SHARES (THE "NET ISSUE") AND A RESERVATION OF UP TO 100,000 EQUITY SHARES FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES (AS DEFINED HEREIN) (THE "EMPLOYEE RESERVATION PORTION"). THE ISSUE WOULD CONSTITUTE [●] % OF THE POST-ISSUE PAID-UP EQUITY CAPITAL OF OUR COMPANY. THE NET ISSUE WOULD CONSTITUTE [●] % OF THE POST ISSUE PAID-UP EQUITY CAPITAL OF OUR COMPANY.

Our Company is considering a Pre-IPO Placement of up to Rs. 750 million with certain investors ("Pre-IPO Placement"). The Pre-IPO Placement is at the discretion of the Company. Our Company will complete the issuance and allotment of such Equity Shares, if any, prior to the filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is completed, the Net Issue size offered to the public would be reduced to the extent of such Pre-IPO Placement, subject to a minimum Net Issue size of [•] % of the post-Issue paid-up equity capital being offered to the public.

THE FACE VALUE OF THE EQUITY SHARE IS RS. 10 EACH.
THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER AND ADVERTISED AT LEAST TWO (2) WORKING DAYS PRIOR TO THE BID OPENING DATE.

In case of revision in the Price Band, the Bidding Period will be extended for three (3) additional working days after the revision of the Price Band subject to the Bidding Period not exceeding 10 working days. Any revision in the Price Band and the revised Bidding Period, if applicable, will be widely disseminated by notification to the Bombay Stock Exchange Limited (the "**BSE**") and the National Stock Exchange of India Limited (the "**NSE**"), by issuing a press release, and also by indicating the change on the websites of the Book Running Lead Manager and at the terminals of the members of the Syndicate.

In terms of Rule 19(2) (b) of the Securities Contracts (Regulation) Rules, 1957, as amended, this being an Issue for less than 25% of the post-Issue paid-up equity capital, the Issue is being made through the 100% Book Building Process wherein at least 60% of the Net Issue will be allocated on a proportionate basis to Qualified Institutional Buyers ("**QIBs**"), ("**QIB Portion")**. Provided that our Company may allocate up to 30% of the QIB Portion, to Anchor Investors on a discretionary basis. (the "**Anchor Investor Portion**"). For details, see ***"Issue Procedure"*** on page 185. Further 5% of the QIB Portion less Anchor Investor Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder shall be available for allocation on a proportionate basis to QIBs and Mutual Funds, subject to valid Bids being received from them at or above the Issue Price. If at least 60% of the Net Issue cannot be allotted to QIBs, then the entire application money will be refunded forthwith. Further, not less than 10% of the Net Issue will be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 30% of the Net Issue will be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price.

RISKS IN RELATION TO THE FIRST ISSUE

This being the first public issue of Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is Rs. 10 per Equity Share and the Issue Price is [•] times the face value. The Issue Price (as determined and justified by the BRLM as stated in the section titled "***Basis of Issue Price***" on page 35) 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 in the Equity Shares of our Company 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 this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India (the "**SEBI**"), nor does the SEBI guarantee the accuracy or adequacy of this Draft Red Herring Prospectus. Specific attention of the investors is invited to the "***Risk Factors***" on page x.

IPO GRADING

This Issue has been graded by [●] as [●], indicating [●]. The IPO Grading is assigned on a five –point scale from 1 to 5, with IPO Grade 5/5 indicating strong fundamentals and IPO Grade 1/5 indicating poor fundamentals. For details, see "***General Information"*** on page 8.

ISSUER'S ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares offered pursuant to this Draft Red Herring Prospectus are proposed to be listed on the BSE and the NSE. We have received the in-principle approvals of the BSE and the NSE for the listing of our Equity Shares pursuant to letters dated [●] and [●] respectively. For the purposes of this Issue, the Designated Stock Exchange is the [●].

BOOK RUNNING LEAD MANAGER	REGISTRAR TO THE ISSUE
ENAM	LINK INTIME INDIA PVT LTD
Enam Securities Private Limited 801/ 802, Dalamal Towers Nariman Point Mumbai 400 021, India Tel: (91 22) 6638 1800 Fax: (91 22) 2284 6824 Email: pncipo@enam.com Website: www.enam.com Investor Grievance Email: complaints@enam.com Contact Person: Mr. Pranav Mahajani SEBI Reg. No.: INM000006856	**Link Intime India Private Limited** C-13, Pannalal Silk Mills Compound LBS Marg, Bhandup (West) Mumbai 400 078, India. Tel : (91 22) 2596 0320 Fax : (91 22) 2596 0329 E-mail : pnc.ipo@ linkintime.co.in Website : www.linkintime.co.in Contact Person: Mr. Sachin Achar SEBI Reg. No.: INR 000004058

BID PROGRAMME*

BID OPENS ON	**[•]**	**BID CLOSES ON**	**[•]**

**Anchor Investors, if any, shall submit their Bid on the Anchor Investor Bidding Date, which is one(1) day prior to the Bid Opening Date.*

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SECTION I: GENERAL

DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates or implies, the following terms have the following meanings in this Draft Red Herring Prospectus, and references to any statute or regulations or policies shall include amendments thereto, from time to time:

Company Related Terms

Term	Description
The “Company” or “our Company” or “PNC” or “we” or “our” or “us”	Unless the context otherwise requires refers to PNC Infratech Limited, a public limited company incorporated under the Companies Act
AoA or Articles of Association	The articles of association of our Company, as amended
Audit Committee	The committee of directors constituted as the Company’s Audit Committee in accordance with Clause 49 of the Listing Agreement to be entered into with the Stock Exchanges
Auditors	The statutory auditors of our Company, Purushottam Agrawal & Co., Chartered Accountants
Board or Board of Directors	The board of directors of our Company, or a committee thereof duly constituted
Directors	The directors of our Company
Group Entity (ies)	The companies and entities disclosed in the section titled “***Our Promoters and Group Entities***” on page 104, promoted by our Promoters
MoA or Memorandum of Association	The memorandum of association of our Company, as amended
Order Book	The unfinished and uncertified value of EPC contracts and work orders awarded to us on or prior to September 30, 2009 and in respect of which we have entered into signed agreements or have letters of award
Promoter (s)	Our Promoters, namely (a) Mr. Pradeep Kumar Jain, (b) Mr. Naveen Kumar Jain, (c) Mr. Chakresh Kumar Jain, (d) Mr. Yogesh Kumar Jain, (e) PNC Project Private Limited, (f) PNC Cold Storage Private Limited, and (g) Shri Parasnath Infrastructures Private Limited
Promoter Group	The persons and entities constituting our promoter group pursuant to Regulation 2(1)(zb) of the ICDR Regulations, which include the following: Our Promoter Group includes the following natural persons (due to their relationship with our Promoters): (a) Ms. Premwati Jain, (b) Mr. Abhinandan Jain, (c) Mr. Anirudh Jain, (d) Ms. Priyanka Jain, (e) Ms. Hina Jain, (f) Master Hardik Jain, (g) Ms. Meena Jain, (h) Ms. Rashmi Jain, (i) Ms. Usha Jain, (j) Mr. Vaibhav Jain, (k) Ms. Preeli Jain, (l) Ms. Ankita Jain, (m) Ms. Ishu Jain, (n) Ms. Kriti Jain, (o) Mr. Anuj Jain, (p) Mr. Harshvardhan Jain, (q) Ms. Ayushi Jain, (r) Mr. Saksham Jain, (s) Mr. Arnav Jain, (t) Ms. Sakshi Jain, (u) Ms. Renu Jain, (v) Ms. Madhvi Jain, (w) Ms. Ashita Jain, (x) Mr. Shanti Lal Jain, (y) Mrs. Ratanshri Jain, (z) Mr. Sunil Jain, (aa) Mr. Anil Jain, (bb) Ms. Manorma Jain, (cc) Ms. Hemlata Jain (dd) Sharmila Jain, (ee) Ms. Kumkum Jain, (ff) Mr. Nathi Lal Jain, (gg) Mrs. Lakshmi Devi, (hh) Mr. Rajesh Jain, (ii) Mr. Mukesh Jain, (jj) Mr. Dinesh Jain, (kk) Mr. Haresh Jain, (ll) Ms. Sudha Jain, (mm) Mr. Vishan Chand Jain, (nn) Mrs. Prabha Jain, (oo) Mr. Hemant Jain, (pp) Ms. Sangeeta Jain, (qq) Ms. Jaishree, (ss) Mr. Sunder Lal Jain, (tt) Mrs. Sushma Jain, (uu) Mr. Saurabh Jain, (vv) Ms. Vinita Jain, and (ww) Ms. Sweta Jain. Our Promoter Group includes the following corporate entities: (a) NCJ Infrastructure Private Limited, (b) PNC Mining Private Limited, (c) KMJ Infrastructure Private Limited, (d) Suash Trading & Manufacturing Private Limited, (e) Ideal Buildtech Private Limited, (f) PNC Infrastructure Private Limited, (g) A.S. Infraprojects Private Limited, (h) PNC Constructions Private Limited, (i) Shri Mahaveer Infrastructure Private Limited, (j) PNC Power Private Limited, and (k) PNC Airport Infratech Private Limited. Our Promoter Group includes the following HUFs: (a) Pradeep Kumar Jain (HUF), (b) Naveen Kumar Jain (HUF), (c) Chakresh Kumar

Term	Description
	Jain (HUF), and (d) Yogesh Kumar Jain (HUF).
Registered Office	The registered office of our Company, located at D-5/7, Vasant Vihar, New Delhi - 110 057, India

Issue Related Terms

Term	Description
Allotment/Allot/Allotted	The allotment of Equity Shares to successful Bidders pursuant to this Issue
Allottee	A successful Bidder to whom the Equity Share are Allotted
Anchor Investor	A Qualified Institutional Buyer, who applies under the Anchor Investor Portion with a minimum Bid of Rs. 100 million
Anchor Investor Bid	Bid made by an Anchor Investor
Anchor Investor Bidding Date	The date which is one (1) day prior to the Bid Opening Date, prior to or after which the Syndicate will not accept any Bids from Anchor Investors
Anchor Investor Issue Price	The final price at which Equity Shares will be issued and Allotted in terms of the Red Herring Prospectus and the Prospectus to the Anchor Investors, which will be a price equal to or higher than the Issue Price but not higher than the Cap Price. The Anchor Investor Issue Price will be decided by our Company, in consultation with the BRLM
Anchor Investor Margin Amount	An amount representing 25% of the Bid Amount payable by Anchor Investors at the time of submission of their Bid
Anchor Investor Portion	Up to 30% of the QIB Portion to be allocated to Anchor Investors by the Company, in consultation with the BRLM, on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for Mutual Funds, subject to valid Anchor Investor Bids being received from the Mutual Funds, at or above the price at which allocation will be made to Anchor Investors
ASBA Account	Account maintained by an ASBA Bidder with an SCSB which will be blocked by such SCSB to the extent of the Bid Amount of the ASBA Bidder
ASBA or Application Supported by Blocked Amount	An application (whether physical or electronic) used by a Resident Retail Individual Bidder to make a Bid authorizing the SCSB to block the Bid Amount in his/her specified bank account maintained with the SCSB
ASBA Bid cum Application Form	The form, whether physical or electronic, used by an ASBA Bidder to make a Bid, which will be considered as the application for Allotment for the purposes of the Red Herring Prospectus and the Prospectus
ASBA Bidder	Any Resident Retail Individual Bidder who intends to apply through ASBA and (i) is bidding at Cut-off Price, with a single option as to the number of Equity Shares; (ii) is applying through blocking of funds in a bank account with the SCSB; (iii) has agreed not to revise his/her Bid; and (iv) is not bidding under any of the reserved categories
ASBA Public Issue Account	A bank account of our Company, under Section 73 of the Companies Act where the funds shall be transferred by the SCSBs from the bank accounts of the ASBA Bidders
Banker(s) to the Issue	The bank(s) which is/are clearing member and registered with the SEBI as Banker(s) to the Issue with whom the Escrow Account will be opened, in this case being [●]
Basis of Allotment	The basis on which the Equity Shares will be Allotted, described in "***Issue Procedure***" on page 185
Bid	An indication to make an offer during the Bidding Period by a Bidder, or on the Anchor Investor Bidding Date by an Anchor Investor, pursuant to submission of a Bid cum Application Form to subscribe to our Equity Shares at a price within the Price Band, including all revisions and modifications thereto. For the purposes of ASBA Bidders, it means an indication to make an offer during the Bidding Period by a Retail Resident Individual Bidder pursuant to the submission of an ASBA Bid cum Application Form to subscribe to the Equity Shares at Cut-off Price
Bid Amount	The highest value of the optional Bids indicated in the Bid cum Application Form and payable by a Bidder on submission of a Bid in the Issue
Bid Closing Date	Except in relation to Anchor Investors, the date after which the Syndicate and SCSBs will not accept any Bids, which shall be notified in an English national newspaper and a Hindi national newspaper (which is also the regional newspaper), each with wide circulation
Bid Opening Date	Except in relation to Anchor Investors, the date on which the Syndicate and SCSBs shall start accepting Bids, which shall be notified in an English national newspaper and a Hindi national newspaper (which is also the regional newspaper), each with wide circulation
Bid cum Application Form	The form in terms of which the Bidder shall make an offer to purchase Equity Shares and which shall be considered as the application for the issue of Equity Shares pursuant to the terms of the Red Herring Prospectus and the Prospectus including the

Term	Description
	ASBA Bid cum Application as may be applicable
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form, including an ASBA Bidder and Anchor Investor
Bidding Period	The period between the Bid Opening Date and the Bid Closing Date, inclusive of both days during which prospective Bidders (excluding Anchor Investors) can submit their Bids, including any revisions and modifications thereof
Book Building Process	Book building process as provided in Schedule XI of the ICDR Regulations, in terms of which this Issue is being made
BRLM or Book Running Lead Manager	Enam Securities Private Limited
Business Day	Any day other than Saturday and Sunday on which commercial banks in Mumbai, India are open for business
CAN or Confirmation of Allocation Note	The note or advice or intimation of allocation of Equity Shares sent to the successful Bidders who have been allocated Equity Shares after discovery of the Issue Price in accordance with the Book Building Process, including any revisions thereof In relation to Anchor Investors, the note or advice or intimation of allocation of Equity Shares sent to the successful Anchor Investors who have been allocated Equity Shares after discovery of the Anchor Investor Issue Price, including any revisions thereof
Cap Price	The higher end of the Price Band, above which the Issue Price will not be finalized and above which no Bids will be accepted, including any revisions thereof
Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate Bids in the Issue by ASBA Bidders with the BRLM, the Registrar to the Issue and the Stock Exchanges, a list of which is provided on http://www.sebi.gov.in
Cut-off Price	Issue Price finalized by our Company in consultation with the BRLM, which shall be any price within the Price Band. Only Retail Individual Bidders and Eligible Employees, whose Bid Amount does not exceed Rs. 100,000 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
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Bid cum Application Form used by ASBA Bidders and a list of which is available on http://www.sebi.gov.in
Designated Date	The date on which funds are transferred from the Escrow Account(s) to the Public Issue Account and the amount blocked by the SCSBs are transferred from the bank account of the ASBA Bidders to the ASBA Public Issue Account, as the case may be, after the Prospectus is filed with the RoC, following which the Board of Directors shall Allot Equity Shares to the Allottees
Designated Stock Exchange	[●]
Draft Red Herring Prospectus or DRHP	This Draft Red Herring Prospectus dated November 17, 2009 filed with the SEBI and issued in accordance with Section 60B of the Companies Act, which does not contain complete particulars on the price at which the Equity Shares are offered and the size (in terms of value) of the Issue
Eligible NRI	Non Resident Indian(s) from a jurisdiction(s) outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Red Herring Prospectus will constitute an invitation to subscribe for the Equity Shares
Eligible Employees	All or any of the following: (a) a permanent and full-time employee of our Company, excluding the Promoters and their immediate relatives, as of the date of filing of the Red Herring Prospectus with the RoC and based, working and present in India as on the date of submission of the Bid cum Application Form and who continues to be an employee of the Company on the date of submission of the Bid cum Application Form; and (b) a Director of our Company, whether a whole time Director, part time Director or otherwise, except any Promoters or members of the Group Entities, as of the date of filing the Red Herring Prospectus with the RoC and based and present in India as on the date of submission of the Bid cum Application Form
Employee Reservation Portion	The portion of the Issue, being up to 100,000 Equity Shares, available for allocation to Eligible Employees
Equity Shares	The equity shares of our Company having a face value of Rs. 10 each
Escrow Account (s)	Account(s) opened with the Escrow Collection Bank(s) for the Issue and in whose favor the Bidder (excluding ASBA Bidders) will issue cheques or drafts in respect of the Bid Amount
Escrow Agreement	Agreement to be entered into among our Company, the Registrar, the BRLM, the

Term	Description
	Syndicate Member and the Escrow Collection Bank(s) for collection of the Bid Amounts and remitting refunds, if any of the amounts to the Bidders (excluding ASBA Bidders) on the terms and conditions thereof
Escrow Collection Bank(s)	The bank(s) which is a/ are clearing member(s) and is/are registered with the SEBI as Bankers to the Issue with whom the Escrow Account(s) will be opened, in this case being [●]
First Bidder	The Bidder whose name appears first in the Bid cum Application Form or the Revision Form or the ASBA Bid cum Application Form
Floor Price	The lower end of the Price Band, at or above which the Issue Price will be finalized and below which no Bids will be accepted including any revisions thereof
Issue	This public issue of [●] Equity Shares of Rs. 10 each at the Issue Price by our Company. The Issue comprises a Net Issue to the public of [●] Equity Shares and an Employee Reservation Portion of up to 100,000 for subscription by Eligible Employees. Our Company is considering a Pre-IPO Placement of up to Rs. 750 million with certain investors and will be completed before filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is completed, the Issue size offered to the public would be reduced to the extent of such Pre-IPO Placement, subject to a minimum Net Issue size of [●]% of the post-Issue paid-up equity capital
Issue Agreement	The agreement entered into on November 17, 2009, among the Company and the BRLM, pursuant to which certain arrangements are agreed to in relation to the Issue
Issue Price	The final price at which Equity Shares will be issued and Allotted to the Bidders, which may equal to or lower than the Anchor Investor Issue Price in terms of the Red Herring Prospectus and the Prospectus. The Issue Price will be decided by our Company, in consultation with the BRLM, on the Pricing Date
Margin Amount	The amount paid by the Bidder (excluding Anchor Investors) at the time of submission of Bid, being 10% to 100% of the Bid Amount
Mutual Fund(s)	A mutual fund registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
Mutual Fund Portion	5% of the Net QIB Portion equal to a minimum of [●] Equity Shares available for allocation to Mutual Funds only on a proportionate basis
Net Issue	Issue less the Employee Reservation Portion, consisting of [●] Equity Shares to be Allotted pursuant to this Issue
Net Proceeds	Proceeds of the Issue that are available to our Company, excluding the Issue related expenses
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allotted to the Anchor Investors, being a minimum of [●] Equity Shares to be allotted to QIB's on a proportionate basis
Non Institutional Bidders	All Bidders, including sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals, that are not QIBs (including Anchor Investors) or Retail Individual Bidders and who have Bid for Equity Shares for an amount more than Rs. 100,000
Non Institutional Portion	The portion of the Net Issue being not less than [●] Equity Shares available for allocation to Non Institutional Bidders
Pay-in Date	With respect to QIB Bidders, the Bid Closing Date or the last date specified in the CAN sent to Bidders, as applicable and which shall with respect to the Anchor Investors, be a date not later than two (2) days after the Bid Closing Date
Pay-in-Period	Except with respect to ASBA Bidders, those Bidders whose Margin Amount is 100% of the Bid Amount, the period commencing on the Bid Opening Date and extending until the Bid Closing Date; and With respect to Bidders, except Anchor Investors, whose Margin Amount is less than 100% of the Bid Amount, the period commencing on the Bid Opening Date and extending until the last date specified in the CAN. With respect to Anchor Investors, the Anchor Investor Bidding Date and the last specified in the CAN which shall not be later than two (2) days after the Bid Closing Date
Pre-IPO Placement	A Pre-IPO Placement of up to Rs. 750 million with certain investors is being considered by our Company and will be completed prior to the filing of the Red Herring Prospectus with the RoC
Price Band	Price band of a minimum Floor Price of Rs. [●] and a maximum Cap Price of Rs. [●] including revisions thereof. The Price Band and the minimum Bid lot size for the Issue will be decided by the Company, in consultation with the BRLM and advertised in two

Term	Description
	(2) newspapers ([●] edition of [●] in the English language, [●] edition of [●] in the Hindi language, which is also the regional newspaper) at least two (2) days prior to the Bid Opening Date
Pricing Date	The date on which our Company, in consultation with the BRLM, will finalize the Issue Price
Prospectus	The Prospectus to be filed with the RoC in terms of Section 60 of the Companies Act, containing, *inter alia*, the Issue Price that is determined at the end of the Book Building Process, the size of the Issue and certain other information and including any corrigendum thereof
Public Issue Account	Account opened with the Bankers to the Issue to receive monies from the Escrow Account on the Designated Date
QIB Margin Amount	An amount representing at least 10% of the Bid Amount payable by QIBs (other than Anchor Investors) at the time of submission of their Bid
Qualified Institutional Buyers or QIBs	Public financial institutions as defined in Section 4A of the Companies Act, FIIs and sub-accounts registered with the SEBI, other than a sub-account which is a foreign corporate or foreign individual, scheduled commercial banks, mutual funds registered with the SEBI, multilateral and bilateral development financial institutions, venture capital funds registered with SEBI, foreign venture capital investors registered with the SEBI, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of Rs. 250 million and pension funds with minimum corpus of Rs. 250 million and the National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of Government of India published in the Gazette of India
QIB Portion	The portion of the Net Issue being a minimum [●] Equity Shares to be Allotted to QIBs, including the Anchor Investor Portion
Red Herring Prospectus or RHP	The Red Herring Prospectus which will be filed with RoC in terms of Section 60B of the Companies Act, at least three (3) days before the Bid Opening Date and will become a Prospectus after filing with the RoC after the Pricing Date
Refund Accounts	Accounts opened with Escrow Collection Bank(s) from which refunds of the whole or part of the Bid Amount (excluding to the ASBA Bidders), if any, shall be made
Refund Bank(s)	The bank(s) which is a/ are clearing member(s) and registered with the SEBI as Bankers to the Issue, at which the Refund Accounts will be opened, in this case being [●]
Registrar or Registrar to the Issue	The Registrar to the Issue in this case being Link Intime India Private Limited
Resident Retail Individual Bidder	Retail Individual Bidder who is a person resident in India as defined in the Foreign Exchange Management Act, 1999 and who has Bid for Equity Shares for an amount not more than Rs. 100,000 in any of the bidding options in the Issue, and excluding Bidders under the Employee Reservation Portion
Retail Individual Bidder(s)	Individual Bidders (including HUFs and NRIs) who have Bid for Equity Shares for an amount less than or equal to Rs. 100,000 in all of the bidding options in the Issue
Retail Portion	The portion of the Net Issue being up to [●] Equity Shares available for allocation to Retail Bidder(s)
Revision Form	The form used by the Bidders (excluding ASBA Bidders) to modify the quantity of Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s)
RoC	The Registrar of Companies, Uttar Pradesh and Uttaranchal
Self Certified Syndicate Bank or SCSB	The banks which are registered with SEBI under the SEBI (Bankers to an Issue) Regulations, 1994 and offer services of ASBA, including blocking of bank account, a list of which is available on http://www.sebi.gov.in
Stock Exchanges	The BSE and the NSE
Syndicate	The BRLM and the Syndicate Member
Syndicate Agreement	Agreement among the Syndicate, our Company in relation to the collection of Bids (excluding Bids from the ASBA Bidders) in this Issue
Syndicate Member	[●]
Takeover Code	SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997
TRS or Transaction Registration Slip	The slip or document issued only on demand by the Syndicate or the SCSB to the Bidder as proof of registration of the Bid
Underwriters	The BRLM and the Syndicate Member
Underwriting Agreement	The Agreement between the Underwriters and our Company to be entered into on or after the Pricing Date

Industry Related Terms

Term	Description
AAI	Airport Authority of India
BOQ	Bill of Quantities
BOT	Build, Operate and Transfer
CRISIL	Credit Rating and Information Services of India Limited
CSO	Central Statistical Organization
DBFO	Design, Build, Finance and Operate
DBFOT	Design, Build, Finance, Operate and Transfer
EPC	Engineering, Procurement and Construction
FEED	Front End Engineering and Design
GDP	Gross Domestic Product
HSE	Health, Safety and Environment
ISO	Indian Standards Organization
IT	Information Technology
JV(s) or Joint Venture(s)	Joint Venture(s)
km.	Kilometer(s)
KV	Kilo Volt
NEFT	National Electronic Fund Transfer
NH	National Highway
PMGSY	Pradhan Mantri Gram Sadak Yojana
PPP	Public Private Partnership
RMC	Ready Mix Concrete
ROB	Rail Over Bridge
SH	State Highway
SPV	Special Purpose Vehicle
WMM	Wat Mix Mecadam

Conventional / General Terms and Abbreviations

Term	Description
A/c	Account
AGM	Annual General Meeting
AS	Accounting Standards issued by the ICAI
AY	Assessment Year
BSE	Bombay Stock Exchange Limited
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services (India) Limited
CENVAT	Central Value Added Tax
Companies Act	The Companies Act, 1956
Depositories	NSDL and CDSL
Crore	It represents 10 million
Depositories Act	The Depositories Act, 1996
DP or Depository Participant	A depository participant as defined under the Depositories Act
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortization
EGM	Extraordinary General Meeting
ECS	Electronic Clearing System
EPS	Earnings Per Share (as calculated in accordance with AS 20)
FCNR	Foreign Currency Non Resident
FDI	Foreign Direct Investment
FEMA	The Foreign Exchange Management Act, 1999, read with rules and regulations thereunder
FII(s)	Foreign Institutional Investors (as defined under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995), registered with the SEBI under applicable laws in India
Fiscal or fnancial year	Period of 12 months ended March 31 of that particular year
FIPB	Foreign Investment Promotion Board
GDP	Gross Domestic Product

Term	Description
GoI or Government	Government of India
HUF	Hindu Undivided Family
IASB	International Accounting Standard Board
ICAI	The Institute of Chartered Accountants of India
ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
IFRS	International Financial Reporting Standards
I.T. Act	The Income Tax Act, 1961
Indian GAAP	Generally Accepted Accounting Principles in India
IPO	Initial Public Offering
MAT	Minimum Alternative Tax under the I.T Act
MoU	Memorandum of Understanding
NA	Not Applicable
NAV	Net Asset Value being paid up equity share capital plus free reserves (excluding reserves created out of revaluation) less deferred expenditure not written off (including miscellaneous expenses not written off) and debit balance of profit and loss account, divided by number of issued equity shares
NEFT	National Electronic Fund Transfer
NOC	No Objection Certificate
NR	Non-resident
NRE Account	Non Resident External Account
NRI	Non Resident Indian, is a person resident outside India, as defined under FEMA and the Foreign Exchange Management Act (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000
NRO Account	Non Resident Ordinary Account
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 as defined under Foreign Exchange Management (Transfer or Issue of Foreign Security by a Person resident outside India) Regulations, 2000
P/E Ratio	Price Earnings Ratio
PAN	Permanent Account Number allotted under the I.T. Act
PIO	Persons of Indian Origin
RBI	Reserve Bank of India
RONW	Return on Net Worth
Rs.	Indian Rupees
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	The Securities and Exchange Board of India Act, 1992
Stock Exchange(s)	The BSE and/ or the NSE as the context otherwise requires
STT	Securities Transaction Tax
UIN	Unique Identification Number
U.S. or USA	United States of America
USD	United States Dollar
U.S. GAAP	United States Generally Accepted Accounting Principles

For additional definitions on currencies see "***Presentation of Financial, Industry and Market Data***" on page viii.

PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

Unless stated otherwise, the financial data in this Draft Red Herring Prospectus is derived from our financial statements as of the end of and for the six months period ended September 30, 2009 and Fiscals 2009, 2008, 2007, 2006 and 2005, in each case, prepared in accordance with the Generally Accepted Accounting Principles in India (the "**Indian GAAP**") and the Companies Act, and restated in accordance with the ICDR Regulations which differ in certain respects from International Financial Reporting Standards ("**IFRS**") and U.S. GAAP.

Our Fiscal commences on April 1 and ends on March 31, so all references to a particular fiscal year are to the twelve-month period ended March 31 of that year. 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.

There are significant differences between Indian GAAP, United States Generally Accepted Accounting Principles ("**U.S. GAAP**") and IFRS. We urge you to consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the Indian GAAP financial statements included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian GAAP. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

All references to "India" contained in this Draft Red Herring Prospectus are to the Republic of India, all references to the "US", "USA", or the "United States" are to the United States of America. For definitions, please see "***Definitions and Abbreviations***" on page i. In the section titled "***Main Provisions of Articles of Association***" on page 229, defined terms have the meaning given to such terms in the Articles.

Except where specified, in this Draft Red Herring Prospectus, all figures have been expressed in "million".

Any percentage amounts, as set forth in "***Risk Factors***", "***Business***", "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" and elsewhere in this Draft Red Herring Prospectus, unless otherwise indicated, have been calculated on the basis of our restated financial statements prepared in accordance with Indian GAAP.

Industry and Market Data

Market and industry data used in this Draft Red Herring Prospectus has been obtained or derived from industry publications and sources. These publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Accordingly, no investment decision should be made based on such information. Although we believe that industry data used in this Draft Red Herring Prospectus is reliable, it has not been independently verified.

Additionally, the extent to which the market and industry data presented 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 we conduct our business and methodologies and assumptions may vary widely among different industry sources.

Currency and Units of Presentation

All references to "Rupees" or "Rs." are to Indian Rupees, the official currency of the Republic of India. In this Draft Red Herring Prospectus, we have presented certain numerical information in 'million' and 'billion' units. One (1) million represents 1,000,000 and one (1) billion represents 1,000,000,000. Ten million represents 10,000,000.

Exchange Rates

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

FORWARD-LOOKING STATEMENTS

All statements contained in this Draft Red Herring Prospectus that are not statements of historical fact constitute "forward-looking statements". All statements regarding our expected financial condition and results of operations, business, plans and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, our revenue and profitability, planned projects and other matters discussed in this Draft Red Herring Prospectus regarding matters that are not historical facts. These forward-looking statements and any other projections contained in this Draft Red Herring Prospectus (whether made by us or any third party) are predictions and involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections.

These forward looking statements generally can be identified by words or phrases such as "aim", "anticipate", "believe", "expect", "estimate", "intend", "objective", "plan", "project", "will", "will continue", "will pursue" or other words or phrases of similar import. Similarly, statements that describe our objectives, plans or goals are also forward-looking statements.

Actual results may differ materially from those suggested by the forward looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industries in India in which we have our businesses and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India, which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition in our industry. Important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- Implementation risks involved in our projects;
- Political and regulatory environment;
- Our ability to raise capital for our future projects;
- Our ability to service our debt service obligations;
- Our ability to successfully implement our strategy, growth and expansion plans;
- Our exposure to market risks;
- Changes in the value of the Rupee and other currencies;
- The monetary and interest policies of India, inflation, deflation, unanticipated turbulence in interest rates;
- Changes in the foreign exchange control regulations in India;
- Foreign exchange rates, equity prices or other rates or prices; and
- The performance of the financial markets in India.

For further discussion of factors that could cause our actual results to differ, see "***Risk Factors***" and "***Management Discussion and Analysis of Financial Condition and Results of Operations***" on pages x and 141 of this Draft Red Herring Prospectus, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Neither our Company, the BRLM nor the Syndicate Member 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 requirements, our Company and the BRLM will ensure that investors in India are informed of material developments until such time as the grant of listing and trading permission by the Stock Exchanges.

SECTION II: RISK FACTORS

*An investment in Equity Shares involves a high degree of risk. Prior to investing in the Equity Shares, prospective investors should carefully consider all the information contained in this Draft Red Herring Prospectus, especially the following risk factors, in evaluating the risks associated with our business, industry and the locations we operate in. In particular any potential investor in or purchaser of the Equity Shares should pay particular attention to the fact that we are governed by Indian legal and regulatory requirements which may differ from those which prevail in other countries. These risks and uncertainties are not the only issues that we face; additional risks and uncertainties not presently known to us or that we currently believe to be immaterial may also have a material adverse effect on our financial condition or business success. To obtain a complete understanding of our Company, you should read this section in conjunction with "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" on page 141. Prospective investors should also note that certain of the statements in this Draft Red Herring Prospectus, including information with respect to our plans and strategy, constitute "forward-looking statements" as discussed in "**Forward-Looking Statements**" on page ix.*

Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other risks mentioned herein. Unless stated otherwise, the financial data in this section is as per our restated financial statements prepared in accordance with Indian GAAP.

Risk Relating to our Business

1. Our growth strategy to expand into new functional areas and geographic areas poses risks.

We intend to expand the geographical and functional areas in which we undertake our projects. Our construction activities have, however, historically been focused in north India and primarily in the areas of highway and airport runway construction. We have undertaken infrastructure projects on a BOT basis and have been awarded a power transmission contract by the Uttar Pradesh Power Transmission Corporation Limited, Lucknow ("**UPPTCL**"). However, we now propose to diversify into railway civil works, installation of power sub-stations and power distribution projects. As we have undertaken limited or no projects in these sectors until date, we may need to recruit additional skilled personnel and purchase additional equipment to support such activities. Any inability to recruit skilled personnel, purchase adequate equipment to effectively carry out the proposed activities in a timely manner or at all may adversely affect our results of operations.

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

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

As on September 30, 2009, we had total secured loans of Rs. 634.56 million. We may incur additional indebtedness in the future. Our indebtedness could have several important consequences, including but not limited to the following:

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

Most of our financing arrangements are secured by our movable assets and by certain immovable assets. Our accounts receivable and inventories are subject to charges created in favor of specific secured lenders. Many of our financing agreements also include various conditions and covenants that require us to obtain lender consents prior to carrying out certain activities and entering into certain transactions. Typically, restrictive covenants under our financing documents relate to obtaining prior consent of the lender for, among others:

- effecting any changes in capital structure;
- any change in management or control of the Company;
- formulating any scheme of amalgamation or reconstruction;
- undertaking any new project schemes, unless the expenditure on such expansion is covered by the Company's net cash accruals after providing for dividends, investments etc. or for long term funds received for financing such projects or expansion;
- invest by way of share capital in or lend or advance funds to or place deposits with any other concern; or
- undertake guarantee obligations on behalf of our Company;

For further details of the restrictive covenants under our financing documents, see "***Financial Indebtedness***" on page 154. Failure to meet these conditions or obtain these consents could have significant consequences for our business.

We believe that our relationships with our lenders are good. Compliance with the various terms of our loans may vary from time to time and we cannot assure you that we have requested or received all consents from our lenders that would be advisable under our financing documents. As a result, it is possible that a lender could assert that we have not complied with all the terms under our financing documents. Any failure to service our indebtedness, comply with a requirement to obtain a consent or perform any condition or covenant could lead to a termination of one or more of our credit facilities, acceleration of amounts due under such facilities and cross-defaults under certain of our other financing agreements, any of which may adversely affect our ability to conduct our business and have a material adverse effect on our financial condition and results of operations.

3. There is outstanding litigation against the Company, Directors and Promoters and any adverse developments could have a material adverse effect on the Company.

There are outstanding legal proceedings involving the Company, Directors and Promoters. These legal proceedings are pending at different levels of adjudication before various courts and tribunals. The amounts claimed in these proceedings have been disclosed to the extent ascertainable and include amounts claimed jointly and severally from us and other parties. Should 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 expenses and current liabilities. The brief details of such outstanding proceedings are as follows:

Against the Company

S.No.	Nature of the matter	Number of outstanding matters	Amount involved (in Rs. million)
1.	Civil	3	0.35
2.	Motor Accident Claims	13	22.94
3.	Income Tax	2	14.00
4.	Service Tax	5	36.28
5.	Sales Tax	3	23.22
6.	Entry Tax	3	2.54
7.	Labor	5	3.53

Against Mr. Naveen Kumar Jain, Mr. Chakresh Kumar Jain and Mr. Yogesh Kumar Jain, our Promoters and Directors

S.No.	Nature of the matter	Number of outstanding matters	Amount involved (in Rs. million)
1.	Income Tax	4	9.90

Against PNC Cold Storage Private Limited, our Promoter

S.No.	Nature of the matter	Number of outstanding matters	Amount involved (in Rs. million)
1.	Income Tax	1	1.95

For further details, see "***Outstanding Litigation and Material Developments***" on page 159. In the event of rulings against us by courts or tribunals in these proceedings, we may need to make payments to others or book provisions against probable future payments, which could increase our expenses and our current liabilities.

4. We have not declared any dividends in the last five Fiscals and there is a possibility that our Board may not declare any dividends in the future.

We have not declared any dividends in the last five (5) Fiscals. We may be unable to pay dividends in the near or medium term, and our future dividend policy will depend upon our capital requirements and financing arrangements for our projects, financial condition and results of operation. Our ability to pay dividends is subject to restrictive covenants contained in financing and loan agreements governing indebtedness we have incurred or may incur in the future. There is a possibility that our Board may not declare dividends in the future.

5. We have not entered into definitive agreements to use a substantial portion of the net proceeds of the Issue.

We intend to use the net proceeds of the Issue for investment in capital equipment, prepayment of debt/advances, funding working capital requirements and fund expenditure for general corporate purposes. For further details, see "***Objects of the Issue***" on page 27. We have not entered into definitive agreements to utilize a substantial portion of the net proceeds of the Issue. Further, the purposes for which the net proceeds of the Issue are to be utilized have not been appraised by an independent entity and are based on our estimates and on third-party quotations. In addition, our capital expenditure plans are subject to a number of variables, including possible cost overruns, changes in management's views of the desirability of current plans, risk associated with the import of equipment and exchange rates, among others. There can be no assurance that we will be able to conclude definitive agreements for investments in capital equipment or otherwise on commercially acceptable terms.

6. Our statutory auditors have qualified their report on our financial statements.

Our statutory auditors have qualified their audit report on our financial statements.

Area of Audit Qualification	Period
The Company sought a confirmation from its vendor(s) regarding their status under the Micro, Small and Medium Enterprise Development Act, 2006. In the absence of non-receipt of information from the vendor(s) disclosure relating to amounts unpaid as at the year end together with interest paid/payable under the Micro, Small and Medium Enterprise Development Act, 2006 have not been given.	Six months period ended September 30, 2009.

For details, see "***Financial Statements***" on page F-1.

7. We depend on forming successful joint ventures to qualify for the bidding process for large projects.

In order to be able to bid for certain large scale projects, we enter into memoranda of understanding or joint venture agreements with other companies to meet capital adequacy, technical or other requirements that may be required as part of the pre-qualification for bidding or execution of the contract. In case where we are unable to forge an alliance with appropriate companies to meet such requirements, we may lose out on opportunities to bid.

Where we have formed a joint venture, our Company can claim benefits flowing to the joint venture to the extent of its share in the joint venture as agreed among the joint venture partners. However, the liability of joint venture partners is joint and several. Consequently, we would be liable for completion of the entire project if our joint venture partner were to default on its duty to perform, which could have an adverse effect on our business and results of operations.

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

We operate in a very competitive environment and compete against various domestic and foreign engineering and construction companies. Our competition varies depending on the size, nature and complexity of the project and on the geographical region in which the project is to be executed. For further information concerning our competitors in specific industry and project segments, see "***Our Business***" on page 60. While many factors affect client decisions, price is a key deciding factor in most of the tender awards.

We may be unable to compete with larger EPC companies or BOT companies for high-value contracts, as many of them may have greater financial resources, economies of scale and operating efficiencies. If we are unable to bid for and win EPC or BOT 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.

9. ***Our portfolio is relatively concentrated in certain large-scale projects, which exposes us to risks.***

There are various risks associated with the execution of large-scale integrated projects. Large contracts may engage a large part of our portfolio, increasing the potential volatility of our results through increased exposure to individual contract risks. Managing large-scale integrated projects may also increase the potential relative size of cost overruns and negatively affect our operating margins. Large-scale integrated projects may cause us to assume portions of the project that have potentially lower profit margins. In addition, we often execute large-scale integrated projects as joint ventures with other companies. Should the other members of our joint ventures default on their duties to perform, we would remain liable for the completion of the project. Our five (5) largest contracts in terms of outstanding value represented approximately 70.03% of our Order Book as of September 30, 2009. We believe that our contract portfolio will continue to be concentrated to a similar degree in the future. If we do not achieve our expected margins or suffer losses on one or more of these large contracts, our results of operations may be adversely affected.

10. ***Any disruption in the adequate and timely supply of key raw materials such as steel and cement at commercially acceptable prices could adversely affect our business and results of operations.***

The timely and cost effective execution of our projects is dependant on the adequate and timely supply of key raw materials, such as steel and cement. We have not entered into any long-term contracts for the purchase of such raw materials with our suppliers. We cannot assure you that we will be able to procure adequate supplies of key materials in the future, as and when we need them on commercially acceptable terms. Additionally, we typically use third-party transportation providers for the supply of most of our raw materials. Transportation strikes by, for example, members of various Indian truckers' unions and various legal or regulatory restrictions placed on transportation providers have had in the past, and could have in the future, an adverse effect on our receipt of supplies. Further, transportation costs have been steadily increasing, and the prices of raw materials themselves can fluctuate. If we are unable to procure the requisite quantities of raw materials in time and at commercially acceptable prices, the performance of our business and results of operations may be adversely affected.

11. ***Projects included in our Order Book may be delayed, cancelled or not fully paid for by our clients, which could materially harm our cash flow position, revenues and earnings.***

As on September 30, 2009, our Order Book was Rs.10,389 million. Future earnings related to the performance of projects in the Order Book may not be realized and although the projects in the Order Book represent business that is considered firm, cancellations or scope or schedule adjustments may occur. We may also encounter problems executing the project as ordered, or executing it on a timely basis. Moreover, factors beyond our control or the control of our clients may postpone a project or cause its cancellation, including delays or failure to obtain necessary permits, authorizations, permissions, right-of-way, and other types of difficulties or obstructions. Due to the possibility of cancellations or changes in scope and schedule of projects, resulting from our clients' discretion or problems we encounter in project execution or reasons outside our control or the control of our clients, we cannot predict with certainty when, if or to what extent an Order Book project will be performed. Delays in the completion of a project can lead to clients delaying or refusing to pay the amount, in part or full, that we expect to be paid in respect of such project. Even relatively short delays or surmountable difficulties in the execution of a project could result in our failure to receive, on a timely basis or at all, the final payments due to us on a project. These payments often represent an important portion of the margin we expect to earn on a project. In addition, even where a project proceeds as scheduled, it is possible that the contracting parties may default or otherwise fail to pay amounts owed. Any delay, reduction in scope, cancellation, execution difficulty, payment postponement or payment default in regard to the Order Book projects or any other uncompleted projects, or disputes with clients in respect of any of the foregoing, could materially harm our cash flow position, revenues and earnings.

12. ***Our inability to qualify for and win large engineering construction contracts and BOT projects and compete with other engineering construction and BOT companies could adversely affect our margins and results of operations.***

Substantially all our contracts are obtained through a competitive bidding process. Pre-qualification is key to our winning most projects. In selecting contractors for such projects, clients generally limit the tender to contractors they have pre-qualified based on several criteria, including experience, technical ability, past performance, reputation for quality, safety record, financial strength and the size of previous contracts in similar projects, although the price competitiveness of the bid is usually the most important selection criterion. We are currently qualified to bid for projects up to certain values, depending on the project size and required net worth, and therefore may not be able to compete with other infrastructure companies for high-value projects, on our own or through suitable joint venture partners. Our ability to bid for and win major projects is dependent on our ability to show experience working on such large EPC contracts and develop strong engineering capabilities and credentials to execute more technically complex projects.

13. ***We have limited prior experience in constructing, managing or operating BOT projects. Delays, changes in government policy and inaccurate forecasts could have an adverse impact on our results of operations.***

As part of our strategy to focus on large infrastructure construction projects in the future, we plan to selectively bid for and increase our focus on BOT projects, either independently or with others, as we expect the overall proportion of projects that are offered on a BOT basis, to increase over time due to the increasing reliance by the government on private participation in infrastructure investment. Jaora-Nayagaon Toll Road Company Private Limited ("***Jaora-Nayagaon Company***"), a SPV in which we have a minority stake, has been awarded the construction of the Jaora-Nayagaon Road in Madhya Pradesh, measuring approximately 127.81 km., by the Madhya Pradesh Road Development Corporation Limited ("**MPRDCL**") on a BOT basis. We intend to bid for a number of BOT projects across the road sector that the government has planned.

However, the risks associated with undertaking BOT projects can be substantial, including the risk of incorrect forecasts at the bid stage concerning revenues to be derived from the use of the constructed facility and the risk of extended exposure to fluctuating economic conditions. Reduced profitability or losses from BOT projects that do not perform as estimated by the Company could have a material adverse effect on our results of operations. BOT projects typically have long gestation periods and we may incur substantial capital expenditure before we derive expected benefits or returns on our investment, which can adversely impact our business, results of operations and financial condition. There might be delays in the completion of the BOT project being undertaken by us or, pursuant to us commencing the bidding process for certain BOT projects, in the bid selection process owing to a variety of reasons which may be outside our control, and our bids may not be selected or, if selected, may be challenged by non-successful bidders or may not be finalized within the expected time frame or terms or at all.

Further, investment by the private sector in BOT projects is dependent on the potential returns from such projects and is therefore linked to government policies relating to public-private participation and the sharing of risks and returns from such projects. Any change in government policies that results in a reduction in capital investment in the infrastructure sector by the private sector could affect us adversely. Any inability to effectively construct, manage and operate any BOT project may adversely affect our business, prospects, financial condition and results of operations.

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

As on September 30, 2009, we had approximately 1,636 employees, out of which 279 were engineers and other professionals. We also own a large fleet of critical and modern construction equipment and minimally lease or take on hire equipment, resulting in increased fixed costs to our Company. In the event, we are unable to generate or maintain adequate revenues by successfully bidding for projects or recover payments from our clients in a timely manner or at all, it could have a material adverse affect on our financial condition and operations. For further details of our equipment, please see "***Our Business***" on page 60.

15. Our business transactions are with governmental or government-funded entities or agencies and any change in government policies or focus may affect our business and results of operations.

Our business is dependent on infrastructure projects undertaken by governmental authorities and other entities funded by the government or international and multilateral development finance institutions. Contracts awarded by the Central, state and local governmental authorities in India, constitute the majority of our Order Book as on September 30, 2009. Sustained increases in budgetary allocations by the Central government and various state governments for investments in the infrastructure sector, the development of a structured and comprehensive infrastructure policies that encourage greater private sector participation and increased funding by international and multilateral development financial institutions in infrastructure projects in India, have resulted in or are expected to continue to result in the commencement of several large infrastructure projects in India. If there is any change in the government or in governmental policies, practices or focus that results in a slowdown in infrastructure projects or a decrease in the participation of the private sector in such projects, our business, prospects, financial condition and results of operations may be materially and adversely affected.

16. Our profitability and results of operations may adversely be affected in the event of increases in the price of raw materials, fuel costs, labor or other inputs.

The cost of raw materials, fuel, labor and other inputs constitutes a significant part of our operating expenses. Our construction operations require various construction materials, including steel and cement. Fuel costs for operating our construction and other equipment also constitute a significant part of our operating expenses, especially in the case of our infrastructure projects. The prices and supply of raw materials depend upon factors not under our control, including but not limited to general economic conditions, transportation costs, global and domestic market prices, competition, production levels, import duties, and these prices are cyclical in nature.

Our ability to pass on increases in the purchase price of raw materials, fuel and other inputs may be limited in the case of contracts with limited price escalation provisions. Our projects have been performed under contracts that contain limited price escalation clauses covering increases in the cost of certain raw materials. Our actual expense in executing a contract with limited price escalation costs may vary substantially from the assumptions underlying our bid for several reasons, including:

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

Unanticipated increases in the price of raw materials, fuel costs, labor or other inputs not taken into account in our bid can also have compounding effects by increasing costs of performing other parts of the contract. These variations and other risks generally inherent to the construction industry may result in our profits from a project being less than as originally estimated or may result in our experiencing losses. Depending on the size of a project, these variations from estimated contract performance could have a significant effect on our results of operations.

17. ***We have high working capital requirements. If we experience insufficient cash flows to enable us to make required payments on our debt or fund working capital requirements, there may be an adverse effect on our results of operations.***

Our business requires 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.

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 Company's business. All of these factors may result, or have resulted, in increases in our working capital needs.

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

Due to various factors, including certain extraneous factors such as changes in tariff regulations, interest rates, insurance and other costs or borrowing and lending restrictions, if any, we may not be able to finance our working capital needs, or secure other financing when needed, on acceptable commercial terms. Any such situation would adversely affect our business and growth prospects.

18. ***An inability to manage our growth could disrupt our business and reduce our profitability.***

We have experienced growth in recent years and expect our construction and infrastructure business to continue to grow as we gain greater access to financial resources. We expect this growth to place significant demands on us and require us to continuously evolve and improve our operational, financial and internal controls across our organization. In particular, continued expansion increases the challenges involved in:

- preserving a uniform culture, values and work environment across our projects;
- developing and improving our internal administrative infrastructure, particularly our financial, 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 HSE standards.

Any inability to manage the above factors may have an adverse effect on our business and results of operations.

19. ***Delays associated with the collection of receivables from our clients may adversely affect our business and results of our operations.***

There may be delays associated with the collection of receivables from our clients, including government owned, controlled or funded entities and related parties. As on September 30, 2009, Rs. 90.56 million, or 8.68%, of our accounts receivable were outstanding for a period of more than one (1) year. Of the total debt outstanding as on September 30, 2009, Rs. 14.14 million or 1.10% was owed to us by related parties. Our operations involve significant working capital requirements and delayed collection of receivables could adversely affect our liquidity and results of operations. In addition, we may be subject to additional regulatory or other scrutiny associated with commercial transactions with government owned, controlled or funded entities.

Additionally, our contracts with our clients typically include cost-escalation clauses which allow us to pass on increases in costs incurred in excess of the contract price as a result of additional work or increase in costs of raw materials to our clients, in the manner contemplated in such contracts. The costs associated with these changes or client caused delays include additional direct costs, such as labor 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 labor costs resulting from changes in labor markets. In the event of any dispute or any delay to recover such amounts in a timely manner or at all could have a material adverse impact on our liquidity, financial condition and results of operations.

Moreover, we expect to engage in BOT road projects in the future and may not recover adequate sums from toll collections, in a timely manner. There can be no assurance that any such development would not adversely affect our business and results of operation.

20. Timely and successful completion of our projects is dependent upon our performance and, in the case of many projects, the cooperation of our joint venture partners and sub-contractors.

Typically, construction contracts are subject to specific completion schedule requirements with liquidated damages chargeable in the event that a project falls behind schedule. We often enter into JVs to take on a project or sub-contract part of the work in a project to various sub-contractors. In those instances, the timely completion of the contract for our client depends in part on the performance of our JV partners and sub-contractors. Delay or failure on the part of a JV partner or sub-contractor to complete its work on a project on time, for any reason, could result in delayed payment to us or termination of the contract, which in turn may affect our cash flow and results of operations. Furthermore, failure to adhere to contractually agreed timelines for any reason could cause damage to our reputation and client base, result in our being required us to pay liquidated damages or lead to forfeiture of security deposits or invocation of performance guarantees. Damage to our reputation could adversely affect our ability to pre-qualify for projects, which in turn may adversely affect our business and results of operations.

Additionally, JV partners or sub-contractors may not have adequate financial resources to meet their indemnity obligations to us. Losses may derive 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 risks for any of these reasons could expose us to substantial costs and potentially lead to material losses. The occurrence of any of these possibilities may also adversely affect industry perception of our operations and the perception of our suppliers, clients and employees, leading to an adverse effect on our business, results of operations and financial condition.

21. Our results of operations could be adversely affected by disputes with our employees.

As of September 30, 2009, we employed approximately 1,636 employees. While we believe that we maintain good relationships with our employees and contract labor, there can be no assurance that we will not experience future disruptions to our operations due to disputes or other problems with our work force, which may adversely affect our business and results of operations. The number of contract laborers varies from time to time based on the nature and extent of work contracted to sub-contractors. We enter into contracts with sub-contractors to complete specified assignments. We will be still liable for any non-compliance or violations by our sub-contractors. Further, any upward revision of wages required by the government to be paid to contract laborers, or offer of permanent employment or the unavailability of the required number of contract laborers, may adversely affect our business and results of our operations.

22. Any inability to attract, recruit and retain skilled personnel could adversely affect our business and results of operations.

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

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

We require certain statutory and regulatory permits and approvals for our business. There can be no assurance that the relevant authorities will issue such permits or approvals in the timeframe anticipated by us or at all. Failure by us to renew, maintain or obtain the required permits or approvals may result in the interruption of our operations and may have a material adverse effect on our business, financial condition and results of operations. Additionally, we are required to adhere to certain terms and conditions provided for under the statutory and regulatory permits and approvals and any failure in adhering to such terms may result in the revocation of such approvals. For details of our permits and approvals, see "***Government and Other Approvals***"on page 166.

24. Certain Promoters and Group Entities are engaged in business activities similar to ours.

The main objects of PNC Project Private Limited and Shri Parasnath Infrastructures Private Limited, our Promoters, and certain Group Entities, *i.e.*, Shri Mahaveer Infrastructure Private Limited, KMJ Infrastructure Private Limited, NCJ Infrastructure Private Limited, Ideal Buildtech Private Limited, PNC Infrastructure Private Limited, PNC Power Private Limited, PNC Airport Infratech Private Limited and PNC Constructions Private Limited permit them to engage in business activities similar to those undertaken by our Company, such as construction and civil engineering which could be a potential source of conflict of interest. However, our corporate Promoters, being PNC Project Private Limited and Shri Parasnath Infrastructures Private Limited along with Shri Mahaveer Infrastructure Private Limited, KMJ Infrastructure Private Limited, NCJ Infrastructure Private Limited, Ideal Buildtech Private Limited, PNC Infrastructure Private Limited, PNC Power Private Limited, PNC Airport Infratech Private Limited and PNC Constructions Private Limited have provided separate undertakings dated October 31, 2009 in favor of the Company whereby these entities have agreed that they shall not, without obtaining a prior no-objection from the Company, undertake the development or execution of any new civil construction or infrastructure project which our Company is planning to bid for or develop, provided that nothing will prevent the concerned entity from (a) developing or executing any civil construction or infrastructure project, with which it is currently involved or for which it has made bids, received orders or been awarded contracts; (b) dealing in real estate or development of real estate; or (c) undertaking any development or construction in respect of properties acquired by such entity.

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

Our Company has covered itself against certain risks. Our significant insurance policies consist of coverage for risks relating to physical loss or damage as well as business interruption loss. In addition, we have obtained separate insurance coverage for personnel related risks, motor vehicle risks and loss of movable assets risks. Under certain contracts and sub-contracts, we are required to obtain insurance for the project undertaken by us. We believe that the insurance coverage we maintain would reasonably be adequate to cover all normal risks associated with the operation of our business, there can be no assurance that any claim under the insurance policies maintained by us will be honored fully, in part or on time, nor that we have taken out sufficient insurance to cover all material losses. Further, we may not have obtained insurance cover for some of our projects that do not require us to maintain insurance. To the extent that we suffer loss or damage for which we did not obtain or maintain insurance, that is not covered by insurance or exceeds our insurance coverage, the loss would have to be borne by us and our results of operations and financial performance could be adversely affected.

26. Our Promoters will continue to retain majority control in our Company after the Issue, which will enable them to influence the outcome of matters submitted to shareholders for approval.

Upon completion of the Issue, our Promoters will own [●] Equity Shares, or [●]% of our post-Issue Equity Share capital. Accordingly, will retain majority control of the Company and will have the ability to control our business, including matters relating to any sale of all or substantially all of our assets, the timing and distribution of dividends and the election or termination of appointment of our officers and Directors. This control could delay, defer or prevent a change in control of our Company, impede a merger, consolidation, takeover or other business combination involving our Company, or discourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of our Company even if it is in our Company's best interest.

In addition, for so long as the Promoters continue to exercise significant control over our Company; they may influence the material policies of our Company in a manner that could conflict with the interests of our other shareholders. The Promoters may have interests that are adverse to the interests of our other shareholders and may take positions with which we or our other shareholders do not agree.

27. We have in the last 12 months issued securities at a price which may be lower than the Issue Price.

We have issued the following Equity Shares, at a price which may be lower than the Issue Price:

S.No.	Date of Issue	Name of Shareholder	Number of Equity Shares	Price (in Rs.)	Reason for the Issue
1.	March 29, 2009	PNC Project Private Limited, NCJ Infrastructure Private Limited and KMJ Infrastructure Private Limited.	500,000	200	Preferential Allotment
2.	September 30, 2009	Alberta Merchants Private Limited, Guruprasad Holdings Private Limited and Jewellok Trexim Private Limited.	950,000	200	Preferential Allotment

The price at which the Equity Shares have been issued in the last one (1) year is not indicative of the price at which Equity Shares may be offered in the Issue or at the price at which they will trade upon listing.

28. Our operations are subject to physical hazards and similar risks that could expose us to material liabilities, loss in revenues and increased expenses.

While construction companies, including us, conduct various scientific and site studies during the course of bidding for projects, there are always anticipated or unforeseen risks that may come up due to adverse weather conditions, geological conditions, specification changes and other reasons. Additionally, our operations are subject to hazards inherent in providing engineering and construction services, such as risk of equipment failure, work accidents, fire or explosion, including hazards that may cause injury and loss of life, severe damage to and destruction of property and equipment, and environmental damage.

We may also be subject to claims resulting from defects arising from engineering, procurement and/or construction services provided by us within the warranty periods stipulated in our contracts, which typically range from six (6) to 12 months from the date of commissioning. Actual or claimed defects in equipment procured and/or construction quality could give rise to claims, liabilities, costs and expenses, relating to loss of life, personal injury, damage to property, damage to equipment and facilities, pollution, inefficient operating processes, loss of production or suspension of operations. Our policy of covering these risks through contractual limitations of liability, indemnities and insurance may not always be effective. In some of the jurisdictions in which we operate, environmental and workers' compensation liability may be assigned to us as a matter of law. As per AS 7 of the Indian Accounting Standards, construction companies are required to recognize, in the respective accounting period, potential losses that may be incurred in the foreseeable future. These liabilities and costs could have a material adverse effect on our business, results of operations and financial condition.

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

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

30. Our registered and corporate offices are located on leased premises.

The Registered Office is located at D-5/7, Vasant Vihar, New Delhi 110 057, India. Our Company occupies this premise pursuant to rent agreements dated April 1, 2009, with Mr. Pradeep Kumar Jain, Mr. Naveen Kumar Jain, Mr. Chakresh Kumar Jain and Mr. Yogesh Kumar Jain, our Promoters and Directors, respectively. The rent agreements are valid for a period of 11 months with effect from April 1, 2009. Further, our Company is required to pay a monthly rental of Rs. 0.19 million. For further details of our Registered Office, see "***History and Certain Corporate Matters***" on page 87. Additionally, our Company has also taken on a leasehold basis the property located at D-51, Kamla Nagar, Agra to serve as the corporate office from Mr. Chakresh Kumar Jain, a Promoter and Director.

There can be no assurance, that we will be able to occupy the said premises in the future. Further, our other leased premises may not have been stamped adequately and may not adequately spell out our rights with respect to the properties.

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

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

Our contingent liabilities as on September 30, 2009 are detailed below:

(In Rs. million)

Contingent Liabilities	Amount
Bank guarantees (including LC)	2,263.28
Disputed demand of income tax	14.00
Disputed demand of Central Excise Department for service tax	36.28
Disputed demand of sales and entry tax	25.76
Disputed demand under civil matters	12.34

If we are unable to complete a project on schedule, the client may invoke such performance guarantees. If we are unable to pay or otherwise default on our obligations, our lenders may be required pursuant to the relevant letters of credit or guarantees to cover the full or remaining balance of our obligations. In the event that any of these contingent liabilities materialize, our financial condition may be adversely affected. For further information, see "***Financial Statements***" on page F-1.

External Risk Factors

Risks relating to India

32. ***Demand for our construction services depends principally on activity and expenditure levels in the building and infrastructure sectors and may not increase as we anticipate.***

Demand for our construction services is principally dependent on sustained economic development in the regions in which we operate. In addition, demand for our infrastructure services is largely dependent on government policies relating to infrastructure development and budgetary allocations made by governments for such development, as well as funding provided by international and multilateral development financial institutions for infrastructure projects. Investment by the private sector in infrastructure projects is dependent on the potential returns from such projects and is therefore linked to government policies relating to private sector participation and the sharing of risks and returns from such projects. There can be no assurance that demand for our construction services to the extent we expect or at all. A reduction of capital investment in the building or infrastructure sectors for any reason could have a material adverse effect on our business, results of operations and financial condition.

33. ***Natural calamities could have a negative impact on the Indian economy and cause our business to suffer.***

India has experienced natural calamities such as earthquakes, a tsunami, floods and drought in the past few years. Natural calamities could have a negative impact on the Indian economy and may cause suspension, delays or damage to our current projects and operations, which may adversely affect our business and our results of operations.

34. ***We are subject to risks arising from interest rate fluctuations, which could adversely affect our business, financial condition and results of operations.***

Changes in interest rates could significantly affect our financial condition and results of operations. As of September 30, 2009, Rs. 634.56 million of our borrowings were at interest rates as determined by the respective banks and in the event that any such rate is linked to commercial bank advance rate or prime lending rate, then such rate would be calculated on the respective daily balance of cash credit accounts maintained by our Company with each such bank and in the absence of anything to the contrary the interest rates were as specified in the consortium agreement. If the interest rates for our existing or future borrowings increase significantly, our cost of servicing such debt will increase. This may adversely impact our results of operations, planned capital expenditures and cash flows.

35. ***Any negative operating cash flow in the future could have an adverse effect on our results of operations.***

We had negative net cash flow amounting to Rs. 3.59 million for the financial year 2006 and Rs. 46.74 million for the financial year 2007, from operating activities, as per our restated standalone financial information.

There can be no assurance that we will not experience periods of negative cash flow in the future. If the negative cash flow trend persists in future, our Company may not be able to generate sufficient amounts of cash flow to finance our Company's working capital and capital expenditure requirements which would have a material adverse effect on our business and results of operations.

36. ***The price of our Equity Shares may be volatile or an active trading market for our Equity Shares may not develop.***

Prior to this Issue, there has been no public market for our Equity Shares. The trading price of our Equity Shares may fluctuate after this Issue due to a variety of factors, including our results of operations and the performance of our business, competitive conditions, general economic, political and social factors, volatility in the Indian and global securities markets, the performance of the Indian and global economy, significant developments in India's fiscal regime and other factors. There can be no assurance that an active trading market for our Equity Shares will develop or be sustained after this Issue, or that the price at which our Equity Shares are initially offered will correspond to the prices at which they will trade in the market subsequent to this Issue.

37. ***Significant differences exist between Indian GAAP and other accounting principles such as U.S. GAAP and IFRS, which may be material to investors' assessment of our financial condition. Our failure to successfully adopt IFRS effective April 2011 could have a material adverse effect on the price of our Equity Shares.***

Our financial statements, including the financial statements provided in this Draft Red Herring Prospectus are prepared in accordance with Indian GAAP which differs in certain respects from IFRS and U.S. GAAP. As a result, our financial statements and reported earnings could be different from those which would be reported under IFRS or U.S. GAAP. Such differences may be material. We have not attempted to quantify the impact of U.S. GAAP or IFRS on the financial data included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to those of U.S. GAAP or IFRS. Each of U.S. GAAP and IFRS differs in significant respects from Indian GAAP. In addition, this Draft Red Herring Prospectus does not include any information in relation to the differences between Indian GAAP and IFRS or U.S. GAAP. Accordingly, the degree to which the Indian GAAP financial statements included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Had the financial statements and other financial information been prepared in accordance with IFRS or U.S. GAAP, the results of operations and financial position may have been materially different. Because differences exist between Indian GAAP and IFRS or U.S. GAAP, the financial information in respect of our Company contained in this Draft Red Herring Prospectus may not be an effective means to compare us with other companies that prepare their financial information in accordance with IFRS or U.S. GAAP. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited. In making an investment decision, investors must rely upon their own examination of our Company, the terms of the Issue and the financial information relating to our Company. Potential investors should consult their own professional advisors for an understanding of these differences between Indian GAAP and IFRS or U.S. GAAP, and how such differences might affect the financial information contained herein.

The Institute of Chartered Accountants of India, the accounting body that regulates the accounting firms in India, has announced a road map for the adoption of, and convergence with, IFRS, pursuant to which all public companies in India, including ours, will be required to prepare their annual and interim financial statements under IFRS beginning with the Fiscal period commencing April 1, 2011. Because there is significant lack of clarity on the adoption of and convergence with IFRS and there is not yet a significant body of established practice on which to draw in respect of forming judgments regarding the implementation and application of IFRS, we have not determined with any degree of certainty the impact that such adoption will have on our financial reporting. There can be no assurance that our financial condition, results of operations, cash flows or changes in shareholder's equity will not appear materially worse under IFRS than under Indian GAAP. As we transition to IFRS reporting, we may encounter difficulties in the ongoing process of implementing and enhancing our management information systems and internal controls. Moreover, there is increasing competition for the small number of IFRS-experienced accounting personnel available as more Indian companies begin to prepare IFRS financial statements. There can be no assurance that our adoption of IFRS will not adversely affect our reported results of operations or financial condition and any failure to successfully adopt IFRS by April 2011 could have a material adverse effect on the price of our Equity Shares.

38. ***Recent global economic conditions have been unprecedented and challenging and have had, and continue to have, an adverse effect on the Indian financial markets and the Indian economy in general, which has had, and may continue to have, a material adverse effect on our business and our financial performance and may have an impact on the price of our Equity Shares.***

Recent global market and economic conditions have been unprecedented and challenging with tighter credit conditions and recession in most major economies continuing into 2009. Continued concerns about the systemic impact of potential long-term and wide-spread recession, energy costs, geopolitical issues, the availability and cost of credit, and the global housing and mortgage markets have contributed to increased market volatility and diminished expectations for western and emerging economies. In the second half of 2008, added concerns fuelled by the United States government conservatorship of the Federal Home Loan Mortgage Corporation and the Federal National Mortgage Association, the declared bankruptcy of Lehman Brothers Holdings Inc., the United States government financial assistance to American International Group Inc., Citigroup Inc., Bank of America and other federal government interventions in the United States financial system led to increased market uncertainty and instability in both United States and international capital and credit markets. These conditions, combined with volatile oil prices, declining business and consumer confidence and increased unemployment, have contributed to volatility of unprecedented levels.

As a result of these market conditions, the cost and availability of credit has been and may continue to be adversely affected by illiquid credit markets and wider credit spreads. Concern about the stability of the markets generally and the strength of counterparties specifically has led many lenders and institutional investors to reduce, and in some cases, cease to provide credit to businesses and consumers. These factors have led to a decrease in spending by businesses and consumers alike and corresponding decreases in global infrastructure spending and commodity prices. Continued turbulence in the United States and international markets and economies and prolonged declines in business consumer spending may adversely affect our liquidity and financial condition, and the liquidity and financial condition of our customers, including our ability to refinance maturing liabilities and access the capital markets to meet liquidity needs. These global market and economic conditions have had, and continue to have, an adverse effect on the Indian financial markets and the Indian economy in general, which has had, and may continue to have, a material adverse effect on our business, our financial performance and may adversely affect the prices of our Equity Shares.

39. ***As the domestic Indian market constitutes our only source of revenue, the downturn in the rate of economic growth in India due to the unprecedented and challenging global market and economic conditions, or any other such downturn for any other reason, will be detrimental to our results of operations.***

The performance and growth of our business is necessarily dependent on the health of the overall Indian economy. Any downturn in the rate of economic growth in India, whether due to political instability or regional conflicts, economic slowdown elsewhere in the world or otherwise, may have a material adverse effect on demand for the commodities we produce. The Indian economy, following a period of significant growth, has more recently been adversely affected by the unprecedented and challenging global market and economic conditions that has caused and may continue to cause a downturn in the rate of economic growth in India. The Indian economy is also largely driven by the performance of the agriculture sector, which depends on the quality of the monsoon, which is difficult to predict. The current economic slowdown has had and could continue to have, and any future slowdown in the Indian economy could have, a material adverse effect on our financial condition and results of operations.

40. ***Political, economic and social developments in India could adversely affect our business.***

The Government has traditionally exercised and continues to exercise a significant influence over many aspects of the economy. Our business, and the market price and liquidity of our Equity Shares, may be affected by changes in the Government's policies, including taxation. Social, political, economic or other developments in or affecting India, acts of war and acts of terrorism could also adversely affect our business.

Since 1991, successive governments have pursued policies of economic liberalization and financial sector reforms. However, there can be no assurance that such policies will be continued and any significant change in the Government of India's policies in the future could affect business and economic conditions in India in general or any political opposition to our power projects from parties who come to power over the lifetime of the projects could also affect our business and industry in particular. In addition, any political instability in India or geo-political stability affecting India will adversely affect the Indian economy and the Indian securities markets in general, which could also affect the trading price of our Equity Shares.

Our performance and the growth of our business are necessarily dependent on the performance of the overall Indian economy. India's economy could be adversely affected by a general rise in interest rates, currency exchange rates, adverse conditions affecting agriculture, commodity and electricity prices or various other factors. Further, conditions outside India, such as slowdowns in the economic growth of other countries could have an impact on the growth of the Indian economy, and government policy may change in response to such conditions. The Government of India has recently revised its growth projection for Fiscal 2009. A slowdown in the Indian economy could adversely affect our business, including our ability to implement our strategy.

41. ***Conditions in the Indian securities market may affect the price or liquidity of the Equity Shares.***

The Indian securities markets are smaller than securities markets in more developed economies. Indian stock exchanges have in the past experienced substantial fluctuations in the prices of listed securities. These exchanges have also experienced problems that have affected the market price and liquidity of the securities of Indian companies, such as temporary exchange closures, broker defaults, settlement delays and strikes by brokers. In addition, the governing bodies of the Indian stock exchanges have from time to time restricted securities from trading, limited price movements and restricted margin requirements. Further, disputes have occurred on occasion between listed companies and the Indian stock exchanges and other regulatory bodies that, in some cases, have had a negative effect on market sentiment. If similar problems occur in the future, the market price and liquidity of the Equity Shares could be adversely affected.

Risk Related to this Issue

42. ***After the Issue, the price of our Equity Shares may be volatile, and you may be unable to resell your Equity Shares at or above the Issue Price, or at all.***

Prior to the Issue, there has been no public market for our Equity Shares, and an active trading market on the Indian Stock Exchanges may not develop or be sustained after the Issue. The Issue Price of the Equity Shares may bear no relationship to the market price of the Equity Shares after the Issue. The market price of the Equity Shares after the Issue may be subject to significant fluctuations in response to, among other factors, variations in our operating results, market conditions specific to the power sector in India, developments relating to India and volatility in the BSE and the NSE and securities markets elsewhere in the world.

43. ***There is no guarantee that the Equity Shares will be listed on the BSE and the NSE in a timely manner or at all, and any trading closures at the BSE and the NSE may adversely affect the trading price of our Equity Shares.***

We intend to list our Equity Shares on the NSE and the BSE. Pursuant to Indian regulations, certain actions, such as crediting of demat accounts, must be completed before the Equity Shares can be listed and trading may commence. In addition, in accordance with Indian law and practice, permission for listing of the Equity Shares will not be granted until after those Equity Shares have been issued and allotted. Approval requires all other relevant documents authorizing the issuing of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on the BSE and the NSE. We cannot assure you that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, in a timely manner or at all. Any failure or delay in obtaining the approvals would restrict your ability to dispose of your Equity Shares.

The BSE and NSE have in the past experienced problems, including temporary exchange closures, broker defaults, settlements delays and strikes by brokerage firm employees, which, if continuing or recurring, could affect the market price and liquidity of the securities of Indian companies, including the Equity Shares, in both domestic and international markets. A closure of, or trading stoppage on, either of the BSE and the NSE could adversely affect the trading price of the Equity Shares.

44. Any future issuance of Equity Shares by us may dilute your shareholding and future sales of Equity Shares by our Promoter and other significant shareholders may adversely affect the price of our Equity Shares.

Any future equity issuances or sales by us, including in a primary offering, may lead to the dilution of investors' shareholding in our Company. Further, after the completion of the Issue, our Promoter will own, directly and indirectly, approximately [●]% of our outstanding Equity Shares. While certain of the Equity Shares owned by our Promoters are locked up as per the requirements of ICDR Regulations for a period of one (1) year, sales of a large number of our Equity Shares by our Promoters or other shareholders after the expiry of lock-up period could adversely affect the market price of our Equity Shares. Any perception that such issuances or primary or secondary sale may occur could also adversely affect the market price of our Equity Shares.

45. Subsequent to listing, there may be restrictions on daily movements in the price of the Equity Shares, which may adversely affect a shareholder's ability to sell, or the price at which it can sell, Equity Shares at a particular point in time.

Subsequent to listing, we will be subject to a daily circuit breaker imposed on listed companies by all stock exchanges in India which does not allow transactions beyond certain volatility in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on our circuit breaker is set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The stock exchanges are not required to inform us of the percentage limit of the circuit breaker from time to time, and may change it without our knowledge. This circuit breaker would effectively limit the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, there can be no assurance regarding the ability of shareholders to sell the Equity Shares or the price at which shareholders may be able to sell their Equity Shares.

Prominent Notes to Risk Factors:

- Issue of up to [●] Equity Shares of Rs. 10 each for cash at a price of Rs. [●] per Equity Share of our Company aggregating up to Rs. 1,750 million. The Issue comprises a Net Issue to the public of [●] Equity Shares and an Employee Reservation Portion of up to 100,000 Equity Shares. The Issue shall constitute approximately [●]% of the post-Issue share capital of our Company.

- The average cost of acquisition per Equity Share by each of our Promoters, as on the date of filing this Draft Red Herring Prospectus, is as provided below.

Name of Promoter	Average Cost of Acquisition (including bonus issue)
Mr. Pradeep Kumar Jain	3.33
Mr. Chakresh Kumar Jain	3.33
Mr. Naveen Kumar Jain*	-
Mr. Yogesh Kumar Jain	16.60
PNC Project Private Limited	45.05
PNC Cold Storage Private Limited	16.67
Shri Parasnath Infrastructures Private Limited	0.33

* *Mr. Naveen Kumar Jain does not hold any Equity Shares.*

- Our net worth as on September 30, 2009 as per our restated financial information included in this Draft Red Herring Prospectus was Rs. 1,612.56 million and the book value per Equity Share as on September 30, 2009 was Rs. 47.26 per Equity Share.

- The aggregate value of the related party transactions is Rs. 133.02 million. Investors are advised to refer to our financial statements relating to related party transactions in "***Financial Statements – Statement of Related Party Transactions***" on page F-16.

- Our Company was incorporated as "PNC Construction Company Private Limited" on August 9, 1999 with the objective of carrying on business as contractors, sub contractors, real estate developers, builders etc. and to lay out, develop, construct, build and to do any activities relating to construction of any building or building scheme, roads, highways, bridges etc. or any other structural or architectural work of any kind. It was converted into a public company on February 12, 2001 and our name was changed to "PNC Construction Company Limited". Subsequently, on August 2, 2007 the name was changed to "PNC Infratech Limited" to reflect the expansion in the Company's business activities and align the name to the main objects of the Company.

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

- For details of conflict of interest which may occur between our business and the business of our Promoters and Group Entities, see risk factor no. 24 on page xviii.

- Except as disclosed in the section titled "***Receivables ageing analysis - Financial Statements***" on page F-19, none of our sundry debtors are related to our Directors, Promoters, Group Entities or us.

Investors may contact the BRLM for any complaints, information or clarification pertaining to the Issue. The BRLM is obliged to provide the same to investors.

SECTION III: INTRODUCTION

SUMMARY OF OUR INDUSTRY

Overview

1. Construction Industry

The Indian construction industry has witnessed rapid growth over the last few years, clearly indicating the benefit of securing "industry" status. The construction industry witnessed real GDP growth of 7.2% in FY09, 10.1% in FY08 and 11.8% FY07. It is forecasted to grow at 8% in FY10. *(Source: Economic Intelligence Service, CMIE, Monthly Review of the Indian Economy, July 2009)*

2. Infrastructure Industry

The fast growth of the economy in recent years has placed increasing stress on physical infrastructure such as electricity, railways, roads, ports, airports, irrigation, and urban and rural water supply and sanitation, all of which already suffer from a substantial deficit in terms of capacities as well as efficiencies in the delivery of critical infrastructure services. In the Indian context, though there has been some improvement in infrastructure development in transport, communication and energy sectors in recent years, there are still significant gaps that need to be bridged.

Historically, the government has played a key role in supplying and regulating infrastructure services in India and private sector has not participated in infrastructure development. However, due to the public sector's limited ability to meet the massive infrastructure funding requirements, private sector investment in infrastructure is critical. Therefore, the Indian government is actively encouraging private investments in infrastructure.

There is a clear need to reduce the dependence of infrastructure on government financing and encourage broad-based private participation in the industry. PPPs offer an effective solution to both the above issues. PPPs enable the government to transfer construction and commercial risks to the private sector and at the same time attract private funds into public infrastructure. Such arrangements are increasingly becoming the preferred vehicle for infrastructure construction, given the large investment needs.

(a) Roads Sector

India has the second largest road network in the world, aggregating 3.3 million km. Roads form the most common mode of transportation and account for about 86% of passenger traffic and 62% of freight, making it the main artery for commuting across the country. In India, national highways, with a length of close to 67,000 km., constitute a mere 2% of the road network but carry about 40% of the total road traffic. On the other hand, state roads and major district roads, the secondary system of road, carry another 40% of traffic and account for 18% of road length. *(Source: CRISIL Research, Roads and Highways, Annual Review, August 2009)*

The thrust on the country's road network is manifested through the National Highways Development Programme ("**NHDP**"). The NHDP encompasses upgradation, rehabilitation, and broadening existing national highways to a higher standard. The project is executed primarily by the National Highways Authority of India ("**NHAI**") and in some instances by the State public works departments and Border Roads Organization ("**BRO**").

(b) Airport Infrastructure

The quality of airport infrastructure contributes directly to a country's international competitiveness and economic growth by facilitating the smooth movement of people and high value cargo, spurring trade and tourism. In the past, airport development has not kept pace with the growth of the Indian economy, especially the quantum jump in passenger and cargo air traffic since 2002. As a result, several major airports are congested and offer inefficient services.

The Government expects these trends to continue on the back of rapid economic growth, and increasing investment patterns and trade activities. In order to meet the increasing needs in terms of traffic, air movement, and cargo, the government is taking steps to increase private participation in developing airport infrastructure in India through PPPs models.

The Airports Authority of India ("**AAI**") has taken action for the development of infrastructure in the country through the JV route in respect of the modernization of Delhi and Mumbai airports and development of Greenfield airports and Bangalore and Hyderabad. The AAI has also drawn an action plan to develop and modernize 35 non-metro airports. This is envisaged on a model where-in the cityside will be developed through the PPP model, where as airside will be developed by the AAI. In addition, developmental work at other airports is also being taken on as per requirements.

(c) Power

The power sector in India is slowly moving from a regulated return framework to a market driven pricing mechanism. This has provided a major boost for private entrepreneurs to enter the power sector and set up projects. Currently, significant traction has been achieved in the generation space, while the transmission and the distribution segment is slowly opening to the private sector. In 1998, the Central government enacted the Electricity Laws (Amendment) Act, which recognized transmission as an independent activity (distinct from generation and distribution), and allowed private investments in the sector. According to the government policy, the state transmission utility ("**STU**"), state electricity board ("**SEB**") or their successor entities and the central transmission utility ("**CTU**") PGCIL will identify transmission projects for the intra-state and inter-state/inter-regional transmission of power, respectively. The STUs and CTU will invite private companies to implement these projects through an independent private transmission company ("**IPTC**") or on a JV basis.

Private sector participation in India in distribution has been a success story in India with BSES, BEST, CESC and Tata Power having successfully provided last mile distribution. Distribution through bidding for the privatization of distribution in thirteen states that have unbundled/corporatized their State Electricity Boards - expected to take place over the next 2-3 years. *(Source: http://infrastructure.gov.in/power.htm)*

SUMMARY OF BUSINESS

Overview

We are an engineering and infrastructure construction company in India, with expertise in the execution of major infrastructure projects including highways, bridges, flyovers, airport runways and allied activities and executing projects relating to power transmission lines and infrastructure projects on a BOT basis. We were incorporated in 1999 and our Registered Office is at New Delhi and corporate office in Agra, Uttar Pradesh. We have executed or are executing projects across various states in India covering Haryana, Karnataka, Madhya Pradesh, Maharashtra, Punjab, Rajasthan, Tamil Nadu, Uttar Pradesh, Uttarakhand and West Bengal. Drawing from the experience of our Promoters, we believe that we have acquired significant expertise in the timely execution of EPC contracts.

In general, we execute most of our projects independently. When a client requires us to meet specific eligibility requirements in relation to certain large projects, including requirements relating to particular types of experience and financial resources, we enter into JVs with other construction companies. Of the 34 major infrastructure projects executed by our Company since incorporation, 31 projects have been executed independently by us.

Some of the prominent projects successfully completed by us include:

- Four laning of the existing two lane section of the Etawah bypass (km. 307.50 to km. 321.00) on NH-2 granted by the NHAI;
- Development of Phase-II of Package-6 for Road No. 9, SH-19, Porsa-Mehgaon-Mau-Seonda section, totaling km. 77.40, funded by the Asian Development Bank, granted by the Madhya Pradesh Road Development Corporation Limited, Bhopal ("**MPRDCL**");
- Construction of the main runway and rapid exit taxi track at the Air Force Station, Pune, under Military Engineer Services ("**MES**");
- Construction of a runway and allied works at the Madurai Airport, granted by the AAI;
- Four laning of Agra – Gwalior section (km. 8 to km. 24) of NH-3, including construction of a major bridge on the Khari river (Contract Package No. NS-4) granted by the NHAI;
- Four laning of the Agra – Gwalior section (km. 24 to km. 41) of NH-3, including construction of a ROB (Contract Package No. NS-19) granted by the NHAI;
- Short term improvement and maintenance of the Panipat – Jalandhar section (km. 96.00 to km. 372.86) on NH-1, including collection of user fee (Toll) granted by the NHAI;
- Strengthening of main runway 19L/01R and proving CAT-II lighting at 19L approach at the NSCBI Airport, Kolkata granted by the AAI;
- Upgradation of airstrips for operation of Boeing 737 type aircrafts at the Saifai Etawah, Uttar Pradesh, granted by RITES Limited ("**RITES**");
- Development of the Sagar Beena Road, totaling 71.80 km., funded by the Asian Development Bank, under the Madhya Pradesh Road Sector Development Program Phase-I granted by the MPRDCL;
- Extension and up gradation of the existing Dehradun Airport for operation of AB-320/B-737-800 type aircrafts granted by the AAI;
- Construction work under the Uttar Pradesh State Road Project for Package no. UPSRP/RMC/37 (Kasganj-Hathras) World Bank Funded granted by the Public Works Department, Lucknow ("**PWD**");
- Construction work under Uttar Pradesh State Road Project for Package no. UPSRP/RMC/42 (Etah-Sikohabad) World Bank Funded granted by the PWD;
- Extension of the pavement and allied works services (Group B) at the Airforce Station, Bidar granted by the MES;
- Repairs and resurfacing of shoulders of the existing runway and area drainage work at Airforce Station, Yelahanka, Bangalore granted by the MES;
- Resurfacing of runway, taxiway at the civil airdrome, Raipur granted by RITES; and
- Extension and strengthening of the runway and construction of the new apron and isolation bay and associated works at the Devi Ahilyabai Holkar airport, Indore granted by the AAI.

Currently, we are executing over 19 infrastructure projects of which two (2) projects are being executed with our JV partners. Our Order Book is Rs. 10,389 million as on September 30, 2009. Among the infrastructure projects that we are currently executing, 15 projects aggregating to a contract value of Rs. 9,240 million relate to road construction, two (2) projects aggregating to Rs. 437 million relate to construction of airport runways and one project each, aggregating to Rs. 712 million relate to waste management and power transmission and distribution.

Our major clients include:

- National Highways Authority of India;
- Airports Authority of India;
- Public Works Department;
- RITES Limited (a Government of India Enterprises);
- Military Engineer Services (Ministry of Defence);
- Madhya Pradesh Road Development Corporation Limited;
- Uttar Pradesh Power Corporation Limited; and
- Haryana State Roads and Bridges Development Corporation Limited.

(i) Employees and Equipment

As on September 30, 2009, we had about 1,636 employees, of which 279 employees comprise engineers and other qualified professionals. We own a large fleet of sophisticated construction equipment. We believe that our employee resources and fleet of equipment, along with our engineering skills and capabilities, enable us to successfully implement a wide variety of construction projects that involve varying degrees of complexity.

(ii) Awards and Accreditations

We enjoy accreditations, such as the ISO 9001:2000 certification for quality assurance from DNV and the "SS" (Super Special Class) under MES for unlimited value of contracts. We were awarded a bonus by the NHAI for the completion of the four laning of the Agra – Gwalior section of NH – 3 (km. 8.00 to km. 24.00) in Uttar Pradesh, before the scheduled time.

Our Strengths

We believe that the following are our competitive strengths:

- Robust and sustainable growth.
- Ability to execute projects in a timely manner.
- Continuous growth in our bid capacity and pre qualification capability.
- Ownership of a large fleet of sophisticated equipment.
- Highly qualified management team and experienced employee base.

Our Strategy

Key elements of our strategy to achieve our goals include:

- Diversify and expand into new functional areas and geographic areas.
- Maintain performance and competitiveness of existing business.
- Bid for win and operate BOT projects.
- Develop and maintain strong relationships with our clients and strategic partners.
- Attract, train and retain qualified personnel.
- Continue to invest in equipment.

SUMMARY FINANCIAL INFORMATION

The following table sets forth our selected historical financial information derived from the restated financial information for the six months period ended September 30, 2009 and Fiscals 2009, 2008, 2007, 2006 and 2005. The restated summary financial information presented below should be read in conjunction with the restated financial information included in this Draft Red Herring Prospectus, the notes thereto and the section titled "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on page 141.

SUMMARY STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

(Rupees in Millions)

Particulars	As At 30.09.2009	As At 31.03.2009	As At 31.03.2008	As At 31.03.2007	As At 31.03.2006	As At 31.03.2005
FIXED ASSETS						
Gross Block	1,430.00	1,391.67	970.02	806.59	673.99	295.19
Less: Depreciation	538.41	461.95	326.15	226.01	127.22	73.92
Net Block	**891.59**	**929.72**	**643.87**	**580.58**	**546.77**	**221.27**
Capital WIP	0.00	0.00	0.00	0.00	0.00	0.00
Investments	**228.90**	**101.20**	**7.71**	**0.00**	**0.00**	**0.00**
Current Assets, Loans and Advances						
Inventories	236.71	226.93	238.30	500.36	246.22	42.27
Sundry debtors	1,284.60	993.88	610.74	496.73	505.48	87.44
Cash and bank balances	160.74	248.81	59.01	35.51	106.83	138.96
Loans and Advances	568.71	620.32	509.28	445.77	367.86	243.40
Total of Current Assets	**2250.76**	**2089.94**	**1417.33**	**1478.37**	**1226.39**	**512.07**
TOTAL (A)	**3,371.25**	**3,120.86**	**2,068.91**	**2,058.95**	**1,773.16**	**733.34**
LIABILITIES AND PROVISIONS						
Secured Loans	634.56	1,028.00	573.37	635.72	465.89	151.25
Unsecured loans	0.00	0.00	0.00	0.00	0.00	7.87
Current Liabilities	994.06	714.97	461.18	656.89	729.47	162.17
Provisions						
Provisions for Tax	101.99	119.69	123.14	67.46	11.96	11.78
Deferred Tax liability	28.08	30.07	23.89	24.81	23.97	19.93
TOTAL (B)	**1,758.69**	**1,892.73**	**1,181.58**	**1,384.88**	**1,231.29**	**353.00**
NET WORTH (A-B)	**1,612.56**	**1,228.13**	**887.33**	**674.07**	**541.87**	**380.34**
Net worth represented by						
Share Capital	341.21	221.14	216.14	108.07	108.07	100.96
Reserve & Surplus	1,281.65	1,017.31	681.55	566.12	433.96	279.57
Less : Misc. Expenditure	(10.30)	(10.32)	(10.36)	(0.12)	(0.16)	(0.19)
(to the extent not written off or adjusted)						
Net Worth	**1,612.56**	**1,228.13**	**887.33**	**674.07**	**541.87**	**380.34**

SUMMARY STATEMENT OF PROFITS & LOSSES AS RESTATED

(Rupees in Millions)

Particulars	For the Half Year Ended	For the Year Ended	For the Year Ended	For the Year Ended	For the Year Ended	For the Year Ended
	30.09.2009	31.03.2009	31.03.2008	31.03.2007	31.03.2006	31.03.2005
INCOME						
Contract Revenue	3,244.91	4,831.86	3,864.27	2438.17	1424.51	1120.87
Sale of Crushed Stone	137.20	183.49	139.07	112.20	82.49	0.00
Other income	13.22	21.18	16.70	13.83	14.41	9.41
Total Income (A)	**3395.33**	**5036.53**	**4020.04**	**2564.20**	**1521.41**	**1130.28**
EXPENDITURE						
Operating expenses	2,726.28	4,069.08	3,186.56	1984.13	1173.42	937.90
Employee Cost	97.66	153.52	120.03	95.50	61.68	35.20
Sales and Administrative Expenses	127.10	197.03	171.98	123.47	98.96	62.77
Financial Charges	73.50	97.37	77.58	61.81	27.61	8.75
Depreciation	77.26	152.81	115.07	98.79	53.30	21.55
Preliminary exp.w/o	0.02	0.04	0.04	0.04	0.04	0.04
Total Expenditure (B)	**3101.82**	**4669.85**	**3671.26**	**2363.74**	**1415.01**	**1066.21**
PROFIT BEFORE TAX. (A-B)	293.51	366.68	348.78	200.46	106.40	64.07
Provision for taxes						
Current tax	101.99	118.02	120.93	66.92	11.34	11.79
Deferred tax	(1.99)	6.18	(0.92)	0.83	18.18	2.96
FBT	0.00	0.77	0.69	0.54	0.61	0.00
PROFIT AFTER TAX AND BEFORE ADJUSTMENT	**193.51**	**241.71**	**228.08**	**132.17**	**76.27**	**49.32**
ADJUSTMENTS						
Current tax impact of Adjustments	0.00	(0.96)	(1.52)	0.00	0.00	0.00
Deferred tax impact of Adjustments	0.00	0.00	0.00	0.00	14.14	(3.12)
Total of adjustments after tax impact	**0.00**	**(0.96)**	**(1.52)**	**0.00**	**14.14**	**-3.12**
NET PROFIT FOR THE YEAR AS RESTATED	**193.51**	**240.75**	**226.56**	**132.17**	**90.41**	**46.20**
Profit and loss account	656.94	416.19	189.63	107.46	47.05	25.85
(at the beginning of the year)						
Balance available for appropriation	**850.45**	**656.94**	**416.19**	**239.63**	**137.46**	**72.05**
APPROPRIATION						
Transfer to General Reserve	0.00	0.00	0.00	50.00	30.00	25.00
TOTAL	**0.00**	**0.00**	**0.00**	**50.00**	**30.00**	**25.00**
Balance carried forward	**850.45**	**656.94**	**416.19**	**189.63**	**107.46**	**47.05**

THE ISSUE

Issue [(1)]	Up to [●] Equity Shares
Employee Reservation Portion	Up to 100,000 Equity Shares
Therefore	
Net Issue to the Public	**[●] Equity Shares**
Of which	
A) QIB Portion	At least [●] Equity Shares[(3)]
i) Anchor Investor Portion	[●] Equity Shares [(2)]
ii) Net QIB Portion	[●] Equity Shares [(3)]
Of which	
Available for allocation to Mutual Funds only	[●] Equity Shares [(3)]
Balance for all QIBs including Mutual Funds	[●] Equity Shares[(3)]
C) Non-Institutional Portion	Not less than [●] Equity Shares[(3)]
D) Retail Portion	Not less than [●] Equity Shares[(3)]
Equity Shares outstanding prior to the Issue	34,121,000 Equity Shares
Equity Shares outstanding after the Issue	[●] Equity Shares
Use of Issue Proceeds	See "***Objects of the Issue***" on page 27

(1) Our Company is considering a Pre-IPO Placement. If the Pre-IPO Placement is completed, the Net Issue size would be reduced to the extent of such Pre-IPO Placement, subject to a minimum Net Issue size of [•] % of the post-Issue paid-up equity capital.

*(2) Our Company may allocate up to 30% of the QIB Portion, to Anchor Investors on a discretionary basis in accordance with the ICDR Regulations. For details see "**Issue Procedure**" on page 185.*

(3) Allocation to all categories, except the Anchor Investor Portion, if any, shall be made on a proportionate basis. Under-subscription, if any, in any category, except the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of the Company, in consultation with the BRLM and the Designated Stock Exchange. Under-subscription, if any in the Employee Reservation Portion will be added back to the Net Issue, at the discretion of the BRLM and the Company. If at least 60% of the Net Issue cannot be allotted to QIBs, then the entire application money will be refunded.

GENERAL INFORMATION

Our Company, PNC Infratech Limited, was incorporated on August 9, 1999 under the Companies Act with the Registrar of Companies, Uttar Pradesh and Uttarakhand. Our Registered Office is at D-5/7, Vasant Vihar, New Delhi 110 057, India, with effect from November 1, 2009. For details of change in our Registered Office, see "***History and Certain Corporate Matters***" on page 87.

Registered Office

PNC Infratech Limited
D-5/7, Vasant Vihar
New Delhi - 110 057
India
Tel: (91 11) 2615 4270
Fax: (91 11) 2614 1121
Email: ipo@pncinfratech.com
Website: www.pncinfratech.com

Corporate Office of our Company

PNC Infratech Limited
D-51, PNC House, Kamla Nagar
Agra - 282 005
Uttar Pradesh, India
Tel: (91 562) 405 4400,326 8088
Fax: (91 562) 2882 925

Details	Registration/Identification number
Registration Number	195937
Company Identification Number	U45201DL1999PLC195937

Our Company is registered with the following Registrar of Companies ("**RoC**"):

The Registrar of Companies
National Capital Territory of Delhi and Haryana
4th Floor, IFCI Tower
61, Nehru Place
New Delhi 110 019, India
Tel: (91 11) 2623 5704
Fax: (91 11) 2623 5702

Board of Directors

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

Name, Father's name, Address, Designation, Occupation and Term	Director's Identification Number	Age (years)
Mr. Pradeep Kumar Jain S/o. Mr. Nemi Chand Jain D-23, Kamla Nagar, Agra - 282 005 Uttar Pradesh, India *Designation:* Chairman cum Managing Director (Non-Independent) *Occupation:* Industrialist *Tenure:* From November 27, 2006 until November 26, 2011	00086653	52

Name, Father's name, Address, Designation, Occupation and Term	Director's Identification Number	Age (years)
Mr. Naveen Kumar Jain S/o Mr. Nemi Chand Jain D-53, Kamla Nagar, Agra – 282 005 Uttar Pradesh, India *Designation:* Whole-Time Director (Non-Independent) *Occupation:* Industrialist *Tenure:* From April 1, 2008 until March 31, 2013	00086841	47
Mr. Chakresh Kumar Jain S/o. Mr. Nemi Chand Jain D-53, Kamla Nagar, Agra - 282 005 Uttar Pradesh, India *Designation:* Managing Director (Non-Independent) *Occupation:* Industrialist *Tenure:* From November 27, 2006 until November 26, 2011	00086768	46
Mr. Yogesh Kumar Jain S/o. Mr. Nemi Chand Jain D-23, Kamla Nagar, Agra - 282 005 Uttar Pradesh, India *Designation:* Managing Director (Non-Independent) *Occupation:* Industrialist *Tenure:* From November 27, 2006 until November 26, 2011	00086811	38
Mr. Anil Kumar Rao S/o. Mr. H.K.R. Rao 26/190/203, Navjyoti Apartments Bypass Road, Agra - 282 005 Uttar Pradesh, India *Designation:* Whole-Time Director (Non-Independent) *Occupation:* Professional *Tenure:* From November 27, 2006 until November 26, 2011	01224525	47
Mr. Chottu Ram Sharma S/o. Mr. Hari Ram Sharma J-3/18, DLF Phase- II, Gurgaon – 122 002, Haryana, India *Designation:* Director (Independent) *Occupation:* Professional *Tenure:* From October 25, 2007 and liable to retire by rotation	00522678	67
Mr. Dharam Veer Sharma S/o. Mr. Vidya Ram Sharma Old RTO Compound, Pratap Pura Agra – 282 001, India *Designation:*Additional Director (Independent) *Occupation:* Professional	01363759	57

Name, Father's name, Address, Designation, Occupation and Term	Director's Identification Number	Age (years)
Tenure: From October 20, 2009 and liable to retire by rotation		
Mr. Sudhanshu Kumar Awasthi S/o. Mr. Ram Kumar Awasthi 27/301, East End Apartments, Mayur Vihar Phase I Extension New Delhi – 110096, India *Designation:* Director (Independent) *Occupation:* Professional *Tenure:* From February 11, 2009 and liable to retire by rotation	02162923	64
Mr. Vijay Prakash S/o. Mr. Vishwa Nath Agarwal 108-A, Kaveri Vihar, Phase I Shamshabad Road, Agra – 1, India *Designation*: Director (Independent) Occupation: IAS (Retired) *Tenure:* From September 20, 2009 and liable to retire by rotation	02800352	65
Mr. Ashok Kumar Gupta S/o. Mr. Vinod Kumar Gupta E-19, Kamla Nagar, Agra – 282 005, India Designation: Director (Independent) Occupation: Professional *Tenure:* From September 20, 2009 and liable to retire by rotation	02808356	59

For further details of our Directors, see "***Our Management***" on page 93.

Company Secretary and Compliance Officer

Mr. K.N. Mehra
PNC House, D-51, Kamla Nagar
Agra - 282 005
Uttar Pradesh, India
Tel: (91 562) 405 4400,326 8088
Fax: (91 562) 2882 925
E-mail: ipo@pncinfratech.com

Investors can contact our Company Secretary and Compliance Officer, the BRLM or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems, such as non-receipt of letters of Allotment, credit of Allotted Equity Shares in the respective beneficiary account and refund orders.

Book Running Lead Manager

Enam Securities Private Limited
801/ 802, Dalamal Towers
Nariman Point
Mumbai - 400 021, India
Tel: (91 22) 6638 1800
Fax: (91 22) 2284 6824

Email: pncipo@enam.com
Website: www.enam.com
Investor Grievance Email: complaints@enam.com
SEBI Registration No.: INM000006856
Contact Person: Mr. Pranav Mahajani

Syndicate Member

[●]

Domestic Legal Advisor to the Issue

Amarchand & Mangaldas & Suresh A. Shroff & Co.
Amarchand Towers
216, Okhla Industrial Estate, Phase III
New Delhi - 110 020, India
Tel: (91 11) 2692 0500, 4159 0700
Fax: (91 11) 2692 4900, 2692 2900

Registrar to the Issue

Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound
LBS Marg, Bhandup (West)
Mumbai - 400 078, India
Tel: (91 22) 2596 0320
Fax: (91 22) 2596 0329
E-mail: pnc.ipo@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Mr. Sachin Achar
SEBI Registration No.: INR000004058

Auditors

Purushottam Agrawal & Co.
Block 54, Sanjay Place
Agra - 282 002, Uttar Pradesh, India
Tel: (91 562) 2851 788
Fax: (91 562) 2855 388
Email: agarwal_sanjay_ca@yahoo.co.in
ICAI Registration No.: 731-C

Banker(s) to the Issue

[●]

Refund Bank(s)

[●]

Self Certified Syndicate Banks

The list of banks that have been notified by the SEBI to act as SCSBs for the ASBA Process are provided at http://www.sebi.gov.in. For details of the Designated Branches of SCSBs collecting the ASBA Bid cum Application Form, please refer to the above mentioned SEBI link.

Bankers to the Company

ABN Amro Bank N.V.
9th Floor, Tower C, Cyber Greens

Bank of Baroda
Ispat Bhawan

DLF Cyber City, Phase III, Sector - 25A
Gurgaon - 122 002, Haryana, India
Tel: (91 124) 518 1818
Fax: (91 124) 518 1240
Email: maneesh.chaturvedi@in.abnamro.com

Sanjay Place
Agra - 282 002, Uttar Pradesh, India
Tel: (91 562) 285 6685, 285 4219
Fax: (91 562) 400 0885
Email: sanjay@bankofbaroda.com

Canara Bank
D-73, Kamla Nagar
Agra - 282 004, Uttar Pradesh, India
Tel: (91 562) 288 2797, 288 1035
Fax: (91 562) 258 1859
Email: agra1469@canbank.co.in

ICICI Bank Limited
10th Floor (A), Videocon Tower
Jhandewala Extension
New Delhi - 110 055, India
Tel: (91 11) 4249 9489
Fax: (91 11) 4249 9489
Email: dipti.nahata@icicibank.com

Punjab National Bank
Surya Nagar
Agra - 282 002, Uttar Pradesh, India
Tel: (91 562) 285 3647, 285 4731
Fax: (91 562) 285 8134
Email: bo0983@pnb.co.in

Vijaya Bank
6-Bhikaji Cama Place
Ansal Chamber II
New Delhi - 110 066, India
Tel: (91 11) 2617 0154, 2617 0698
Fax: (91 11) 1619 4796
Email: del.bhikajicamaplace6020@vijayabank.com

Yes Bank
D-12, South Extension Part-II
New Delhi - 110 049, India
Tel: (91 11) 4602 9086/ 4602 9000
Fax: (91 11) 2625 4000
Email: gaurav.jindal@yesbank.in

IPO Grading Agency

[●]

IPO Grading

This Issue has been graded by [●], a SEBI registered credit rating agency, as [●] indicating [●] fundamentals pursuant to Regulation 26(7) of the ICDR Regulations. The IPO grade is assigned on a five point scale from 1 to 5, with IPO grade 5/5 indicating strong fundamentals and IPO grade 1/5 indicating poor fundamentals. A copy of the report provided by [●], furnishing the rationale for its grading is available for inspection at our Registered Office from 10.00 a.m. to 4.00 p.m. on Business Days during the Bidding Period.

The rationale/description by the IPO Grading Agency will be updated at the time of filing the Red Herring Prospectus with the Designated Stock Exchange.

Monitoring Agency

There is no requirement for a monitoring agency, since the Issue is less than Rs. 5,000 million.

Statement of Responsibilities of the Book Running Lead Manager

Since Enam is the only BRLM, all the responsibilities and co-ordination mentioned below will be done by it.

The responsibilities for various activities in this Issue are as follows:

Sr. No.	Activity	Responsibility
1.	Capital structuring with relative components and formalities such as type of instruments, etc.	Enam

Sr. No.	Activity	Responsibility
2.	Drafting and design of Red Herring Prospectus and of statutory advertisement including memorandum containing salient features of the Prospectus. The BRLM shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, Registrar of Companies and SEBI including finalization of Prospectus and filings with Registrar of Companies	Enam
3.	Drafting and approval of all statutory advertisement	Enam
4.	Drafting and approval of all publicity material other than statutory advertisement as mentioned in (2) above including corporate advertisement, brochure, etc.	Enam
5.	Appointment of other intermediaries viz., Registrar to the Issue, printers, advertising agency and Bankers to the Issue	Enam
6.	Preparation of road show presentation	Enam
7.	International institutional marketing strategy • Finalize the list and division of investors for one to one meetings, in consultation with the Company, and • Finalizing the International road show schedule and investor meeting schedule	Enam
8.	Domestic institutions / banks / mutual funds marketing strategy • Finalize the list and division of investors for one to one meetings, institutional allocation in consultation with the Company • Finalizing the list and division of investors for one to one meetings, and • Finalizing investor meeting schedule	Enam
9.	Non institutional and retail marketing of the Issue, which will cover, inter alia, • Formulating marketing strategies, preparation of publicity budget • Finalize media and public relations strategy • Finalizing centers for holding conferences for press and brokers • Follow-up on distribution of publicity and Issuer material including form, prospectus and deciding on the quantum of the Issue material • Finalize collection centers	Enam
10.	Co-ordination with Stock Exchanges for book building software, bidding terminals and mock trading	Enam
11.	Finalization of pricing, in consultation with the Company	Enam
12.	The post bidding activities including management of escrow accounts, co-ordination of non-institutional allocation, intimation of allocation and dispatch of refunds to bidders etc. The post offer activities for the offer involving essential follow up steps, which include the finalization of trading and dealing of instruments and demat of delivery of shares, with the various agencies connected with the work such as the Registrar to the Issue and Bankers to the Issue and the bank handling refund business. The merchant banker shall be responsible for ensuring that these agencies fulfill their functions and enable it to discharge this responsibility through suitable agreements with the Company	Enam

Credit Rating

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

Experts

Except the report of [●] in respect of the IPO Grading of the Issue (a copy of which will be annexed to the Red Herring Prospectus) furnishing the rationale for its grading which shall be provided to the Designated Stock Exchange and except for the report of the Auditors on the restated financial information, included in this Draft Red Herring Prospectus, the Company has not obtained any expert opinions.

Trustees

As this is an Issue of Equity Shares, the appointment of trustees is not required.

Project Appraisal

None of the objects of the Issue have been appraised by an independent agency.

Book Building Process

The Book Building Process, with reference to the Issue, refers to the process of collection of Bids, on the basis of the Red Herring Prospectus within the Price Band. The Issue Price is finalized after the Bid Closing Date. The principal parties involved in the Book Building Process are:

- The Company;
- BRLM;
- Syndicate Member who is an intermediary registered with the SEBI or registered as a broker with the Stock Exchanges and is eligible to act as an underwriter. The Syndicate Member is appointed by the BRLM;
- Registrar to the Issue;
- Escrow Collection Banks; and
- SCSBs.

This is an issue of less than 25% of the post–Issue share capital of our Company and is being made pursuant to Rule 19 (2) (b) of the SCRR, through the 100% Book Building Process wherein at least 60% of the Net Issue shall be Allotted to QIBs on a proportionate basis. Provided that, our Company may, allocate up to 30% of the QIB Portion to Anchor Investors at the Anchor Investor Issue Price on a discretionary basis. If at least 60% of the Net Issue cannot be allocated to QIBs, then the entire application money will be refunded forthwith. Further, not less than 10% and 30% of the Net Issue will be available for allocation on a proportionate basis to Non-Institutional Bidders and Retail Individual Bidders, respectively, subject to valid Bids being received at or above the Issue Price. Further, 100,000 Equity Shares shall be made available for allocation on a proportionate basis to the Eligible Employees, subject to valid Bids being received at or above the Issue Price. Any unsubscribed portion in any reserved category shall be added to the Net Issue to the public. Under-subscription, if any, in any category, except the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange.

In accordance with the ICDR Regulations, QIBs bidding in the Net QIB Portion are not allowed to withdraw their Bid(s) after the Bid Closing Date. In addition, QIBs bidding in the Net QIB Portion are required to pay at least 10% of the Bid Amount upon submission of the Bid cum Application Form during the Bidding Period and allocation to such QIBs will be on a proportionate basis. However, Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bidding Date. In addition, Anchor Investors are required to pay at least 25% of the Bid Amount upon submission of the Bid cum Application Form and allocation to the Anchor Investors will be on a discretionary basis. For further details, see "***Issue Structure***" on page 181.

We will comply with the ICDR Regulations and any other ancillary directions issued by the SEBI for this Issue. In this regard, we have appointed Enam Securities Private Limited as the BRLM to manage the Issue and procure subscriptions to the Issue.

The Book Building Process under the ICDR Regulations is subject to change from time to time and the investors are advised to make their own judgment about investment through this process prior to making a Bid in the Issue.

Illustration of Book Building and Price Discovery Process *(Investors should note that this example is solely for illustrative purposes and is not specific to the Issue)*

Bidders (excluding the ASBA bidders who can only bid at cut-off price) can bid at any price within the Price Band. For instance, assume a price band of Rs. 20 to Rs. 24 per equity share, issue size of 3,000 equity shares and receipt of five (5) bids from bidders, details of which are shown in the table below. A graphical representation of the consolidated demand and price would be made available at the bidding centers during the bidding period. The illustrative book 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 Amount (Rs.)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%

Bid Quantity	Bid Amount (Rs.)	Cumulative Quantity	Subscription
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the issuer is able to issue the desired number of shares is the price at which the book cuts off, i.e., Rs. 22 in the above example. The issuer, in consultation with the BRLM will finalize the issue price at or below such cut-off price, i.e., at or below Rs. 22. All bids at or above this issue price are valid bids and are considered for allocation in the respective categories.

Steps to be taken by the Bidders for Bidding

1. Check eligibility for making a Bid (For further details see "***Issue Procedure - Who Can Bid?***" on page 186).

2. Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form and the ASBA Bid cum Application Form.

3. Except for Bids on behalf of the Central or State Government and the officials appointed by the courts, for Bids of all values ensure that you have mentioned your PAN allotted under the I.T. Act in the Bid cum Application Form and the ASBA Bid cum Application Form (see "***Issue Procedure – Permanent Account Number or PAN***" on page 206).

4. Ensure that the Bid cum Application Form is duly completed as per instructions given in this Draft Red Herring Prospectus and in the Bid cum Application Form and the ASBA Bid cum Application Form.

5. Ensure the correctness of your demographic details (as defined in the "***Issue Procedure-Bidders Depository Account Details***" on page 201) given in the Bid cum Application Form and the ASBA Bid cum Application Form, with the details recorded with your Depository Participant.

6. Bids by QIBs (including Anchor Investors) will have to be submitted to the Syndicate.

7. Bids by ASBA Bidders will have to be submitted to the Designated Branches of the SCSBs. ASBA Bidders should ensure that their bank accounts have adequate credit balance at the time of submission to the SCSB to ensure that the ASBA Bid cum Application Form is not rejected.

Withdrawal of the Issue

Our Company, in consultation with the BRLM, reserves the right not to proceed with the Issue, including at any time after the Bid Opening Date but before the Board meeting for Allotment. If our Company withdraws from the Issue, it shall issue a public notice that shall include reasons for such withdrawal, within two (2) days of the closure of the Issue. The notice of withdrawal shall be issued in the same newspapers where the pre-Issue advertisements have appeared and our Company shall also promptly inform the Stock Exchanges. If our Company withdraws the Issue after the Bid Closing Date and thereafter determines that it will proceed with an initial public offering of its Equity Shares, it shall file a fresh draft red herring prospectus with the SEBI. Notwithstanding the foregoing, the Issue 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 Stock Exchanges.

Bidding Programme

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

** The Anchor Investor Bidding Date shall be one (1) day prior to the Bid Opening Date.*

The Company is considering participation by Anchor Investors in terms of the ICDR Regulations. For details see "***Issue Procedure – Bids by Anchor Investors***" on page 200.

Bids and any revision in Bids will be accepted **only between 10.00 a.m. and 3.00 p.m**. (Indian Standard Time) during the Bidding Period as mentioned above at the bidding centers mentioned in the Bid cum Application Form. **On the Bid Closing Date, Bids (excluding ASBA Bids)** uploaded until (i) 4.00 p.m. in case of Bids by

QIB Bidders and Non-Institutional Bidders; and (ii) until 5.00 p.m. or such extended time as permitted by the Stock Exchanges in case of Bids by Retail Individual Bidders and Eligible Employees where the Bid Amount is up to Rs. 100,000. Bidders are cautioned that in the event a large number of Bids are received on the Bid Closing Date, as is typically experienced in IPOs, which may lead to some Bids not being uploaded due to lack of sufficient time to upload, such Bids that cannot be uploaded will not be considered for allocation in the Issue. If such Bids are not uploaded, the Company, the BRLM and the Syndicate Member shall not be responsible. Bids will be accepted only on Business Days, i.e. Monday to Friday (excluding any public holiday). ASBA Bids shall be uploaded by SCSBs in the electronic system to be provided by the Stock Exchanges.

On the Bid Closing Date, extension of time will be granted by the Stock Exchanges only for uploading the Bids received by Retail Individual Bidders and Eligible Employees, after taking into account the total number of Bids received up to the closure of timings for acceptance of Bid cum Application Forms as stated herein and reported by the BRLM to the Stock Exchanges within half an hour of such closure.

Our Company reserves the right to revise the Price Band during the Bidding Period in accordance with the ICDR Regulations. The Cap Price shall not be more than 120% of the Floor Price. Subject to compliance with the immediately preceding sentence, the Floor Price can move up or down to the extent of 20% of the floor price originally disclosed in the Red Herring Prospectus and the Cap Price will be revised accordingly.

In case of revision in the Price Band, the Bidding Period will be extended for three (3) additional Business Days after revision of Price Band subject to the Bidding Period not exceeding 10 working days. Any revision in the Price Band and the revised Bidding 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 web site of the BRLM and at the terminals of the members of the Syndicate.

Underwriting Agreement

After the determination of the Issue Price and allocation of the Equity Shares but prior to the filing of the Prospectus with the RoC, our Company will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Issue. It is proposed that pursuant to the terms of the Underwriting Agreement, the BRLM shall be responsible for bringing in the amount devolved in the event that the Syndicate Member does not fulfill their underwriting obligations. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are subject to certain conditions to closing, as 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 filled in before filing of the Prospectus with the RoC)

Name, address, telephone, fax and email of the Underwriters	Indicative Number of Equity Shares to be Underwritten	Amount Underwritten (in Rs. Million)
[●]	[●]	[●]

The abovementioned is indicative underwriting and this would be finalized after the pricing and actual allocation.

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

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitments set forth in the table above. Notwithstanding the above table, the Underwriters shall be responsible for ensuring payment with respect to Equity Shares allocated to investors procured by them. In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the Underwriting Agreement, will also be required to procure subscriptions for/subscribe to Equity Shares to the extent of the defaulted amount, except in cases where the allocation to QIB is less than 60% of the Net Issue, in which case the entire subscription monies will be refunded.

The underwriting arrangements mentioned above shall not apply to the subscriptions by the ASBA Bidders in this Issue.

CAPITAL STRUCTURE

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

(In Rs. million, except share data)

		Aggregate Value at face value	Aggregate Value at Issue Price
A)	**Authorized Share Capital***		
	42,000,000 Equity Shares of Rs. 10 each	420.00	
B)	**Issued, Subscribed and Paid-Up Share Capital**		
	34,121,000 fully paid up Equity Shares of Rs. 10 each	341.21	
C)	**Present Issue in terms of this Draft Red Herring Prospectus****		
	[●] Equity Shares of Rs. 10 each***	[●]	1,750
	Employee Reservation Portion in terms of this Draft Red Herring Prospectus		
	100,000 Equity Shares of Rs. 10 each	[●]	[●]
	Net Issue		
	[●] Equity Shares of Rs. 10 each	[●]	[●]
	Of Which:		
	QIB Portion	[●]	[●]
	Non Institutional Portion	[●]	[●]
	Retail Portion	[●]	[●]
D)	**Paid-Up Equity Capital after the Issue**		
	[●] Equity Shares of Rs. 10 each	[●]	[●]
E)	**Share Premium Account**		
	Before the Issue	400.93	
	After the Issue	[●]	[●]

Our Company was incorporated with an authorized share capital of Rs. 10 million (divided into 1,000,000 Equity Shares) on August 9, 1999. The authorized capital was increased to Rs. 40 million (divided into 4,000,000 Equity Shares) pursuant to a resolution of our shareholders dated February 28, 2001. Pursuant to a resolution of our shareholders dated January 28, 2002, our authorized capital was increased to Rs. 70 million (divided into 7,000,000 Equity Shares). Pursuant to a resolution of our shareholders dated June 21, 2003, the authorized capital was increased to Rs. 110 million (divided into 11,000,000 Equity Shares). Pursuant to a resolution of our shareholders dated October 1, 2007, the authorized capital was increased to Rs. 350 million (divided into 35,000,000 Equity Shares). Pursuant to a resolution of our shareholders dated September 10, 2009, the authorized capital was further increased to Rs. 420 million (divided into 42,000,000 Equity Shares).For further details, see "*History and Certain Corporate Matters***" on page 87.*

***The present Issue has been authorized by our Board of Directors at their meeting on September 20, 2009, and by our shareholders at their meeting on October 5, 2009.*

****Our Company is considering a Pre-IPO Placement. If the Pre-IPO Placement is completed, the Net Issue size would be reduced to the extent of such Pre-IPO Placement, subject to a minimum Net Issue size of [●]% of the post-Issue paid-up equity capital being offered to the public.*

Notes to the Capital Structure

1. Equity Share Capital History:

(a) The following is the Equity Share capital history of the Company:

Date of issue/allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Consideration (Cash, bonus, other than cash)	Nature of Allotment	Cumulative Equity Share Capital (Rs.)
August 9, 1999	300	10	10	Cash	Subscription to the Memorandum (1)	3,000
July 31, 2000	99,800	10	10	Cash	Preferential	

Date of issue/allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Consideration (Cash, bonus, other than cash)	Nature of Allotment	Cumulative Equity Share Capital (Rs.)
					allotment(2)	1,001,000
	899,900	10	NA	Other than cash	Preferential allotment(3)	10,000,000
March 31, 2001	2,967,500	10	NA	Other than cash	Preferential allotment(4)	39,675,000
March 31, 2002	3,000,000	10	10	Cash	Preferential allotment(5)	69,675,000
March 31, 2004	1,566,000	10	50	Cash	Preferential allotment(6)	85,335,000
March 31, 2005	1,562,500	10	80	Cash	Preferential allotment(7)	100,960,000
March 31, 2006	711,000	10	100	Cash	Preferential allotment(8)	108,070,000
November 26, 2007	10,807,000	10	NA	NA	Bonus issue (1:1)* (9)	216,140,000
March 29, 2009	500,000	10	200	Cash	Preferential allotment(10)	221,140,000
September 10, 2009	11,057,000	10	NA	NA	Bonus issue (2:1)** (11)	331,710,000
September 30, 2009	950,000	10	200	Cash	Preferential allotment(12)	341,210,000
	34,121,000					

**Out of general reserves*
***Capitalization of share premium account*
(1) 100 Equity Shares each to Mr. Pradeep Kumar Jain, Mr. Chakresh Kumar Jain and Mr. Yogesh Kumar Jain.
(2) 49,900 Equity Shares each to Ms. Madhvi Jain and Ms. Ashita Jain.
(3) 899,900 Equity Shares to Mr. Pradeep Kumar Jain in consideration of purchase of existing business.
(4) 2,967,500 Equity Shares to Mr. Pradeep Kumar Jain in consideration of purchase of existing business.
(5) 100,000 Equity Shares to Suash Trading and Manufacturing Private Limited and the remaining 2,900,000 to others.
(6) 60,000 Equity Shares to Suash Trading and Manufacturing Private Limited, 25,000 Equity Shares to Ms. Meena Jain, 28,000 Equity Shares to Ms. Renu Jain, 16,000 Equity Shares to Ms. Heena Jain, 20,000 Equity Shares to Mr. Yogesh Kumar Jain, 7,000 Equity Shares to Chakresh Kumar Jain as karta of Chakresh Kumar Jain (HUF), 50,000 Equity Shares to Pradeep Kumar Jain as karta of Pradeep Kumar Jain (HUF), 100,000 Equity Shares to PNC Project Private Limited and 120,000 Equity Shares to PNC Cold Storage Private Limited and the balance 1,140,000 Equity Shares among others.
(7)1, 562,500 Equity Shares allotted to others.
(8)511,000 Equity Shares to PNC Project Private Limited and 200,000 Equity Shares to Shri Mahaveer Infrastructure Private Limited.
(9)To all existing shareholders as on date.
(10)200,000 Equity Shares to PNC Project Private Limited, 112,500 Equity Shares to NCJ Infrastructure Private Limited and 187,500 to KMJ Infrastructure Private Limited.
(11) To all existing shareholders as on date.
(12) 350,000 to Alberta Merchants Private Limited, 225,000 to Guruprasad Holdings Private Limited and 375,000 to Jewellok Trexim Private Limited.

(b) The following are the details of Equity Shares issued for consideration other than cash:

Date of allotment	No. of Equity Shares	Face Value (Rs.)	Allottees	Nature of allotment	Reasons and Benefits to the Company
July 31, 2000	899,900	10	Mr. Pradeep Kumar Jain	Preferential allotment	For purchase of entire existing proprietorship business
March 31, 2001	2,967,500	10	Mr. Pradeep Kumar Jain	Preferential allotment	For purchase of entire existing proprietorship business

2. Issue of Equity Shares in the last one year

The Company has made the following issue of Equity Shares during a period of one (1) year preceding the date of this Draft Red Herring Prospectus which may be at a price lower than the Issue Price:

S. No.	Date	Name of person/entity	No. of Equity Shares	Issue price (Rs. Per Share)	Reason

S. No.	Date	Name of person/entity	No. of Equity Shares	Issue price (Rs. Per Share)	Reason
1.	March 29, 2009	PNC Project Private Limited, NCJ Infrastructure Private Limited and KMJ Infrastructure Private Limited	500,000	200	To raise funds to augment the Company's long-term requirement of capital for purchasing plant, machinery and vehicles and raising margin money to participate in major contracts, including BOT contracts, individually or in joint venture with other companies
2.	September 10, 2009	All existing shareholders	11,057,000	N.A.	Bonus issue (2:1)*
3.	September 30, 2009	Alberta Merchants Private Limited, Guruprasad Holdings Private Limited and Jewellok Trexim Private Limited	950,000	200	To raise funds to augment the Company's long-term requirement of capital in the SPVs such as Jaora Nayagaon Toll Road Private Limited, Ghaziabad – Aligarh Expressway and future BOT projects and for deposit of margin money to participate in major contracts, individually or in joint venture with other companies, in the normal course of business

**Capitalization of share premium account*

3. Details of Promoters' shareholding, Promoters' Contribution and Lock-in

(a) *Details of the build up of our Promoters shareholding in our Company*

Name of Promoter	Date of transfer/ allotment*	Reason for acquisition	Consideration (Cash/ other than cash)	No. of Equity Shares	Acquisition price (Rs. per Equity Share)	Pre-Issue paid-up capital (%)	Post-Issue paid-up capital (%)
Mr. Pradeep Kumar Jain	August 9, 1999	Subscriber to MoA	Cash	100	10	Negligible	[●]
	July 31, 2000	Preferential allotment	Other than cash	899,900	NA	2.64	[●]
	August 1, 2000	Transfer of Equity Shares	Cash	(200)	10	Negligible	[●]
	March 31, 2001	Preferential allotment	Other than cash	2,967,500	NA	8.70	[●]
	March 31, 2001	Transfer of Equity Shares	Cash	(463,800)	10	(1.35)	[●]
	March 31, 2002	Transfer of Equity Shares	Cash	3,100	10	Negligible	[●]
	November 26, 2007	Bonus issue (1:1)	NA	3,406,600	NA	9.98	[●]
	September 10, 2009	Bonus issue (2:1)	NA	3,406,600	NA	9.98	[●]
		Sub-total		**10,219,800**		**29.95**	
Mr. Naveen Kumar Jain*	-	-	-	-	-	[●]	[●]
		Sub-Total		Nil		[●]	

Name of Promoter	Date of transfer/ allotment*	Reason for acquisition	Consideration (Cash/ other than cash)	No. of Equity Shares	Acquisition price (Rs. per Equity Share)	Pre-Issue paid-up capital (%)	Post-Issue paid-up capital (%)
Mr. Chakresh Kumar Jain	August 9, 1999	Subscriber to MoA	Cash	100	NA	Negligible	Negligible
	November 26, 2007	Bonus issue (1:1)	NA	100	NA	Negligible	Negligible
	September 10, 2009	Bonus issue (2:1)	NA	100	NA	Negligible	[●]
		Sub-total		**300**		**Negligible**	
Mr. Yogesh Kumar Jain	August 9, 1999	Subscriber to MoA	Cash	100	10	Negligible	Negligible
	March 31, 2004	Preferential allotment	Cash	20,000	50	0.06	[●]
	November 26, 2007	Bonus issue (1:1)	NA	20,100	NA	0.06	[●]
	September 10, 2009	Bonus issue (2:1)	NA	20,100	NA	0.06	[●]
		Sub-total		**60,300**		**0.18**	
PNC Project Private Limited	March 31, 2004	Preferential allotment	Cash	100,000	50	0.29	[●]
	March 31, 2006	Preferential allotment	Cash	511,000	100	1.50	[●]
	November 26, 2007	Bonus issue (1:1)	NA	611,000	NA	1.79	[●]
	March 29, 2009	Preferential allotment	Cash	200,000	200	0.59	[●]
	September 10, 2009	Bonus issue (2:1)	NA	711,000	NA	2.08	[●]
		Sub-total		**2,133,000**		**6.25**	
PNC Cold Storage Private Limited	March 31, 2004	Preferential allotment	Cash	120,000	50	0.35	[●]
	November 26, 2007	Bonus issue (1:1)	NA	120,000	NA	0.35	[●]
	September 10, 2009	Bonus issue (2:1)	NA	120,000	NA	0.35	[●]
		Sub-total		**360,000**		**1.05**	
Shri Parasnath Infrastructure Private Limited	July 14, 2006	Transfer of Equity Shares	Cash	350,000	1	1.03	[●]
	September 28, 2006	Transfer of Equity Shares	Cash	120,000	1	0.35	[●]
	November 26, 2007	Bonus issue (1:1)	NA	470,000	NA	1.38	[●]
	September 10, 2009	Bonus issue (2:1)	NA	470,000	NA	1.38	[●]
		Sub-total		**1,410,000**		**4.13**	**[●]**
		Total		**14,183,400**		**41.56**	**[●]**

** Mr. Naveen Kumar Jain does not hold any Equity Shares.*

(b) ***Details of the Promoter Contribution and Lock-in***

Pursuant to the ICDR Regulations, an aggregate of 20% of the post-Issue Equity Share Capital of our Company shall be locked in by the Promoters for a period of three (3) years from the date of Allotment.

[●] Equity Shares, aggregating up to 20% of the post-Issue equity capital of the Company, held by the Promoters shall be locked in for a period of three (3) years from the date of Allotment in the Issue. Details of the same as are follows:

Name of Promoter	Date of transfer/ Allotment	Nature of allotment	Consideration (Cash/other than cash)	No. of Equity Shares locked-in	Acquisition price (Rs. per Equity Share)	% of post-Issue paid-up capital*
Mr. Pradeep Kumar Jain	[●]	[●]	[●]	[●]	[●]	[●]
	[●]	[●]	[●]	[●]	[●]	[●]
Mr. Naveen Kumar Jain*	-	-	-	-	-	-
Mr. Chakresh Kumar Jain	[●]	[●]	[●]	[●]	[●]	[●]
	[●]	[●]	[●]	[●]	[●]	[●]
Mr. Yogesh Kumar Jain	[●]	[●]	[●]	[●]	[●]	[●]
	[●]	[●]	[●]	[●]	[●]	[●]
PNC Project Private Limited	[●]	[●]	[●]	[●]	[●]	[●]
	[●]	[●]	[●]	[●]	[●]	[●]
PNC Cold Storage Private Limited	[●]	[●]	[●]	[●]	[●]	[●]
	[●]	[●]	[●]	[●]	[●]	[●]
Shri Parasnath Infrastructures Private Limited	[●]	[●]	[●]	[●]	[●]	[●]
	[●]	[●]	[●]	[●]	[●]	[●]
Total				[●]		**20.00**

* *Mr. Naveen Kumar Jain does not hold any Equity Shares.*

The Promoter's contribution has been brought in to the extent of not less than the specified minimum lot and from the persons defined as promoters under the ICDR Regulations.

The Equity Shares that are being locked-in are not ineligible for computation of Promoter's contribution under Regulation 33 of the ICDR Regulations. In this connection, we confirm the following:

(i) The Equity Shares offered for minimum 20% Promoters' contribution are not acquired for consideration other than cash and revaluation of assets or capitalization of intangible assets or bonus shares out of revaluation reserves, or reserves without accrual of cash resources or against Equity Shares which are otherwise ineligible for computation of Promoters' contribution;

(ii) The minimum Promoters' contribution does not include any Equity Shares acquired during the preceding one (1) year at a price lower than the price at which the Equity Shares are being offered to the public in the Issue;

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

(iv) The Equity Shares held by the Promoters and offered for minimum 20% Promoters' contribution are not subject to any pledge;

(v) The minimum Promoters' contribution does not consist of any private placement made by solicitation of subscriptions from unrelated persons either directly or through any intermediary; and

(vi) The minimum Promoters' contribution does not consist of Equity Shares for which specific written consent has not been obtained from the respective Promoters for inclusion of their subscription in the minimum Promoters' contribution subject to lock-in.

(c) ***Details of other Equity Shares locked in***

Other than the above Equity Shares that are locked in for three (3) years, the entire pre-Issue capital would be locked-in for a period of one (1) year from the date of Allotment in the Issue in accordance with the ICDR Regulations. On the finalization of the Basis of Allotment for the Equity Shares to be issued pursuant to this

Issue, we would mail stickers (to all shareholders holding shares in physical form) indicating the lock-in period to all shareholders whose Equity Shares are to be locked-in for a period of one (1) year.

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

(d) ***Other requirements in respect of lock-in***

As per Regulation 39 read with Regulation 36 (b) of the ICDR Regulations, the locked-in Equity Shares held by the Promoters can be pledged only with scheduled commercial banks or public financial institutions as collateral security for loans granted by such banks or financial institutions, provided that such pledge of the Equity Shares is one of the terms of the sanction of the loan. However, Equity Shares locked in as Promoters Contribution can be pledged only if in addition to fulfilling the aforementioned requirements, such loans have been granted by such banks or financial institutions for the purpose of financing one or more of the objects of the Issue.

The Equity Shares held by persons other than Promoters prior to the Issue may be transferred to any other person holding Equity Shares which are locked-in, subject to the continuation of the lock-in in the hands of transferees for the remaining period and compliance with the Takeover Code.

The Equity Shares held by the Promoters may be transferred to and amongst the Promoter Group or to new promoters or persons in control of our Company subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the Takeover Code.

4. Shareholding pattern of our Company

The table below presents our shareholding pattern before and after the proposed Issue:

Category/ Name of Shareholder	Pre-Issue		Post-Issue	
	Number of Equity Shares	**Percentage Shareholding**	**Number of Equity Shares**	**Percentage Shareholding**
Promoters				
Mr. Pradeep Kumar Jain*^¥	10,219,800	29.95	[•]	[•]
Mr. Naveen Kumar Jain**	-	-	-	-
Mr. Chakresh Kumar Jain*^¥	300	Negligible	[•]	[•]
Mr. Yogesh Kumar Jain*^¥	60,300	0.18	[•]	[•]
PNC Project Private Limited	2,133,000	6.25	[•]	[•]
PNC Cold Storage Private Limited	360,000	1.06	[•]	[•]
Shri Parasnath Infrastructures Private Limited	1,410,000	4.13	[•]	[•]
Sub-Total (A)	**14,183,400**	**41.56**	[•]	[•]
Promoter Group				
Pradeep Kumar Jain (HUF)	1,050,000	3.08	[•]	[•]
Naveen Kumar Jain (HUF)	300	Negligible	[•]	[•]
Chakresh Kumar Jain (HUF)	1,851,300	5.43	[•]	[•]
Yogesh Kumar Jain (HUF)	1,020,300	2.99	[•]	[•]
Ms. Madhvi Jain	3,599,700	10.55	[•]	[•]
Ms. Ashita Jain	1,574,700	4.62	[•]	[•]
Ms. Meena Jain	1,485,300	4.35	[•]	[•]
Ms. Renu Jain	2,334,300	6.84	[•]	[•]
Ms. Premwati Jain	270,300	0.79	[•]	[•]
Mr. Abhinandan Jain±	348,600	1.02	[•]	[•]
KMJ Infrastructure Private Limited	281,250	0.82	[•]	[•]
Shri Mahaveer Infrastructure Private Limited	600,000	1.76	[•]	[•]
NCJ Infrastructure Private Limited	168,750	0.49	[•]	[•]
Sub-Total (B)	**14,584,800**	**42.74**	[•]	[•]
Promoters and Promoter Group (A + B)	**28,768,200**	**84.30**		
Others				
Anil Kumar Rao*	300	Negligible	[•]	[•]

Category/ Name of Shareholder	Pre-Issue		Post-Issue	
	Number of Equity Shares	Percentage Shareholding	Number of Equity Shares	Percentage Shareholding
Guruprasad Holding Private Limited	1,815,000	5.32	[•]	[•]
Alberta Merchants Private Limited	3,162,500	9.27	[•]	[•]
Jewellok Trexim Private Limited	375,000	1.10	[•]	[•]
Sub-Total (C)	**5,352,800**	**15.69**	[•]	[•]
Public Issue				
Public	-	-	[•]	[•]
Employees	-	-	100,000	[•]
Total (A+B+C)	**34,121,000**	**100.00**	**[•]**	**100.00**

**Directors of our Company*
***Mr. Naveen Kumar Jain does not hold any Equity Shares*
^ Directors of PNC Project Private Limited
¥Directors of PNC Cold Storage Private Limited
±Director of Shri Parasnath Infrastructures Private Limited

Except as disclosed above, our Promoters, Promoter Group, Directors and key managerial personnel do not hold any Equity Shares.

5. The list of our top 10 shareholders and the number of Equity Shares held by them is provided below:

(a) Our top 10 shareholders as on the date of filing this Draft Red Herring Prospectus and as of 10 days prior to filing this Draft Red Herring Prospectus i.e. November 17, 2009 are as follows:

S. No.	Name of Shareholder	No. of Equity Shares	Percentage
1	Mr. Pradeep Kumar Jain	10,219,800	29.95
2	Ms. Madhvi Jain	3,599,700	10.55
3	Alberta Merchant Private Limited	3,162,500	9.27
4	Ms. Renu Jain	2,334,300	6.84
5	PNC Project Private Limited	2,133,000	6.25
6	Chakresh Kumar Jain (HUF)	1,851,300	5.43
7	Guruprasad Holding Private Limited	1,815,000	5.32
8	Ms. Ashita Jain	1,574,700	4.62
9	Ms. Meena Jain	1,485,300	4.35
10	Shri Parasnath Infrastructures Private Limited	1,410,000	4.13

(b) Our top 10 shareholders as of two (2) years prior to filing this Draft Red Herring Prospectus, i.e. November 16, 2007 were as follows:

S. No.	Name of Shareholder	No. of Equity Shares	Percentage
1	Mr. Pradeep Kumar Jain	3,406,600	31.52
2	Suash Trading and Manufacturing Private Limited	2,100,000	19.43
3	A.S. Infraprojects Private Limited	11,00,000	10.18
4	Ginni Fincap Private Limited	625,000	5.78
5	Shiv Kamal Impex Limited	625,000	5.78
6	PNC Project Private Limited	611,000	5.65
7	Oracle Credit Limited	530,000	4.90
8	Shri Parasnath Infrastructures Private Limited	470,000	4.35
9	Shining Marbles Private Limited	312,500	2.89
10	Ms. Madhvi Jain	149,900	1.39

6. Our Company, the Promoters, the Directors and the BRLM have not entered into any buy-back and/or standby arrangements for the purchase of Equity Shares from any person.

7. None of our Promoters, Promoter Group, Directors, nor their immediate relatives, have purchased or sold any Equity Shares within the six (6) months preceding the date of filing of this Draft Red Herring Prospectus with the SEBI.

8. In terms of Rule 19 (2) (b) of the SCRR, this is an Issue for less than 25% of the post–Issue capital, therefore, the Issue is being made through the 100% Book Building Process wherein at least 60% of the Issue shall be Allotted to QIBs on a proportionate basis. Provided that, our Company may, allocate up to 30% of the QIB Portion to Anchor Investors at the Anchor Investor Issue Price on a discretionary basis. If at least 60% of the Issue cannot be allocated to QIBs, then the entire application money will be refunded forthwith. Further, not less than 10% and 30% of the Issue will be available for allocation on a proportionate basis to Non-Institutional Bidders and Retail Individual Bidders, respectively subject to valid Bids being received at or above the Issue Price.

9. An investor cannot make a Bid for more than the number of Equity Shares offered through the Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.

10. Subject to the Pre-IPO Placement, there will be no further issue of capital whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from submission of this Draft Red Herring Prospectus with the SEBI until the Equity Shares to be issued pursuant to the Issue have been listed.

11. There are no outstanding warrants, options or rights to convert debentures, loans or other instruments into our Equity Shares.

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

13. As on the date of this Draft Red Herring Prospectus, the total number of holders of Equity Shares is 23.

14. We have not raised any bridge loans against the proceeds of the Issue. Further details of the proceeds of the Issue, see "***Objects of the Issue***" on page 27.

15. There are no partly paid up Equity Shares in our Company. All the Equity Shares will be fully paid up at the time of Allotment.

16. We have not issued any Equity Shares out of revaluation reserves. Except as disclosed, our Company has not issued any Equity Shares for consideration other than cash.

17. We presently do not intend or propose to alter our capital structure for a period of six (6) months from the date of listing and trading of the Equity Shares, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether preferential or otherwise. However, when we enter into acquisitions or joint ventures, we may, subject to necessary approvals, consider raising additional capital to fund such activity or use Equity Shares for participation in such acquisitions or joint ventures or to use such shares as consideration for such joint ventures.

18. The Equity Shares held by the Promoters are not subject to any pledge.

19. An oversubscription to the extent of 10% of the Issue can be retained for the purpose of rounding off to the nearest multiple of minimum allotment lot while finalizing the Basis of Allotment.

20. Our Promoters and members of the Promoter Group will not participate in the Issue.

21. No person connected with the Issue shall offer any incentive, whether direct or indirect, in any manner, whether in cash, kind, services or otherwise, to any Bidder.

23. Subject to the Pre-IPO Placement, 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 submission of this Draft Red Herring Prospectus with the SEBI until the Equity Shares have been listed.

24. Subject to the Pre-IPO Placement, our Company presently does not intend or propose to alter the capital structure for a period of six (6) months from the Bid Opening Date, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether on a preferential basis or issue of bonus or rights or further public issue of specified securities or qualified institutions placement or otherwise. Also, if our Company enters into acquisitions, joint ventures or other arrangements, our Company may, subject to necessary approvals, consider raising additional capital to fund such activity or use Equity Shares as currency for acquisitions or participation in such joint ventures.

25. The BRLM and its associates currently do not hold any Equity Shares in our Company.

26. Any unsubscribed portion in any reserved category shall be added to the Net Issue to the public. Under-subscription, if any, in any category, except the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange.

OBJECTS OF THE ISSUE

The Company intends to utilize the Issue Proceeds, after deducting the underwriting and issue management fees, selling commissions and other expenses associated with the Issue (the "**Net Proceeds**") for the following objects:

1. Investment in capital equipment;

2. To meet working capital requirements;

3. Prepayment/ repayment of loans and advances of the Company;

4. General corporate purposes; and

5. To achieve the benefits of listing our Equity Shares.

The details of the Net Proceeds are summarized in the table below:

Particulars	Amount* (in Rs. million)
Proceeds from the Issue	1,750
Issue related expenses*	[●]
Net Proceeds*	[●]

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

The main objects and objects incidental and ancillary to the main objects set out in our Memorandum of Association enable us to undertake our existing activities and the activities for which funds are being raised by us through this Issue.

We may have to revise our expenditure and fund requirements as a result of variations in cost estimates on account of variety of factors such as changes in design or configuration of the project, incremental pre-operative expenses and external factors such as geological assessments which may not be within the control of our management and may entail rescheduling and revising the planned expenditure and funding requirement and increasing or decreasing the expenditure for a particular purpose from the planned expenditure at the discretion of our management. In case of any surplus after utilization of the proceeds from the Issue for the stated objects, we may use such surplus towards general corporate purposes. In the event of a shortfall in raising the requisite capital from the proceeds of the Issue towards meeting the objects of the Issue, the extent of the shortfall will be met by way of such means available to our Company, including by way of incremental debt or cash available with us.

Utilization of the Issue Proceeds

Sr. No.	Particulars	Schedule of Utilization (in Rs. million)		
		April 1, 2009 to March 31, 2010	April 1, 2010 to March 31, 2011	Total
1.	Investment in capital equipment	100	400	500.00
2.	To meet working capital requirements	300	600	900.00
3.	Prepayment/ repayment of loans and advances of the Company	50	50	100.00
4.	General Corporate Purposes	[●]	[●]	[●]
5.	Issue Expenses	[●]	-	[●]
Total		[●]	[●]	[●]

1. Investment in Capital Equipment

We are required to make investments in capital equipment on a recurring basis due to the nature of the industry we operate in. Out of the Net Proceeds, we intend to utilize Rs. 500.00 million for the purchase of capital equipment to meet the requirements of our various projects based on our Order Book as on September 30, 2009 and future requirements as estimated by the management.

The following table sets out the equipment that is currently under consideration for placement of order:

S.No.	Description	Qty.	Amount (in Rs. million)	Supplier	Date of quotation#
Concrete Equipment:					
1.	Stetter Batch Mix Plant MI	4	26.94	Schwing Stetter India Private Limited	November 4, 2009
2.	Stetter Batch Mix Plant CP30	4	13.25	Schwing Stetter India Private Limited	November 4, 2009
3.	Taurus 2516H/4C, Model 2516H/4C TM chassis	6	8.39	Ashok Leyland Limited	September 18, 2009
4.	Stetter Transit Mixer AM6SHN	6	5.22	Schwing Stetter India Private Limited	November 4, 2009
5.	Schwing Concrete Pump BP350DXT with pipeline	2	3.70	Schwing Stetter India Private Limited	November 4, 2009
6.	Schwing Concrete Boom Pump S36X without chassis**	1	11.90	Schwing Stetter India Private Limited	November 4, 2009
	Sub-total		**69.40**		
Construction Equipment:					
7.	Volvo Asphalt Compactor DD90	5	12.70	Volvo India Private Limited through Alpha Technical	November 3, 2009
8.	Volvo Pneumatic Tyre Roller PT220 RH	3	9.77	Volvo India Private Limited through Alpha Technical	November 3, 2009
9.	Volvo Paver Model ABG 7820 (Imported)**	3	44.10	Volvo India Private Limited through Alpha Technical	November 3, 2009
10.	Arrow 750 SL Slip Form Kerber (Imported)*	2	12.86	Galactic Projects Private Limited	September 22, 2009
11.	Vogele Sensor Paver**	2	27.58	Wirtgen India Private Limited	October 23, 2009
12.	Apollo Model WM 200 WMM Plant	2	6.85	Gujarat Apollo Industries Limited	October 22, 2009
13.	Apollo Hydraulic Broom	2	0.39	Apollo Earthmovers Limited	October 22, 2009
14.	Apollo Mechanical Broom	2	0.30	Apollo Earthmovers Limited	October 22, 2009
15.	Speco Asphalt Mixing Plant 160TPH (Imported)***	3	55.94	Speco Limited	October 23, 2009
16.	Accessories for Speco Asphalt Mixing Plant 160TPH (Indigenous)	3	25.50	Basic Engineering Equipments Private Limited	October 23, 2009
	Sub-total		**195.99**		
Crusher Plants:					
17.	Metso Crusher IInd stage (Indigenous)	1	20.11	Metso Minerals India Private Limited	October 23, 2009
18.	Metso Crusher IInd stage (Imported)**	1	16.10	Metso Minerals India Private Limited	October 23, 2009
19.	Metso Crusher IIIrd stage (Indigenous)	1	39.61	Metso Minerals India Private Limited	October 23, 2009
20.	Metso Crusher IIIrd stage (Imported)**	1	32.55	Metso Minerals India Private Limited	October 23, 2009
	Sub-total		**108.37**		
Earthmoving Equipment:					
21.	Volvo Soil Compactor SD110	5	10.76	Volvo India Private Limited through Alpha Technical	November 3, 2009
22.	Caterpillar Motor Grader Model 120H ***	5	43.94	TIL Limited	October 22, 2009
23.	Caterpillar Motor Grader Model 140H***	5	50.93	TIL Limited	October 22, 2009
24.	Caterpillar Hydraulic Excavator 320DR***	2	12.11	TIL Limited	October 22, 2009
25.	Caterpillar D6G II Dozer***	2	18.86	TIL Limited	October 22, 2009
	Sub-total		**136.60**		
Material Handling Equipment:					
26.	Taurus 2516H/4C FET	50	86.09	Ashok Leyland Limited	September 18, 2009
27.	JCB 3DX Excavator Loader	10	17.87	JCB Limited through Kavisha Earthmovers (P) Limited	October 21, 2009

S.No.	Description	Qty.	Amount (in Rs. million)	Supplier	Date of quotation#
28.	Caterpillar Wheel Loader 950H***	2	19.56	TIL Limited	October 22, 2009
29.	Hindustan 2021 Z Bar Front End Loader	5	15.25	TIL Limited	October 22, 2009
30.	Electronic Weigh Bridge 100 MT	5	5.35	Ashbee Systems Private Limited	October 22, 2009
31.	Apollo Bitumen Pressure Distributor ATM 6000	4	3.42	Gujarat Apollo Industries Limited	October 22, 2009
32.	TIL Grove RT 740 B 40 MT Crane	1	16.01	TIL Limited	October 12, 2009
33.	TIL Grove RT 760-55 MT Crane	1	20.76	TIL Limited	October 12, 2009
	Sub-total		**184.31**		
Survey Equipment:					
34.	Sokkia Automatic Level Model C320	6	0.16	Sokkia India Private Limited	September 11, 2009
	Sub-total		**0.16**		
	Total		**694.82**		

 # The validity of the quotations received from various suppliers ranges from 15 days to 45 days
**1 AUD = Rs. 42.18*
***1 Euro= Rs. 70.00*
****1 USD = Rs. 47.81*
[Source: As on September 30, 2009, www.x-rates.com]

We purchase the equipment set out above on a regular basis in the course of our business. We will obtain fresh quotations at the time of actual placement of the order for the respective equipment.

The estimated expenditure plan has not been appraised by an independent organization. In addition, the Company's capital expenditure plans are subject to a number of variables, including possible cost overruns, construction delays or defects and changes in the management's views of the desirability of current plans, among others.

2. Working capital requirements

Our business is working capital intensive and we avail majority of our working capital in the ordinary course of our business from various banks. As on the date of this Draft Red Herring Prospectus, the Company's working capital facility consisted of an aggregate fund based limit of Rs. 1,650 million and an aggregate non-fund based limit of Rs. 6,250 million. As on September 30, 2009, the aggregate amount outstanding under the fund based and non-fund based working capital facilities was Rs. 338.40 million and Rs. 2,263.28 million, respectively. For further details of the working capital facility currently availed by us, see "***Financial Indebtedness***" and "***Financial Statements***" on page 154 and page F-1, respectively. Based upon our internal estimates and projections as reflected below, we would incrementally require working capital, part of which, up to Rs. 900 million, we propose to finance from the proceeds of the Issue.

The Company requires additional working capital for executing its outstanding Order Book that has been received by the Company. As on September 30, 2009, the unexecuted Order Book of the Company was Rs. 10,389 million. For further details of the Order Book availed by us, see "***Our Business***" on page 60.

Basis of estimation of working capital requirement

The Company's current assets and working capital as on March 31, 2009 and September 30, 2009, as restated, are as follows:

(In Rs. million)

Particulars	March 31, 2009	September 30, 2009
Inventories	226.93	236.71
Sundry Debtors	993.88	1,284.60
Cash and Bank Balance	248.81	160.74
Loans and advances	620.32	568.71
Total Current Assets (A)	**2,089.94**	**2,250.76**
Current Liabilities		

Particulars	March 31, 2009	September 30, 2009
Current Liabilities	714.97	994.06
Provisions	119.69	101.99
Total Current Liabilities (B)	**834.66**	**1,096.05**
Working Capital (A) – (B)	**1,255.28**	**1,154.71**

The estimated net current assets and working capital ratios as on March 31, 2010 and March 31, 2011 are as follows:

(In Rs. million)

Particulars	March 31, 2010	March 31, 2011
I. Current Assets		
1. Inventory	727.0	1,100.0
2. Sundry debtors	1,463.0	2,222.0
3. Other current assets	1,334.0	1,597.0
Total Current Assets (A)	**3,524.0**	**4,919.0**
II. Current Liabilities (B)		
1. Provisions	212.0	359.0
2. Other current liabilities	868.0	1,281.0
Total Current Liabilities	**1,080.0**	**1,640.0**
III. Total Working Capital Requirement (A-B)	**2,444.0**	**3,279.0**
IV. Proposed Funding Pattern		
1. Working capital funding from banks	-	1,650
2. Own funds	-	279.0
3. Others-enhanced working capital funding from banks	-	450.0
4. Part of the proceeds	-	900.0
Total		**3,279.0**

**The Company has entered into a working capital consortium agreement dated June 8, 2009 with a consortium of banks for a working capital facility consisting of an aggregate fund based limit of Rs. 1,650 million and an aggregate non-fund based limit of Rs. 6,250 million. For further details, see "Financial Indebtedness" on page 154.*

***The Company proposes to avail additional working capital facility of Rs.450 million from various lenders.*

Assumptions for working capital requirements

Sr. No.	Particulars	Number of days
1.	Inventories	40.00
2.	Sundry debtors	70.00
3.	Other Current Assets	30.00

YKJ & Associates, Chartered Accountants, have by a certificate dated October 31, 2009, certified the working capital requirements of the Company. For further details of this certificate, please see "***Material Contracts and Documents for Inspection***" on page 237.

3. Prepayment/repayment of loans and advances availed by the Company

The Company has availed various loan facilities to finance its projects. As on September 30, 2009, the principal loan amount outstanding by the Company aggregated Rs. 556.21 million. The Company will utilize an amount of Rs. 100 million out of the Issue proceeds to repay/ prepay certain of its outstanding loans and advances. There maybe prepayment penalties with respect to certain loans. The details of the current outstanding loans and advances proposed to be repaid/pre-paid out of Issue proceeds are provided in the table below:

(a) Loans

Sr. No.	Name of the lender	Total Amount Sanctioned (in Rs. million)	Principal amount outstanding as on September 30, 2009 (in Rs. million)	Repayment Date/ schedule	Interest (%)	Purpose for availing the loan facility
1	HDFC Bank Limited*	163.49	103.51	Repayable in installments ending between December 2009 and May 2013.	5.00% - 12.00%	Acquisition of equipment and vehicles
2	ICICI Bank Limited**	7.32	6.02	Repayable in installments ending by May 2012	9.30%-12.51%	Acquisition of equipment
3	ABN Amro Bank N.V.	2.65	1.68	Repayable in 35 installments ending by June 2011	11.25%	Acquisition of equipment
4	SREI Infrastructure Finance Limited***	73.05	51.88	Repayable in installments ending between April 2011 and December 2011	11.17%-11.90%	Acquisition of equipment
5	SREI Equipment Finance Private Limited****	12.07	9.90	Repayable in installments ending by January 2012	11.25%	Acquisition of equipment
6	Citibank N.A.#	36.59	3.55	Repayable in installments between November 2009 and February 2010	6.25%-7.50%	Acquisition of equipment
7	Citicorp Finance India Private Limited##	35.40	7.18	Repayable in installments between November 2009 and July 2011	6.25%-11.00%	Acquisition of equipment
8	Tata Capital Limited**	52.26	36.39	Repayable in installments ending between August 2011 and September 2011	8.30%-12.00%	Acquisition of equipment
9	Standard Chartered Bank###	76.95	64.51	Repayable in installments ending between August 2012 and December 2012	11.50%-12.51%	Acquisition of equipment
10	Kotak Mahindra Bank Limited**	11.68	9.87	Repayable in installments ending by February 2012	9.28%-11.49%	Acquisition of equipment
11	Axis Bank Limited	1.79	1.67	Repayable in installments ending by May 2012	10.10%	Acquisition of equipment
	Total	**473.26**	**296.16**			

**36 loans*

***2 loans*
****13 loans*
*****6 loans*
 # 11 loans
##17 loans
###21 loans

(b) Advances

(In Rs. million)

Sr.	Name of Project	Nature of advance	Amounting outstanding as on September 30, 2009
1	Improvement of Gurgaon-Nuh-Rajasthan Border (SH-13) km. 7.200 to km. 95.890 by four laning, widening, strengthening, providing, drains, widening of bridges and culverts, retaining structures and other miscellaneous works etc" awarded by Haryana State Road & Bridges Development Corporation Limited, Chandigarh.	Mobilization and Machinery Advance	202.35
2	Four laning of Km.51.00 to 61.00 (including Chambal Bridge) on Dholpur-Morena Section of NH-3 on North-South Corridor in the State of Rajasthan/ Madhya Pradesh (Package No. NH-1/RJ-MP/1)" awarded by the National Highways Authority of India, New Delhi.	Mobilization Advance	57.70
	Total		**260.05**

The above advances have not been availed from the Promoters, Promoter Group or Group Entities.

YKJ & Associates, Chartered Accountants, have by a certificate dated November 14, 2009, certified that the above mentioned loans and advances are outstanding as on September 30, 2009. For further details of this certificate, please see "***Material Contracts and Documents for Inspection***" on page 237.

Our Company will give preference to repaying high cost debts/advances in order to reduce the interest burden. Our Company will approach the banks/financial institutions/ lenders or clients after the completion of this Issue for pre-payment of some of the above loans. Some of the loan documents provide for payment of pre-payment penalties and our Company may have to pay such excess amounts. Our Company will take these provisions into consideration in pre-paying its debt from the Net Proceeds. In view of the dynamic nature of our industry, the Company may have to revise its business plan from time to time and consequently our fund requirement may also change. Thus, the Company may reduce or increase the amount of prepayment or repayment of debts/advances.

4. General Corporate Purposes and other strategic initiatives

As part of our on-going business strategy, we have bid for and we will continue to bid for various infrastructure projects on a BOT or EPC basis and invest in SPVs. If and when our bids are successful, to be able to undertake such projects, we would be required to form SPVs to facilitate the execution of such projects. The civil engineering and construction industry is dynamic in nature and the Company's plan and strategy will depend on future additions in the Order Book, the types of contracts and the schedule of execution of different contracts. We intend to deploy the balance Proceeds from the Issue aggregating Rs. [●] million, towards General Corporate Purposes, including but not restricted to meeting working capital requirements, strategic initiatives, partnerships, joint ventures, meeting exigencies, which our Company in the ordinary course of business may face, or any other purposes as approved by our Board.

The management in accordance with the policies established by the Board will have flexibility in applying the portion of the net proceeds allocated for investments in SPVs for general corporate purposes. Whilst, we expect to utilize the Issue proceeds in the manner provided above, the Board shall have flexibility in utilizing the Issue proceeds for other new projects including those secured by us through a bidding process or through negotiations.

5. Benefits of Listing

We believe that the listing of Equity Shares will *inter alia*, enhance our visibility and brand name among our existing and potential customers.

Bridge Financing Facilities

The Company has not raised any bridge loans from any bank or financial institution as on the date of this Draft Red Herring Prospectus, which are proposed to be repaid from the proceeds of this Issue.

Interim use of Net Proceeds

The Company, in accordance with the policies formulated by its Board from time to time, will have flexibility in deploying the proceeds received from the Issue. The particular composition, timing and schedule of deployment of the Net Proceeds will be determined by the Company based on the development of the projects. Pending utilization of the proceeds out of the Issue for the purposes described above, the Company intends to temporarily invest the funds in interest bearing liquid instruments including deposits with banks and investments in money market mutual funds and other financial products and investment grade interest bearing securities as may be approved by the Board.

Issue Expenses

The Issue related expenses consist of underwriting fees, selling commission, fees payable to the BRLM to the Issue, legal counsels, Bankers to the Issue, Escrow Bankers and Registrars to the Issue, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges. We intend to use about Rs. [●] million towards these expenses for the Issue. All expenses with respect to the Issue will be borne out of Issue proceeds. The break-up for the Issue expenses is as follows:

S.No.	Activity Expense	Amount (in Rs. million)	Estimated Percentage of Total Issue Expenses	Estimated Percentage of Total Issue Size
1.	Lead management fees*	[●]	[●]	[●]
2.	Underwriting and selling commission*(including commission to SCSBs for ASBA Applications *)	[●]	[●]	[●]
3.	Registrar's fees*	[●]	[●]	[●]
4.	Advertisement and marketing expenses*	[●]	[●]	[●]
5.	Printing and distribution expenses*	[●]	[●]	[●]
6.	IPO Grading expenses*	[●]	[●]	[●]
7.	Advisors*	[●]	[●]	[●]
8.	Bankers to the Issue*	[●]	[●]	[●]
9.	Others (SEBI filing fees, bidding software expenses, depository charges, listing fees, etc.) *	[●]	[●]	[●]

**Will be incorporated after the finalization of the Issue Price.*

Monitoring of Utilization of Funds

There is no requirement for a monitoring agency as the Issue size is less than Rs. 5,000 million.

Our Board shall monitor the utilization of the proceeds of the Issue. We will disclose the utilization of the proceeds of the Issue under a separate head along with details, if any in relation to all such proceeds of the Issue that have not been utilized thereby also indicating investments, if any, of such unutilized proceeds of the Issue in our Balance Sheet for the relevant financial years commencing from financial year 2009-2010.

Pursuant to Clause 49 of the Listing Agreement, the Company shall on a quarterly basis disclose to the Audit Committee the uses and applications of the proceeds of the Issue. On an annual basis, the Company shall prepare a statement of funds utilized for purposes other than those stated in this Draft Red Herring Prospectus and place it before the Audit Committee. Such disclosure shall be made only until such time that all the proceeds of the Issue have been utilized in full. The statement shall be certified by the statutory auditors of the Company. Furthermore, in accordance with Clause 43A of the Listing Agreement the Company shall furnish to the Stock Exchanges on a quarterly basis, a statement including material deviations if any, in the utilization of the process of the Issue from the objects of the Issue as stated above. This information will also be published newspapers simultaneously with the interim or annual financial results, after placing the same before the Audit Committee.

No part of the Issue proceeds will be paid by the Company as consideration to the Promoters, the Directors, the Company's key management personnel or companies promoted by the Promoters except in the usual course of business.

BASIS FOR ISSUE PRICE

The Issue Price will be determined by the Company, in consultation with the BRLM, on the basis of assessment of market demand for the Equity Shares offered by the Book Building Process. The face value of the Equity Shares is Rs. 10 and the Issue Price is [●] times the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band.

Qualitative Factors

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

a. Robust and sustainable growth.

b. Ability to execute projects in a timely manner.

c. Continuous growth in our bid capacity and pre qualification capability.

d. Ownership of a large fleet of sophisticated equipment.

e. Highly qualified management team and experienced employee base.

For some of the qualitative factors, which form the basis for computing the price, see "***Our Business***" on page 60.

Quantitative Factors

Information presented in this section is derived from the Company's restated financial statements prepared in accordance with Indian GAAP and ICDR Regulations. Some of the quantitative factors, which form the basis for computing the price, are as follows:

1. *Weighted Average Basic/Diluted Earnings Per Share ("EPS")*

Period	**EPS (Rs.)**	**Weight**
Year ended March 31, 2007	4.04	1
Year ended March 31, 2008	6.93	2
Year ended March 31, 2009	7.37	3
Weighted Average	6.67	

Notes

i. The figures disclosed above are based on the restated summary statements of the Company.
ii. Earnings per share calculations are done in accordance with Accounting Standard 20 'Earning per Share' issued by the Institute of Chartered Accountants of India.
iii. The above statement should be read with Significant Accounting Policies and the Notes to the Statement of Accounting and Other Ratios, as appearing in Annexures V and VI respectively.
iv. The face value of each equity shares is Rs.10.
v. The basic/diluted EPS as on September 30, 2009 is Rs.5.83.

2. *Price Earning (P/E) Ratio in relation to the Issue Price of Rs. [●] per share of Rs. 10 each*

a) P/E ratio based on Basic EPS for the year ended March 31, 2009, in relation to the Floor Price: [●] times

b) P/E ratio based on Basic EPS for the year ended March 31, 2009, in relation to the Cap Price: [●] times

c) P/E ratio based on Diluted EPS for the year ended March 31, 2009, in relation to the Floor Price: [●] times

d) P/E ratio based on Diluted EPS for the year ended March 31, 2009, in relation to the Cap Price: [●] times

e) Industry P/E*:

a. Highest : 389
b. Lowest : 1.10
c. Average : 33.20

**Source: Capital Market Volume XXIV/18 dated November 02-15, 2009*

Peer group includes Nagarjuna Construction Company Limited, Gayatri Projects Limited and Hindustan Construction Company.

3. *Return on Average Net worth (RoNW) as per restated Indian GAAP financials*

Year ended	RoNW (%)	Weight
Year ended March 31, 2007	19.61	1
Year ended March 31, 2008	25.53	2
Year ended March 31, 2009	19.60	3
Weighted Average	21.58	

4. *Minimum Return on Total Net Worth after the Issue for maintaining the pre-Issue EPS for the year ended March 31, 2009*

- **Based on Basic EPS**

  a. At the Floor Price:[●]%
  b. At the Cap price: [●]%

- **Based on Diluted EPS**

  a. At the Floor Price:[●]%
  b. At the Cap price: [●]%

5. Net Asset Value per Equity Share*

Net Asset Value per Equity Share:

a. As on March 31, 2009: Rs.55.55.
b. After the Issue: [●]
c. Issue Price: Rs. [●]#

** Net Asset Value per Equity Share represents shareholders' equity less miscellaneous expenses as dividend by weighted average number of equity shares.*
#Issue Price per Equity Share will be determined on conclusion of the Book Building Process.

6. Comparison with Industry Peers

Sr. No.	Name of the company	Face Value (Rs. per Share)	EPS (Rs.)	P/E Multiple	RoNW (%)	Book value per share (Rs.)
1.	PNC Infratech Limited*	10.00	7.37	[●]	19.60	55.55
Peer Group**						
2.	Nagarjuna Construction Company Limited	2.00	5.90	24.90	9.50	80.00
3.	Gayatri Projects Limited	10.00	36.80	9.30	20.90	211.00
4.	Hindustan Construction Company	1.00	2.60	70.20	8.30	49.00

** The Company's EPS, RoNW and Book value per share have been calculated from the Company's restated audited financial statements on a diluted basis.*
*** Source: Capital Market Volume Capital Market Volume XXIV/18 dated November 02-15, 2009.*

The Issue Price has been determined by the Company, in consultation with the BRLM, on the basis of assessment of market demand from investors for the Equity Shares through the Book Building Process.

The BRLM believe that the Issue Price of Rs. [●] per Equity Share is justified in view of the above qualitative and quantitative parameters. Prospective investors should also review the entire Draft Red Herring Prospectus, including, in particular the sections titled "***Risk Factors***", "***Our Business***" and "***Financial Statements***" on pages x, 60 and F-1 respectively, to have a more informed view.

STATEMENT OF TAX BENEFITS

To
The Board of Directors,
PNC Infratech Limited,
D-51, Kamla Nagar,
Agra -282005.

Sub: Statement of possible tax benefits available to PNC Infratech Limited and its shareholders

Dear Sir,

We hereby report that the enclosed statement states the probable tax benefits that may be available to PNC Infratech Limited (the "**Company**") and its shareholders under the current direct tax law in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws and their interpretations. Hence the ability of the Company or its shareholders to derive the tax benefit is dependent upon fulfilling such conditions, which based on business imperatives the Company faces in the future, the Company may or may not choose to fulfill.

The benefits discussed in the enclosed statement are not exhaustive not are they conclusive. This statement is only intended to provide general information and to guide the investor and is neither designated 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 implication arising out of their participation in the issue and we are absolved of any liability to the shareholder or placing reliance upon the contents of this material.

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

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

The contents of this enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company and the interpretation of current tax laws.

This report is intended solely for your information and for the inclusion in the offer documents in connection with the proposed issue of equity share of the Company as per the SEBI regulations and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For Purushottam Agrawal & Co.
Chartered Accountants

Sanjay Agrawal
Partner
Membership No. 072696
Place: Agra
Date: November 07, 2009

ANNEXURE TO THE STATEMENT OF TAX BENEFITS

(A) Special Tax Benefits available to the Company under the Income Tax Act, 1961 ("the IT Act")

Subject to compliance with certain conditions laid down in Section 80-IA of the Income Tax Act, 1961 (the "**IT Act**") the Company will enjoy 100% tax exemption for any 10 consecutive Assessment Years out of 20 years beginning from the year in which undertaking has started operating the infrastructure facility, as the case may be, in respect of profits earned from an undertaking set up for developing or operating and maintaining or developing, operating and maintaining any notified infrastructure facility.

In case of scheme of amalgamation/demerger taken place before April 1, 2006, the Company can avail 100% tax exemption for the residual period out of 20 years, as the case may be, in respect of profits earned from an undertaking or an enterprise engaged in notified infrastructure facility and which amalgamates with the company, subject to compliance with certain conditions laid down in Section 80-IA (12) of the IT Act.

(B) General Tax Benefits available under the Income Tax Act, 1961 ("the IT Act")

a) To the Company

Dividends exempt under section 10(34) and 10(35) of the IT Act

Dividend (whether interim or final) received by the Company from its investment in shares of another domestic company would be exempted in the hands of the Company as per the provisions of section 10(34) read with section 115-O of the IT Act.

In terms of section 10(35) of the IT Act, any income received from units of a mutual fund specified under section 10(23D) of the IT Act is exempt from tax, subject to such income not arising from the transfer of units in such mutual fund.

Computation of capital gains

Capital assets are to be categorized into short-term capital assets and long-term capital assets based on the period of holding. All capital assets except shares held in a company or any other security listed in a recognized stock exchange in India or units of Unit Trust of India ("**UTI**") or mutual fund units specified under section 10(23D) of the IT Act or zero coupon bonds are considered to be long-term capital assets, if they are held for a period exceeding thirty-six months. Shares held in a company or any other security listed in a recognized stock exchange in India or UTI or mutual fund units specified under section 10(23D) of the IT Act or zero coupon bonds are considered as long-term capital assets, if these are held for a period exceeding twelve months.

As per the provisions of section 10(38) of the IT Act, long term capital gain arising to the Company from transfer of a long term capital asset being an equity share in a company listed on a recognized stock exchange in India, shall be exempt from tax, if such sale is entered into on or after October 1, 2004, and the transaction is chargeable to Securities Transaction Tax ("**STT**").

As per the provisions of section 112 of the IT Act, long-term capital gains other than those covered under section 10(38) of the IT Act are subject to tax at a rate of 20% (plus applicable surcharge and cess). However, proviso to section 112(1) specifies that if the long-term capital gains other than those covered under section 10(38) of the IT Act arising on transfer of listed securities or units or zero coupon bond, calculated at the rate of 20% with indexation benefit exceeds the capital gains computed at the rate of 10% without indexation benefit, then such capital gains are chargeable to tax at the rate of 10% without indexation benefit (plus applicable surcharge and education cess).

However, from assessment year 2007-2008, such long-term capital gains will be included while computing book profits for the purpose of payment of Minimum Alternate Tax ("**MAT**") under the provisions of section 115JB of the IT Act.

As per provisions of section 111A of the IT Act, short term capital gains arising from transfer of short term capital asset, being an equity share in a company or a unit of an equity oriented mutual fund shall be taxable at the rate of 15% (plus applicable surcharge and education cess), if such sale is entered into on or after October 1, 2004 and the transaction is chargeable to STT.

Depreciation

Subject to compliance with certain conditions laid down in Section 32 of the IT Act, the Company will be entitled to deduction for depreciation, in respect of tangible assets (being buildings, machinery, plant or furniture) and intangible assets (being know-how, patents, copyrights, trademarks, licenses, franchises or any other business or commercial rights of similar nature acquired on or after April 1, 1998) at the rates prescribed under the Income-tax Rules, 1962.

MAT credit

In terms of section 115JAA(1A) of the IT Act, the Company is eligible to claim credit for any tax paid as MAT under section 115JB of the IT Act for any assessment year commencing on or after April 1, 2006 against income tax liabilities incurred in subsequent years as prescribed. MAT credit eligible in subsequent years is the difference between MAT paid and the tax computed as per the normal provisions of the IT Act. Such MAT credit will be available for set-off up to seven years succeeding the year in which the MAT credit initially arose.

b) Benefits to the resident shareholders of the Company under the IT Act

Dividends exempt under section 10(34) of the IT Act

Dividend (whether interim or final) received by a resident shareholder from investment in shares of a domestic company would be exempt in the hands of the resident shareholder as per the provisions of section 10(34) read with section 115-O of the IT Act.

Computation of capital gains

Capital assets are to be categorized into short-term capital assets and long-term capital assets based on the period of holding. All capital assets (except shares held in a company or any other security listed in a recognized stock exchange in India or units of UTI or mutual fund units specified under section 10(23D) of the IT Act and zero coupon bonds) are considered to be long-term capital assets, if they are held for a period exceeding thirty-six months. Shares held in a company or any other security listed in a recognized stock exchange in India or units of UTI or mutual fund units specified under section 10(23D) of the IT Act and zero coupon bonds are considered as long-term capital assets, if these are held for a period exceeding twelve months.

As per the provisions of section 48 of the IT Act, the amount of capital gain shall be computed by deducting from the sale consideration, the cost of acquisition and expenses incurred in connection with the transfer of a capital asset. However, in respect of long-term capital gains arising to a resident shareholder, a benefit is permitted to substitute the cost of acquisition/ improvement with the indexed cost of acquisition/ improvement. The indexed cost of acquisition/ improvement, adjusts the cost of acquisition/ improvement by a cost inflation index, as prescribed from time to time.

As per the provisions of section 10(38) of the IT Act, long term capital gain arising to a resident shareholder from transfer of a long term capital asset being an equity share in a company listed on a recognized stock exchange in India, shall be exempt from tax, if such sale is entered into on or after October 1, 2004, and the transaction is chargeable to STT.

As per the provisions of section 112 of the IT Act, long-term capital gains (other than those covered under section 10(38) of the IT Act) are subject to tax at a rate of 20% (plus applicable surcharge and cess). However, proviso to section 112(1) specifies that if the long-term capital gains (other than those covered under section 10(38) of the IT Act) arising on transfer of listed securities or units or zero coupon bond, calculated at the rate of 20% with indexation benefit exceeds the capital gains computed at the rate of 10% without indexation benefit, then such capital gains are chargeable to tax at the rate of 10% without indexation benefit (plus applicable surcharge and education cess).

As per provisions of section 111A of the IT Act, short term capital gains arising from transfer of short term capital asset, being an equity share in a company or a unit of an equity oriented mutual fund shall be taxable @

10% (plus applicable surcharge and education cess), if such sale is entered into on or after October 1, 2004 and the transaction is chargeable to STT.

Exemption of capital gains arising from income tax

As per the provisions of section 54EC of the IT Act and subject to the conditions specified therein capital gains arising to a resident shareholder on transfer of a long-term capital asset other than those covered under section 10(38) of the IT Act shall not be chargeable to tax to the extent such capital gains are invested in certain notified bonds within six months from the date of transfer. If only part of such capital gain is invested, the exemption shall be proportionately reduced.

However, if the resident shareholder transfers or converts the notified bonds into money (as stipulated therein) within a period of three years from the date of their acquisition, the amount of capital gains exempted earlier would become chargeable in such year. The bonds specified for this section are bonds issued on or after April 1, 2006 by the National Highway Authority of India and the Rural Electrification Corporation Limited. The IT Act has restricted the maximum investment in such bonds up to Rs. 5 million per assessee during any financial year.

Further, as per the provisions of section 54F of the IT Act and subject to conditions specified therein, long-term capital gains other than a capital gains arising on sale of resident house and those covered under section 10(38) of the IT Act arising to an individual or Hindu Undivided Family ("**HUF**") on transfer of shares of the Company will be exempted from capital gains tax, if the net consideration from such shares are used for either purchase of residential house property within a period of one year before or two years after the date on which the transfer took place, or for construction of residential house property within a period of three years after the date of transfer.

However, if the resident shareholder transfers the residential house property within a period of three years from the date of their acquisition, the amount of capital gains exempted earlier would become chargeable in such year.

Rebate under section 88E of the IT Act

As per the provisions of section 88E of the IT Act, where the business income of a resident shareholder includes profits and gains from sale of taxable securities, a rebate shall be allowed from the amount of income tax, equal to the securities transaction tax paid on such transactions.

However, the amount of rebate shall be limited to the amount arrived at by applying the average rate of income tax on such business income.

c) Benefits to the non-resident shareholders of the Company other than Foreign Institutional Investors under the IT Act

Dividends exempt under section 10(34) of the IT Act

Dividend (whether interim or final) received by a non-resident shareholder from its investment in shares of a domestic company would be exempt in the hands of the non-resident shareholder as per the provisions of section 10(34) read with section 115-O of the IT Act.

Computation of capital gains

Capital assets are to be categorized into short-term capital assets and long-term capital assets based on the period of holding. All capital assets [except shares held in a company or any other security listed in a recognized stock exchange in India or units of UTI or Mutual Fund units specified under section 10(23D) of the IT Act and zero coupon bonds] are considered to be long-term capital assets, if they are held for a period exceeding thirty-six months. Shares held in a company or any other security listed in a recognized stock exchange in India or units of UTI or Mutual Fund units specified under section 10(23D) of the IT Act and zero coupon bonds are considered as long-term capital assets, if these are held for a period exceeding twelve months.

As per the provisions of section 48 of the IT Act, the amount of capital gain shall be computed by deducting from the sale the consideration, the cost of acquisition and expenses incurred in connection with the transfer of a capital asset. Under first proviso to section 48 of the IT Act, the taxable capital gains arising on the transfer of capital assets being shares or debentures of an Indian company need to be computed by converting the cost of acquisition, expenditure in connection with such transfer and full value of the consideration received or accruing as a result of the transfer into the same foreign currency in which the shares were originally purchased. The resultant gains thereafter need to be reconverted into Indian currency. The conversion needs to be done at the prescribed rates prevailing on dates stipulated. Hence, in computing such gains, the benefit of indexation is not available to non-resident shareholders.

As per the provisions of section 10(38) of the IT Act, long term capital gain arising to a nonresident shareholder from transfer of a long term capital asset being an equity share in a company listed on a recognized stock exchange in India, shall be exempt from tax, if such sale is entered into on or after October 1, 2004, and the transaction is chargeable to STT.

As per the provisions of section 112 of the IT Act, long-term capital gains (other than those covered under section 10(38) of the IT Act) are subject to tax at a rate of 20% (plus applicable surcharge and cess). However, proviso to section 112(1) specifies that if the long-term capital gains [other than those covered second proviso to section 48 and under section 10(38) of the IT Act] arising on transfer of listed securities or units or zero coupon bond, calculated at the rate of 20% with indexation benefit exceeds the capital gains computed at the rate of 10% without indexation benefit, then such capital gains are chargeable to tax at the rate of 10% without indexation benefit (plus applicable surcharge and education cess).

As per provisions of section 111A of the IT Act, short term capital gains arising from transfer of short term capital asset, being an equity share in a company or a unit of an equity oriented mutual fund shall be taxable @ 10% (plus applicable surcharge and education cess), if such sale is entered into on or after October 1, 2004 and the transaction is chargeable to STT.

Exemption of capital gain from income-tax

As per the provisions of section 54EC of the IT Act and subject to the conditions specified therein capital gains arising to a non-resident shareholder on transfer of a long-term capital asset (other than those covered under section 10(38) of the IT Act) shall not be chargeable to tax to the extent such capital gains are invested in certain notified bonds within six months from the date of transfer. If only part of such capital gain is invested, the exemption shall be proportionately reduced.

However, if the non-resident shareholder transfers or converts the notified bonds into money (as stipulated therein) within a period of three years from the date of their acquisition, the amount of capital gains exempted earlier would become chargeable in such year. The bonds specified for this section are bonds issued on or after April 1, 2006 by NHAI and REC. The IT Act has restricted the maximum investment in such bonds up to Rs 5 million per assessee during any financial year.

Further, as per the provisions of section 54F of the IT Act and subject to conditions specified therein, long-term capital gains (other than a capital gains arising on sale of resident house and those covered under section 10(38) of the IT Act) arising to an individual or HUF on transfer of shares of the Company will be exempted from capital gains tax, if the net consideration from such shares are used for either purchase of residential house property (subject to prior approval from Reserve Bank of India) within a period of one year before or two years after the date on which the transfer took place, or for construction of residential house property within a period of three years after the date of transfer.

However, if the non-resident shareholder transfers the residential house property within a period of three years from the date of their acquisition, the amount of capital gains exempted earlier would become chargeable in such year.

Rebate under section 88E

As per the provisions of section 88E, where the business income of a non-resident shareholder includes profits and gains from sale of taxable securities, a rebate shall be allowed from the amount of income tax, equal to the securities transaction tax paid on such transactions. However, the amount of rebate shall be limited to the amount arrived at by applying the average rate of income tax on such business income.

Tax Treaty Benefits

As per section 90(2) of the IT Act, the provisions of the IT Act would prevail over the provisions of the tax treaty to the extent they are more beneficial to the non-resident shareholder. Thus, a non-resident shareholder can opt to be governed by the beneficial provisions of an applicable tax treaty.

Non resident taxation

Under section 115-I of the IT Act, the non-resident Indian shareholder has an option to be governed by the provisions of Chapter XIIA of the IT Act viz. *"Special Provisions Relating to Certain Incomes of Non-Residents"* which are as follows:

Under section 115E of the IT Act, where shares in the Company are acquired or subscribed to in convertible foreign exchange by a non-resident Indian, capital gains arising to the non-resident on transfer of shares held for a period exceeding 12 months, will (in cases not covered under section 10(38) of the IT Act), be concessionally taxed at the flat rate of 10% (plus applicable surcharge and cess) (without indexation benefit but with protection against foreign exchange fluctuation).

Under provisions of section 115F of the IT Act, long-term capital gains (in cases not covered under section 10(38) of the IT Act) arising to a non-resident Indian from the transfer of shares of the Company subscribed to in convertible foreign exchange will be exempt from income tax, if the net consideration is reinvested in specified assets within six months of the date of transfer. If only part of the net consideration is so reinvested, the exemption will be proportionately reduced. However the amount so exempted will be chargeable to tax subsequently, if the specified assets are transferred or converted into money within three years from the date of their acquisition.

Under provisions of section 115G of the IT Act, non-resident Indians are not required to file a return of income under section 139(1) of the IT Act, if their only income is income from forex asset investments or long-term capital gains in respect of those assets or both, provided tax has been deducted at source from such income as per the provisions of Chapter XVII-B of the IT Act.

Under section 115H of the IT Act, where the non-resident Indian becomes assessable as a resident in India, such person may furnish a declaration in writing to the Assessing Officer, along with the return of income for that year under section 139 of the IT Act to the effect that the provisions of the Chapter XIIA will continue to apply to such person in relation to the investment income derived from the specified assets for that year and subsequent assessment years until such assets are converted into money.

d) Benefits to Foreign Institutional Investors under the IT Act ("**FII**")

Dividends exempt under section 10(34) of the Act

Dividend (whether interim or final) received by a FII from its investment in shares of a domestic company would be exempt in the hands of the FII as per the provisions of section 10(34) read with section 115-O of the Act.

Long term capital gains exempt under section 10(38) of the Act

As per the provisions of section 10(38) of the Act, long term capital gain arising to the FII from transfer of a long term capital asset being an equity share in a company listed on a recognized stock exchange in India, shall be exempt from tax, if such sale is entered into on or after October 1, 2004, and the transaction is chargeable to STT.

Capital gains

As per the provisions of section 115AD of the Act, FIIs are taxed on the capital gains income at the following rates:

Rate of tax

Nature of Income	(%)*
Long-term capital gains	10
Short-term capital gains	30

***Plus applicable surcharge and cess**

The benefits of foreign currency fluctuation protection and indexation as provided by section 48 of the Act are not available to a FII.

As per the provisions of section 10(38) of the Act, long term capital gain arising to FII from transfer of a long term capital asset being an equity share in a company listed on a recognized stock exchange in India, shall be exempt from tax, if such sale is entered into on or after October 1, 2004, and the transaction is chargeable to STT.

As per provisions of section 111A of the Act, short term capital gains arising from transfer of short term capital asset, being an equity share in a company or a unit of an equity oriented mutual fund shall be taxable at the rate of 10% (plus applicable surcharge and education cess), if such sale is entered into on or after October 1, 2004and is chargeable to STT.

Tax Treaty Benefits

As per section 90(2) of the Act, the provisions of the Act would prevail over the provisions of the tax treaty to the extent they are more beneficial to the FII. Thus, an FII can opt to be governed by provisions of the Act or the applicable tax treaty whichever is more beneficial.

e) Benefits to the mutual funds

Dividends exempt under section 10(34) of the Act

Dividend (whether interim or final) received by a mutual fund from its investment in shares of a domestic company would be exempt in the hands of the mutual Fund as per the provisions of section 10(34) read with section 115-O of the Act.

As per the provisions of section 10(23D) of the Act

Any income of mutual funds registered under the Securities and Exchange Board of India Act, 1992 ('SEBI') or regulations made there under, mutual funds set up by public sector banks or public financial institutions or mutual funds authorized by the Reserve Bank of India, would be exempt from income tax, subject to the prescribed conditions.

f) Benefits to the Venture Capital Companies / Funds

Dividends exempt under section 10(34) of the Act

Dividend (whether interim or final) received by a venture capital company ("**VCC**")/ Venture Capital Funds ("**VCF**") from its investment in shares of another domestic company would be exempt in the hands of the VCC/VCF as per the provisions of section 10(34) read with section 115-O of the Act.

Income exempt under section 10(23FB) of the Act

As per the provisions of section 10(23FB) of the Act, any income of VCC/VCF registered with the SEBI, set up to raise funds for investment in a venture capital undertaking ("**VCU**") would be exempt from income tax, subject to the conditions specified. The Finance Act, 2007 has restricted the definition of venture capital undertaking ('VCU') to mean such domestic company whose shares are not listed on a recognized stock exchange in India and which is engaged in the following specified business viz:

- Nanotechnology;
- Information technology relating to hardware and software;
- Seed research and development;

- Bio-technology;
- Research and development of new chemical entities in the pharmaceutical sector;
- Production of bio-fuels;
- Building and operating composite hotel-cum-convention centre with seating capacity of more than 3,000;
- Developing or operating and maintaining or developing, operating and maintaining any infrastructure facility as defined in Explanation to clause (i) of sub-section (4) of section 80-IA; and
- Dairy or poultry industry.

(C) Benefits available under the Wealth-tax Act, 1957 (Common to all)

Asset as defined under section 2(ea) of the Wealth-tax Act, 1957 does not include shares in companies and hence, shares are not liable to wealth tax.

Notes:

- The above statement sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of equity shares;
- The above statement sets out the possible tax benefits available to the Company and its shareholders under the current tax laws presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws;
- In respect of non-residents, the tax rates and the consequent taxation mentioned above shall be further subject to any benefits available under the double taxation avoidance agreement, if any, between India and the country in which the non-resident has fiscal domicile; and
- The stated benefits will be available only to the sole/first named holder in case the shares are held by joint shareholders.

For Purushottam Agarwal & Co.
Chartered Accountants

Sanjay Agarwal
Partner
M.No. 072696
Place: Agra
Date: November 07, 2009

SECTION IV: ABOUT THE COMPANY

INDUSTRY OVERVIEW

Unless otherwise indicated, the information in this section is derived from a combination of various official and unofficial publicly available materials and sources of information. It has not been independently verified by the Company; the Book Running Lead Manager or their respective legal or financial advisors, and no representations is made as to the accuracy of this information, which may be inconsistent with information available or compiled from other sources. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but their accuracy, completeness, underlying assumptions and reliability cannot be assured. Accordingly, investment decisions should not be based on such information.

Overview of the Indian Economy

India, the world's largest democracy in terms of population (~1.16 billion people) had a GDP on purchasing power parity basis of approximately US$ 3,267 billion in 2008. This makes India the fourth largest economy in the world after the United States of America, China and Japan in purchasing power parity terms. *(Source: CIA World Fact Book website)*

India is also amongst the fastest growing economies globally and has grown at an average growth rate of more than 7% in the decade since 1997, reducing poverty by about 10 percentage points. India achieved 9.7% GDP growth in 2006-07 and 9.0% in 2007-08. The economic growth decelerated in 2008-09 to 6.7%. *(Source: Economic Survey 2008-09)*

The following table sets forth the key indicators of the Indian economy for the past 6 (six) Fiscals.

(Annual percentage change, except for foreign exchange reserves)

	As at and for the year ended March 31,					
	2004	**2005**	**2006**	**2007**	**2008**	**2009**
Real GDP growth (1)	8.5	7.5	9.5	9.7	9.0	6.7
Index of Industrial Production (2)	7.0	8.4	8.2	11.5	8.5	2.6
Wholesale Price Index (2)	5.5	6.5	4.4	5.4	4.7	8.3
Foreign Exchange Reserves (in US$ billion)	107.5	135.6	145.1	191.9	309.1	252

(1) At 1999-2000 prices
(2) Index Base 1993-94= 100
(Source: Economic Survey 2008-2009, RBI; Ministry of Statistics and Programme Implementation)

Construction Industry

Introduction

The Indian construction industry has witnessed rapid growth over the last few years, clearly indicating the benefit of securing "industry" status. The construction industry witnessed real GDP growth of 7.2% in FY09, 10.1% in FY08 and 11.8% FY07. It is forecasted to grow at 8% in FY10. *(Source: Economic Intelligence Service, CMIE, Monthly Review of the Indian Economy, July 2009)*

Indian Infrastructure Industry

The fast growth of the economy in recent years has placed increasing stress on physical infrastructure such as electricity, railways, roads, ports, airports, irrigation, and urban and rural water supply and sanitation, all of which already suffer from a substantial deficit in terms of capacities as well as efficiencies in the delivery of critical infrastructure services. In the Indian context, though there has been some improvement in infrastructure development in transport, communication and energy sectors in recent years, there are still significant gaps that need to be bridged.

India will require a sustained momentum in infrastructure investment in order to maintain its current pace of growth. The Eleventh Five Year Plan envisages an infrastructure investment of Rs. 20,561 billion (at 2006-07 prices), equaling US$ 514 billion, to be shared between the Centre, states and private sector in the ratio of 37.2%, 32.6% and 30.1%. Set forth below is the estimated level of investment in the infrastructure sector over XIth plan:

(In Rs. billion)

Sector	Xth Plan (Anticipated Exp.)	2007-08	2008-09	2009-10	2010-11	2011-12	Total XI Plan
Electricity	2,918	820	1,016	1,264	1,579	1,986	6,665
Roads and Bridges	1,448	518	548	592	684	800	3,142
Telecommunications	1,034	314	381	486	616	787	2,584
Railways (incl. MRTS)	1,197	342	410	495	604	767	2,618
Irrigation (incl. Watershed)	1,115	275	359	472	623	804	2,533
Water Supply & Sanitation	648	193	228	273	333	411	1,437
Ports	141	124	148	174	200	234	880
Others	213	117	126	137	152	170	702
Total (Rs. billion)	**8,714**	**2,703**	**3,216**	**3,893**	**4,791**	**5,959**	**20,561**
Total (US$ billion) @Rs. 40/$	**217.86**	**67.57**	**80.39**	**97.32**	**119.78**	**148.98**	**514.04**

(Source: Annual Plans and other documents of the Planning Commission and CSO for the Tenth Plan period)

The current economic slowdown provides an opportunity for countries like India that have a substantial degree of unmet infrastructure requirements. The Government's focus, sustained increased budgetary allocation and increased funding by international and multilateral development finance institutions for infrastructure development in India is expected to result in several large infrastructure projects across India. There are also various initiatives being taken to encourage private sector participation, such as tax breaks for investments in infrastructure.

The Role of the Private Sector in Infrastructure Development

Historically, the government has played a key role in supplying and regulating infrastructure services in India and private sector has not participated in infrastructure development. However, due to the public sector's limited ability to meet the massive infrastructure funding requirements, private sector investment in infrastructure is critical. Therefore, the Indian government is actively encouraging private investments in infrastructure. According to World Bank, India needs to invest an additional 3-4 % of GDP on infrastructure to sustain its current levels of growth in the medium term and to spread the benefits of growth more widely.

Despite the critical role played by infrastructure development in growth, there still exists a very wide gap of between the current and required levels of private investments in infrastructure.

The Infrastructure Opportunity

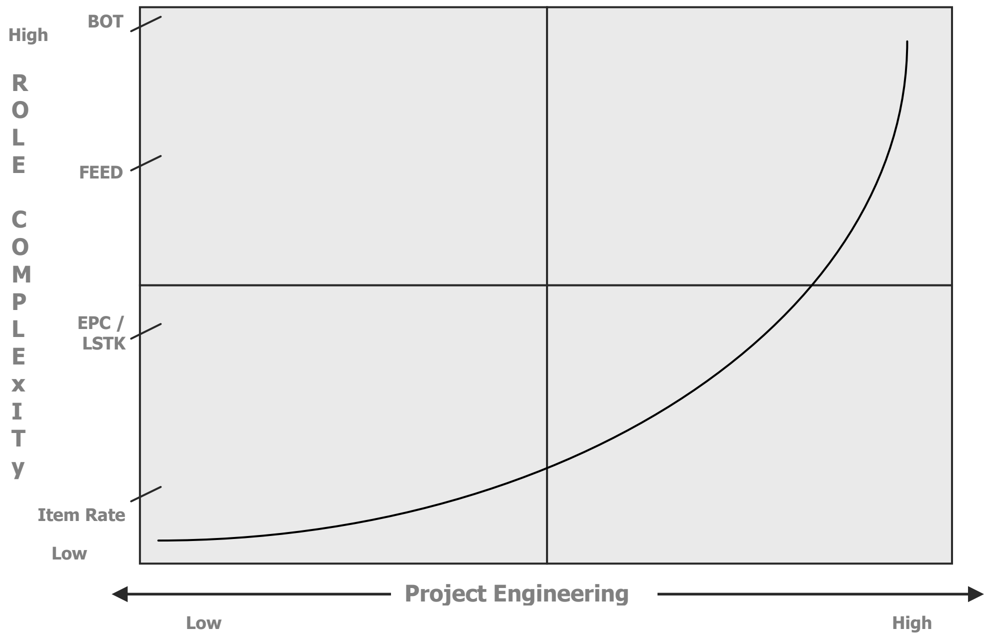
There is a clear need to reduce the dependence of infrastructure on government financing and encourage broad-based private participation in the industry. PPPs offer an effective solution to both the above issues. PPPs enable the government to transfer construction and commercial risks to the private sector and at the same time attract private funds into public infrastructure. Such arrangements are increasingly becoming the preferred vehicle for infrastructure construction, given the large investment needs.

Types of PPP arrangements

In a PPP project, private investors invest in public service infrastructure through one of the following four routes (according to the World Bank classification):

- Concessions: A private entity takes over the management of a state-owned enterprise either to build, rehabilitate and operate or to transfer for a given period.
- Greenfield projects: A private entity or a public-private JV builds and operates a new facility for the period specified in the project contract. The facility may be returned to the public sector at the end of the concession period.
- Divestitures: A private entity buys an equity stake (full or partial) in a state-owned enterprise through an asset sale, public offering, or mass privatization program.
- Management and lease contracts: A private entity takes over management of a state-owned enterprise for a fixed period, while ownership and investment decisions remain with the state.

Construction Business Models



Types of Contracts used in the Infrastructure and Construction Industries

There are different models currently being adopted for PPPs in India which vary in the distribution of risks and responsibility between the public and the private sectors for financing, constructing, operating, and maintaining projects. Two important types of contracts - BOT and BOOT - are explained below, as well as certain other contracts generally used in the Indian construction industry.

*Build, Operate and Transfer ("**BOT**")*

Under this type of PPP contract, the Government grants to a contractor a concession to finance, build, operate and maintain a facility for a concession period. During the life of the concession, the operator collects user fees and applies these to cover the costs of construction, debt-servicing and operations. At the end of the concession period, the facility is transferred back to the public authority. BOT is the most commonly used approach in relation to new highway projects in India, and is also used in the energy and port sectors.

*Build, Own, Operate and Transfer ("**BOOT**")*

BOOT contracts are similar to BOT contracts, except that in this case the contractor owns the underlying asset, instead of only owning a concession to operate the asset. For example, in the case of hydroelectric power projects, the contractor would own the asset during the underlying concession period and the asset would be transferred to the Government at the end of that period pursuant to the terms of the concession agreement.

*Design, Build, Finance and Operate ("**DBFO**")*

The NHAI is planning to award new highway contracts under the DBFO scheme, wherein the detailed design work is done by the concessionaire. The NHAI would restrict itself to setting out the exact requirements in terms of quality and other structure of the road, and the design of the roads will be at the discretion of the concessionaire. The DBFO scheme will improve the design efficiency, reduce the cost of construction and reduce time to commence operations, in addition to giving the concessionaire greater flexibility in terms of determining the finer details of the project in the most efficient manner.

Item Rate Contracts

These contracts are also known as unit-price contracts or schedule contracts. For item rate contracts, contractors are required to quote rates for individual items of work on the basis of a schedule of quantities furnished by the customer. The design and drawings are provided by the customer. The contractor bears almost no risk in these contracts, except escalation in the rates of items quoted by the contractor, as it is paid according to the actual amount of work on the basis of the per-unit price quoted.

Engineering Procurement Construction/Lump-Sum Turnkey Contracts

In this form of contract, contractors are required to quote a fixed sum for the execution of an entire project including design, engineering and execution in accordance with drawings, designs and specifications submitted by the contractor and approved by the customer. The contractor bears the risk of incorrect estimation of the amount of work, materials or time required for the job. Escalation clauses might exist in some cases to cover, at least partially, cost overruns.

*Operations and Maintenance ("**O&M**") Contracts*

Typically an operations and maintenance contract is issued for operating and maintaining facilities. This could be in sectors such as water, highways, buildings and power. The contract specifies routine maintenance activities to be undertaken at a predetermined frequency as well as break-down maintenance during the contract period. While the contractor is paid for the routine maintenance based on the quoted rates which are largely a function of manpower, consumables and maintenance equipment to be deployed at the site, any breakdown maintenance is paid for on a cost-plus basis.

*Front End Engineering and Design ("**FEED**") Contracts*

Ordinarily, FEED work is carried out as a part of a consultancy assignment where the consultant provides FEED data to the project owner to enable it to take a decision on making a tender for construction. In addition to this, the FEED is also a prerequisite to enable a contractor to bid for EPC/turnkey projects. A FEED project can be an independent consultancy project or a part of an EPC/turnkey contract.

Business Models Used in the Infrastructure and Construction Industries

Although many projects are undertaken by one company, in the case of large projects, companies have adopted two critical approaches in order to obtain and execute the contract: joint ventures and subcontracting. While companies have entered into joint ventures (JVs) in order to secure the projects, project execution is normally undertaken largely through subcontracting.

Joint Ventures (JVs)

JVs are usually project-specific and are contractual obligations among two or more, either domestic or foreign, companies. Besides pre-qualifying for projects, JVs are formed to reduce the risk exposure in large projects and combine specialist skills. JVs are usually project-specific, with revenues/profits shared on a pre-determined basis. For instance, in the case of road projects, all the stretches under Phase III of the NHDP have been planned on BOT basis, and therefore, will need higher level of investments. This has compelled smaller companies to join hands with bigger companies, and together on a joint venture basis, bid for the projects. The bigger companies benefit from the joint venture as, to some extent, their equity and project completion risk is shared by the other smaller members of the joint venture. The bigger company is likely to get higher margins as compared to the smaller company as it assumes greater equity risk in the project. The larger projects will also bring in economies of scale and thereby can reduce the construction cost to some extent.

Sub-contracting

Sub-contract arrangements are widespread in the construction industry because of the diversified nature of the jobs in a project. Moreover, the use of sub-contract arrangements enable larger construction companies to maintain flexibility in operations and lower their overheads, while enabling the relatively smaller contractors to gain expertise and increase their turnover. In sub-contracting, smaller companies undertake tasks that are not undertaken by the principal contractor, or specialized tasks, through a sub-contract arrangement. Normally, no more than 30% of a project can be sub-contracted. Sub-contracting practices are adopted by both large and small contractors. While sub-contracting decreases the capital investment of prime contractors and enhances the likelihood of timely completion and lower overhead expenses, it also results in lower profit margins for the prime contractors.

Roads Sector

India has the second largest road network in the world, aggregating 3.3 million km. Roads form the most common mode of transportation and account for about 86% of passenger traffic and 62% of freight, making it the main artery for commuting across the country.

In India, national highways, with a length of close to 67,000 km., constitute a mere 2% of the road network but carry about 40% of the total road traffic. On the other hand, state roads and major district roads the secondary system of road, carry another 40% of traffic and account for 18% of road length. *(Source: CRISIL Research, Roads and Highways, Annual Review August 2009)*.

The expansion and strengthening of the road network, therefore, is imperative to provide for both present and future traffic volumes and for improving accessibility to less developed parts of the country. Additionally road transport needs to be regulated for better energy efficiency, lesser pollution and enhanced road safety. The Central Government is mandated to develop National Highways and the responsibility for the development of other categories of roads vests with the States/Union Territories.

Trends in Road sector investment

(Rs. billion)	**2006-07**	**2007-08**	**2008-09**	**2009-10 P**	**2010-11 P**	**2011-12 P**	**2012-13 P**	**2013-14 P**	**Total (2009-10 to 2013-14)**	**Proportion**
National Highways	124	187	183	264	287	388	471	477	1887	36%
% growth		51%	-2%	44%	9%	35%	21%	1%	-	-
State roads*	195	251#	272##	326	373	395	445	471	2,010	39%
% growth		29%	8%	8%	14%	6%	13%	6%	-	-
Rural roads	73	106	152	181	218	264	304	352	1,319	25%
% growth		45%	43%	19%	20%	21%	15%	16%	-	-
Total	392	544	607	771	878	1,047	1,220	1,300	5,216	100%

#Revised estimates; ##Budget estimates; P: Projected
*State roads investment number for 2006-07, 2007-08 and 2008-09 includes only state's capital outlay
(Source: CRISIL Research, Roads and Highways, Annual Review August 2009)

National Highway Development Program *("**NHDP**")*

The thrust on the country's road network is manifested through the NHDP. NHDP encompasses upgradation, rehabilitation, and broadening existing national highways to a higher standard. The project is executed primarily by NHAI and in some instances by State Public Works Department {"**PWD**") and Border Roads Organization ("**BRO**").

NHAI manages the project under the aegis of Ministry of Road Transport and Highways. In the next five (5) years, close to 36% of the total investment will be incurred on NHDP. *(Source: CRISIL Research, Roads and*

Highways, Annual Review August 2009). Despite rising budgetary deficits, and a change of government at the Centre, the NHDP has been accorded top priority and its scope has been significantly expanded beyond the original scope of Golden Quadrilateral and North-South and East-West corridors.

The table below sets forth the status of the NHDP as on September 30, 2009:

	GQ	NSEW & Phase - I & II	NHDP Phase III	NHDP Phase - V	NHDP Phase - VI	NHDP Phase – VII	NHDP Total
Total Length (km.)	5,846	7,300	12,109	6,500	1000	700	33,455
Already 4-laned (km.)	5,734	4,238	982	148	-	-	11,102
Under Implementation (km.)	112	2,267	2,464	886	-	19	5,748
Number of Contracts under implementation	15	114	25	1	-	-	155
Balance to be awarded (km.)	-	637	8,663	5,466	-	-	14,766

(Source: National Highways Authority of India)

The targets for completion of the various components of the NHDP are as follows:

NHDP Component	Target for Completion
Completion of NS-EW Corridors, Port Connectivity & other projects under NHDP-Phase-I&II	2014-15
Completion of NHDP-Phase-III	2016-17
Completion of NHDP-Phase-V	2016-17
Completion of NHDP-Phase-VI	December 2015

(*Source: Plan Document, 11th Five Year Plan; CRISIL Research, Roads and Highways, Annual Review August 2009*)

The estimated cost of the various components of the NHDP is as follows:

Name of Project	Estimated Cost (In Rs. billion)
Completion of GQ and EW-NS corridors	524.34
4-laning of 11,113 km. under NHDP Phase-III	724.54
2-laning with paved shoulders of 20,000 km. of National Highways under NHDP Phase-IV	278.00
6-laning of selected stretches of National Highways under NHDP Phase-V	412.10
Development of 1,000 km. of expressways under NHDP Phase-VI	166.80
Construction of ring roads, flyovers and bypasses on selected stretches under NHDP Phase-VII.	166.80
Total	2,272.58

(*Source: Plan Document for 11th Five Year Plan*)

All the above mentioned projects will be financed through various sources of funds including cess, loan assistance from the World Bank and Asian Development Bank, borrowings by NHAI, estimated surplus amount available from the users' fee and private sector investment. Various sources of funding to finance these projects have been finalized and the financing plan implementation by the year 2015 has been approved. The requirement of funds during the 11th Five Year Plan (FY 2008 - FY 2012) for implementation of NHDP has been established at Rs. 1,735.01 billion. *(Source: Plan Document for 11th Five Year Plan)*

The projected availability of funds from various sources during the 11th Five Year Plan is set forth below:

Funding Source	Amount (In Rs. billion)
Cess	365.89
External Assistance	44.54
Borrowings by NHAI	416.15
Surplus from the user fee	31.08
Share of private sector	877.35
Total	**1,735.01**

(*Source: Plan Document for 11th Five Year Plan*)

National Highways – It has been estimated by the Planning Commission that Rs. 1,217.58 billion would be required for the Ministry of Road Transport & Highways during the 11th Five Year Plan. Further, it has been estimated by the Planning Commission that Rs. 31.08 billion would be available for implementation of the NHDP from the surplus of the users' fees collected by the NHAI during the 11th Five Year Plan. The share of private sector investment during the 11th Five Year Plan is estimated to be Rs. 877.35 billion. *(Source: Plan Document for 11 th Five Year Plan)*

State Roads – The proposed programme envisages a financial outlay of Rs. 10.00 billion for the 11th Five Year Plan with the possible element of private finance estimated at Rs. 3.20 billion. *(Source: Plan Document for 11 th Five Year Plan)*

Introduction of new toll policy (2008) results in higher returns and lower grants

The new toll policy came into force in December 2008 with effect from April 1, 2008. The most significant change in this policy (applicable for future bidding of contracts), has been the change in methodology for revision of toll rates, which is fixed at 3 % plus 40 % of change in Wholesale Price Index ("**WPI**"). As per the old toll policy (1997), the revision in toll rates was 100 % of the change in WPI. But the Model Concessionaire Agreement (2006), which was applicable in 2008, allowed revision to the extent of only 40% of change in WPI.

Equity returns under the new toll policy would be higher than the returns as per the Model Concession Agreement Rule (2006) for similar road projects. Higher equity returns would encourage private sector participation and interest in NHAI projects. Further, attractive returns for private developers can be achieved through favorable toll revisions rather than higher grants and hence grant outlay is also expected to be lower under the new policy. *(Source: CRISIL Research, Roads and Highways, Annual Review August 2009)*

Downside limited under new toll policy

The new toll policy is more favorable compared to other policies even in a low inflation scenario. Returns under the new policy would be fixed 3% annual increase in the revision of toll rates in addition to the 40 % change in WPI unlike the earlier policies, which were only linked to inflation. Hence, the new policy is likely to achieve a better balance between tolls charged and returns to encourage private player participation. *(Source: CRISIL Research, Roads and Highways, Annual Review August 2009)*

Public Private Partnership ("PPP")

Historically, investments in infrastructure, particularly in the highways, were being made by the government mainly due to the huge volume of resources required, the long gestation period, uncertain returns and various external risks. The enormous resource requirements, the significance of infrastructure development for economic growth and significant deficit in infrastructure requirements have led to an active involvement of the private sector also in recent years. To encourage participation of the private sector, the Ministry of Road Transport & Highways has laid down comprehensive policy guidelines for private sector participation in the highway sector. The Government has also announced several incentives such as tax exemptions and duty free import of road building equipment and machinery to encourage private sector participation.

The Government has taken initiatives to improve and strengthen the road network by implementing the NHDP. The NHDP is the largest highway project ever undertaken in India and is being implemented by the NHAI. It was started in 1998 and is supported by revenues derived from cess tax on fuel and toll collection.

The total length proposed to be developed under NHDP has been split into the different contact models:

- Toll-based BOT projects ("**BOT (Toll)**");
- Annuity-based BOT projects ("**BOT (Annuity)**"); and
- Engineering, procurement and construction ("**EPC**") contracts.

Under all three (3) contract models, the contractor is responsible for the engineering of the project, the procuring of materials for the project and the construction of the project. For BOT (Toll) and BOT (Annuity), the contractor is also responsible for maintaining the project. The difference between BOT (Toll) and BOT (Annuity) is that in the case of BOT (Toll), the traffic/commercial risks are borne by the concessionaire and the investment is sustained by toll revenues, while in BOT (Annuity) projects, all costs are borne by the Government in the form of deferred budgetary payments. In the case of BOT (Toll), government budgetary support, if any, is restricted to an upfront grant, while in some cases the concessionaire may even pay the granting authority a one off fee as part of the concession grant. In the case of BOT (Annuity), the concessionaire relies on annuity payments determined by competitive bidding and made out of budgetary allocations spread over time.

The table below sets forth the proposed breakdown of contract models for the NHDP:

NHDP Phase	Item	EPC	BOT (Toll)	BOT (Annuity)	Total
NHDP-I (Balance Work)	*Length (in km.) Cost (in Rs. billion)*	*1,711 81.45*	*20 5.81*	*7 0.85*	*1,738 88.11*
NHDP-II (Balance Work)	*Length (in km.) Cost (in Rs. billion)*	*4,569 294.93*	*1,237 80.65*	*930** 60.64*	*6,736 436.22*
NHDP-III	*Length (in km.) Cost (in Rs. billion)*	*--*	*10,000 651.97*	*--*	*10,000 651.97*
NHDP-IV	*Length (in km.) Cost (in Rs. billion)*	*--*	*5,000 69.50*	*15,000** 208.50*	*20,000 278.00*
NHDP-V	*Length (in km.) Cost (in Rs. billion)*	*--*	*6,500 412.10*	*--*	*6,500 412.10*
NHDP-VI	*Length (in km.) Cost (in Rs. billion)*	*--*	*1,000 166.80*	*--*	*1,000 166.80*
NHDP-VII	*Length (in km.) Cost (in Rs. billion)*	** 25.94*	** 96.38*	** 44.48***	** 166.80*
Total	*Length (in km.) Cost (in Rs. billion)*	*6,280 402.32*	*23,757 1,483.21*	*15,937 314.47*	*45,974*** 2,200.00*

** Length to be covered under NHDP-VII was not finalized when the report was published.*
*** To be determined based on budgetary resources and the tolling policy for two-lane highways.*
**** Does not include the length to be covered under NHDP-VII.*
(Source: Report of the Core Group on Financing of the National Highway Development Program, February 6, 2006)

In order to boost participation of the private sector in road development, the Government has planned the following fiscal incentives for road developers

- Under section 80 IA of the Income Tax Act, profits and gains derived by an undertaking are subject to a 100% deduction for 10 consecutive assessment years out of the 20 years beginning from the year in which the undertaking begins to operate the business provided such profits and gains are derived from the business of 1) developing, 2) operating and maintaining, or 3) developing, operating and maintaining a road including, toll road, a bridge; a highway project including housing or other activities being an integral part of the highway project.
- Deduction up to 40% of the income from financing of the infrastructure projects is available provided the amount is kept in a special reserve.
- Subscription to equity shares or debentures issued by public company wholly and exclusively for the purpose of the developing, maintaining and operating an infrastructure facility is eligible for deduction equal to 20% of the amount subscribed.
- On certain identified high quality construction plants and equipment, import duty has been completely exempted for public funded needs.
- Import of bitumen is now permitted under Open General License.

- External commercial borrowings are permitted up to 35% of the project cost.

(Source: CRISIL Research, Roads and Highways, Annual Review August 2009)

State Road Networks

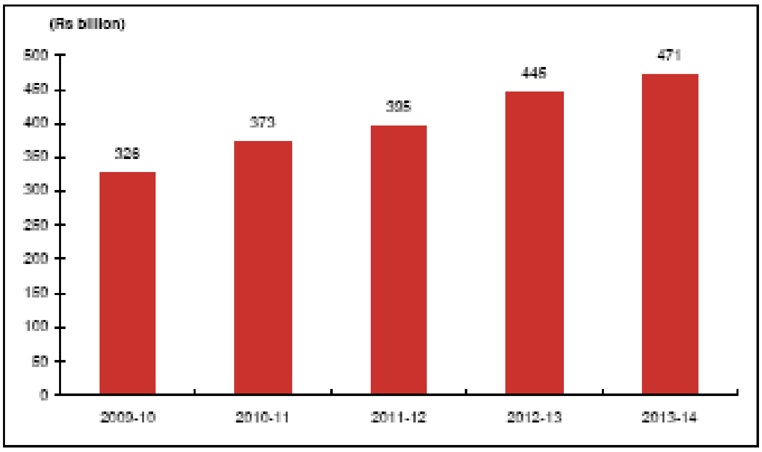
State roads constitute around 18% of the country's total road network, handling around 40% of the total road traffic. State roads comprise state highways (SHs), major district roads (MDRs) and rural roads, which do not come under the purview of PMGSY. State roads represent the secondary system of road transportation in the country. They significantly contribute to the economy of midsized towns and rural economy and to the country's industrial development by enabling movement of industrial raw materials and products from and to the hinterland. Significant expenditure has been witnessed in state roads due to the state government's keen interest for improving state roads.

Investment in state roads:

Investments in state roads have been continuously witnessing an uptrend since 2006-07. The cumulative actual capital expenditure, by respective state governments, was Rs. 195 billion in 2006-07. The revised estimate of state government's capital expenditure for 2007-08 was Rs. 251 billion as against budget estimates of Rs. 233 billion; budget estimates for 2008-09 were Rs. 272 billion. Going forward, with the rising fiscal deficit, tight liquidity situation and higher base effect, we expect the growth rate to slowdown. For 2009-10 and 2010-11, we expect the growth in state's outlay for capital expenditure on roads and highways to be at 8% per annum, which is further expected to come down to 6% for the next three (3) years. Further, we also expect private participation in state roads to increase, going forward. We expect private participation to be around 20% in 2009-10, 30% in 2010-11 and 40% in 2012-13 and 2013-14. Thus, we expect total investment of around Rs. 2,010 billion in state roads over the next five (5) years. *(Source: CRISIL Research, Roads and Highways, Annual Review August 2009).*

Progressive states like Maharashtra, Gujarat, Madhya Pradesh, Rajasthan, and Karnataka will contribute 34% to the total state's outlay for capital expenditure on roads and highways over the next five (5) years. States are taking several initiatives in facilitating and promoting private sector participation in road projects. A well-defined policy framework with Model Concession Agreement, Toll policy and structured bidding process has further encouraged private sector participation in these five (5) states.

State Roads - Projected Investments



(Source: CRISIL Research, Roads and Highways, Annual Review August 2009)

AIRPORT INFRASTRUCTURE

The quality of airport infrastructure contributes directly to a country's international competitiveness and economic growth by facilitating the smooth movement of people and high value cargo, spurring trade and tourism. In the past, airport development has not kept pace with the growth of the Indian economy, especially the quantum jump in passenger and cargo air traffic since 2002. As a result, several major airports are congested and offer inefficient services.

AIRCRAFT MOVEMENT

YEAR	International		Domestic		Total	
	No. in (000's)	% change	No. in (000's)	% change	No. in (000's)	% change
1999-00	99.70	-	368.02	-	467.72	-
2000-01	103.21	3.50	386.58	5.00	489.79	4.70
2001-02	107.82	4.50	402.11	4.00	509.93	4.10
2002-03	116.44	8.00	444.21	10.50	560.65	9.90
2003-04	136.19	17.00	505.20	13.70	641.39	14.40
2004-05	163.27	19.90	554.32	9.70	717.59	11.90
2005-06	190.27	16.90	647.51	16.80	838.38	16.80
2006-07	213.89	12.41	872.72	34.78	1086.61	29.61
2007-08	246.01	15.02	1069.82	22.58	1315.83	21.10

PASSENGER TRAFFIC

YEAR	International		Domestic		Total	
	No. in million	% change	No. in million	% change	No. in million	% change
1999-00	13.29	2.90	25.74	6.90	39.03	5.50
2000-01	14.01	5.40	28.02	8.80	42.03	7.70
2001-02	13.63	(-)2.70	26.36	(-)5.90	39.99	(-)4.90
2002-03	14.83	8.80	28.9	9.60	43.73	9.40
2003-04	16.64	12.20	32.14	11.20	48.78	11.60
2004-05	19.42	16.70	39.86	24.00	59.28	21.50
2005-06	22.37	15.45	50.98	27.90	73.35	23.70
2006-07	25.61	14.50	70.65	38.58	96.26	31.24
2007-08	29.65	15.77	87.05	23.22	116.70	21.23

	CARGO		(in'000tonnes)			
YEAR	International		Domestic		Total	
	Quantity	% change	Quantity	% change	Quantity	% change
1999-00	531.80	12.00	265.60	18.30	797.40	14.00
2000-01	557.80	4.90	288.30	8.60	846.10	6.10
2001-02	560.20	0.40	294.00	2.00	854.20	1.00
2002-03	646.10	15.30	333.20	13.30	979.30	14.60
2003-04	693.20	7.30	375.40	12.70	1068.60	9.10
2004-05	823.60	18.80	456.70	21.60	1280.30	19.80
2005-06	920.20	11.70	483.80	5.90	1404.00	9.70
2006-07	1026.02	11.50	575.24	18.90	1,601.26	14.05
2007-08	1154.50	12.52	666.86	15.93	1,821.35	13.75

(Source: Ministry of Civil Aviation)

As can be noted from above, the civil aviation traffic in the country has been increasing at an unprecedented growth rate. Aircraft traffic movement over the years from 2002 to 2008 has grown steadily from 9.9% in 2002-03 to 21.1% in 2007-08. Passenger traffic has growth from 9.4% to 21.23% in the same period.

The Government expects these trends to continue on the back of rapid economic growth, and increasing investment patterns and trade activities. In order to meet the increasing needs in terms of traffic, air movement, and cargo, the government is taking steps to increase private participation in developing airport infrastructure in India through PPPs models.

AAI has taken action for the development of infrastructure in the country through the JV route in respect of the modernization of Delhi and Mumbai airports and development of Greenfield airports and Bangalore and Hyderabad. The AAI has also drawn an action plan to develop and modernize 35 non-metro airports. This is envisaged on a model where-in cityside will be developed through the PPP model, where as airside will be developed by the AAI. In addition, developmental work at other airports is also being taken on as per requirements.

An investment of about Rs. 400,000 million is projected for the development of airports during the period 2006-07 to 2013-14, of which approximately Rs. 310,000 million is envisaged from PPPs. Implementation of development plans on these lines has already commenced.

Table 1: Airport development programme presented to CoI **(Rs. in crore)**

Particulars	Airport	Indicative Cost
Restructuring / Modernisation for world class airports	Delhi & Mumbai Chennai & Kolkata	15,000 5,000
Greenfield airports	Bangalore, Hyderabad, Goa, Pune, Navi Mumbai, Nagpur (Hub) & Greater Noida	10,000
Upgradation	25 selected airports	7,000
Modernisation / Improvement	55 airports	3,000
Total investment by 2010		40,000

Power

Introduction

The power sector in India is slowly moving from a regulated return framework to a market driven pricing mechanism. This has provided a major boost for private entrepreneurs to enter the power sector and set up projects.

Currently, significant traction has been achieved in the generation space, while the transmission and the distribution segment is slowly opening to the private sector. The Electricity Act, 2003 mandates the Central Government to prepare an electricity policy in consultation with State Governments and the Central Electricity Authority ("**CEA**"). The policy aims at accelerating the development of the power sector, providing supply of electricity to all areas and protecting interests of consumers and other stakeholders.

Generation

The total installed capacity in India rose from 89,103 MW in FY 1998 to 147,965 MW by the end of FY 2009. Despite the rise in installed capacity, there has been a significant shortfall in capacity additions when compared to the targets set over the last 10 years. The capacity addition target for the Tenth Plan (2002-2007) was estimated at 41,110 MW, out of which only 21,095 MW was achieved. The capacity addition target for the XI^{th} plan has been set at 78,700 MW. Power generation increased by 3%, from 699.1 billion kWh in FY 2008 to 723.5 billion kWh in FY 2009. Between FY 1999 and FY 2009, power generation has increased at a CAGR of 4.9 %, from 448 billion kWh to 724 billion kWh. *(Source: CRISIL Research, Power Annual Review, August 2009)*

The transmission segment plays a key role in transmitting power continuously to various distribution entities across the country. Further, the transmission sector needs concomitant capacity additions in line with the generation capacity additions to enable seamless flow of power. The government's focus on providing electricity to rural areas has led to the power T&D system being extended to remote villages. The total length of transmission lines in the country has increased from 2.50 million circuit kilometres (ckm) in 1980-81 to 6.94 million ckm in 2006-07. *(Source: CRISIL Research, Power Annual Review, August 2009)* In India, the transmission and distribution system is a three-tier structure comprising regional grids, state grids and distribution networks. The five (5) regional grids, structured on a geographical contiguity basis, facilitate transfer of power from a power surplus state to a power deficit state.

A reliable transmission and distribution ("**T&D**") system is important for the proper and efficient transfer of power from generating stations to load centers. A T&D system comprises transmission lines, substations, switching stations, transformers and distribution lines. The transmission system in India operates at several voltage levels:

- Extra high voltage (EHV): 765 kV, 400 kV and 220 kV
- High voltage: 132 kV and 66 kV
- Medium voltage: 33 kV, 11 kV, 6.6 kV and 3.3 kV
- Low voltage: 1.1 kV, 220 volts and below

National Grid

The regional grids are to be gradually integrated to form a national grid, whereby surplus power from a region could be transferred to another region facing power deficits, thereby facilitating a more optimal utilization of the national generating capacity. The process of setting up the national grid was initiated with the formation of the central sector power generating and transmission companies - National Thermal Power Corporation ("NTPC"), National Hydroelectric Power Corporation ("NHPC") and Power Grid Corporation of India Limited ("PGCIL"). PGCIL was given the responsibility for planning, constructing, operating and maintaining all inter-regional links and taking care of the integrated operations of the national and regional grids. The present inter-regional power transfer capacity of 20,750 MW is expected to be enhanced to 37,150 MW by 2012. Based on the expected generation capacity addition in the Eleventh Plan, an investment of about Rs. 750.00 billion is envisaged in the Central sector and Rs. 650.00 billion is envisaged in the State sector. *(Source: Ministry of Power, Government of India; CRISIL Research, Power Annual Review, August 2009)*

Distribution is the last and critical leg in the supply of electricity, reaching end consumers such as residential, commercial, agricultural and industrial segments. Distribution has several components such as pricing to various customers, cross subsidization etc. However, as this is a lucrative business, it has been held by the respective state entities, with private participation being marginal (only 5-7 % of the total). *(Source: CRISIL Research, Power Annual Review, August 2009)*

The government has begun a number of initiatives to improve the electricity supply to villages. As part of its initiatives, the power distribution system has been extended to reach remote villages. At the end of FY 2009, a total of 488,926 villages were electrified. However, T&D losses in the country remain high at around 28%, compared to an average 10-15% in developed countries. This is because of inadequate metering and theft of electricity. High T&D losses are also attributed to the T&D of a large amount of power at low voltage - the rise in rural electrification has resulted in the proliferation of low voltage (less than 11 kV) transmission lines. T&D losses rose from 22.27 % in 1995-96 to an estimated 26.91 % in FY 2008. The losses peaked at 33.98 % in FY 2002, but since have registered a declining trend. *(Source: CRISIL Research, Power Annual Review, August 2009)*

To improve distribution, the government formulated the Accelerated Power Development Reform Programme ("**APDRP**"). This programme aims to improve the financial viability of state power utilities, reduce aggregate technical and commercial losses to around 10%, improve customer satisfaction, increase reliability and quality of power supply.

Under this programme, loans, grants and incentives will be offered to states pursuing distribution reforms. It will address the problems faced by states at a micro level (consumer, feeder, substation) as well as macro level (circle, state national), entailing intervention at six stages. These funds will be utilized to upgrade and modernize their sub-T&D (below 33 kV or 66 kV) networks. The APDRP has two components -investment and incentive components. Under the investment component, the government provides assistance worth 50% of the project cost, of which 25% is a grant and 25% is a loan. The balance 50% has to be arranged by the utilities either through internal resource generation or from financial institutions or from other sources of funds (such as state government, the Rural Electrification Corporation, Life Insurance Corporation, ICICI, SIDBI and market bonds). Special category states such as Jammu and Kashmir, Himachal Pradesh, Uttaranchal and Sikkim receive full assistance from the Central government, out of which 90% is grant and the remaining 10% is loan.

As part of the incentive component, the utilities are rewarded for actual cash loss reductions by waiving half of the cash losses reduced by way of free grant. The cash losses are calculated as the net of subsidy and receivables. Up to March 31, 2008, the funds released under this component were Rs. 28.8 billion. The disbursement for FY 2007 and FY 2008 was Rs. 10.20 billion and Rs. 14.0 billion, respectively. (This includes both the investment and incentive components.) *(Source: CRISIL Research, Power Annual Review, August 2009)*

New Restructured-APDRP

As per the new APDRP policy, projects under the scheme shall be taken up in two parts:

- Part-A includes the projects for establishing baseline data and IT applications for energy accounting/auditing and IT-based consumer service centers.
- Part-B includes the regular distribution strengthening projects

Private sector participation in India in distribution has been a success story in India with BSES, BEST, CESC and Tata Power having successfully provided last mile distribution. Distribution through bidding for the privatization of distribution in thirteen states that have unbundled/corporatized their State Electricity Boards - expected to take place over the next 2-3 years. *(Source: http://infrastructure.gov.in/power.htm)*

Till December 2008, the Government of India had sanctioned 571 projects, amounting to Rs. 170.33 billion to strengthen and upgrade sub-transmission and distribution systems of the various states. The states have so far utilized Rs. 126.07 billion. An amount of Rs. 28.79 billion has also been released to nine (9) states for achieving reduction in cash losses under the incentive component of the programme. *(Source: CRISIL Research, Power Annual Review, August 2009)*

Private investments in transmission

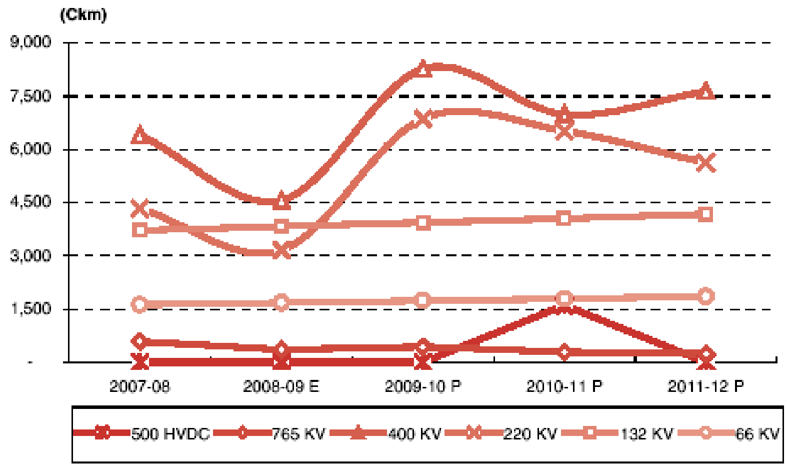
In 1998, the Central government enacted the Electricity Laws (Amendment) Act, which recognized transmission as an independent activity (distinct from generation and distribution), and allowed private investments in the sector. According to the government policy, the state transmission utility ("**STU**"), state electricity board ("**SEB**") or their successor entities and the central transmission utility ("**CTU**") PGCIL will identify transmission projects for the intra-state and inter-state/inter-regional transmission of power, respectively. The STUs and CTU will invite private companies to implement these projects through an independent private transmission company ("**IPTC**") or on a JV basis.

The IPTC would be selected through an international competitive bidding process. The primary criteria for selection would be the quoted transmission service charges ("**TSC**") and the technical, managerial and financial capabilities of the bidders. In the case of JV companies, the CTU and STUs could own an equity stake of up to

26 %. JV partners could also be selected on the basis of an international competitive bidding process. Further, the primary selection criteria would be the technical and financial strength of the bidders. Transmission service charges would be determined on a cost plus basis under the supervision of the CERC or SERCs. The IPTC's role will be limited to the construction, ownership and maintenance of transmission lines. Operations of the grid, including load dispatch, scheduling and monitoring, will be undertaken by the STUs and the CTU at the intra-state and inter-state/inter-regional level, respectively. The CTU and STUs will be involved in the development phase for obtaining project approvals and various regulatory and statutory clearances (such as environment and forest clearance and securing right-of-way), and will transfer the same to the selected private companies. *(Source: CRISIL Research, Power Annual Review, August 2009)*

Capacity additions in the transmission segment would be a direct result of the capacity additions in generation and system strengthening schemes.

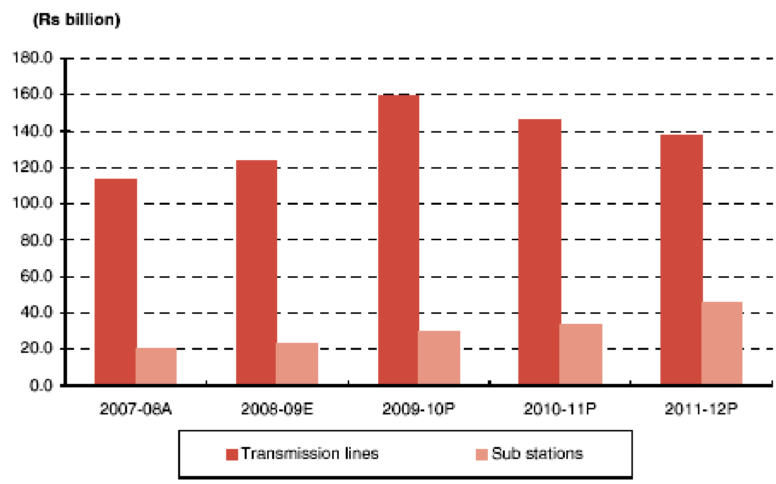
Expected capacity additions - 2007-08 to 2011-12 P



(Source: CRISIL Research, Power Annual Review, August 2009)

The above capacity additions would translate into an investment of Rs. 831 billion in the Eleventh Plan. The break up of these investments between transmission lines and substations is shown in the chart below.

Investments in transmission (2007-08 to 2011-12)



(Source: CRISIL Research, Power Annual Review, August 2009)

OUR BUSINESS

Overview

We are an engineering and infrastructure construction company in India, with expertise in the execution of major infrastructure projects including highways, bridges, flyovers, airport runways and allied activities and executing projects relating to power transmission lines and infrastructure projects on a BOT basis. We were incorporated in 1999 and our Registered Office is at New Delhi and corporate office in Agra, Uttar Pradesh. We have executed or are executing projects across various states in India covering Haryana, Karnataka, Madhya Pradesh, Maharashtra, Punjab, Rajasthan, Tamil Nadu, Uttar Pradesh, Uttarakhand and West Bengal. Drawing from the experience of our Promoters, we believe that we have acquired significant expertise in the timely execution of EPC contracts.

In general, we execute most of our projects independently. When a client requires us to meet specific eligibility requirements in relation to certain large projects, including requirements relating to particular types of experience and financial resources, we enter into JVs with other construction companies. Of the 34 major infrastructure projects executed by our Company since incorporation, 31 projects have been executed independently by us.

Some of the prominent projects successfully completed by us include:

- Four laning of the existing two lane section of the Etawah bypass (km. 307.50 to km. 321.00) on NH-2 granted by the National Highways Authority of India ("**NHAI**");
- Development of Phase-II of Package-6 for Road No. 9, SH-19, Porsa-Mehgaon-Mau-Seonda section, totaling km. 77.40, funded by the Asian Development Bank, granted by the Madhya Pradesh Road Development Corporation Limited, Bhopal ("**MPRDCL**");
- Construction of the main runway and rapid exit taxi track at the Air Force Station, Pune, under Military Engineer Services ("**MES**");
- Construction of a runway and allied works at the Madurai Airport, granted by the Airports Authority of India ("**AAI**");
- Four Laning of Agra – Gwalior section (km. 8 to km. 24) of NH-3, including construction of a major bridge on the Khari river (Contract Package No. NS-4) granted by the NHAI;
- Four laning of the Agra – Gwalior section (km. 24 to km. 41) of NH-3, including construction of a ROB (Contract Package No. NS-19) granted by the NHAI;
- Short term improvement and maintenance of the Panipat – Jalandhar section (km. 96.00 to km. 372.86) on NH-1, including collection of user fee (Toll) granted by the NHAI;
- Strengthening of main runway 19L/01R and proving CAT-II lighting at 19L approach at the NSCBI Airport, Kolkata granted by the AAI;
- Upgradation of airstrips for operation of Boeing 737 type aircrafts at the Saifai Etawah (Uttar Pradesh) granted by RITES Limited ("**RITES**");
- Development of the Sagar Beena Road, totaling 71.80 km., funded by the Asian Development Bank, under the Madhya Pradesh Road Sector Development Program Phase-I granted by the MPRDCL;
- Extension and up gradation of the existing Dehradun Airport for operation of AB-320/B-737-800 type aircrafts granted by the AAI;
- Construction work under the Uttar Pradesh State Road Project for Package no. UPSRP/RMC/37 (Kasganj-Hathras) World Bank Funded granted by the Public Works Department, Lucknow ("**PWD**");
- Construction work under Uttar Pradesh State Road Project for Package no. UPSRP/RMC/42 (Etah-Sikohabad) World Bank Funded granted by the PWD;
- Extension of the pavement and allied works services (Group B) at the Airforce Station, Bidar granted by the MES;
- Repairs and resurfacing of shoulders of the existing runway and area drainage work at Airforce Station, Yelahanka, Bangalore granted by the MES;
- Resurfacing of runway, taxiway at the civil airdrome, Raipur granted by RITES; and
- Extension and strengthening of the runway and construction of the new apron and isolation bay and associated works at the Devi Ahilyabai Holkar airport, Indore granted by the AAI.

Currently, we are executing over 19 infrastructure projects of which two (2) projects are being executed with our JV partners. Our Order Book is Rs. 10,389 million as on September 30, 2009. Among the infrastructure projects that we are currently executing, 15 projects aggregating to a contract value of Rs. 9,240 million relate to road construction, two (2) projects aggregating to Rs. 437 million relate to construction of airport runways and one project each, aggregating to Rs. 712 million relate to waste management and power transmission and distribution.

Our major clients include:

- National Highways Authority of India;
- Airports Authority of India;
- Public Works Department;
- RITES Limited (a Government of India Enterprises);
- Military Engineer Services (Ministry of Defence);
- Madhya Pradesh Road Development Corporation Limited;
- Uttar Pradesh Power Corporation Limited; and
- Haryana State Roads and Bridges Development Corporation Limited.

As on September 30, 2009, we had about 1, 636 employees, of out which, 279 employees comprise of engineers and other qualified professionals. We own a large fleet of sophisticated construction equipment, including hot mix plant batch type, WMM plant, slip form paver finisher 9.00 meter width, paver finisher (sensor) 9.00 meter width, fixed form paver, jaw crushers, cone crusher (imported), grove cranes (imported), excavators, transit mixer, concrete pump and concrete batching plants, among others. We believe that our employee resources and fleet of equipment, along with our engineering skills and capabilities, enable us to successfully implement a wide variety of construction projects that involve varying degrees of complexity.

We enjoy accreditations, such as the ISO 9001:2000 certification for quality assurance from DNV and the “SS” (Super Special Class) under Military Engineer Services for unlimited value of contracts. We were awarded a bonus by the NHAI for the completion of the four laning of the Agra – Gwalior section of NH – 3 (km. 8.00 to km. 24.00) in Uttar Pradesh, before the scheduled time. The project was completed on July 28, 2001 and its contract value was Rs. 416.86 million.

In Fiscals 2009, 2008 and 2007, our revenues were Rs. 5,015.35 million, Rs. 4,003.34 million and Rs. 2,550.37 million, respectively. In Fiscals 2009, 2008 and 2007, we earned profit after tax of Rs. 240.75 million, Rs. 226.56 million and Rs. 132.17 million, respectively. Our Order Book which includes projects that have not yet commenced and unfinished and uncertified portions of our projects, was Rs. 10,389 million as on September 30, 2009.

Our Strengths

- ***Robust and sustainable growth***

  We have experienced robust growth in our revenues and profitability in recent years. Our revenue has increased from Rs. 2,564.20 million in Fiscal 2007 to Rs. 5,036.53 million in Fiscal 2009. During the same period, our profit after tax has grown from Rs. 132.17 million to Rs. 240.75 million. We believe that the increase in our profits is attributable to our ability to focus on high growth and high revenue potential projects including large projects. We have also benefited from certain contractual arrangements for the long term supply of petroleum products, machineries and other materials on a discount basis.

- ***Ability to execute projects in a timely manner***

  We have been able to mobilize resources including equipment, raw material and personnel to our project sites at short notice, as we own a significant portion of equipment and personnel required for the execution of our projects. We have also built up significant storage facilities for critical materials, such as petroleum products, machinery, machinery parts and cement. Additionally, we have been successful in operating in a timely manner in relatively adverse weather conditions resulting in unavailability of key resources like personnel, material, machinery in the vicinity of our project sites and security challenges, etc. For instance, we were awarded a bonus by the NHAI for the completion of the four laning of the Agra – Gwalior section of NH – 3 (km. 8.00 to km. 24.00) in Uttar Pradesh, before the scheduled time. The project was completed on July 28, 2001 and its contract value was Rs. 416.86 million.

- ***Continuous growth in our bid capacity and pre qualification capability***

  Our business and growth are significantly dependent on our ability to bid for and secure larger and more varied projects. Bidding for infrastructure projects is dependent on various criteria, including, bid capacity and pre-qualification capability. Bid capacity represents the aggregate value of the contracts that can be awarded to us, and is computed based on pre-defined formulae of agencies such as the NHAI etc. Bid capacity also includes the highest possible value of a single project that can be awarded to us. In addition to meeting bid capacity requirements, we may also be required to pre-qualify for the projects. This includes past experience in the execution of similar projects, technical ability and performance, reputation for quality, safety standards, financial strength and the price competitiveness of the bid. Hence for our continued growth, it is imperative to enhance our bid capacity and pre-qualification capability. We have focused on increasing both these parameters and we strive to continuously increased our bid capacity and the largest order that we can bid for.

- ***Ownership of a large fleet of sophisticated equipment***

  We have ownership of a large fleet of sophisticated construction equipment such as hot mix plant batch type, WMM plant, slip form paver finisher 9.00 meter width, paver finisher (sensor) 9.00 meter width, fixed form paver, jaw crushers, cone crusher (imported), grove cranes (imported), excavators, transit mixer, concrete pump and concrete batching plants, among others. The cost of our equipment as on September 30, 2009 is Rs. 1,206.26 million.

  Ownership of a fleet of modern equipment enables quick mobilization besides ensuring continuous availability of critical equipment. This ownership model of equipment aids us significantly by giving us an edge over other competitors and reducing our costs. Further, the gestation period to commence work after the project is awarded is minimal as we own the equipment required for a project that we bid for and personnel are on our rolls.

- ***Highly qualified management team and experienced employee base***

  Our management team is well qualified and experienced in the construction industry and has been in many ways responsible for the growth of our operations. In particular, our individual Promoters, who are also a part of the management have over 20 years experience each in the infrastructure development sector, and have been instrumental in driving our growth since inception of our business and are involved in the day to day operations of our Company. For details on the qualifications and experience of our senior management team, see "***Our Management***" on page 93. We believe the strength and entrepreneurial vision of our Promoters and management have been instrumental in driving our growth and implementing our strategies.

  We believe that a well-trained, motivated and satisfied employee base is fundamental to our competitive advantage. As on September 30, 2009, we had about 1, 636 employees, out of which, 279 were engineers and other qualified professionals. The skill sets of our employees give us the flexibility to adapt to the needs of our clients and the technical requirements of the various projects that we undertake. We are committed to the development of the expertise and know-how of our employees through regular technical seminars and training sessions organized or sponsored by our Company. The experience gathered over the years by our management team enables taking timely decisions thereby ensuring that projects are executed within the contracted timelines. This also enables us to meet required standards of quality and efficiency.

Our Strategy

Our growth strategy consists of the following principal elements:

- ***Diversify and expand into new functional areas and geographic areas.***

  We believe that we have acquired significant expertise in the execution of EPC contracts and have also recently forayed into BOT contracts for road projects and power transmission projects. As part of our business growth strategy, we further intend to diversify into power distribution and railway civil works and infrastructure on a BOT basis. Additionally, while we have presence across various states in India, we intend to further extend our operations across India as part of our future business model. We believe that further expanding our geographical presence and expanding into new functional areas will allow us to take leverage on projects proposed by the Government and consolidate our position in the civil construction sector.

- ***Maintain performance and competitiveness of existing business***

  We believe that infrastructure will be a major driver for growth in the Indian construction industry in the foreseeable future due to increased levels of government and private industry investment in infrastructure. Additionally, the government has taken steps to encourage additional investments in infrastructure, such as, computerizing project monitoring system, increased loan assistance and providing economic benefits to private sector participants for projects executed on a BOT or annual basis. Thus, we believe that there will be numerous opportunities for infrastructure development in the foreseeable future. We have also continually focused on increasing our bid capacity and pre-qualification ability to enable us to bid for larger projects. A key element of our growth strategy is to, besides committing to grow through expansion, seek to improve the performance and competitiveness of existing activities, i.e. in the construction of roads and airport runways.

  Further, as part of our growth strategy, we intend to continue to invest in equipment to support our expanding operations. We believe investments in newer models of equipment ensure continuous availability of critical equipment and render our operations to be cost effective. We intend to purchase equipment from domestic and foreign manufacturers and continue our strategy of minimally relying on hired or leased equipment.

- ***Bid for win and operate BOT projects***

  The government has planned for a number of BOT projects across the road sector, which we intend to bid for. We believe that such projects will increasingly become more prevalent in the coming years because of the government's reliance on the PPP model. BOT projects generally provide better operating margins because of the added overall control of project costs that can be exerted by the contractor. Additionally, BOT projects offer the possibility of higher revenues to the contractor by virtue of better than anticipated use of the asset. We intend to increase our focus on BOT projects by leveraging our technical and financial credentials, which we believe will be improved by the strengthened balance sheet that we expect to have following the Issue. Our strengthened financial position will allow us to take on more projects, including BOT projects on our own or in alliance with other construction companies.

- ***Develop and maintain strong relationships with our clients and strategic partners***

  Our services are significantly dependent on winning construction projects undertaken by large government agencies and companies, and infrastructure projects undertaken by governmental authorities and others and funded by governments. Our business is also rely on developing and maintaining strategic alliances with other contractors with whom we may want to enter into project-specific JVs or sub-contracting relationships for specific purposes. We seek to continue to develop and maintain these relationships and alliances. We intend to establish strategic alliances and share risks with companies whose resources, skills and strategies are complementary to our business and are likely to enhance our opportunities. We will continue to jointly bid for projects with other companies to build good working relationships with domestic and foreign companies which would enable us to leverage their strengths and to build competencies.

- ***Attract, train and retain qualified personnel***

  We understand that maintaining quality, minimizing costs and ensuring timely completion of engineering and construction projects depends largely on the skill and workmanship of our employees. As competition for qualified personnel and skilled laborers are increasing among construction companies in India and as we pursue greater growth opportunities, we seek to attract, train and retain qualified personnel and skilled laborers by increasing our focus on training our staff in advanced and basic engineering and construction technology and skills. We also seek to offer our engineering and technical personnel a wide range of work experience, in-house training and learning opportunities by providing them with an opportunity to work on a variety of large, complex construction projects and forming cross-functional teams with the objective of giving them an opportunity to innovate.

Our Services

Infrastructure

We provide engineering and construction services of infrastructure projects. We have successfully completed and are currently engaged in a number of transportation engineering projects, including roads, highways, bridges, flyovers and runways and power transmission lines. We plan in detail the material, manpower, machinery and financial requirements for every project. Our senior management is involved hands on in the day to day affairs and ensures timely availability of all resources. This meticulous planning has enabled us to work in logistically difficult terrains and inclement operating conditions.

Some of the significant projects which we have undertaken and completed until date are summarized as follows:

Road Projects

- Four laning of the existing two lane section of the Etawah bypass (km. 307.50 to km. 321.00) on NH-2 granted by the NHAI;
- Development of Phase-II of Package-6 for Road No. 9, SH-19, Porsa-Mehgaon-Mau-Seonda section, totaling km. 77.40, funded by the Asian Development Bank, granted by the MPRDCL;
- Construction of a ROB and approaches on Ajmer – Beawer Road in lieu of L.C.No.5A/2E granted by the RSRDCCL;
- Four laning of the Agra – Gwalior section (km. 24 to km. 41) of NH-3, including construction of a ROB (Contract Package No. NS-19);
- Four Laning of Agra – Gwalior section (km. 8 to km. 24) of NH-3, including construction of a major bridge on the Khari river (Contract Package No. NS-4);
- Short term improvement and maintenance of the Panipat – Jalandhar section (km. 96.00 to km. 372.86) on NH-1, including collection of user fee (Toll);
- Development of the Sagar Beena Road, totaling 71.80 km., funded by the Asian Development Bank, under the Madhya Pradesh Road Sector Development Program Phase-I;
- Construction of new road admeasuring 48 km. in magnet city of Special Area Development Authority of Madhya Pradesh, Government at Gwalior;
- Major maintenance work of road measuring 45 km. of Uttar Pradesh PWD, (World Bank funded) at Bareilly-Badaun;
- Construction work under the Uttar Pradesh State Road Project for Package no.UPSRP/RMC/37 (Kasganj-Hathras); and
- Construction work under the Uttar Pradesh State Road Project for Package no.UPSRP/RMC/42 (Etah-Sikohabad).

Airport projects

- Strengthening of main runway 19L/01R and proving CAT-II lighting at 19L approach at the NSCBI Airport, Kolkata;
- Upgradation of airstrips for operation of Boeing 737 type aircrafts at the Saifai Etawah (Uttar Pradesh);
- Repairs, resurfacing, regarding of shoulders of existing runway and area drainage works at Air Force Station Yelahanka, Bangalore of MES;
- Resurfacing of runway, taxiway at the civil airdrome, Raipur;
- Resurfacing of hard standing at Mehra Chowk at 402 AFS Chakeri, Kanpur of Military Engineers Services (Ministry of Defence);
- Extension and upgradation of the existing Dehradun Airport for operation of AB-320/B-737-800 type aircrafts;
- Extension of the pavement and allied works services (Group B) at the Airforce Station, Bidar;
- Construction of a runway and allied works at the Madurai Airport;
- Construction of the main runway and rapid exit taxi track at the Air Force Station, Pune, under MES;
- Extension and strengthening of the runway and construction of the new apron and isolation bay and associated works at the Devi Ahilyabai Holkar airport, Indore granted by the AAI;
- Repairs and resurfacing of shoulders of the existing runway and area drainage work at Airforce Station, Yelahanka, Bangalore; and
- Construction of runway, taxi track, civil airport at Meerut, Uttar Pradesh.

Power Transmission

The Company has diversified in to the power transmission sector and our scope of work includes survey, route alignment, installation and optimization of tower locations. Currently, we are executing one power transmission project.

Ongoing Project

Our Company was awarded the contract for supply of raw materials and erecting and maintaining approximately 350 km. of 132/220KV transmission lines in different parts of Uttar Pradesh, namely, Jhansi, Agra and Varanasi, by the UPPTCL by a letter dated July 23, 2008. The project consisted of two parts – supply of transmission line materials, including insulators, hardware fittings of conductors and earthwire accessories, and erecting and maintaining the transmission lines. Two agreements, one for supply and the other for erecting and maintaining the transmission lines, dated August 23, 2008, respectively, were executed between the Company and UPPTCL.

Under the agreements, the total contract value is Rs. 160 million, comprising Rs. 56 million payable to us for the supply of raw materials and Rs.104 million for erecting and maintaining the transmission lines. The expected date of completion, from the date of allotment of the transmission line(s) by the UPPTCL, for the length of line (i) up to 20 km. is nine (9) months, (ii) more than 20 km. up to 100 km. is 12 months, and (iii) more than 100 km. is 18 months.

Order Book as on September 30, 2009

Our Order Book comprises the unfinished and uncertified portion of projects that we have undertaken and includes the value of sub-contracting agreements that we enter into with our JVs for work to be performed by us. In our industry, the order book is considered an indicator of potential future performance since it represents a significant portion of the likely future revenue stream. Our strategy is not focused solely on adding contracts to the Order Book but instead is focused on capturing quality contracts with potentially high margins. The major orders constituting our Order Book as on September 30, 2009 was Rs. 10,389 million. The orders in our Order Book are subject to cancellation and modification provisions contained in the various contracts and other relevant documentation.

The following table sets forth certain information covering the significant contracts in our Order Book by outstanding value as on September 30, 2009:

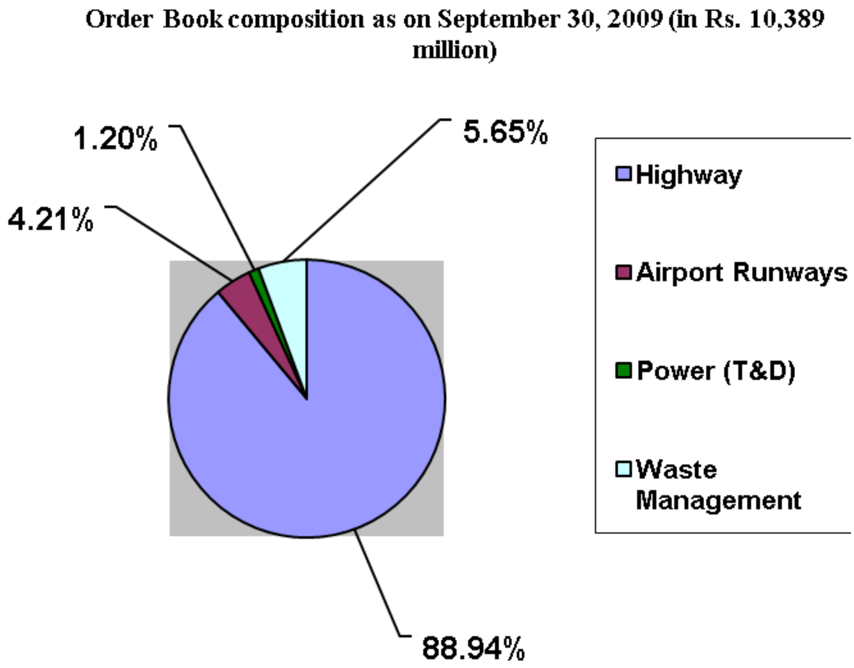
Sr. No.	Name of Project	Employer	Location	Amount outstanding as on September 30, 2009 (in Rs. million)*
(A)	***Road Projects***			
1	Improvement of Gurgaon-Nuh-Rajasthan Border by four laning, widening, strengthening and providing drains and culverts along with widening bridges, retaining structures and other miscellaneous works on SH-13 (from km. 7.20 to km. 95.89)	Haryana State Road & Bridges Development Corporation Limited, Chandigarh	Haryana	2,358
2.	Four laning of the Dholpur-Morena section of NH-3 on the North-South Corridor, including Chambal Bridge (from km. 51.00 to km. 61.00), a project awarded to our JV –'PNC-TRG JV'	National Highway Authority of India, G 5 & 7, Sector-10, Dwarka, New Delhi	Rajasthan / Madhya Pradesh	2,585
3.	Designing, constructing, developing and financing the four-laning of the Jaora-Nayagaon section of SH-31 (from km. 125.00 to km. 252.81)	Jaora Nayagaon Toll Road Company Private Limited, Indore	Madhya Pradesh	1,004

Sr. No.	Name of Project	Employer	Location	Amount outstanding as on September 30, 2009 (in Rs. million)*
4.	Strengthening and widening of the Chandosi-Agra-Tantour Koat Road at Agra	Superintending Engineer, Agra Circle, PWD, Agra	Uttar Pradesh	742
5.	Rehabilitation and upgradation of: (a) Gairatganj-Silwani-Gadarwada (SH-44), (b) NH-12 junction to Silwani (SH-15), and (c) Bareli-Pipariya Road (SH-19)	Madhya Pradesh Road Development Corporation Limited, Bhopal	Madhya Pradesh	558
6.	Widening and strengthening the Garhmukteshwar to Moradabad section of NH-24 to four lane standards (from km. 93.00 to km. 149.25) and constructing a ROB at km. 181 of NH-24 and bridges on NH-87 (Package-II), a project awarded to our JV –'PNC-BEL JV'	National Highway Authority of India, New Delhi	Uttar Pradesh	392
7.	Improvement, operation, maintenance, rehabilitation and strengthening of the Vadape-Gonde section of NH-3 (from km. 539.50 to km. 440.00) to a four lane dividend carriageway	Sadbhav Engineering Limited, Ahmedabad	Maharashtra	260
8.	Widening, strengthening and beautification of the Goverdhan Parikarma Marg	Superintending Engineer, Aligarh Circle, PWD, Aligarh	Uttar Pradesh	420
9.	Widening and strengthening of Muratganj-Rajapur Marg (SH-94), Kaushambi	Public Works Department, Allahabad Circle, Allahabad	Uttar Pradesh	190
10.	Rehabilitation road work of Major District Road No.139 Chatta to Gomat (from chainage km. 0.00 to chainage km. 42.00) under the Uttar Pradesh State Road Project	Chief Engineer, World Bank Project (Roads), U.P.P.W.D., Nirman Bhawan, 96-M.G. Marg, Lucknow (U.P.)	Uttar Pradesh	134
11.	Construction of a High Level Bridge at Mahal Road, Jaipur	Jaipur Development Authority, Jaipur	Rajasthan	99
12.	Strengthening of NH-93 i.e. the Agra-Aligarh-Moradabad Road (from km. 20.00 to km. 29.30)	Superintending Engineer, 28th Circle (NH) PWD, Aligarh	Uttar Pradesh	35
13.	CWC building repair, petty road repair and petty storm Water Drain Repair works etc., Mumbai	Municipal Corporation of Greater Mumbai	Maharashtra	15
14.	Construction of the Agra – Samshabad – Rajakhera Road	Executive Engineer, Agra, Taj Trapezium Zone, PWD, Agra	Uttar Pradesh	398
15.	Various works in Agra	Agra Development Authority, Taj Trapezium Zone, PWD, Agra	Uttar Pradesh	50
	Total (A)			**9,240**
(B)	***Waste Management:***			
1.	For planning, managing and execution of waste	Madurai Municipal Waste Company	Tamil Nadu	587

Sr. No.	Name of Project	Employer	Location	Amount outstanding as on September 30, 2009 (in Rs. million)*
		Limited, Madurai		
	Total (B)			**587**
(C)	***Airport Projects:***			
1.	Widening, extending and resurfacing of the Parallel Taxi Track and associated work at the Air Force Station, Maharajpur, Gwalior	Military Engineer Services Allahabad	Madhya Pradesh	383
2.	Expansion and strengthening of Apron and Construction of new taxiway at the Lucknow Airport, Lucknow	Airports Authority of India, New Delhi	Uttar Pradesh	54
	Total (C)			**437**
(D)	***Power Transmission Project:***			
1.	Supply, erecting and maintaining approximately km. 350 of 132/220KV transmission lines in different parts	Uttar Pradesh Power Transmission Corp. Limited, Lucknow	Uttar Pradesh	125
	Total (D)			**125**
	Total (A+B+C+D)			**10,389**

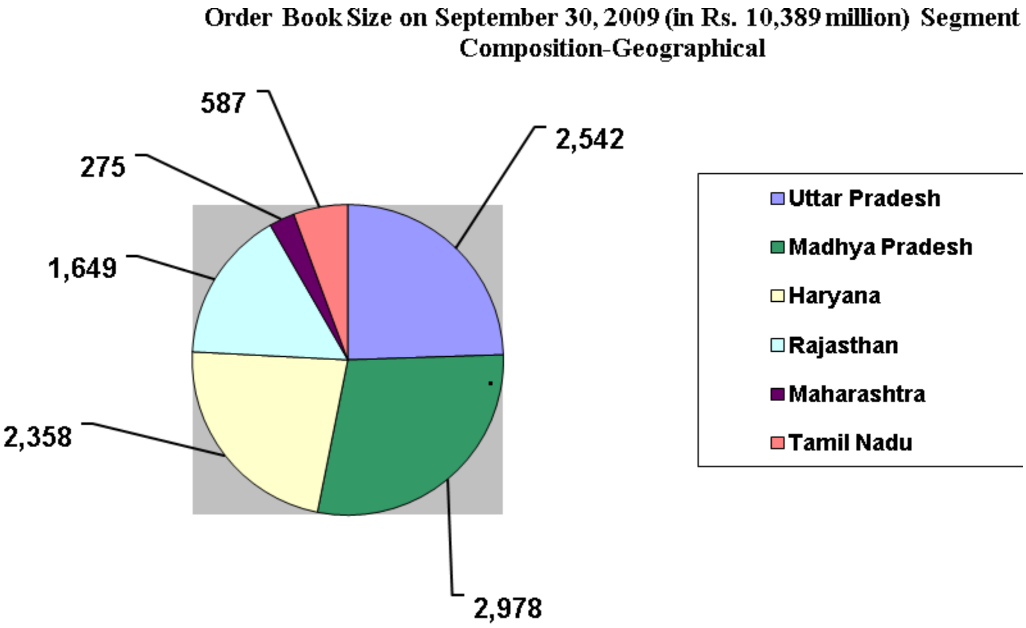
Segment Composition of Order Book

As reflected in the table below, approximately 88.94% of our Order Book as on September 30, 2009 related to construction of projects in the road sector.



Geographical spread of Order Book

The geographical spread of our Order Book as on September 30, 2009 is shown in the table below:



BOT Projects

We intend to increase our focus on BOT projects by leveraging our technical and financial credentials.

Ongoing Projects

Description

The project relates to designing, constructing, developing and financing the four-laning of the Jaora-Nayagaon section of SH-31 (from km. 125.00 to km. 252.81). The project has been awarded to our Company by the Jaora Nayagaon Toll Road Company Private Limited ("***Jaora Nayagaon Company***") which has been awarded the concession for the design, engineering, procurement, construction, operation and maintenance of SH-31 (from km. 125.00 to km. 173.00), including bypasses on a BOT basis. The Jaora Nayagaon Company is a SPV formed by our Company, SREI Infrastructure Finance Limited and Subhash Projects & Marketing Limited and our Company has a 11.5% beneficial interest in the Jaora Nayagaon Company.

The Jaora Nayagaon Company entered into a concession agreement dated August 20, 2007 with the MPRDCL for implementing the designing, engineering, procurement, construction, operation and maintenance of SH-31 (from km. 125.00 to km. 252.81), including bypasses on a BOT basis. The concession agreement provides that the construction of the project has to be completed by the end of February 2011 and the concession period will expire at the end of February 2033. In the event, the Jaora Nayagaon Company completes the construction of the project prior to the scheduled completion date, the toll period will commence from then until the end of the concession period. However, in the event the Jaora Nayagaon Company completes the construction of the project after the scheduled completion date and there is no applicable *force majeure* event, then the toll period shall commence from that date without any extension of the concession period. Further, the concession agreement provides that Jaora Nayagaon Company will pay an amount to MPRDCL every year starting from the first year of toll collection on the road. The amount payable in the first year of the toll collection is Rs. 153.90 million, which shall increase by 5% every year. The payment period is April 1 – March 30 every year, so if for example toll collection starts on October 1, then for the first year, the proportionate amount (i.e., six months) has to be paid. The toll rates are set forth in the concession agreement with a clause to increase the rates by 7% every year with effect from April 1 of each year.

EPC Contract and Project Details

Jaora Nayagaon Company has entered into an EPC contract dated January 14, 2008 with our Company for a contract value of Rs. 2,822.4 million for the project. The estimated project cost is Rs. 8,189.30 million. The construction of the project began in January 2008. As on September 30, 2009, we had completed approximately 66.13% of our part of the project construction with a project expenditure of Rs. 1,959.80 million under the EPC contract. As on September 30, 2009, our estimate of the amount needed to be spent to complete the construction of the project was Rs. 1,003.70 million without interest costs.

Debt Financing

Jaora Nayagaon Company borrowed Rs. 5,619.30 million from the State Bank of India, Infra Infrastructure Finance Company Limited, Punjab National Bank, Bank of India, State Bank of Patiala, State Bank of Indore and State Bank of Bikaner and Jaipur to finance the project partially. The loan disbursement is in progress in accordance with the implementation schedule. As on September 30, 2009, the amount of the loan disbursed was Rs. 2,843.80 million. The loan repayment commences from April 2011 and is repayable in 144 installments ending by January 2023.

New Project

We have been declared the 'successful bidder' by the NHAI, by a letter of award dated September 19, 2009, for designing, engineering, financing, constructing, operating and maintaining the Ghaziabad – Aligarh section of NH-91 (km. 23.60 to km. 140.20) on a design, build, finance, operate and transfer ("**DBFOT**") basis, for a total grant of Rs. 3,110 million during the construction period. The concession period is 24 years, including the construction period of 910 days. We are required to incorporate an entity that shall be responsible for undertaking the above mentioned project, including entering into a concession agreement with the NHAI and such entity would have to provide a performance security in the form of an irrevocable and unconditional guarantee to the NHAI for an amount of Rs. 570.50 million.

Joint Ventures

Ongoing Projects

(a) Joint Venture with TRG Industries Private Limited ("TRG") dated March 29, 2007

Our Company entered into a MoU with TRG dated March 29, 2007 to constitute a JV - "PNC-TRG JV" for the purpose of participating in the bidding process for the four laning of km. 51 to km. 61 on Dholpur -Morena Section on NH-3 on North South Corridor in the states of Rajasthan and Madhya Pradesh, and in the event of an award execute the same. Pursuant to the terms of the MoU, our Company and TRG have undertaken to share the profit and loss, arrange working capital and bonds/guarantees in the ratio of 70% and 30% respectively. Further, our Company has been nominated as the lead partner in charge and has been authorized to incur liabilities and receive instructions on behalf of the JV. Additionally, the parties have undertaken to work in full integration in arranging the required resources and be jointly and severally liable in the execution of the contract.

The MoU provides that in the event of non-performance by any party, the other party shall take the burden of performance. In such an instance, the financial right of the defaulting party shall be forfeited and the party executing the work shall be entitled to receive the full payment directly in terms of the award. Further, the parties have undertaken to constitute an apex body consisting of three (3) members from each party. The agreement is liable to be terminated in the event the tender is not awarded or if awarded is completed in all respects.

By a letter dated June 30, 2007, PNC-TRG JV was awarded the project.

Status of Construction

The construction of the project began in November 18, 2007. As on September 30, 2009, we had completed approximately 10.20% of our part of the project construction with a project expenditure of Rs. 293.60 million. The completion of the project was delayed due to the employer's inability to hand over the possession of the project site to us until April 2009. This delay, on the employer's part, was due to an order of the Supreme Court of India with respect to the preservation of a crocodile sanctuary in the vicinity of the Chambal bridge which is the project site and delay in obtaining requisite clearances from the concerned forest department for the project site.

As on September 30, 2009, our estimate of the amount needed to be spent to complete the construction of our part of the project was Rs. 2,584.90 million without interest costs.

(b) Joint Venture with Bhagheeratha Engineering Limited ("BEL") dated December 20, 2003

Our Company and BEL entered into a JV agreement dated December 20, 2003 to constitute a JV - "PNC-BEL JV", for the purposes of participating in the prequalification and subsequent tender for the work of four laning of NH-24 from Hapur to Moradabad in UP-Package II-Widening and Strengthening of NH-24 to four lane standards from Garhmukteshwar to Moradabad in Uttar Pradesh (including the construction of the road over bridge in Km 181 of NH 24 and two bridges). The agreement provides that the both the parties have an equal share in the profit and loss and both parties be jointly and severally liable in the execution of the project. In this respect the parties have undertaken to work in full integration in arranging the required resources.

Pursuant to the agreement, our Company has been nominated as the lead partner in charge and has been authorized to incur liabilities and receive instructions for and behalf of the JV. Additionally, the agreement provides that, in the event of non-performance by any party, the other party shall take the burden of performance. In such an instance, the financial right of the defaulting party is forfeited and the party executing the work is entitled to receive the full payment directly in terms of the award. Further, the agreement provides that the parties constitute an apex body consisting of two (2) members from each party. The agreement is liable to be terminated in the event the tender is not awarded or if awarded is completed in all respects.

By a letter dated November 22, 2004, PNC-BEL JV was awarded the project by the NHAI.

Status of Construction

The construction of the project began in March 31, 2005. As on September 30, 2009, we had completed approximately 86.62% of our part of the project construction with a project expenditure of Rs. 2,538.40 million. As on September 30, 2009, our estimate of the amount needed to be spent to complete the construction of our part of the project was Rs. 391.90 million without interest costs.

Project-Specific Joint Ventures

Generally, we bid for projects independently with full responsibility for the entire project, including if required, the overall responsibility and sole discretion to select and supervise sub-contractors. From time to time, we may enter into JVs while bidding for certain larger projects. For details of our JVs, see "***History and Certain Corporate Matters***" on page 87. We have generally bid for projects on a joint basis with the domestic or foreign companies having sound financials or technical capabilities, through SPVs to enable us to obtain larger projects that require resources beyond those we may have available, such as financial and technical strength.

In a project-specific JV, each member of the JV shares the risks and revenues of the project according to a predetermined agreement. The agreements specifically assign the work to be performed by each party and the responsibilities of each party with respect to the JV, including how the JV will be managed and the equipment, personnel or other assets that each party will contribute of make available to the JV. The profits and losses of the JV are shared among the members according to a predetermined ratio. The fixed assets that are acquired by the JV are generally transferred to the respective JV members upon completion of the JV project. The agreements also set forth the manner in which any disputes among the members will be resolved. The construction contracts that the JVs enter into, or the JVs themselves, typically impose joint and several liabilities on the members. Thus, should the other member(s) of our JVs default on its or their duties to perform we would remain liable for the completion of the project. The project-specific JV typically terminates at the completion of the defect liability period, at which point the project-specific JV liquidates and dissolves.

Currently, we have 10 JVs, MoUs or joint bidding agreements to facilitate our Company to bid for projects with certain other companies. We have entered into such JVs, MoUs or joint bidding agreements to participate in the pre-qualification and tendering for projects. For details of our existing JVs see "***History and Certain Corporate Matters***" on page 87.

Operations relating to Stone Crushing

Our Company owns a stone crushing plant at Haldwani, Uttarakhand, to cater to the requirement of raw materials, such as grit which is utilized in the construction of roads. The plant was initially set-up with a capacity of 1,200 tonnes per day. The raw material generated from the stone crushing plant is sold by our Company in the open market, along with being used for captive consumption in relation to our ongoing projects.

Project Lifecycle

Business Development

We enter into contracts primarily through a competitive bidding process. Government and other clients typically advertise potential projects in leading national newspapers or on their websites. Our tendering department regularly reviews newspapers and websites to identify projects that could be of interest to us. The head of the tendering department evaluates bid opportunities and discusses internally with the Review Committee on whether we should pursue a particular project based on various factors, including the geographic location of the project and the degree of difficulty in executing the project in such location, our current and projected workload, the likelihood of additional work, the project's cost and profitability estimates and our competitive advantage relative to other likely bidders. Once we have identified projects that meet our criteria, we submit an application to the client according to the procedures set forth in the advertisement.

Tendering

Our Company has a centralized tender department that is responsible for applying for all pre-qualifications and tenders. The tender department evaluates the credentials of our Company vis-à-vis the stipulated eligibility criteria. We endeavor to qualify on our own for projects in which we propose to bid. In the event that we do not qualify for a project in which we are interested due to eligibility requirements relating to the size of the project or other reasons, we may seek to form strategic alliances or project-specific JVs with other relevant experienced and qualified contractors, using the combined credentials of the cooperating companies to strengthen our chances of pre-qualifying and winning the bid for the project.

A notice inviting bids may either involve pre-qualification, or short-listing of contractors, or a post-qualification process. In a pre-qualification or short-listing process, the client stipulates technical and financial eligibility criteria to be met by the potential applicants. Pre-qualification applications generally require us to submit details about our organizational set-up, financial parameters (such as turnover, net worth and profit and loss history), employee information, plant and equipment owned, portfolio of executed and ongoing projects and details in respect of litigations and arbitrations in which we are involved. In selecting contractors for major projects, clients generally limit the issue of tender to contractors they have pre-qualified based on several criteria, including experience, technical ability and performance, reputation for quality, safety record, financial strength, bonding capacity and size of previous contracts in similar projects, although the price competitiveness of the bid is usually a significant selection criterion. Pre-qualification is key to our winning major projects and we continue to develop our pre-qualification status by executing a diverse range of projects and building our financial strength.

If we pre-qualify for a project, the next step is to submit a financial bid. Prior to submitting a financial bid, our Company carries out a detailed study of the proposed project, including performing a detailed study of the technical and commercial conditions and requirements of the tender followed by a site visit. Our tendering department determines the bidding strategy depending upon the type of contract. For example, in the event of bid for a BOT project, we would appoint a competent consultant to design the project and provide us with drawings to enable further analysis of the various aspects, including traffic analysis of the project. This allows us to make a more informed bid. Similarly, a lump sum tender would entail quantity take-offs from the drawings supplied by the clients.

A site visit enables us to determine the site conditions by studying the terrain and access to the site. Thereafter, a local market survey is conducted to assess the availability, rates and prices of key construction materials and the availability of labor and specialist sub-contractors in that particular region. Sources of key natural construction materials, such as quarries for aggregates, are also visited to assess the availability, and quality of such material. The site visit also allows us to determine the incidence and rates of local taxes and levies, such as sales tax or value added tax, octroi and cess.

The tendering department invites quotations from vendors, sub-contractors and specialist agencies for various items or activities in respect of the tender. This data supplements the data gathered by the market survey. The gathered information is then analyzed to arrive at the cost of items included in the BOQ. The estimated cost of items is then marked up to arrive at the selling price to the client. The basis of determination of the mark-up is based in part on the evaluation of the conditions of the contract.

Alternatively, the client may choose to invite bids through a post-qualification process wherein the contractor is required to submit the financial bid along with the information mentioned above in two (2) separate envelopes. In such a situation, the client typically evaluates the technical bid or pre-qualification application initially and then opens the financial bids only to those contractors who meet the stipulated criteria.

Engineering & Design

We provide detailed engineering services, if required by the client, for the projects that we undertake. Typically, for BOT projects, the client supplies conceptual information pertaining to the project and spells out the project requirements and specifications. We are required to prepare detailed architectural and/or structural designs based on the conceptual requirements of the client and also conform to various statutory and other requirements. For the execution of BOT projects where we do not have in-house design capabilities, we outsource design services from experienced consultants who specialize in the particular segment. Prior to bidding for the project, our tendering department and senior management review the preliminary design prepared by these consultants. Once the project is awarded to us, our consultants prepare detailed designs pursuant to the project requirements.

Procurement

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

Upon award of a contract, the purchase department is provided with the project details along with the budgeted rates for material, services and equipment. The material, services and equipment required for projects are estimated by the engineering personnel from the individual project sites and then passed on to the purchase department along with the schedule of requirements.

Our Company has over the years developed relationships with a number of vendors for key material, services and equipment. Our Company has also developed an extensive vendor database for various materials and services. For instance we have entered into long term contracts for the purchase of petroleum in some of the states we operate in. Over and above the quotations received at the time of bidding, the purchase department invites quotations from additional vendors, if required. Vendors are invited to negotiate before finalizing the terms and prices. The materials ordered are provided to the sites from time to time as per their scheduled requirements. We maintain material procurement, tracking and control systems, which enable monitoring of our purchases.

Procurement of material, services and equipment from external suppliers typically comprises a significant part of a project's cost. The ability to cost-effectively procure material, services and equipment, and meeting quality specifications for our projects is essential for the successful execution of such projects. We continually evaluate our existing vendors and also attempt to develop additional sources of supply for most of the materials, services and equipment needed for our projects.

Construction

The issuance of a letter of acceptance or letter of intent by the client signifies that we have been awarded the contract. Upon receipt of the letter, we typically commence pre-construction activities promptly, such as mobilizing manpower and equipment resources and setting up site offices, stores and other ancillary facilities.

Construction activity typically commences once the client approves working designs and issues drawings. The project team immediately identifies and works with the purchase department to procure the key construction materials and services required to commence construction. Based on the contract documents, a detailed schedule of construction activities is prepared. The sequence of construction activities largely follows the construction schedule that was prepared initially, subject to changes in scope requested by the client. Projects generally commence with excavation and earthmoving activities. Other major components of a typical construction project include concreting and reinforcement.

We have a project management system that helps us track the physical and financial progress of work vis-à-vis the project schedule. Each project site has a billing department that is responsible for preparing and dispatching periodic invoices to the clients. Joint measurements with the client's representative are taken on a periodic basis and interim invoices prepared on the basis of such measurements are sent to the client for certification and release of interim payments. The billing department is also responsible for certifying the bills prepared by our vendors and sub-contractors for particular projects and forwarding the same to our head office for further processing.

We consider a project to be "virtually complete" when it is ready to be handed over to the client. We then jointly inspect the project with the client to begin the process of handing over the project to the client. Once satisfied, the client prepares a "virtual completion certificate", which signifies the commencement of the defects liability period or the maintenance period (i.e., the period during which we are contractually bound to rectify any defects arising out of construction, which can last up to 60 months). On completion of the defects liability period, we request the client to release any performance bonds or retention monies that may be outstanding.

Types of contracts and the process for execution of contracts

Generally, contracts fall within the following categories:

- *Lump Sum contracts* – Lump sum contracts provide for a single price for the total amount of work, subject to variations pursuant to changes in the client's project requirements. In lump sum contracts, the client supplies all the information relating to the project, such as designs and drawings. Based on such information, we are required to estimate the quantities of various items, such as raw materials, and the amount of work that would be needed to complete the project, and then prepare our own BOQ to arrive at the price to be quoted. We are responsible for the execution of the project based on the information provided and technical stipulations laid down by the client at our quoted price.

- *Design and Build contracts* – Design and Build contracts provide for a single price for the total amount of work, subject to variations pursuant to changes in the client's project requirements. In Design and Build contracts, the client supplies conceptual information pertaining to the project and spells out the project requirements and specifications. We are required to (i) appoint consultants to design the proposed structure, (ii) estimate the quantities of various items that would be needed to complete the project based on the designs and drawings prepared by our consultants, and (iii) prepare our own BOQ to arrive at the price to be quoted. We are responsible for the execution of all aspects of the project based on the above at our quoted price.

- *Item rate contracts* – Item rate contracts are contracts where we need to quote the price of each item presented in a BOQ furnished by the client. In item rate contracts the client supplies all the information such as design, drawings and BOQ. We are responsible for the execution of the project based on the information provided and technical stipulations laid down by the client at our quoted rates for each respective item.

- *Percentage rate contracts* – Percentage rate contracts require us to quote a percentage above, below or at par with the estimated cost furnished by the client. In percentage rate contracts, the client supplies all the information such as design, drawings and BOQ with the estimated rates for each item of the BOQ. We are responsible for the execution of the project based on the information provided and technical stipulations laid down by the client at our quoted rates, which are arrived at by adding or subtracting the percentage quoted by us above or below the estimated cost furnished by the client.

Depending on the nature of the project and the project requirements, contracts may also contain a combination of aspects of any of the contract types discussed above.

- *Build Operate and Transfer (BOT) contracts* – BOT contracts are a relatively recent phenomenon developed to attract private sector investments in the development of projects in various sectors such as water supply, roads, bridges and power. Typically, BOT contracts involve the construction of an asset as required by the client, with partial or total financing arrangements provided by the bidders/contractors. BOT contracts require the successful bidder to construct, operate and maintain the asset over a pre-defined period (known as the "concession period") at its own expense. In return, the bidder is granted a right to collect revenues from the end users of the asset during the Concession Period through a pre-defined mechanism. For example, for road projects executed on a BOT basis, the bidder is permitted to collect and keep tolls received from vehicles that use that road during the Concession Period. The bidder is required to transfer ownership of the asset back to the client at the end of the Concession Period. BOT contracts may provide for a "take or pay clause" (i.e., even if the client does not utilize the constructed facility during the period of operation and maintenance, a predetermined amount of revenue is paid to the contractor by the client).

- *Public Private Partnership contracts* - The government has decided to implement all the NHDP projects in the future through BOT and limit the item-rate contracts approach to only those stretches which do not attract private participation. Also, to attract the private sector to projects that are not commercially viable but considered essential, the government has established a Viability Gap Funding (VGF) mechanism to provide a grant of up to 40% of the project cost (half of it given during the construction phase and the rest spread over during the O&M phase. A new model concession agreement has also been formulated and it is considered extremely attractive for lenders as it allows for grant funding and government guarantees, is high on transparency and addresses principal concerns of lenders, such as land acquisition and protection in the event of default.

Contracts, irrespective of their type (i.e., lump sum, item rate, percentage rate design-build), typically contain price variation or escalation clauses that either provide for reimbursement by the client in the event of a variation in the prices of key raw materials (e.g., steel and cement) or a formula that splits the contract into pre-defined components for materials, labor and fuel and links the escalation in amounts payable by the client to pre-defined price indices published periodically by the RBI or the government. Some contracts do not include such price variation or escalation clauses. Thus, in those instances, we face the risk that the price of key raw materials and other inputs will increase during the project execution period and are unable to pass on the increases in such costs to the client.

Our Equipment

We believe that our strategic investment in equipment and fixed assets is an advantage that enables us to rapidly mobilize our equipment to project sites as needs arise. We have a large fleet of construction equipment assets, including hot mix plant batch type, WMM plant, slip form paver finisher 9.00 meter width, paver finisher (sensor) 9.00 meter width, fixed form paver, jaw crushers, cone crusher (imported), grove cranes (imported), excavators, transit mixer, concrete pump and concrete batching plants, among others. Having such an asset base is in our view an important advantage in serving the technically challenging and diverse nature of the construction projects in which we are engaged.

Further, we have not purchased nor do we propose to purchase any second hand machinery. The following table provides a list of some of our key equipment as on September 30, 2009:

Group Name	Total
Leyland Taurus Tipper 10 Wheel	118
Leyland Comet Tipper 6 Wheel	80
Water Tanker 10 Wheel	30
Trailers 40 Feet Ashok Leyland	4
Transit Mixer with Taurus Chessis	11
Bitumen Sprayer with Comet Chessis	6
Dozer with Tractor Attachment	3
Escort Hydra Crane 10 Ton	3
Hydraulic Cranel (TIL)	1
Tower Crane with Tractor (Alfa)	1
Tata-407	2
Mahindra Camper	16
Tractor	17

Group Name		Total
Trolly Mounted Water Tank		12
Passenger Vehicles		36
Compressor		25
Weigh Bridge & Scales		30
Diesel Generators		106
Hot Mix	Batch Mix 160 TPH SPECO	3
	Batch Mix 124 TPH SPECO	1
	Drum Mix Plant with complete accessories & storage facilities	10
Wet Mix Plant		9
I.R. Make Light source model – V2		2
Bellstone Make Light		2
Concrete Mixture		31
Concrete Placer		1
Concrete Pump		1
Backhoe Loaders JCB-3D		24
Wheel Loader		24
Excavators		8
Motor Grader		15
Paver Finisher	Fixed Form Paver (MQ)	2
	Slip Form Paver (Writgen)	1
	WMM Paver (WM-6)	11
	Sensor 9-MTS Titan (BG-326)	1
	Sensor 9-MTS Titan (BG-325)	1
	Sensor Paver 10-09 Mtr (Vogle)	2
	Sensor 5.5-MTS (Apollo)	6
	Mechanical (Apollo)	3
Soil Compactors	Bomag BW-212	2
	ISD-110	16
	ISD-100	2
Plate Vibrators		
	Walia Plate Compactor	2
	Popular Plate Compactor	2
	FP-220 4.8 H.P.	8
Sand Blasting M/C	Sand Blasting M/C	1
PTR Roller	Bomag	1
	IR-RTR-220	2
Tandem Rollers	I.R. IDD-90	15
	I.R. VTR DD -24	1
	Walk Behind Roller VRD 800 JP Model	1
Static Roller	Roller Three Wheel	11
Kerb Paver	Arrow-770	1
	Roadtec Make	5
Broomer	Mechanical (Apollo)	2
	Roadtec Make Brommer	3
Tar Boiler	Tar Boiler	10

Competition

We operate in a competitive atmosphere. Our competition depends on various factors, such as the type of project, contract value, potential margins, the complexity, location of the project and risks relating to revenue generation. While service quality, technical ability, performance record, experience, health and safety records and the availability of skilled personnel's are key factors in client decisions among competitors, price often is the deciding factor in most tender awards. Some of our key competitors are Nagarjuna Construction Company Limited, Gayatri Projects Limited, Hindustan Construction Company, Reliance Energy Limited and Larsen & Toubro. Some of our competitors may have greater resources than those available to us.

Our Properties

Our Registered Office is located at D-5/7, Vasant Vihar, New Delhi 110 057, India. Our Company occupies this premise pursuant to rent agreements dated April 1, 2009, with Mr. Pradeep Kumar Jain, Mr. Naveen Kumar Jain, Chakresh Kumar Jain and Mr. Yogesh Kumar Jain, our Promoters and Directors, respectively. The rent agreements are valid for a period of 11 months with effect from April 1, 2009. Further, our Company is required to pay a monthly rental of Rs. 0.19 million. For further details of our Registered Office, see "***History and Certain Corporate Matters***" on page 87.

Our Company has purchased property measuring 32,320.33 sq. mtrs. at village Haripur Footkua, Nainital, Pargana Bhanwar Chakhata wherein the stone crushing operations are being carried out. The cost of acquisition of the property was approximately Rs. 9.27 million. Additionally, our Company has also taken on a leasehold basis the property located at D-51, Kamla Nagar, Agra to serve as the corporate office from Mr. Chakresh Kumar Jain, a Promoter and Director.

The table below sets forth the significant properties owned or leased by the Company as on the date hereof:

Lessee/Owner	Location	Address	Nature of Property Rights	Area (in acres)	Term
Mr. Pradeep Kumar Jain, Mr. Naveen Kumar Jain, Mr. Chakresh Kumar Jain and Mr. Yogesh Kumar Jain	New Delhi	D-5/7, Vasant Vihar	Leasehold	0.33	Valid for 11 months with effect from April 1, 2009
Mr. Chakresh Kumar Jain	Agra	D-51, Kamla Nagar	Leasehold	0.09	Valid for six years with effect from April 1, 2009
Mrs. Meena Jain and Pradeep Kumar Jain (HUF)	Agra	Khasra Nos. 506, 515, 516,564-567, 573, Mathura Road, Artoni	Leasehold	10.27	Valid for 11 months with effect from April 1, 2009
Mrs. Renu Jain	Agra	Khasra No. 1540, Baipur, Shastripuram	Leasehold	1.64	Valid for 11 months with effect from April 1, 2009
Mrs. Madhvi Jain and Mrs. Ashita Jain	Agra	Khasra No. 75, Bichpurai Road, Sunari	Leasehold	5.42	Valid for 11 months with effect from April 1, 2009
NCJ Infrastructure Private Limited	Agra	C-51, Kamla Nagar	Leasehold	0.10	Valid for 11 months with effect from April 1, 2009

Human Resources and Employee Training

As on September 30, 2009, we had about 1,636 employees, out of which 279 employees are engineers and other qualified professionals. These employees are employed in various capacities and cadres in the divisions of our Company, which *inter alia* range from such professionals like that of engineers, accountants to machine operators and workers.

For the purposes of recruiting employees we advertise in national dailies, use recruitment web-sites and conduct campus interviews at regular periods. Recruitment of personnel in different categories is carried out by the human resources department of our Company. We also provide training to our employees at various project sites. Our emoluments for our staff are performance based. Employees are evaluated on a yearly basis for their performance on specified parameters.

None of our employees are in a union. We have not lost a day to industrial action in our history of operations. As such we consider our relations with our employees to be good.

Insurance

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

Our significant insurance policies consist of coverage for risks relating to physical loss or damage. Loss or damage to our materials and property, including contract works, whether permanent or temporary and materials or equipment supplied by us are generally covered by "contractors all risks insurance". We have also obtained a fire insurance policy for our registered and corporate office. We also maintain workmen's compensation policies along with group personal accident policies for the permanent employees of the Company. We have obtained insurance for construction risk and third party liability for some of our projects and the coverage extends until the end of the defects liability period.

We generally maintain insurance covering our assets and operations at levels that we believe to be appropriate.

Health, Safety and Environment

We are committed to complying with applicable health, safety and environment regulations and other requirements in our operations and have a documented policy in place. To help ensure effective implementation of our practices, at the beginning of every project we seek to identify potential material hazards, evaluate all material risks and institute and monitor appropriate controls. Our constructions and operations are subject to governmental, state and municipal laws and regulations relating to the protection of the environment, including requirements for water discharges, air emissions, the use, management and disposal of solid or hazardous materials or wastes and the cleanup of contamination. However, all the necessary approvals and environmental clearances for the construction of the project are to be procured by the owner and undertakings, as may be required, in this connection are to be given by the owner/developer to the environmental or pollution control agencies.

Intellectual Property

We own the trademark on the logo 'PNC'. The Registrar of Trade Marks, New Delhi, by a letter dated December 12, 2007 has granted the trademark under class 37, in respect of construction of buildings and infrastructure.

REGULATIONS AND POLICIES

The information detailed in this chapter has been obtained from publications available in the public domain. The regulations set out below are not exhaustive, and is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional legal advice.

Our Company's business has been and is expected to continue to be divided into the engineering, construction and infrastructure development.

There are no specific regulations in India governing the construction industry. Set forth below are certain significant legislations and regulations that generally govern this industry in India.

Regulation of the Road Sector

A. Central laws

The primary central legislations governing the roads sector are the National Highways Act, 1956 ("**National Highways Act**") and the National Highways Authority of India Act, 1988 ("**NHAI Act**").

National Highways Act, 1956

Under this 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 for the building, maintenance, management or operation of a national highway. The National Highways Act prescribes the procedure for the same. Such procedure relates to declaration of an intention to acquire, entering and inspecting such land, hearing of objections, declaration required to be made for the acquisition and the mode of taking possession.

The central government is responsible for the development and maintenance of National Highways. However, it may direct that such functions may also be exercised by the state governments. Further, the GoI has the power to enter into an agreement with any person for the development and maintenance of a part or whole of the highway. Such person would have the right to collect and retain fees at such rates as may be notified by the GoI.

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 provide that the GoI may enter into agreements with persons for development and maintenance of the whole or part of a national highway/permanent bridge/temporary bridge on national highway. Such person may invest his own funds for development or maintenance and is allowed to collect and retain the fees at agreed rates from different categories of vehicles for an agreed period for the use of the facilities created herein. The rates of fees and the period of collection are decided by the GoI and the factors taken into account to decide the same include expenditure involved in building; maintenance, management and operation of the whole or part of such section; interest on the capital invested; reasonable return, the volume of traffic; and the period of such agreement.

Once the period of collection of fees by the person is completed, all rights pertaining to the section, permanent bridge or the temporary bridge on the national highway would be deemed to have been taken over by the GoI.

National Highways Fee (Determination of Rates and Collection) Rules, 2008 (the "NH Fee Rules")

Pursuant to the NH Fee Rules, the central government may, by a notification, levy fee for use of any section of a national highway, 'permanent bridge', bypass or tunnel forming part of a national highway, as the case may be. However, the central government may, by notification, exempt any section of a national highway, 'permanent bridge', bypass or tunnel constructed through a public funded project.

The collection of fee shall commence within 45 days from the date of completion of the section a 'national highway', 'permanent bridge', bypass or tunnel constructed through a public funded project. In case of a 'private investment project', the collection of such fee shall be made in accordance with the terms of the agreement entered into by the concessionaire.

National Highways Authority of India Act, 1988 (the "NHAI Act")

The NHAI Act provides for the constitution of an authority for the development, maintenance and management of National Highways. Pursuant to the same the NHAI, an autonomous body was set up in 1995. Under the NHAI Act, the Central Government carries out development and maintenance of the National Highway system through the NHAI. Pursuant to the same, the NHAI has the power to enter into and perform any contract necessary for the discharge of its functions under the NHAI Act. The NHAI Act prescribes a limit in relation to the value of the contracts that may be entered into by NHAI. However, such contracts can exceed the value so specified with the prior approval of the GoI. The NHAI Act provides that the contracts for acquisition, sale or lease of immovable property cannot exceed a term of 30 days.

NHAI's primary mandate is the time and cost bound implementation of the National Highways Development Programme ("**NHDP**") through a host of funding options, which include fund assistance from external multilateral agencies like the World Bank and ADB. The NHAI also strives to provide road connectivity to major ports. NHAI's role encompasses involving the private sector in financing the construction, maintenance and operation of the national highways and wayside amenities. The NHAI is also involved with the improvement, maintenance and augmentation of the existing national highways network and implementation of road safety measures and environmental management.

The Highways Authority of India (Amendment) Bill, 2008, was approved by the Cabinet in October 2008. It aims at increasing institutional capacity of NHAI and help execute the powers delegated to it. The government plans to make NHAI a multi-disciplinary professional body with financial management and contract management expertise.

The restructuring of the organization envisages selection of the chairman by a search committee headed by the cabinet secretary and comprising department of road transport and highways secretary, planning commission secretary, a chief managing director or managing director of a financial institution and one of the directors of the Indian Institutes of Management.

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 Indian Tolls Act, 1851, the state governments have been vested with the power to levy tolls at such rates as they deem fit. The tolls levied under the Indian 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. Further, all police officers are bound to assist the toll collectors in the implementation of the Indian Tolls Act, 1851.

Government Policy Initiatives

In 1998, the Government commissioned the NHDP, which envisaged increasing to four/six lanes of 13,146 km. of high-density national highways, and vested the responsibility of its implementation with the NHAI. NHDP is being implemented in two (2) parts, the first part is the Golden Quadrilateral Project, which comprises the four-laning of NH corridors linking the four major metros, and the second part is the North-South and East-West Corridors Project, which involves the development of national highway corridors from Kashmir to Kanya Kumari and Silchar to Saurashtra.

Financing of the NHDP

The GoI, under the Central Road Fund Act, 2000 (the "**Fund**") created a dedicated fund for NHDP by levying cess on high-speed diesel and petrol at the rate of Rs. 2.00 per litre. The allocation of the Fund has been structured as follows:

- 50% of the cess collected from diesel is meant for rural roads;
- Allocation of fund from balance 50% cess from diesel and the entire cess on petrol is as follows:

  (i) 57.5% on national highways;

  (ii) 12.5% for road over bridges/rail over bridges; and

(iii) 30% on roads other than national highways.

The other 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 and ADB as well as through tolling of roads.

Private Participation in NHDP

In an effort to attract private sector participation in the NHDP, the NHAI has formulated model concession agreements where a private entity (the "**Concessionaire**") is awarded a concession to build, operate and collect toll on a road for a specified period of time, which is usually up to 30 years.

The bidding for the projects takes place in two stages as per the process provided below:

- in the pre-qualification stage, NHAI selects certain bidders on the basis of technical and financial expertise, prior experience in implementing similar projects and previous track record; and
- in the second stage, NHAI invites commercial bids from the pre-qualified bidders on the basis of which the right to develop the project is awarded.

The private entity meets the up front cost and expenditure on annual maintenance and recovers the entire cost along with the interest from toll collections during the concession period. To increase the viability of the projects, a capital grant of up to 40% is provided by the NHAI/GoI. The Concessionaire at the end of the concession period transfers the road back to the Government free of charge. The Concessionaire's investment in the road is recovered directly through user fees by way of tolls. In annuity projects, the private entity is required to meet the entire upfront cost (no grant is paid by NHAI/GoI) and the expenditure on annual maintenance. The concessionaire recovers the entire investment through pre-determined annuity payments by NHAI/GoI.

Tax incentives which are being provided to the private entity are 100% tax exemption for five (5) years and 30% relief for the next five years, which may be availed of within a period of 20 years. The Government has also allowed duty free import of specified modern high capacity equipment for highway construction.

B. State Laws

The significant state legislations, in the states where our Company operates, and their salient features are as provided herein below.

The Rajasthan Highways Act, 1995

The Rajasthan Highways Act, 1995 empowers the state government to acquire land for the purposes of highways. It further provides that this acquisition must be in accordance with the provisions of the Land Acquisition Act, 1894.

Rajasthan Road Development Act, 2002 ("RRDA")

RRDA, *inter alia*, provides for the development of and private participation in the development of roads in Rajasthan. 'Development' has been defined to include construction, maintenance, upgradation, strengthening, widening and improvement. Also, 'road' as defined in the statute includes:-

i) all land appurtenant thereto,
ii) all approach roads, bridges, flyovers, culverts, tunnels, causeways, carriage-ways and other structures on, over, along or across such roads, and
iii) all fences, trees, posts and boundary, two hundred meter and kilometer stones of such road, but does not include a national highway.

RRDA empowers the state government to enter into agreements with any person or any local body for development of any road. Such person or local body shall be entitled to collect and retain the whole or such portion of the fees for such period as may be agreed upon by the state government and such person or local body having regard to the expenditure involved in the development of the road and collection of the fees, interest on the capital invested, reasonable return expected from the investment and the volume of traffic. Such person or body shall also have the power to regulate and control traffic in accordance with the Motor Vehicles Act, 1988 on such road.

The state government may, by notification in the official gazette, levy fees at prescribed rates, for the services or benefits rendered in relation to the use of roads or any section thereof developed after the commencement of this statute. Such fees, when levied, shall be collected in accordance with the rules made under the RRDA.

The Tamil Nadu Highways Act, 2001

The Tamil Nadu Highways Act, 2001 provides that the state government may, in consultation with the 'State Highways Authority', appointed by the state government, enter into an agreement with any person for the construction, development, maintenance or repair of the whole or any part of any highway. The legislation provides the state government the power to acquire land for the purposes of highways or for the construction of any structures incidental thereto. For such purpose, the state government is required to provide the owner of the land a notice to show-cause as to why such land should not be acquired. If the land is acquired, the owner thereof shall be entitled to a compensation which shall be determined as per the provisions of the Tamil Nadu Highways Act, 2001.

The Madhya Pradesh Highways Act, 2004

The Madhya Pradesh Highways Act, 2004 provides that the Highway Authority appointed by the state government may enter into contracts on behalf of the state government with any person for the construction and reconstruction of roadway and the diversion or closure of any existing highway or a section of such highway. The Highway Authority has to make arrangements for the acquisition of lands by resort to the provisions of the Land Acquisition Act, 1894.

The Bombay Highways Act, 1955

The Bombay Highways Act, 1955 provides for the restriction of ribbon development along the highways, for the preservation of encroachment thereon, for the construction and development of highways, and for the levy of betterment charges. This Act is in force in the city of Mumbai, Maharashtra. There are no enactments of the kind in other parts of the State.

C. 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, labor laws and other applicable laws.

Environment Regulation

Infrastructure projects, including surface transport projects, must also ensure compliance with environmental legislation such as the Water (Prevention and Control of Pollution) Act 1974 ("**Water Pollution Act**"), the Air (Prevention and Control of Pollution) Act, 1981 ("**Air Pollution Act**") and the Environment Protection Act, 1986 ("**Environment Act**") and rules made therein such as the Hazardous Waste (Management and Handing) Rules, 1989, the Manufacture, Storage and Import of Hazardous Chemicals Rules, 1989 and the Environment Protection Rules, 1986.

The Water Pollution Act aims to prevent and control water pollution. This legislation provides for the constitution of a Central Pollution Control Board (the "**Central Board**") and State Pollution Control Boards (the "**State Boards**"). The functions of the Central Board include coordination of activities of the State Boards, collecting data relating to water pollution and the measures for the prevention and control of water pollution and prescription of standards for streams or wells. The State Boards are responsible for the planning of programmes for the prevention and control of pollution of streams and wells, collecting and disseminating information relating to water pollution and its prevention and control, inspection of sewage or trade effluents, works and plants for their treatment and to review the specifications and data relating to plants set up for treatment and purification of water, laying down or annulling the effluent standards for trade effluents and for the quality of the receiving waters, and laying down standards for treatment of trade effluents to be discharged. This legislation debars any person from establishing any industry, operation or process or any treatment and disposal system, which is likely to discharge trade effluent into a stream, well or sewer without taking prior consent of the concerned State Board.

The Central Board and State Boards constituted under the Water Pollution Act are also required to perform functions as per the Air Pollution Act for the prevention and control of air pollution. The Air Pollution Act aims for the prevention, control and abatement of air pollution. It is mandated under this Act that no person can, without the previous consent of the concerned State Pollution Control Board, establish or operate any industrial plant in an air pollution control area.

The Environment Act has been enacted for the protection and improvement of the environment. The Act empowers the central government to take measures to protect and improve the environment such as by laying down standards for emission or discharge of pollutants, providing for restrictions regarding areas where industries may operate and so on. The central government may make rules for regulating environmental pollution.

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 central government. The Ministry of Environment and Forests mandates that 'Environment Impact Assessment' must be conducted for projects. In the process, the said Ministry receives proposals for the setting up of projects and assesses their impact on the environment before granting clearances to the projects.

The Environment Impact Assessment Notification S.O. 1533, issued on September 14, 2006 (the "**EIA Notification**") under the provisions of Environment (Protection) Act 1986, prescribes that new construction projects require prior environmental clearance of the Ministry of Environment and Forests, GoI. The environmental clearance must be obtained from the Ministry of Environment and Forests, GoI 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 'Environment Impact Assessment Report' and the 'Environment Management Plan'. The final Environment Impact Assessment Report has to be submitted to the concerned regulatory authority for its appraisal. The regulatory authority is required to give its decision within 105 days of the receipt of the final Environment Impact Assessment Report.

Hazardous Waste (Management and Handling) Rules, 1989

The Hazardous Waste (Management and Handling) Rules, 1989, as amended, 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 hazardous waste is required to obtain an approval from the relevant state pollution control board for collecting, storing and treating the hazardous waste.

Public Liability Insurance Act, 1991

The Public Liability Insurance Act, 1991, as amended (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.

D. Regulations regarding Foreign Investment

Foreign investment in Indian securities is governed by the provisions of the FEMA read with the applicable FEMA Regulations and the FDI Policy issued in November 2006 by the DIPP. Foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the approval route, depending upon the sector in which foreign investment is sought to be made.

Under the Industrial Policy and FEMA, FDI up to 100% is permitted under the automatic route in projects for construction and maintenance of roads, highways, vehicular bridges, toll roads, vehicular bridges and ports and harbors. Further, subject to certain conditions and guidelines, the Industrial Policy and FEMA further permit up to 100% FDI in built-up infrastructure and construction development projects which include, but are not restricted to, housing, commercial, premises, hotels, resorts, hospitals, educational institutions, recreational facilities and city and regional level infrastructure.

Under the automatic route, no prior approval of the GoI is required for the issue of securities by Indian companies/acquisition of securities of Indian companies, subject to the sectoral caps and other prescribed conditions. Investors are required to file the required documentation with the RBI within 30 days of such issue/acquisition of securities. If the foreign investor has any previous joint venture/tie-up or a technology transfer/trademark agreement in the "same field" in India as on January 12, 2005, prior approval from the FIPB is required even if that activity falls under the automatic route, except as otherwise provided.

Under the approval route, prior approval from the FIPB/RBI is required. FDI for the items or activities that cannot be brought in under the automatic route may be brought in through the approval route. Approvals are accorded on the recommendation of the FIPB, which is chaired by the Secretary, DIPP, with the Union Finance Secretary, Commerce Secretary and other key Secretaries of the GoI as its members.

E. Restrictions on Foreign Ownership

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, 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 Code, (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy, and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI or the RBI.

As per the existing policy of the GoI, OCBs cannot participate in this Issue.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

F. Investment by Foreign Institutional Investors

Subject to certain restrictions, FIIs including institutions such as pension funds, investment trusts, asset management companies, nominee companies and incorporated, institutional portfolio managers can invest in all the securities traded on the primary and secondary markets in India. FIIs are required to obtain an initial registration from the SEBI and a general permission from the RBI to engage in transactions regulated under FEMA. FIIs must also comply with the provisions of the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended. The initial registration and the RBI's general permission together enable the registered FII to buy (subject to the ownership restrictions discussed below) and sell freely securities issued by Indian companies, to realize capital gains or investments made through the initial amount invested in India, to subscribe or renounce rights issues for shares, to appoint a domestic custodian for custody of investments held and to repatriate the capital, capital gains, dividends, income received by way of interest and any compensation received towards sale or renunciation of rights issues of shares.

FIIs are permitted to purchase shares of an Indian company through public/private placement under:

i. Regulation 5 (1) of the FEMA Regulations, subject to terms and conditions specified under Schedule 1 of the FEMA Regulations ("**FDI Route**").
ii. Regulation 5 (2) of the FEMA Regulations subject to terms and conditions specified under Schedule 2 of the FEMA Regulations ("**PIS Route**").

In case of investments under FDI Route, investments are made either directly to the company account, or through a foreign currency denominated account maintained by the FII with an authorized dealer, wherein Form FC-GPR is required to be filed by the company. Form FC-GPR is a filing requirement essentially for investments made by non-residents under the ‘automatic route’ or ‘approval route’ falling under Schedule 1 of the FEMA Regulations.

In case of investments under the PIS Route, investments are made through special non-resident rupee account, wherein Form LEC (FII) is required to be filed by the designated bank of the FII concerned. Form LEC (FII) is essentially a filing requirement for FII investment (both in the primary as well as the secondary market) made through the PIS Route.

Foreign investment under the FDI Route is restricted/ prohibited in sectors provided in part A and part B of Annexure A to Schedule 1 of the FEMA Regulations.

Ownership Restrictions of FIIs

Under the portfolio investment scheme, the overall issue of equity shares to FIIs on a repatriation basis should not exceed 24% of post-issue paid-up capital of a company. However, the limit of 24% can be raised up to the permitted sectoral cap (which is 100% for the engineering and construction sector) for that company after approval of the Board of Directors and shareholders of the company. As of date, no such approval has been obtained. The total holding of a single FII should not exceed 10% of the post-issue paid-up capital of the Company or 5% of the total paid-up capital in case such sub-account is a foreign corporate or an individual. In respect of an FII investing in equity shares of a company on behalf of its sub-accounts, the investment on behalf of each sub-account shall not exceed 10% of the total issued capital of that company. As on the date of filing of this Draft Red Herring Prospectus, the shareholders of our Company, by a resolution dated October 5, 2009, approved the FII investment limit to be raised to 100%.

G. Labor Regulations

In accordance with the projects undertaken by our Company, the generally applicable labor laws would be the Contract Labour (Regulation and Abolition) Act, 1970, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965, the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996, the Payment of Wages Act, 1936, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979, the Factories Act, 1948, the Employees’ State Insurance Act, 1948, the Employees’ Provident Funds Miscellaneous Provisions Act, 1952, the Payment of Gratuity Act, 1972 and the various Shops and Commercial Establishments Acts.

The Contract Labour (Regulation and Abolition) Act, 1970 (the “CLRA”)

The CLRA requires establishments that employ or have employed on any day in the previous 12 months, 20 or more workmen as contract labor to be registered and prescribes certain obligations with respect to the welfare and health of contract labor. The CLRA places an obligation on the principal employer of an establishment to which the CLRA applies to make an application for registration of the establishment. In the absence of registration, contract labor cannot be employed in the establishment. Likewise, every contractor to whom the CLRA applies is required to obtain a license and not to undertake or execute any work through contract labor except under and in accordance with the license issued.

To ensure the welfare and health of contract labor, the CLRA imposes certain obligations on the contractor including the establishment of canteens, rest rooms, washing facilities, first aid facilities, provision of drinking water and payment of wages. In the event that the contractor fails to provide these amenities, the principal employer is under an obligation to provide these facilities within a prescribed time period. A person in contravention of the provisions of the CLRA may be punished with a fine or imprisonment, or both.

The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 (the “Construction Workers Act”)

The Construction Workers Act provides for the establishment of ‘Boards’ at the state level to regulate the administration of the Construction Workers Act. All enterprises involved in construction are required to be registered within 60 days from the commencement of the construction works. The Construction Workers Act also provides for regulation of employment and conditions of service of building and other construction workers including safety, health and welfare measures in every establishment which employs or employed during the preceding year, 10 or more workers in building or other construction work. However, it does not apply in respect of residential houses constructed for one’s own purpose at a cost of less than Rs. one (1) million and in respect of other activities to which the provisions of the Factories Act, 1948 and the Mines Act, 1952 apply. Every employer must give notice of commencement of building or other construction work within 60 days from the commencement of the construction works.

Comprehensive health and safety measures for construction workers have been provided through the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Central Rules, 1998. The Construction Workers Act provides for constitution of safety committees in every establishment employing 500 or more workers with equal representation from workers and employers in addition to appointment of safety officers qualified in the field. Any violation of the provisions for safety measures is punishable with a fine or imprisonment or both.

Inter-state Migrant Workers Act, 1979 (the "Inter-State Migrant Workers Act")

The Inter-state Migrant Workers Act applies to any establishment or contractor who employees five (5) or more inter-state migrant workmen (whether or not in addition to other workmen) on any day of the preceding twelve months. An 'inter-state migrant workman' is defined under Section 2 (e) to include any person who is recruited by or through a contractor in one state under an agreement or other arrangement for employment in an establishment in another state, whether with or without the knowledge of the principal employer in relation to such establishment. All such establishments employing migrant workers must be registered otherwise such workmen cannot be employed by them.

Payment of Bonus Act, 1965 (the "Bonus Act")

Pursuant to the Bonus Act an employee in a factory or in any establishment where 20 or more persons are employed on any day during an accounting year, who has worked for at least 30 working days in a year, is eligible to be paid a bonus. Contravention of the provisions of the Bonus Act by a company is punishable with imprisonment for a term of up to six months or a fine of up to Rs.1,000 or both, against persons in charge of, and responsible to the company for the conduct of the business of the company at the time of contravention.

The Minimum Wages Act, 1948

State governments may stipulate the minimum wages applicable to a particular industry. The minimum wages may consist of a basic rate of wages and a special allowance, or a basic rate of wages and the cash value of the concessions in respect of supplies of essential commodities, or an all-inclusive rate allowing for the basic rate, the cost of living allowance and the cash value of the concessions, if any.

Workmen are required to be paid for overtime at overtime rates stipulated by the appropriate government. Contravention of the provisions of this legislation may result in imprisonment for a term of up to six months or a fine up to Rs. 500 or both.

The Factories Act, 1948 (the "Factories Act")

The Factories Act defines a 'factory' to mean any premises on which on any day in the previous 12 months, 10 or more workers are or were working and on which a manufacturing process is being carried on or is ordinarily carried on with the aid of power; or at least 20 workers are or were working on any day in the preceding 12 months and on which a manufacturing process is being carried on or is ordinarily carried on without the aid of power. State governments prescribe rules with respect to the prior submission of plans, their approval for the establishment of factories and the registration and licensing of factories.

The Factories Act provides that the 'occupier' of a factory (defined as the person who has ultimate control over the affairs of the factory and in the case of a company, any one of the directors) shall ensure the health, safety and welfare of all workers while they are at work in the factory, especially in respect of safety and proper maintenance of the factory such that it does not pose health risks, the safe use, handling, storage and transport of factory articles and substances, provision of adequate instruction, training and supervision to ensure workers' health and safety, cleanliness and safe working conditions.

If there is a contravention of any of the provisions of the Factories Act or the rules framed thereunder, the occupier and manager of the factory may be punished with imprisonment for a term of up to two (2) years or with a fine of up to Rs.100,000 or with both, and in case of contravention continuing after conviction, with a fine of up to Rs.1,000 per day of contravention. In case of a contravention which results in an accident causing death or serious bodily injury, the fine shall not be less than Rs.25,000 in the case of an accident causing death, and Rs.5,000 in the case of an accident causing serious bodily injury.

The Payment of Gratuity Act, 1972 (the "Gratuity Act")

The Gratuity Act establishes a scheme for the payment of gratuity to employees engaged in every factory, mine, oil field, plantation, port and railway company, every shop or establishment in which ten or more persons are employed or were employed on any day of the preceding twelve months and in such other establishments in which ten or more persons are employed or were employed on any day of the preceding twelve months, as the central government may, by notification, specify. Penalties are prescribed for non-compliance with statutory provisions.

Under the Gratuity Act, an employee who has been in continuous service for a period of five (5) years will be eligible for gratuity upon his retirement, resignation, superannuation, death or disablement due to accident or disease. However, the entitlement to gratuity in the event of death or disablement will not be contingent upon an employee having completed five (5) years of continuous service. The maximum amount of gratuity payable may not exceed Rs. 0.35 million.

Employees State Insurance Act, 1948 (the "ESI Act")

The ESI Act provides for certain benefits to employees in case of sickness, maternity and employment injury. All employees in establishments covered by the ESI Act are required to be insured, with an obligation imposed on the employer to make certain contributions in relation thereto. It applies to, *inter alia*, seasonal power using factories employing ten or more persons and non-power using factories employing 20 or more persons. Every factory or establishment to which the ESI Act applies is required to be registered in the manner prescribed in the ESI Act. Under the ESI Act every employee (including casual and temporary employees), whether employed directly or through a contractor, who is in receipt of wages up to Rs. 10,000 per month is entitled to be insured.

In respect of such employees, both the employer and the employee must make certain contributions to the Employee State Insurance Corporation. Currently, the employee's contribution rate is 1.75% of the wages and that of employer's is 4.75% of the wages paid/payable in respect of the employee in every wage period.

The ESI Act states that a principal employer, who has paid contribution in respect of an employee employed by or through an immediate employer, shall be entitled to recover the amount of the contribution so paid from the immediate employer, either by deduction from any amount payable to him by the principal employer under any contract, or as a debt payable by the immediate employer.

Employees Provident Fund and Miscellaneous Provisions Act, 1952 (the "EPF Act")

The EPF Act provides for the institution of compulsory provident fund, pension fund and deposit linked insurance funds for the benefit of employees in factories and other establishments. A liability is placed both on the employer and the employee to make certain contributions to the funds mentioned above.

HISTORY AND CERTAIN CORPORATE MATTERS

Our Company was incorporated as "PNC Construction Company Private Limited" on August 9, 1999 by our individual Promoters, Mr. Pradeep Kumar Jain, Mr. Naveen Kumar Jain, Mr. Chakresh Kumar Jain and Mr. Yogesh Kumar Jain with the objective of carrying on business as contractors, sub contractors, real estate developers, builders etc. and to lay out, develop, construct, build and to do any activities relating to construction of any building or building scheme, roads, highways, bridges etc. or any other structural or architectural work of any kind. For further details regarding the business and Orderbook of the Company, see "***Our Business***" on page 60. Our Company was converted into a public company on February 12, 2001 and our name was changed to "PNC Construction Company Limited". Subsequently, on August 2, 2007 the name was changed to "PNC Infratech Limited".

Prior to incorporating our Company, Mr. Pradeep Kumar Jain, a Promoter and Director, was engaged in the business of providing integrated construction services for infrastructure sector through PNC Construction Company, a sole proprietorship at Agra, which had been in existence since 1989. In 2000 and 2001, our Company purchased the business of the sole proprietorship from Mr. Pradeep Kumar Jain in consideration for Equity Shares. For details, see "***Capital Structure***" on page 18.

Change in Registered Office

The registered office of our Company was initially located at C-2/37, Vikas Market, Kamla Nagar, Agra 282 004, India. Pursuant to board resolution dated September 1, 2001, the registered office was shifted to D-51, Kamla Nagar, Agra 282 004, India to ensure operational ease and administrative efficiency. The Company Law Board, New Delhi Bench, New Delhi, by an order dated September 30, 2009, granted permission to the Company to shift its registered office to the NCT of Delhi. Our Registered Office is D-5/7, Vasant Vihar, New Delhi 110 057, India with effect from November 1, 2009.

Key Events and Milestones

Year	Event
1999	Incorporation of our Company
2001	Received 'SS' class certification from MES
2002	Executed first NHAI Road Project of Agra-Gwalior Section of NH-3 (NS-4)
2003	Bonus received from NHAI for completion of project before the scheduled time of the Agra-Gwalior Road (NH-3) project
2004	Received DNV certification ISO 9001: 2000
2005	Executed first international airport runway project given by AAI at Kolkata
	Executed first airport runway project for the Military Engineer Services at Bangalore
2006	Total revenue crossed Rs. 1,500 million
2007	Awarded BOT road project by MPRDC, Madhya Pradesh.
2008	Entered into the business of setting up power transmission lines
2009	Total revenue crossed Rs. 5,000 million
	Awarded bid contract amounting to Rs. 3,380 million by the Haryana State Roads & Bridges Development Corporation Limited, the single largest project awarded to us in terms of value.

Our Company has 23 shareholders as on the date of filing this Draft Red Herring Prospectus.

Our Main Objects

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

- To carry on the business as contractors, sub contractors, real estate developers, promoters, builders, colonizers and to lay out, develop, construct, build, erect, demolish, re-erect, alter, repair, re-model or do any activities relating to construction of any building or building scheme, roads, highways, docks, ships, sewers, bridges, canals, wells, springs, serais, dams power plants, wharves, ports, reservoirs, embankments, tramways, railways, irrigations, reclamations, improvements, sanitary, water, gas, electric light, telephonic, telegraphic and power supply works or any other structural or architectural work of any kind whatsoever.

- To purchase, acquire, take on lease, or in exchange or in any other lawful manner any area, land, buildings, structures and to turn the same into account, develop the same dispose of or maintain the same and to build townships, commercial complex, or other buildings or conveniences thereon and to equip the same or any part thereof with all or any amenities or conveniences and to deal with the same in any manner whatsoever.

- To carry on the business as planners, designers, architects, engineers, promoters, consultants, advisors, interior decorators, real estate agents in all matters connected with real estate and building construction or any activity for constructing, manufacturing, trading, distribution either wholesale or retail of any product in connection with construction item like grit ballast, other mining items, cement, steel, sand, bitumen including their crushing, grinding, mixing or any other activity in connection therewith.

- To promote, manage and administer co-operatives, groups, housing societies, firms, companies, entities for buying, holding, maintaining and developing lands, buildings, hereditaments, facilities, amenities and to manage, sell, allot, lease out houses, apartments, flats, shops, offices to the shareholders, members, participants of such co-operatives, groups, societies, firms, companies, entities or to any other person on their account and behalf.

- To carry on the business of general electric power company and to install , erect, demolish, re-erect, alter, repair, remodel, of power plant, power sub-station, power transmission lines, lines accumulations, cables, poles, bijli-ghar, chimnies and the work of power / electric generation, based on thermal, gas, wind, water, solar energy, petroleum products, nuclear energy or by combination of any two or more of the said mode or from any other technique / source and the power supply, distribution sale on whole sale / retail basis or any work of structural, architectural, civil or any type for and on behalf of our Company or through contract, sub-contract, bidding, JV, partnership and or in any manner whatsoever of any work in connection there with.

Amendments to the Memorandum of Association

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

Date of Shareholders' Approval	Amendment
February 12, 2001	Change of name from "PNC Construction Company Private Limited" to "PNC Construction Company Limited".
February 28, 2001	Clause V of the Memorandum of Association was amended to reflect the increase in authorized share capital of our Company from Rs.10 million divided into 1,000,000 Equity Shares to Rs.40 million divided into 4,000,000 Equity Shares.
January 28, 2002	Clause V of the Memorandum of Association was amended to reflect the increase in authorized share capital of our Company from Rs.40 million divided into 4,000,000 Equity Shares to Rs.70 million divided into 7,000,000 Equity Shares.
June 21, 2003	Clause V of the Memorandum of Association was amended to reflect the increase in authorized share capital of our Company from Rs.70 million divided into 7,000,000 Equity Shares to Rs.110 million divided into 11,000,000 Equity Shares.
November 25, 2006	Clause 3 of the Memorandum of Association was altered by replacing Clause IIIA(3) as follows: *"To carry on the business as planners, designers, architects, engineers, promoters, consultants, advisors, interior decorators, real estate agents in all matters connected with real estate and building construction or any activity for constructing, manufacturing, trading, distribution either wholesale or retail of any product in connection with construction item like grit ballast, other mining items, cement, steel, sand, bitumen including their crushing, grinding, mixing or any other activity in connection therewith."*
February 10, 2007	A new clause IIIA(5) was added after clause IIIA(4) as follows: *"To carry on the business of general electric power company and to install , erect, demolish, re-erect , alter, repair , remodel, of power plant, power sub-station, power transmission lines, lines accumulations , cables, poles, bijli-ghar, chimnies and the work of power / electric generation, based on thermal, gas, wind, water, solar energy , petroleum products, nuclear energy or by combination of any two or more of the said mode or from any other technique / source and the*

Date of Shareholders' Approval	Amendment
	power supply, distribution sale on whole sale / retail basis or any work of structural , architectural , civil or any type for and on behalf of our Company or through contract , sub-contract, bidding, joint venture, partnership and or in any manner whatsoever of any work in connection there with."
August 2, 2007	Change of name from "PNC Construction Company Limited" to "PNC Infratech Limited".
October, 1, 2007	Clause V of the Memorandum of Association was amended to reflect the increase in authorized share capital of our Company from Rs.110 million divided into 11,000,000 Equity Shares to Rs.350 million divided into 35,000,000 Equity Shares.
September 10, 2009	Clause V of the Memorandum of Association was amended to reflect the increase in authorized share capital of our Company from Rs.350 million divided into 35,000,000 Equity Shares into Rs.420 million divided into 42,000,000 Equity Shares.
September 20, 2009	Change in Registered Office from D-51, Kamla Nagar, Agra-282 005 to D-5/7, Vasant Vihar, New Delhi-110 057.

Subsidiaries

Our Company does not have any subsidiaries and has not had any subsidiaries in the past.

Our Joint Ventures

The Company has entered into the following memorandum of understanding(s) ("**MoU**") or joint bidding agreement(s) ("**Joint Bidding Agreement**") to form a joint venture(s) ("**JV**") or consortium(s) to qualify for certain projects that have not yet commenced but for which government and other agencies have invited bids. Such projects are at various stages of pre-qualification, tendering or bidding and have not yet been awarded. Unless expressly stated, JVs and MoUs expire at the pre-qualification or tendering stage if the concerned project is not awarded to such JV or consortium.

Road Projects

(i) Consortium with Srei Infrastructure Finance Limited ("SREI") and Galfar Engineering and Contracting S.A.O.G ("Galfar")

Joint Bidding Agreement dated February 25, 2009

Our Company has entered into a joint bidding agreement dated February 25, 2009 with SREI and Galfar to form a consortium for the purposes of participating in the pre-qualification and subsequent tender for the work of four laning of the Rohtak - Panipat section (km. 63.00 of NH-10 to km. 83.34 of NH-1) of NH-17A, to be executed on DBFOT basis under NHDP-III for a pre-agreed concession. The parties have agreed to form a SPV for this purpose and our Company is the lead member of the consortium and Galfar and SREI would be members. It has been agreed that the parties shall hold a minimum equity stake in the aggregate shareholding, during the concession period, in the following manner:

Our Company: 37%
SREI: 37%
Galfar: 26%

The parties have agreed to undertake the financial and overall management of this project until the end of the concession period.

(ii) Consortium with SREI and Atlantia S.P.A ("Atlantia") dated March 24, 2009

Joint Bidding Agreement dated March 24, 2009

Our Company has entered into a joint bidding agreement dated March 24, 2009 with SREI and Atlantia to form a consortium for the purposes of participating in the pre-qualification and subsequent tender for four laning of NH-58, Muzaffarnagar-Haridwar section (km. 131.00 to km. 211.00) in Uttar Pradesh and Uttarakhand for a pre-agreed concession. The parties have agreed to form a SPV for this purpose and SREI is the lead member of the consortium and Galfar and our Company are members. It has been agreed that the parties shall hold a minimum equity stake in the aggregate shareholding, during the concession period, in the following manner:

SREI: 26%
Atlantia: 50%
Our Company: 24%

The parties have agreed to undertake the financial and overall management of this project until the end of the concession period.

(iii) Consortiums with SREI and Galfar dated April 1, 2009

Our Company has entered into several joint bidding agreements with SREI and Galfar on April 1, 2009 to form a consortium to participate in the pre-qualification and subsequent tendering for certain road projects. The common terms under such joint bidding agreements are (i) all members, including the lead member of the consortium, shall be jointly and severally liable for the execution of the project as per the terms of the concession agreement; (ii) the joint bidding agreement shall expire if the project is not awarded to the consortium or if the application for prequalification by the consortium is rejected or within 30 months or as mutually agreed by the parties or after project duration, whichever is later; and (iii) the parties have agreed to undertake the financial and overall management of this project until the end of the concession period.

The details of the joint bidding agreements, in brief, are given below.

(a) Joint Bidding Agreement for four-laning of the Ahmedabad – Godhra section of NH-59

Our Company has entered into a joint bidding agreement dated April 1, 2009 to form a consortium for the purposes of participating in the pre-qualification and subsequent tender for four laning of the Ahmedabad-Godhara section (km. 4.20 to km. 122.42) of NH-59 in Gujarat to be executed on a DBFOT basis, under NHDP-III for a pre-agreed concession. The parties have agreed to form a SPV for this purpose and our Company is the lead member of the consortium and Galfar and SREI are members. It has been agreed that the parties shall hold a minimum equity stake in the aggregate shareholding, during the concession period, in the following manner:

Our Company: 37%
SREI: 37%
Galfar: 26%

(b) Joint Bidding Agreement for four-laning of the Bareilly – Sitapur section of NH-24

Our Company has entered into a joint bidding agreement dated April 1, 2009 to form a consortium for the purposes of participating in the pre-qualification and subsequent tender for the four laning of the Bareilly-Sitapur section (km. 262.00 to km. 413.20) of NH-24 in Uttar Pradesh, to be executed on DBFOT basis, under NHDP-III for a pre-agreed concession. The parties have agreed to form a SPV for this purpose and our Company is the lead member of the consortium and Galfar and SREI are members. It has been agreed that the parties shall hold a minimum equity stake in the aggregate shareholding, during the concession period, in the following manner:

Our Company: 37%
SREI: 37%
Galfar: 26%

(c) Joint Bidding Agreement for four-laning of the Indore – M.P – Gujarat border section of NH-59

Our Company has entered into a joint bidding agreement dated April 1, 2009 to form a consortium for the purposes of participating in the pre-qualification and subsequent tender for the four laning of the Indore - M.P - Gujarat border section (km. 9.50 to km. 171.20) of NH-59 in Madhya Pradesh, to be executed on a BOT (Toll) basis, under NHDP-III for a pre-agreed concession. The parties have agreed to form a SPV for this purpose and our Company is the lead member of the consortium and Galfar and SREI are members. It has been agreed that the parties shall hold a minimum equity stake in the aggregate shareholding, during the concession period, in the following manner:

Our Company: 37%
SREI: 37%
Galfar: 26%

The parties have agreed to undertake the financial and overall management of this project until the end of the concession period.

(d) Joint Bidding Agreement for six-laning of the Kishangarh – Udaipur section of NH-79A, 79 and 76

Our Company has entered into a joint bidding agreement dated April 1, 2009, to form a consortium to participate in the pre-qualification and subsequent tender for the work of six laning of Kishangarh-Udaipur section of NH-79A, 79 and 76 (km. 364.00 of NH-8 to km. 113.80 of NH-76) in Rajasthan to be executed on a BOT (Toll) basis of DBFOT pattern under NHDP-V for a pre-agreed concession. The parties have agreed to form a SPV for this purpose and our Company is the lead member of the consortium and Galfar and SREI are members. It has been agreed that the parties shall hold a minimum equity stake in the aggregate shareholding, during the concession period, in the following manner:

Our Company: 37%
SREI: 37%
Galfar: 26%

The parties have agreed to undertake the financial and overall management of this project until the end of the concession period.

(e) Joint Bidding Agreement for four-laning of the Moradabad-Bareilly section of NH-24

Our Company has entered into a joint bidding agreement dated April 1, 2009 to form a consortium for the purposes of participating in the pre-qualification and subsequent tender for the work of four laning of the Moradabad-Bareilly section (km. 148.00 to km. 262.00) of NH-24 in Uttar Pradesh, to be executed on DBFOT basis, through public-private partnership for a pre-agreed concession. The parties have agreed to form a SPV for this purpose and our Company is the lead member of the consortium and Galfar and SREI are members. It has been agreed that the parties shall hold a minimum equity stake in the aggregate shareholding, during the concession period, in the following manner:

Our Company: 37%
SREI: 37%
Galfar: 26%

The parties have agreed to undertake the financial and overall management of this project until the end of the concession period.

(iv) Consortium with Ashoka Buildcon Limited ("Ashoka") and Viva Highways Private Limited ("Viva")

Joint Bidding Agreement dated April 7, 2009

Our Company has entered into a joint bidding agreement dated April 7, 2009 with Ashoka and Viva to form a consortium for the purposes of participating in the pre-qualification and subsequent tender for four laning of the Bijapur-Hungund section (km. 102.00 to km. 202.00) of NH-13 in Karnataka, to be executed as a BOT (Toll) project, on DBFOT pattern, under NHDP-III for a pre-agreed concession. The parties have agreed to form a SPV for this purpose and Ashoka is the lead member of the consortium and Viva and our Company are members. It has been agreed that the parties shall hold a minimum equity stake in the aggregate shareholding, during the concession period, in the following manner:

Our Company: 37%
Ashoka: 37%
Viva: 26%

The parties have agreed to undertake the financial and overall management of this project until the end of the concession period.

(v) Consortium with Ramky Infrastructure Limited ("Ramky")

Joint Bidding Agreement dated April 10, 2009

Our Company (lead member) has entered into a joint bidding agreement dated April 10, 2009 with Ramky to form a SPV for the purposes of participating in the pre-qualification and subsequent tender for the four laning of the Rohtak - Bawal section (km. 363.30 to km. 450.80) of NH-71 in Haryana, to be executed on a DBFOT basis under NHDP-III for a pre-agreed concession. It has been agreed that upon the project being awarded to the consortium, the parties will form a SPV in which the parties' shareholding will be as follows:

Our Company: 74%
Ramky: 26%

Any dilution in the equity stake of the parties shall be in accordance with the terms of the concession agreement and the shareholding pattern shall be recorded in the shareholders' agreement. No change in the shareholding pattern of the parties may be effected after the execution of the shareholders' agreement, except as may be provided under the concession agreement.

Further, the parties have agreed that the SPV shall not undertake any other business during the concession period and our Company, as the lead member, has to hold an equity stake of at least 26% of the aggregate shareholding at all times during the concession period. Our Company shall also be the lead investor, project manager, EPC and O&M contractor. The parties also undertake that until the occurrence of the appointed date under the concession agreement, they will be jointly and severally liable for the execution of the project.

(v) JV with G.E.S. Environmental Solutions Limited ("GES")

MoU dated July 13, 2009

Our Company and GES have entered into a MoU dated July 13, 2009 to establish a JV to participate for the pre-qualification and tender in respect of the Agra Water Supply (Ganga Jal) Project – Package 02 – Contract WW-II-B: Water Treatment Plant at Sikandra, Agra in Uttar Pradesh. Upon being awarded the project, the parties intend to enter into a JV agreement. Pursuant to the MoU, the parties have agreed to undertake the work in the following manner:

GES: 51%
Our Company: 49%

Further, our Company and GES shall be jointly and severally liable for the project.

As on the date of this Draft Red Herring Prospectus, none of the JVs have been incorporated.

Strategic and Financial Partners

The Company currently does not have any strategic and financial partners.

OUR MANAGEMENT

Board of Directors

Under our Articles of Association we are required to have not less than three (3) directors and not more than 12 directors. We currently have 10 Directors on our Board.

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

Name, Father's name, Address, Designation, Occupation and Term	Director's Identification Number	Age (years)	Other Directorships
Mr. Pradeep Kumar Jain S/o. Mr. Nemi Chand Jain D-23, Kamla Nagar, Agra - 282 005 Uttar Pradesh, India *Designation:* Chairman cum Managing Director (Non-Independent) *Occupation:* Industrialist *Tenure:* From November 27, 2006 until November 26, 2011	00086653	52	a) PNC Cold Storage Private Limited; b) PNC Project Private Limited; c) PNC Infrastructure Private Limited; and d) PNC Construction Private Limited.
Mr. Naveen Kumar Jain S/o Mr. Nemi Chand Jain D-53, Kamla Nagar, Agra – 282 005 Uttar Pradesh, India *Designation:* Whole-Time Director (Non-Independent) *Occupation:* Industrialist *Tenure:* From April 1, 2008 until March 31, 2013	00086841	47	a) PNC Cold Storage Private Limited; and b) Shri Mahaveer Infrastructure Private Limited.
Mr. Chakresh Kumar Jain S/o. Mr. Nemi Chand Jain D-53, Kamla Nagar, Agra - 282 005 Uttar Pradesh, India *Designation:* Managing Director (Non-Independent) *Occupation:* Industrialist *Tenure:* From November 27, 2006 until November 26, 2011	00086768	46	a) PNC Cold Storage Private Limited; b) PNC Project Private Limited; c) PNC Infrastructure Private Limited; d) PNC Mining Private Limited; e) NCJ Infrastructure Private Limited; f) Ideal Buildtech Private Limited; g) PNC Power Private Limited; h) PNC Airport Infratech Private Limited; and i) PNC Constructions Private Limited.
Mr. Yogesh Kumar Jain S/o. Mr. Nemi Chand Jain D-23, Kamla Nagar, Agra - 282 005 Uttar Pradesh, India *Designation:* Managing Director (Non-Independent) *Occupation:* Industrialist *Tenure:* From November 27, 2006 until November 26, 2011	00086811	38	a) PNC Cold Storage Private Limited; b) PNC Project Private Limited; c) PNC Infrastructure Private Limited; d) NCJ Infrastructure Private Limited; e) PNC Power Private Limited; and f) PNC Airport Infratech Private Limited.

Name, Father's name, Address, Designation, Occupation and Term	Director's Identification Number	Age (years)	Other Directorships
Mr. Anil Kumar Rao S/o. Mr. H.K.R. Rao 26/190/203, Navjyoti Apartments, Bypass Road Agra - 282 005 Uttar Pradesh, India *Designation:* Whole-Time Director (Non-Independent) *Occupation:* Professional *Tenure:* From November 27, 2006 until November 26, 2011	01224525	47	Nil
Mr. Chottu Ram Sharma S/o. Mr. Hari Ram Sharma J-3/18, DLF Phase- II, Gurgaon – 122 002, Haryana, India *Designation:* Director (Independent) *Occupation:* Professional *Tenure:* From October 25, 2007 and liable to retire by rotation	00522678	67	a) Sterling Tools Limited; b) Ka-sh Advisory Services Private Limited; and c) Daawat Foods Limited.
Mr. Dharam Veer Sharma S/o. Mr. Vidya Ram Sharma Old RTO Compound, Pratap Pura Agra – 282 001, India *Designation:*Additional Director (Independent) *Occupation:* Professional *Tenure:* From October 20, 2009 and liable to retire by rotation	01363759	57	a) Acharya Dhanwantri Diagnostic and Research Centre Private Limited; and b) Winston Pharmaceuticals Private Limited.
Mr. Sudhanshu Kumar Awasthi S/o. Mr. Ram Kumar Awasthi 27/301, East End Apartments, Mayur Vihar Phase I Extension New Delhi – 110096, India *Designation:* Director (Independent) *Occupation:* Professional *Tenure:* From February 11, 2009 and liable to retire by rotation	02162923	64	Nil
Mr. Vijay Prakash S/o. Mr. Vishwa Nath Agarwal 108-A, Kaveri Vihar, Phase I Shamshabad Road, Agra – 1, India *Designation*: Director (Independent) Occupation: IAS (Retired) *Tenure:* From September 20, 2009 and liable to retire by rotation	02800352	65	Nil

Name, Father's name, Address, Designation, Occupation and Term	Director's Identification Number	Age (years)	Other Directorships
Mr. Ashok Kumar Gupta S/o. Mr. Vinod Kumar Gupta E-19, Kamla Nagar, Agra – 282 005, India Designation: Director (Independent) Occupation: Professional *Tenure:* From September 20, 2009 and liable to retire by rotation	02808356	59	Nil

All the Directors are Indian nationals. Further, except Mr. Pradeep Kumar Jain, Mr. Naveen Kumar Jain, Mr. Chakresh Kumar Jain and Mr. Yogesh Kumar Jain, who are brothers, none of our Directors are related to each other.

Brief Biographies of our Directors

Mr. Pradeep Kumar Jain, is the Chairman cum Managing Director and a Promoter of our Company. He holds a Bachelors' degree in Arts degree from the University of Agra. He has approximately 32 years of experience in the construction and infrastructure sector and allied areas. Mr. Jain is a promoter and one of the first directors of our Company. His current responsibilities include overall administration and supervision of projects and liaison with Government and non-Government agencies.

Mr. Naveen Kumar Jain, a Whole-Time Director and a Promoter of our Company. He graduated with a Bachelor of Arts degree from Agra University. He has approximately 23 years of experience in industries such as construction, cold storage transportation etc. He has experience of construction, machineries and transport organization. His current responsibilities include giving valuable information and guidance in the best interest of our Company.

Mr. Chakresh Kumar Jain, Managing Director and a Promoter of our Company, holds a Bachelors' degree in Science from Agra University in 1985 and Bachelor of Law degree from Agra University in 1988. He has approximately 22 years of experience in development of infrastructure sector, such as, construction of highways, airports, rail over bridges among others. Mr. Jain is a promoter and one of the first directors of our Company. His current responsibilities include overall financial and project management and administration.

Mr. Yogesh Kumar Jain, Managing Director and a Promoter of our Company, holds a Bachelors' degree in Engineering from Bangalore University in 1993. He has approximately 18 years of experience in planning, execution, supervision of work from the initiation of pre-qualification and tendering. Mr. Jain is a promoter and one of the first directors of our Company. He has experience in the execution of highways, runways and bridge construction projects and has thus become an asset to our Company. His current responsibilities include technical supervision of projects up to completion stage of such projects.

Mr. Anil Kumar Rao, a Whole-Time Director, holds a Bachelors' degree in Engineering (Civil) from SGSITS, Indore in 1984 and a Masters' degree in engineering from Madhav Institute of Technical and Science, Gwalior in 2009. He has approximately 27 years of experience in the infrastructure industry and allied areas. His previous work experience includes, among others, as project manager in Progressive Constructions Limited, as project-in-charge in Galfor Engineering and Contracting LLC, Oman. He is also a member of Indian Roads Congress and Institution of Engineers India. He has experience in the execution of runways and road projects. His current responsibilities include overall monitoring and execution of projects.

Mr. Chottu Ram Sharma, an Independent Director, holds Bachelor's degree in Arts from Delhi University. He has been serving as Senior Advisor to Centurion Bank of Punjab from October 2005 until October 30, 2007. He has served as the managing director and chief executive officer of Bank of Punjab from June 2002 to May 2004 and from October 2004 to September 2005 respectively and as Executive Director, Andhra Bank from September 2000 to May 2002. Mr. Sharma was selected by the Appointment Committee of the Cabinet for appointment in December 1999 batch of General Managers from different banks. He has also served Oriental Bank of Commerce for 23 years after serving Citibank N.A. for 13 years from 1964 to 1977.

Mr. Dharam Veer Sharma, an Independent Director, holds a Bachelors' degree in Medicine from the Agra University, Agra in 1975 and a Masters' degree in Surgery (Orthopedic) from Agra University, Agra in 1980. Presently, Mr. Sharma is engaged in running his own hospital at Agra and also has approximately 20 years experience in business and management. Mr. Sharma is also the president of the Indian Medical Association, Agra.

Mr. Sudhanshu Kumar Awasthi, an Independent Director, holds a Post Graduate degree in Business Administration from Lucknow University in 1965, post-graduate diploma in Bank Management from National Institute of Bank Management, Pune in 1978, Certified Associate of Indian Institute of Bankers, Mumbai in 1968. He has approximately 39 years of managerial and leadership experience at Punjab National Bank in line and staff functions. Mr. Awasthi has also been employed as a senior general manager and been a part of the core management team at Punjab National Bank. From 1995 until 1997, he has served as the managing director of PNB Capital Services Limited.

Mr. Vijay Prakash, an Independent Director, holds a Masters' degree in English Literature from Agra University, Agra, in 1967. He has 35 years of experience in administrative service, including more than 18 years as an IAS officer to look after several important assignments which included administrative as well as developmental work portfolios like Sub-Divisional Magistrate, Additional District Magistrate, Secretary and Vice Chairman of Agra Development Authority, Managing Director of Agra Mandal Vikas Nigam, Secretary and Commissioner (Revenue) to the Uttar Pradesh Government, District Magistrate of Firozabad, Mainpuri and Pratapgarh District, Commissioner of two divisions namely Chitrakoot and Kanpur, and Chairman of Kanpur Electric Supply Company.

Mr. Ashok Kumar Gupta, an Independent Director, holds a Bachelors' degree in Medicine from Agra University, Agra, in 1974, and a Masters' degree in surgery from Agra University, Agra, in 1979. He has more than six years of experience as a teacher in S.N.Medical College, Agra and also has experience in business and management

Borrowing powers of the Board

As per the provisions of our Articles of Association and subject to the provisions of the Companies Act, our Board has been authorised to borrow money from time to time at its discretion either from our Company's bank, financial institution or any other corporate bodies on such terms and conditions as may be considered suitable by the Board of Directors up to a limit not exceeding in aggregate of Rs. 15,000 million, notwithstanding that the money to be borrowed together with the monies already borrowed by our Company apart from temporary loans obtained from our Company's bankers in the ordinary course of business will exceed the aggregate of the paid up capital of our Company and its free reserves, that is to say reserves not set apart for any specific purpose.

Corporate Governance

The provisions of the Listing Agreement to be entered into with the Stock Exchanges with respect to corporate governance will be applicable to us immediately upon the listing of our Equity Shares with the Stock Exchanges. We have complied with the requirements of Corporate Governance contained in the Listing Agreement, particularly those relating to composition of Board of Directors and constitution of committees thereof. Our Company undertakes to take all necessary steps to comply with all the requirements of Clause 49 of the Listing Agreement to be entered into with the Stock Exchanges.

Currently our Board has 10 Directors and the Chairman of the Board is an executive Director. In compliance with the requirements of Clause 49 of the Listing Agreement, we have five (5) executive Directors and five (5) independent Directors on our Board.

Audit Committee

The Audit Committee was constituted by our Directors at their Board meeting held on December 20, 2007 and reconstituted by a Board meeting held on September 20, 2009. The purpose of the committee is to ensure the objectivity, credibility and correctness of our Company's financial reporting and disclosure processes, internal controls, risk management policies and processes, tax policies, compliance and legal requirements and associated matters. The committee consists of Mr. Chottu Ram Sharma (Chairman), Mr. Sudhanshu Kumar Awasthi and Mr. Vijay Prakash.

The terms of reference of the audit committee are as follows:

- overseeing the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees;
- approving payment to statutory auditors for any other services rendered by the statutory auditors;
- reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:

    (a) matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of Section 217 of the Companies Act;
    (b) changes, if any, in accounting policies and practices along with reasons for the same;
    (c) major accounting entries involving estimates based on the exercise of judgment by management;
    (d) significant adjustments made in the financial statements arising out of audit findings;
    (e) compliance with listing and other legal requirements relating to financial statements;
    (f) disclosure of any related party transactions; and
    (g) qualifications in the draft audit report.

- reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- 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;
- reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
- 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;
- discussing with the internal auditors any significant findings and follow up there on;
- 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;
- discussing with the 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;
- 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;
- reviewing the functioning of the Whistle Blower mechanism, in case the same is existing; and
- carrying out any other function as is mentioned in the terms of reference of the Audit Committee or contained in the Listing Agreement.

The scope and function of the Audit Committee are in accordance with Section 292A of the Companies Act and Clause 49 of the Listing Agreement.

Shareholders'/ Investor Grievance Committee

The Shareholders'/ Investor Grievance Committee was constituted by our Directors at their Board meeting held on December 20, 2007 and reconstituted by a Board meeting held on September 20, 2009. This committee is responsible for the redressal of shareholder grievances. The committee consists of Mr. Chottu Ram Sharma (Chairman), Mr. Chakresh Kumar Jain and Mr. Yogesh Kumar Jain.

The terms of reference of the Shareholders'/ Investor Grievance Committee are as follows:

- redressal of investors' complaints;
- allotment of shares, approval of transfer or transmission of equity shares, debentures or any other securities;
- issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.;
- non-receipt of declared dividends, balance sheets of the Company, etc; and
- carrying out any other function contained in the Listing Agreement.

Remuneration Committee

The Remuneration Committee was constituted by our Directors at their Board meeting held on December 20, 2007 and reconstituted by a Board meeting held on September 20, 2009. This committee is responsible to decide and approve the terms and conditions for appointment of executive directors of our Company, the remuneration payable to other directors and executives of our Company and matters related thereto. The committee consists of Mr. Sudhanshu Kumar Awasthi (Chairman), Mr. Ashok Kumar Gupta and Mr. Dharam Veer Sharma.

The terms of reference of the Remuneration Committee are as follows:

- reviewing, assessing and recommending the appointment of Executive/Non-Executive Directors and senior employees;
- reviewing the remuneration packages of Executive/Non-Executive Directors and senior employees;
- recommending payment of compensation in accordance with the provisions of the Companies Act;
- considering and recommending grant of employees stock option, if any, and administration and superintendence of the same; and
- carrying out any other function contained in the Listing Agreement.

Additionally, our Board of Directors has also constituted an 'IPO Committee' by a resolution dated September 20, 2009. The IPO Committee shall be responsible for, among others, deciding on the terms and conditions of the Issue, entering into arrangements with intermediaries in relation to the Issue and to do all such acts as are necessary for the purpose of or in relation to the Issue.

Shareholding of our Directors in our Company

Name of the Shareholder	No. of Equity Shares	Pre-Issue Shareholding (%)
Mr. Pradeep Kumar Jain	10,219,800	29.95
Mr. Chakresh Kumar Jain	300	-
Mr. Yogesh Kumar Jain	60,300	0.18
Mr. Anil Kumar Rao	300	-
Total	**10,280,700**	**30.13**

Interests of Directors

All of our Directors may be deemed to be interested to the extent of fees payable to them for attending meetings of our Board or a committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable to them under our Articles of Association and to the extent of remuneration paid to them for services rendered as an officer or employee of our Company. Mr. Pradeep Kumar Jain, Mr. Naveen Kumar Jain, Mr. Chakresh Kumar Jain, Mr. Yogesh Kumar Jain and Mr. Anil Kumar Rao are entitled to receive remuneration from us.

There is no arrangement or understanding with the major shareholders, customers, suppliers or others, pursuant to which any of the Directors was selected as a director or member of senior management. There are no benefits available to Directors upon termination of employment.

Our Directors may also be regarded as interested in the Equity Shares, if any, held by them or that may be held by their HUFs. For details see "***Capital Structure***" on page 18. Additionally, our Directors may also be regarded as interested in the Equity Shares subscribed by or allotted to the companies, HUF's, firms, trusts, in which they are interested as directors, members, partners, trustees and promoters, pursuant to this Issue. All of our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares. Further Mr. Pradeep Kumar Jain, Mr. Naveen Kumar Jain, Mr. Chakresh Kumar Jain and Mr. Yogesh Kumar Jain are brothers.

Our Registered Office is located at D-5/7, Vasant Vihar, New Delhi 110 057, India. Our Company occupies this premise pursuant to rent agreements dated April 1, 2009, with Mr. Pradeep Kumar Jain, Mr. Naveen Kumar Jain, Chakresh Kumar Jain and Mr. Yogesh Kumar Jain, our Promoters and Directors, respectively. The rent agreements are valid for a period of 11 months with effect from April 1, 2009. Further, our Company is required to pay a monthly rental of Rs. 0.19 million. For further details of our Registered Office, see "***History and Certain Corporate Matters***" on page 87.

Additionally, our Company has also taken on a leasehold basis the property located at D-51, Kamla Nagar, Agra to serve as the corporate office from Mr. Chakresh Kumar Jain, a Promoter and Director.

Except as stated above, our Directors have no interest in any property acquired by our Company within two (2) years of the date of this Draft Red Herring Prospectus. For further details regarding our Registered Office, see "***History and Certain Corporate Matters***" on page 87.

Except as stated in the section "***Related Party Transactions***" on page 114, our Directors do not have any other interest in our business.

Remuneration of our Directors

Mr. Pradeep Kumar Jain

The terms of employment and remuneration of Mr. Pradeep Kumar Jain pursuant to a board resolution dated March 2, 2009 and with effect from July 1, 2009, include the following:

Particulars	Remuneration
Salary	Rs. 400,000 per month
Other Allowances	▪ Rent free furnished accommodation. ▪ Reimbursement of medical expenses incurred for self and family up to one (1) months' salary in a year or three (3) months' salary over a period of three years. ▪ Leave travel concession for self and family once a year as per rules. ▪ Personal accident insurance where premium paid by our Company. ▪ Club fees for a maximum of two (2) clubs (excluding admission and life membership fees). ▪ Provident fund, superannuation benefits and gratuity as per Company rules subject to the guidelines for managerial remuneration. ▪ Provision of Company's car. ▪ Provision of free telephone service at residence. ▪ Encashment of leave at the end of tenure as per Company rules.

Mr. Naveen Kumar Jain, Mr. Chakresh Kumar Jain and Mr. Yogesh Kumar Jain

The terms of employment and remuneration of Mr. Naveen Kumar Jain pursuant to a board resolution dated March 2, 2009 and with effect from July 1, 2009, include the following:

Particulars	Remuneration
Salary	Rs. 300,000 per month
Other Allowances	▪ Rent free furnished accommodation. ▪ Reimbursement of medical expenses incurred for self and family up to one (1) months' salary in a year or three (3) months' salary over a period of three years. ▪ Leave travel concession for self and family once a year as per rules. ▪ Personal accident insurance where premium paid by our Company. ▪ Club fees for a maximum of two (2) clubs (excluding admission and life membership fees). ▪ Provident fund, superannuation benefits and gratuity as per Company rules subject to

Particulars	Remuneration
	the guidelines for managerial remuneration. ▪ Provision of Company's car. ▪ Provision of free telephone service at residence. ▪ Encashment of leave at the end of tenure as per Company rules.

Mr. Anil Kumar Rao

The terms of employment and remuneration of Mr. Anil Kumar Rao pursuant to board resolution dated December 12, 2008 and with effect from January 1, 2009, include the following:

Particulars	Remuneration
Salary	Rs. 135,000 per month
Other Allowances	▪ Rent free furnished accommodation. ▪ Leave travel concession for self and family once a year as per rules. ▪ Personal accident insurance where premium paid by our Company. ▪ Club fees for a maximum of two (2) clubs (excluding admission and life membership fees). ▪ Provident fund, superannuation benefits and gratuity as per Company rules subject to the guidelines for managerial remuneration. ▪ Provision of Company's car. ▪ Provision of free telephone service at residence. ▪ Encashment of leave at the end of tenure as per Company rules.

Terms and Conditions of Employment of Non-Executive Directors

The non-executive Directors do not have service contracts with our Company. Each non-executive Director has been appointed pursuant to a resolution of the Board of Directors. Our Company will pay each non-executive Director sitting fees up to Rs. 2,500 for each Board and committee meetings.

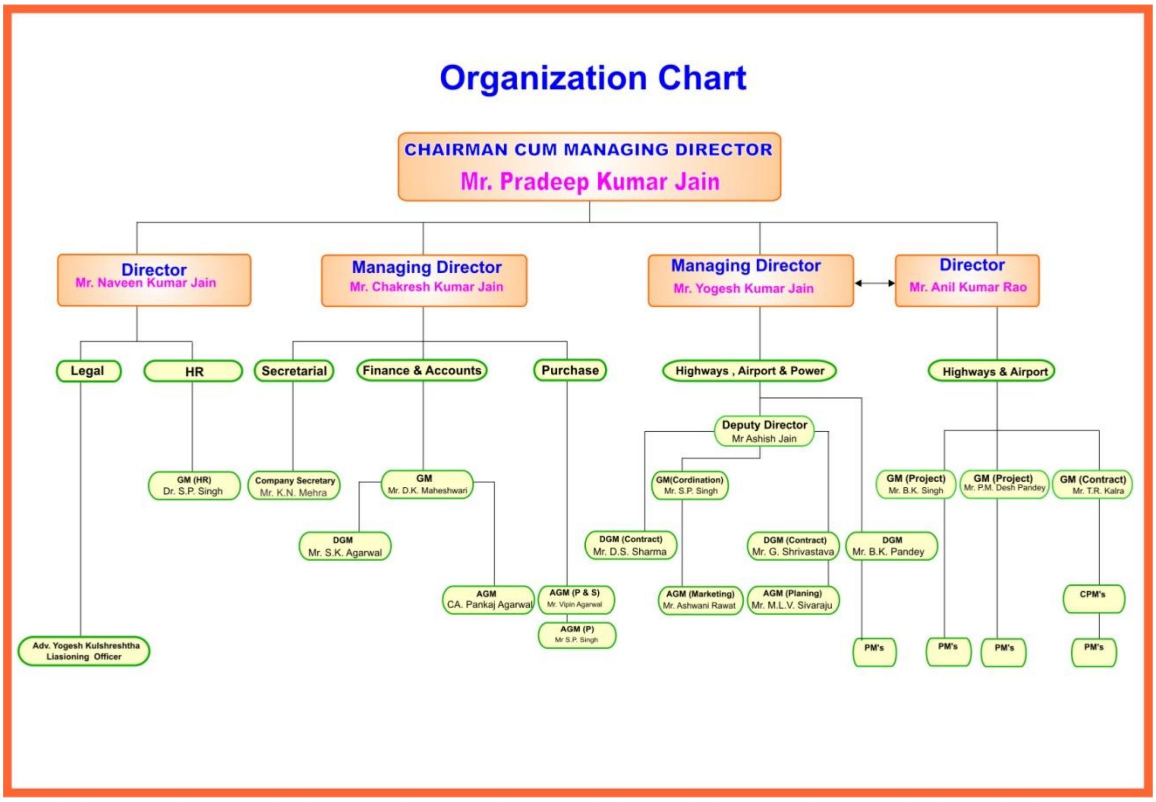
The Company has not entered into any service contracts with the Directors, which provide for benefits upon termination of employment of the Directors.

Changes in our Board of Directors during the last three years

The changes in our Board of Directors during the last three (3) years are as follows:

Name	Date of Appointment	Date of Cessation	Reason
Mr. Chottu Ram Sharma	October 25, 2007	Continuing	Appointment
Mr. Shri Vilas Mani Tripathi	November 22, 2007	February 11, 2009	Cessation
Mr. Pradeep Kumar Mittal	December 19, 2007	November 29, 2008	Cessation
Mr. Lajpat Rai Jain	December 28, 2007	November 29, 2008	Cessation
Mr. Sudhanshu Kumar Awasthi	February 11, 2009	Continuing	Appointment
Mr.Vijay Prakash	September 20, 2009	Continuing	Appointment
Mr. Ashok Kumar Gupta	September 20, 2009	Continuing	Appointment
Mr. Dharam Vir Gupta	December 3, 2007	October 20, 2009	Cessation
Mr. Dharam Veer Sharma	October 20, 2009	Continuing	Appointment

Managerial Organizational Structure



Key Managerial Personnel

The details regarding our key managerial personnel are as follows:

Mr. Ashish Jain, 40 years, Deputy Director, is an engineer by profession. He completed his B.E. (Mech.) degree from Nagpur University in 1991. Prior to joining our Company in October 1, 2007, he pursued his own practice of consultancy. His current responsibilities in our Company include overseeing project, deployment of machines and machine management. Mr. Jain received a remuneration of Rs. 415,000 in Fiscal 2009.

Ms. Ishu Jain, 26 years, Deputy Director, is an engineer by profession. She completed her B.Arch. degree from Amrawati University in 2006, with First Division and joined our Company on October 1, 2007. Her current responsibilities in our Company include project planning and execution. Ms. Jain received a remuneration of Rs. 480,000 in Fiscal 2009.

Mr. Tilak Raj Kalra, 66 years, GM (Contract), is an engineer by profession. He completed his B.E. (Civil) degree from Roorkee University (now IIT Roorkee) in October 1964, with First Division. He held a senior position with UP Government in Public Works Department and Irrigation Department for approximately 38 years and retired as Superintendent Engineer in 2001. Prior to joining our Company on December 23, 2003, Mr. Kalra was an assistant general manager in J. P. Industries Limited. His current responsibilities in our Company include overseeing projects, agreements, JVs, insurance matters and liaison with Government departments. Mr. Kalra received a remuneration of Rs. 464,400 in Fiscal 2009.

Mr. Devendra Kumar Maheshvari, 45 years, General Manager Finance, holds a Masters in Commerce, with specialization in accountancy, in 1983 from Agra University, Agra. He has over 25 years of experience in finance and accounts out of which over 20 years in different units of Bangar, Birlas and Golcha group of Nepal. Prior to joining our Company on November 20, 2003, he was the Finance Executive in Sri Ram Sugar Mill in Nepal. His current responsibilities in our Company include overall controlling of finance, liaison with banks and participating in all matter relating to finance and general administration. Mr. Maheshwari received a remuneration of Rs. 432,800 in Fiscal 2009.

Mr. Kailash Narain Mehra, 51 years, holds a Bachelor of Commerce from Agra University in the year 1977, LL.B. from Agra University in the year 1987 and is a qualified Company Secretary. Prior to joining our Company on November 10, 2006, he was General Manager in Jas Export, a 100% Export Oriented Unit. He also has over 16 years of experience in two (2) public limited listed companies as the company secretary and has handled two (2) public issues and one (1) rights issue. His current responsibilities in our Company include legal and secretarial compliances. Mr. Mehra received a remuneration of Rs. 452,900 in Fiscal 2009.

Mr. Shashi Pal Singh, 48 years, General Manager (Project Coordinator), is a civil engineer by profession. He passed B.Sc. Engineering (Civil) in 1982 from Aligarh Muslim University, Aligarh. He started his career with M/s Hydal Construction Private Limited, New Delhi, and then joined as Assistant Engineer in Gujarat Irrigation Department ("GID") for three (3) years. He served as Assistant Engineer, DRDA in Rural Develop Department, Government of Uttar Pradesh for 17 years. During this period he was responsible for Planning, Monitoring Quality Control, Reporting and Managing of all the rural Development Programmes. Prior to join our Company he was serving as Manager/Project Director in NHAI for six (6) years, and was associated with pre construction activities, project construction planning, financial management, quality control, monitoring, legal issues, liaison with all the related departments and overall management of the projects. In our company presently he is associated with Ghaziabad - Aligarh Project. Mr. Shashi Pal Singh received a remuneration of Rs. 184,388 in Fiscal 2009.

Mr. Prasad Deshpandey, 44 years, General Manager (Project), is an engineer by profession. He completed his B.E. (Civil) in 1986 from Gulbarga University with First Division, M. Tech (Highway) in 2009 from Rajasthan Vidyapeeth University, Udaipur with First Division, and MBA (Disaster Management) in 2009 from the Indian Institute of Advanced Studies, New Delhi. Prior to joining our Company on September 23, 2008 he was the General Manager (Project) with D.S. Construction Limited. His current responsibility in our company is to supervise the 'Gurgaon-Nuh-Rajasthan Border (SH-13) Project' Mr. Deshpandey received a remuneration of Rs. 682,359 in Fiscal 2009.

Mr. Bimal Kumar Singh, 49 years, General Manager (Project), is an engineer by profession. He completed his B.E. (Civil) in 1984 from Bangalore University with First Division. Prior to joining our Company on January 3, 2005 he was the AGM (Project) with Arvind Techno Engineering Private Limited. His current responsibility in our Company is to supervise the Garhmukteshwar to Moradabad Project on NH-24. Mr. Singh received a remuneration of Rs.599,350 in Fiscal 2009.

Dr. Satya Pal Singh, 61 Years, General Manager (Human Resources), completed M.Sc.(Agriculture) in 1972 from RBS College, Agra with First division and Ph.D in 1979 from Agra University. Prior to joining our Company on December 1, 2008, he was working in Bank of Baroda as the Deputy Regional Manager. His total work experience is 36 years. His current responsibility in our Company is to supervise human resource activities. Mr. Singh received a remuneration of Rs. 100,000 in Fiscal 2009.

Mr. Ganesh Srivastava, 69 years, Deputy General Manager Contract, is a civil engineer by profession. He completed his Diploma in Civil Engineering from Uttar Pradesh in 1959. Prior to joining our Company on September 7, 2002, he retired from Assistant Engineer Cadre of UP PWD after completing 35 years of regular Government service. During his Government service he was awarded many honorariums by the U.P Government for his outstanding performance. He is life member of Indian Road Congress. He has experience of approximately 46 years across various branches of civil engineering. His current responsibilities in our Company include overseeing the business development department and tendering work right from pre bid survey to bid submission. He is also associated with project monitoring and value engineering of on going project works. Mr. Srivastava received a remuneration of Rs. 390,000 in Fiscal 2009.

Mr. Brijesh Kumar Pandey, 38 years, DGM Business Development, is an engineer by profession. He completed his B.E. (Civil) from Bangalore University in 1992, with First Division. Prior to joining our Company on February 1, 2007, he was the manager (marketing and business development) with KEC International Limited. His current responsibility in our Company is to look after power sector and other business opportunities for our Company. Mr. Pandey received a remuneration of Rs. 563,220 in Fiscal 2009.

Mr. Shiv Kumar Agarwal, 54 years, Deputy General Manager (Finance) completed a Master's degree in science in from G.B. Pant University, Pantnagar with First Division, CAIIB and P.G. Diploma in computer application from Birla Institute of Management and Technology. Prior to joining our Company, he was working as Senior Manager in Punjab National Bank; where he worked for more than 25 years in managerial cadre on various positions and disciplines such as Audit and Inspection, International Banking, Disciplinary Action , Credit and General Banking. His current responsibility in our Company consists of internal audit, matters related to central excise, specific legal cases, real estate and commercial activity of the company. Mr. Agarwal received a remuneration of Rs. 433,538 in Fiscal 2009.

All our key managerial personnel are permanent employees of our Company. Except Mr. Ashish Jain, who is the brother-in-law of Mr. Pradeep Kumar Jain, Mr. Naveen Kumar Jain, Mr. Chakresh Kumar Jain and Mr. Yogesh Kumar Jain, and Ms. Ishu Jain who is the daughter-in-law of Mr. Pradeep Kumar Jain, none of our Directors and our key managerial personnel are related to each other.

Shareholding of the Key Managerial Personnel

None of the key managerial personnel hold any Equity Shares.

Bonus or profit sharing plan of the Key Managerial Personnel

There is no bonus or profit sharing plan for our key managerial personnel.

Interest of Key Managerial Personnel

The key managerial personnel of our Company 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 during the ordinary course of business.

None of our key managerial personnel have been paid any consideration of any nature from our Company, other than their remuneration. There is no arrangement or understanding with the major shareholders, customers, suppliers or others, pursuant to which any of the key managerial personnel were selected as a key managerial personnel or member of senior management. There are no benefits available to key managerial personnel upon termination of employment.

Changes in the Key Managerial Personnel

The changes in the key managerial personnel in the last three (3) years are as follows:

Name of the Key Managerial Person	Date of Joining	Date of Leaving	Reason for change
Mr. Brijesh Kumar Pandey	February 1, 2007	Continuing	Appointment
Mr. Ashish Jain	October 1, 2007	Continuing	Appointment
Ms. Ishu Jain	October 1, 2007	Continuing	Appointment
Mr. Sunil Dutt Jain	December 17, 2007	July 31, 2008	Resignation
Mr. Prasad Deshpandey	September 23, 2008	Continuing	Appointment
Dr. Satya Pal Singh	December 1, 2008	Continuing	Appointment
Mr. Shashi Pal Singh	February 2, 2009	Continuing	Appointment

OUR PROMOTERS AND GROUP ENTITIES

Our Promoters

Our Promoters are Mr. Pradeep Kumar Jain, Mr. Naveen Kumar Jain, Mr. Chakresh Kumar Jain, Mr. Yogesh Kumar Jain, PNC Project Private Limited, PNC Cold Storage Private Limited and Shri Parasnath Infrastructures Private Limited.

Our Promoters currently hold 14,183,400 Equity Shares, constituting 41.56% of the pre-Issue paid-up capital and will continue to hold the majority of our post-Issue paid-up share capital.

Details of our Individual Promoters

Mr. Pradeep Kumar Jain, aged 52 years, is the Chairman cum Managing Director. He holds a Bachelors' degree in Arts degree from the University of Agra. He has approximately 32 years of experience in the construction and infrastructure sector and allied areas. Mr. Jain is a promoter and one of the first directors of our Company. His current responsibilities include overall administration and supervision of projects and liaison with Government and non-Government agencies.

Identification	**Details**
Driving License No.	4291/ P/ 95
Voter Identification No.	UP/ 73/ 358/ 291585

Mr. Naveen Kumar Jain, aged 47 years, an executive Director, graduated with a Bachelor of Arts degree from Agra University. He has approximately 23 years of experience in industries such as construction, cold storage transportation etc. He has experience of construction, machineries and transport organization. His current responsibilities include giving valuable information and guidance in the best interest of our Company.

Identification	**Details**
Driving License No.	2869/ P/ 95
Voter Identification No.	LDD1255793

Mr. Chakresh Kumar Jain, aged 46 years, Managing Director, holds a Bachelors' degree in Science from Agra University in 1985 and Bachelor of Law degree from Agra University in 1988. He has approximately 22 years of experience in development of infrastructure sector, such as, construction of highways, airports, rail over bridges among others. Mr. Jain is a promoter and one of the first directors of our Company. His current responsibilities include overall financial and project management and administration.

Identification	**Details**
Driving License No.	6553/ P/ 95
Voter Identification No.	UP/ 73/ 358/ 291587

Mr. Yogesh Kumar Jain, aged 38 years, Managing Director, holds a Bachelors' degree in Engineering from Bangalore University in 1993. He has approximately 18 years of experience in planning, execution, supervision of work from the initiation of pre-qualification and tendering. Mr. Jain is a promoter and one of the first directors of our Company. He has experience in the execution of highways, runways and bridge construction projects and has thus become an asset to our Company. His current responsibilities include technical supervision of projects up to completion stage of such projects.

Identification	**Details**
Driving License No.	6497/ P/ 95
Voter Identification No.	LDD1254820

Our Company confirms that the PAN, bank account numbers and passport numbers of our individual Promoters will be submitted to the Stock Exchanges at the time of filing this Draft Red Herring Prospectus with them.

For other details relating to the individual Promoters, including their residential address, see "***Our Management***" on page 93.

Details of our Corporate Promoters

1. PNC Project Private Limited ("**PNCPPL**")

PNCPPL was incorporated on May 12, 1998 under the Companies Act. The registered office of PNCPPL is located at D-5/7, Vasant Vihar, New Delhi – 110 057, India. PNCPPL is primarily engaged in the business of construction of roads, national highways, runways, air-strips, real estate development, allied construction and development works.

PNCPPL is promoted by Mr. Pradeep Kumar Jain, Mr. Chakresh Kumar Jain and Mr. Yogesh Kumar Jain since incorporation. There has been no change in control or management of PNCPPL during the three (3) years immediately preceding the date of filing this Draft Red Herring Prospectus.

The equity shares of PNCPPL are not listed on any stock exchange.

Shareholding pattern

The shareholding pattern of PNCPPL as on September 30, 2009 is as follows:

S.No.	**Name of Shareholder**	**No. of equity shares of Rs. 10 each**	**Percentage of Shareholding**
1.	Mr. Pradeep Kumar Jain	6,500	1.73
2.	Mr. Naveen Kumar Jain	12,500	3.33
3.	Mr. Chakresh Kumar Jain	1,500	0.40
4.	Mr. Yogesh Kumar Jain	6,500	1.73
5.	Mr. Yogesh Kumar Jain as karta of Yogesh Kumar Jain (HUF)	50,000	13.32
6.	Ms. Premwati Jain	10,000	2.66
7.	Ms. Madhavi Jain	63,000	16.78
8.	Ms. Meena Jain	53,000	14.10
9.	Mr. Abhinandan Jain	12,500	3.33
10.	Juhi Agencies Private Limited	28,800	7.67
11.	Piyush Vyapaar Private Limited	16,000	4.26
12.	Relax Agencies Private Limited	10,000	2.66
13.	Novelty Agencies Private Limited	16,000	4.26
14.	Shivsai Marketing Private Limited	20,000	5.33
15.	Bhagirathi Tie-up Private Limited	8,000	2.13
16.	Mahadhan Electricals & Electronics Private Limited	17,200	4.58
17.	Rang Vardhan Febtrade Private Limited	20,000	5.33
18.	More Buildcon Private Limited	12,000	3.20
19.	More Infraproject Private Limited	12,000	3.20
	Total	**375,500**	**100.00**

There has been no change in the capital structure of PNCPPL in the last six (6) months.

Board of Directors

The board of directors of PNCPPL as on September 30, 2009, comprises Mr. Pradeep Kumar Jain, Mr. Chakresh Kumar Jain and Mr. Yogesh Kumar Jain.

Financial Performance

The audited financial results of PNCPPL for Fiscals 2009, 2008 and 2007 are as follows:

(In Rs. million, except per share data)

Particulars	Fiscal 2009	Fiscal 2008	Fiscal 2007
Total Income	0.75	0.57	0.53
Profit/(loss) after taxation	0.16	0.08	0.05
Equity Capital	10.01	8.40	8.40
Reserves (excluding revaluation reserve)	92.29	53.73	53.65
Net Asset Value (Rs.)	102.30	62.13	62.05
Earning per share (Rs.) (Basic)	0.41	0.10	0.06
Earning per share (Rs.) (Diluted)	0.41	0.10	0.06

PNCPPL has not been declared a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 ("**SICA**") and is not under winding up.

2. PNC Cold Storage Private Limited ("**PNCCSPL**")

PNCCSPL was incorporated on May 3, 1999 under the Companies Act. Its registered office is located at C-2/37, Vikas Market, Kamla Nagar, Agra – 282 005, India. It is primarily engaged in the business of installing, purchasing, taking on lease and running, conducting and operating cold storages, warehouses, dry storage warehouses, bounded warehouses, air conditioning or any other plants to store and preserve frozen and all kinds of perishable or non perishable food stuff etc. or otherwise to act as transporters, carriers etc.

PNCCSPL was promoted by Mr. Pradeep Kumar Jain, Mr. Naveen Kumar Jain, Mr. Chakresh Kumar Jain and Mr. Yogesh Kumar Jain. There has been no change in control or management of PNCCSPL during the three (3) years immediately preceding the date of filing this Draft Red Herring Prospectus.

Shareholding pattern

The shareholding pattern of PNCCSPL as on September 30, 2009 is as follows:

S.No.	Name of Shareholder	No. of Equity Shares of Rs. 10 each	Percentage of Shareholding
1.	Mr. Chakresh Kumar Jain	179,700	19.41
2.	Mr. Naveen Kumar Jain	201,100	21.72
3.	Mr. Yogesh Kumar Jain	113,200	12.23
4.	Naveen Kumar Jain (HUF)	109,800	11.86
5.	Ms. Premwati Jain	800	0.09
6.	Ms. Renu Jain	500	0.05
7.	Ms. Meena Jain	180,500	19.50
8.	Mr. Abhinandan Jain	6,000	0.65
9.	Ms. Madhvi Jain	110,100	11.89
10.	Ms. Ashita Jain	24,000	2.60
	Total	**925,700**	**100.00**

There has been no change in the capital structure of PNCCSPL in the last six (6) months.

Board of Directors

The board of directors of PNCCSPL as on September 30, 2009, comprises Mr. Pradeep Kumar Jain, Mr. Naveen Kumar Jain, Mr. Chakresh Kumar Jain and Mr. Yogesh Kumar Jain.

Financial Performance

The audited financial results of PNCCSPL for Fiscals 2009, 2008 and 2007 are as follows:

(In Rs. million, except per share data)

Particulars	Fiscal 2009	Fiscal 2008	Fiscal 2007
Total Income	18.87	17.37	16.59
Profit after Taxation	3.55	3.70	3.77
Equity Capital	9.26	9.26	9.26
Reserves (Excluding revaluation Reserve)	49.42	45.86	42.16
Net Assets Value (Rs.)	58.67	55.12	51.42
Earning Per Share (Rs.) (Basic)	3.83	4.00	4.07

Particulars	Fiscal 2009	Fiscal 2008	Fiscal 2007
Earning Per Share (Rs.) (Diluted)	3.83	4.00	4.07

PNCCSPL has not been declared a sick company within the meaning of the SICA and is not under winding up.

3. Shri Parasnath Infrastructures Private Limited (“**SPIPL**”)

SPIPL was incorporated on October 25, 2005 under the Companies Act. Its registered office is located at D -5/7, Vasant Vihar, New Delhi – 110 057, India. It is primarily engaged in the business of constructing, building, demolishing, re-erecting, altering, repairing, re-modeling or doing any activity relating to the construction of any residential, commercial and industrial plots, properties, buildings or any other structural or architectural work.

SPIPL is promoted by Mr. Ashok Kumar Saini and Mr. Sudhir Kumar Jain. Mr. Abhinandan Jain and Mr. Nemi Chand Jain have been appointed as directors with effect from October 3, 2007. Except as disclosed, there has been no change in control or management of SPIPL during the three (3) years immediately preceding the date of filing this Draft Red Herring Prospectus.

Shareholding pattern

The shareholding pattern of SPIPL as on September 30, 2009 is as follows:

Name of Shareholder	No. of Equity Shares of Rs. 10 each	Percentage of Shareholding
Ms. Renu Jain	5,000	50.00
Ms. Madhvi Jain	5,000	50.00
Total	**10,000**	**100.00**

There has been no change in the capital structure of SPIPL in the last six (6) months.

Board of Directors

The board of directors of SPIPL as on September 30, 2009 comprises Mr. Nemi Chand Jain and Mr. Abhinandan Jain.

Financial Performance

The audited financial results of SPIPL for Fiscals 2009, 2008 and 2007 are as follows:

(In Rs. million, except per share data)

Particulars	Fiscal 2009	Fiscal 2008	Fiscal 2007
Total Income	0.02	0.02	0.02
Profit after Taxation	-	-	-
Equity Capital	0.10	0.10	0.10
Reserves (Excluding revaluation Reserve)	0.02	0.01	0.01
Net Assets Value (Rs.)	0.11	0.10	0.10
Earning Per Share (Rs.) (Basic)	0.59	0.54	0.41
Earning Per Share (Rs.) (Diluted)	0.59	0.54	0.41

SPIPL has not been declared a sick company within the meaning of the SICA and is not under winding up.

Our Company confirms that the PAN, bank account number, the company registration number of the corporate Promoters and the address of the RoC where the corporate Promoters are registered will be submitted to the Stock Exchanges, at the time of filing this Draft Red Herring Prospectus.

Payment of benefits to the Promoters

Except as disclosed in the section titled “***Related Party Transactions***” on page 114, there has been no payment of benefits to the Promoters, Promoter Group or Group Entities during the last two (2) years prior to the date of filing of this Draft Red Herring Prospectus.

Group Entities

The HUFs that are part of Group Entities are as follows:

S. No.	Name of HUF
1.	Pradeep Kumar Jain (HUF)
2.	Naveen Kumar Jain (HUF)
3.	Chakresh Kumar Jain (HUF)
4.	Yogesh Kumar Jain (HUF)

1. Pradeep Kumar Jain (HUF)

Pradeep Kumar Jain (HUF) is a Hindu Undivided Family represented by Mr. Pradeep Kumar Jain as its karta.

Financial Performance

The summary financials of Pradeep Kumar Jain (HUF) for Fiscals 2009, 2008 and 2007 are as follows:

(In Rs. million, unless otherwise stated)

	Fiscal 2009	Fiscal 2008	Fiscal 2007
Capital Account	6.04	5.23	4.53
Interest Income	0.15	0.03	0.05
Total Income	0.73	0.72	0.68

2. Naveen Kumar Jain (HUF)

Naveen Kumar Jain (HUF) is a Hindu Undivided Family represented by Mr. Naveen Kumar Jain as its karta.

Financial Performance

The summary financials of Naveen Kumar Jain (HUF) for Fiscals 2009, 2008 and 2007 are as follows:

(In Rs. million, unless otherwise stated)

	Fiscal 2009	Fiscal 2008	Fiscal 2007
Capital Account	5.05	4.58	4.01
Interest Income	0.36	0.29	0.25
Total Income	0.55	0.80	0.65

3. Chakresh Kumar Jain (HUF)

Chakresh Kumar Jain (HUF) is a Hindu Undivided Family represented by Mr. Chakresh Kumar Jain as its karta.

Financial Performance

The summary financials of Chakresh Kumar Jain (HUF) Fiscals 2009, 2008 and 2007 are as follows:

(In Rs. million, unless otherwise stated)

	Fiscal 2009	Fiscal 2008	Fiscal 2007
Capital Account	5.20	4.65	4.06
Interest Income	0.29	0.21	0.04
Total Income	0.79	0.81	0.74

4. Yogesh Kumar Jain (HUF)

Yogesh Kumar Jain (HUF) is a Hindu Undivided Family represented by Mr. Yogesh Kumar Jain as its karta.

Financial Performance

The summary financials of Yogesh Kumar Jain (HUF) for Fiscals 2009, 2008 and 2007 are as follows:

(In Rs. million, unless otherwise stated)

	Fiscal 2009	Fiscal 2008	Fiscal 2007
Capital Account	4.72	4.28	3.72
Interest Income	0.22	0.24	0.21
Total Income	0.51	0.78	0.67

The companies that are part of our Group Entities, other than the Promoters named above, are as follows:

1. Ideal Buildtech Private Limited;
2. KMJ Infrastructure Private Limited;
3. NCJ Infrastructure Private Limited;
4. PNC Airport Infratech Private Limited;
5. PNC Construction Private Limited;
6. PNC Infrastructure Private Limited;
7. PNC Mining Private Limited;
8. PNC Power Private Limited; and
9. Shri Mahaveer Infrastructure Private Limited.

None of our Group Entities are listed on any stock exchange and have not made any public or rights issue of securities in the preceding three (3) years. Details of our Group Entities are provided below:

1. **Ideal Buildtech Private Limited** (“**IBPL**”)

IBPL was incorporated on October 3, 2005, under the Companies Act and is engaged in the business of infrastructure development, real estate development, constructing buildings, roads, highways, docks, bridges, canals, dams, ports, reservoirs, other structural or architectural work of any kind. IBPL is also engaged in purchasing, acquiring, leasing land, buildings, structures and building townships, commercial complexes, other conveniences thereon and carrying on business as a planner, designer, architect, engineer, promoter, consultant, advisor, interior decorator etc.

Our Promoters, hold (directly or indirectly) 100% of the issued and paid-up capital of IBPL.

Financial Performance

The audited financial results of IBPL for Fiscals 2009, 2008 and 2007 are as follows:

(In Rs. million, except per share data)

Particulars	Fiscal 2009	Fiscal 2008	Fiscal 2007
Equity Capital	1.00	0.10	0.10
Reserves (Excluding revaluation Reserve)	5.08	0.02	0.01
Book Value per Share (Rs.)	620.11	10.66	8.82

2. **KMJ Infrastructure Private Limited** (“**KMJ**”)

KMJ was incorporated on July 28, 2004 under the Companies Act and is a contractor, sub contractor, real estate developer, promoter, builder, colonizer and is engaged in the construction of buildings or building schemes, roads, highways, docks, ships, sewers, bridge, canals wells, springs, serias, dams, power plants, wharves, ports, reservoirs, embankments, tramways, railways, irrigation, reclamation, sanitary, water, gas electric, light, telephonic, telegraphic and power supply work or any other structural or architectural work.

Our Promoters, hold (directly or indirectly) hold 5.76% of the issued and paid-up capital of KMJ.

Financial Performance

The audited financial results of KMJ for Fiscals 2009, 2008 and 2007 are as follows:

(In Rs. million, except per share data)

Particulars	Fiscal 2009	Fiscal 2008	Fiscal 2007
Equity Capital	1.73	0.10	0.10
Reserves (Excluding revaluation Reserve)	39.26	-	-
Book Value per Share (Rs.)	235.43	297.92	298.82

3. **NCJ Infrastructure Private Limited** ("**NCJ**")

NCJ was incorporated on July 17, 2002 under the Companies Act and is engaged in, among others, the [business of infrastructure development, real estate development, constructing buildings, roads, highways, docks, bridges, canals, dams, ports, reservoirs, other structural or architectural work of any kind, purchasing, acquiring, leasing land, buildings, structures and building townships, commercial complexes, other conveniences thereon and carrying on business as a contractor, planner, designer, architect, engineer, promoter, consultant, advisor, interior decorator etc.

Our Promoters, hold (directly or indirectly) 38.72% of the issued and paid-up capital of NCJ.

Financial Performance

The audited financial results of NCJ for Fiscals 2009, 2008 and 2007 are as follows:

(In Rs. million, except per share data)

Particulars	Fiscal 2009	Fiscal 2008	Fiscal 2007
Equity Capital	6.20	5.30	5.30
Reserves (Excluding revaluation Reserve)	23.66	1.64	1.22
Book Value per Share (Rs.)	47.95	12.85	12.05

4. **PNC Airport Infratech Private Limited** ("**PNCAIPL**")

PNCAIPL was incorporated on March 18, 2009 under the Companies Act and is engaged in, among others, the business of establishing, promoting, developing, planni9ng, designing, constructing, altering, repairing operating, managing and maintaining international airports and airport infrastructure along with hiring, leasing and/or operating aircrafts in India and abroad as air taxis and creating infrastructure in aviation related special economic zones.

Our Promoters hold (directly or indirectly) 100% of the issued and paid-up capital of PNCAIPL.

Financial Performance

The audited financial results of PNCAIPL for Fiscals 2009, 2008 and 2007 are not available as it was incorporated in Fiscal 2009.

5. **PNC Constructions Private Limited** ("**PNCCPL**")

PNCCPL was incorporated on March 9, 2009 under the Companies Act and is engaged in, among others, the business of infrastructure development and constructing buildings, roads, highways, docks, bridges, canals, dams, ports, reservoirs, other structural or architectural work of any kind, purchasing, acquiring, leasing land, buildings, structures and building townships, commercial complexes, other conveniences thereon and carrying on business as a contractor, planner, designer, architect, engineer, promoter, consultant, advisor, inter

Our Promoters, hold (directly or indirectly) 100% of the issued and paid-up capital of PNCCPL.

Financial Performance

The audited financial results of PNCCPL for Fiscals 2009, 2008 and 2007 are not available as it was incorporated in Fiscal 2009.

6. PNC Infrastructure Private Limited ("PNCIPL")

PNCIPL was incorporated on July 13, 2005 under the Companies Act and is engaged in the business of infrastructure development, real estate development, constructing buildings, roads, highways, docks, bridges, canals, dams, ports, reservoirs, other structural or architectural work of any kind and purchasing, acquiring, leasing land, buildings, structures and building townships, commercial complexes, other conveniences thereon and carry on business as planner, designer, architect, engineer, promoter, consultant, advisor, interior decorator etc.

Our Promoters, hold (directly or indirectly) 100% of the issued and paid-up capital of PNCIPL.

Financial Performance

The audited financial results of PNCIPL for Fiscals 2009, 2008 and 2007 are as follows:

(In Rs. million, except per share data)

Particulars	Fiscal 2009	Fiscal 2008	Fiscal 2007
Equity Capital	0.10	0.10	0.10
Reserves (Excluding revaluation Reserve)	0.02	0.01	0.01
Book Value per Share (Rs.)	11.47	10.24	9.03

7. PNC Mining Private Limited ("PNCMPL")

PNCMPL was incorporated on January 25, 2005 under the Companies Act and is engaged in the business of taking on lease, concession, grant or otherwise mines and mining rights and exploring, working, developing, administering, maintaining, manufacturing, assembling, importing, exporting, buying, selling, giving on hire, managing or controlling works, stone crushing plant, hydraulic works, engineering and improvement works, crushing mills, smelting works, ice plant, refrigeration plant, cold storage unit, earth moving machines for crushing, spares, accessories and all other kindred plants.

Our Promoters, hold (directly or indirectly) 35.89% of the issued and paid-up capital of PNCMPL.

Financial Performance

The audited financial results of PNCMPL for Fiscals 2009, 2008 and 2007 are as follows:

(In Rs. million, except per share data)

Particulars	Fiscal 2009	Fiscal 2008	Fiscal 2007
Equity Capital	0.97	0.10	0.10
Reserves (Excluding revaluation Reserve)	16.79	0.02	0.01
Book Value per Share (Rs.)	182.15	9.46	7.03

8. PNC Power Private Limited ("PNCPPL")

PNCPPL was incorporated on March 9, 2009 under the Companies Act and carrying on the business of a power company, including, erecting, installing, repairing, re-modeling power plants, power sub-stations, power transmission lines, cables, poles and chimneys and to carry on the work of power generation based on thermal, gas, wind, water, solar energy, nuclear energy, petroleum products and supplying and distributing power on a wholesale or retail basis.

Our Promoters, hold (directly or indirectly) 100% of the issued and paid-up capital of PNCPPL.

Financial Performance

The audited financial results of PNCPPL for Fiscals 2009, 2008 and 2007 are not available as it was incorporated in Fiscal 2009.

9. Shri Mahaveer Infrastructure Private Limited ("**SMIPL**")

SMIPL was incorporated on November 3, 2004 under the Companies Act. The registered office of SMIPL is located at D-5/7, Vasant Vihar, New Delhi – 110 057, India. It is primarily engaged in the business of infrastructure development, real estate development, construction of buildings, townships, commercial complexes, roads, highways, docks, bridges, canals, dams, ports, reservoirs and other structural or architectural work of any kind, and purchasing, acquiring or leasing land, buildings, structures and carrying on business as a planner, designer, architect, engineer, promoter, consultant, advisor, interior decorator etc.

Our Promoters, hold (directly or indirectly) 74.65% of the issued and paid-up capital of SMIPL.

Financial Performance

The audited financial results of SMIPL for Fiscals 2009, 2008 and 2007 are as follows:

(In Rs. million, except per share data)

Particulars	Fiscal 2009	Fiscal 2008	Fiscal 2007
Equity Capital	2.86	2.60	2.60
Reserves (Excluding revaluation Reserve)	19.85	17.50	17.50
Book Value per share (Rs.)	78.97	77.28	77.28

Common Pursuits

The main objects of PNCPPL and SPIPL, our Promoters, and certain Group Entities, *i.e.*, Shri Mahaveer Infrastructure Private Limited, KMJ Infrastructure Private Limited, NCJ Infrastructure Private Limited, Ideal Buildtech Private Limited, PNC Infrastructure Private Limited, PNC Power Private Limited, PNC Airport Infratech Private Limited and PNC Constructions Private Limited permit them to engage in business activities similar to those undertaken by our Company, such as construction and civil engineering which could be a potential source of conflict of interest. However, PNCPPL, SPIPL, Shri Mahaveer Infrastructure Private Limited, KMJ Infrastructure Private Limited, NCJ Infrastructure Private Limited, Ideal Buildtech Private Limited, PNC Infrastructure Private Limited, PNC Power Private Limited, PNC Airport Infratech Private Limited and PNC Constructions Private Limited have provided separate undertakings dated October 31, 2009 in favor of the Company whereby these entities have agreed that they shall not, without obtaining a prior no-objection from the Company, undertake the development or execution of any new civil construction or infrastructure project which our Company is planning to bid for or develop, provided that nothing will prevent the concerned entity from (a) developing or executing any civil construction or infrastructure project, with which it is currently involved or for which it has made bids, received orders or been awarded contracts; (b) dealing in real estate or development of real estate; or (c) undertaking any development or construction in respect of properties acquired by such entity.

For further details on the related party transactions, to the extent of which our Company is involved, see "***Related Party Transactions***" on page 114.

Interest of our Promoters and Group Entities

Our Promoters are interested in our Company to the extent of their shareholding. Mr. Pradeep Kumar Jain, Mr. Naveen Kumar Jain, Mr. Chakresh Kumar Jain and Mr. Yogesh Kumar Jain are also interested to the extent of them being Directors of our Company.

Our Company's registered office is located at D-5/7, Vasant Vihar, New Delhi 110 057, India. Our Company occupies this premise pursuant to rent agreements dated April 1, 2009, with Mr. Pradeep Kumar Jain, Mr. Naveen Kumar Jain, Chakresh Kumar Jain and Mr. Yogesh Kumar Jain, our Promoters and Directors, respectively. The rent agreements are valid for a period of 11 months with effect from April 1, 2009. Further, our Company is required to pay a monthly rental of Rs. 0.19 million. For further details of our Registered Office, see "***History and Certain Corporate Matters***" on page 87.

Additionally, our Company has also taken on a leasehold basis the property located at D-51, Kamla Nagar, Agra to serve as the corporate office from Mr. Chakresh Kumar Jain, a Promoter. For further details of our properties, please see "***Our Business***" on page 60.

Mr. Pradeep Kumar Jain, Mr. Naveen Kumar Jain, Mr. Chakresh Kumar Jain, Mr. Yogesh Kumar Jain have provided personal guarantees and PNCCSPL has provided a corporate guarantee in relation to certain loans. Further, certain properties held by our Promoters have been secured in connection with loans availed by our Company. For further details, see "***Financial Indebtedness***" on page 154. Except as stated above, our Promoters and Group Entities have no interest in any property acquired by our Company within two (2) years prior to the date of filing of this Draft Red Herring Prospectus.

Except as disclosed, our Group Entities have no business interest in our Company. For details, see "***Financial Statements***" on page F-1.

Except as disclosed in the section titled "***Related Party Transactions***" on page 114, there are no sales/purchases between our Company and our Group Entities and associate companies where such sales or purchases exceed in value in the aggregate 10% of the total sales or purchases of our Company.

Additionally, all the individual Promoters are related to each other. Mr. Pradeep Kumar Jain, Mr. Naveen Kumar Jain, Mr. Chakresh Kumar Jain and Mr. Yogesh Kumar Jain are brothers.

Other Confirmations

There are no significant notes in the financial statements by the auditors of the Group Entities, except as already disclosed above.

None of the Group Entities have become sick companies under the SICA and no winding up proceedings have been initiated against them. Further, no application has been made, in respect of any of the Group Entities, to the RoC for striking off their names. Additionally, none of our Group Entities have become defunct in the five (5) years preceding the date of filing of this Draft Red Herring Prospectus.

Except as disclosed in the section titled "***Related Party Transactions***" on page 114, none of our Group Entities and associate companies have any business interests in our Company.

Please see "***Other Regulatory and Statutory Disclosures***" on page 169 for further confirmations from the Promoters and Group Entities.

Disassociation by the Promoters in the last three years

Our Promoters have not disassociated from any entity in the last three (3) years.

Litigation

For details relating to the legal proceedings involving the Promoters and Group Entities, see "***Outstanding Litigation and Material Developments***" on page 159.

RELATED PARTY TRANSACTIONS

Our Company has various transactions with related parties, including our Directors, Promoters and members of our Group Entities.

A. Parties where control exists:

Name of Party	Particulars	FY04-05	FY05-06	FY06-07	FY07-08	FY08-09	Half year ended on September 30, 2009
NCJ Infrastructure Private Limited	Rent Payment	0.00	0.42	0.42	0.42	0.42	0.21
	Share Capital Transaction	0.00	0.00	0.00	0.00	22.50	0.00
PNC Mining Private Limited	Contract Transaction	0.00	0.00	1.58	0.00	0.00	0.00
	Interest on Unsecured Loan	0.00	0.00	0.00	0.00	0.29	0.00
PNC Project Private Limited	Share Capital Transaction	0.00	51.10	0.00	0.00	40.00	0.00
KMJ Infrastructure Private Limited	Share Capital Transaction	0.00	0.00	0.00	0.00	37.50	0.00
Shri Mahaveer Infrastructure Private Limited	Share Capital Transaction	0.00	20.00	0.00	0.00	0.00	0.00
PNC Cold Storage Private Limited	Repayment of Unsecured Loan	0.00	2.05	0.00	0.00	0.00	0.00
	Loan taken	2.00	0.00	0.00	0.00	0.00	0.00
	Interest Payment	0.07	0.02	0.00	0.00	0.41	0.00
Ideal Buildtech Private Limited	Contract Transaction	0.00	0.00	0.00	0.00	376.33	123.17

B. Individuals and Associates

Name of Party	Particulars	FY04-05	FY05-06	FY06-07	FY07-08	FY08-09	Half year ended on September 30, 2009
Pradeep Kumar Jain	Rent Payment	0.00	0.45	0.54	0.54	0.54	0.27
	Salary Payment	0.60	0.60	0.90	1.80	2.40	1.80
Chakresh Kumar Jain	Rent Payment	0.07	0.50	0.60	0.60	0.67	0.36
	Hire Charges	0.00	0.21	0.18	0.18	0.18	0.09
	Freight Bill	0.77	0.00	0.00	0.00	0.00	0.00
	Salary	0.60	0.60	0.75	1.35	1.80	1.35
Yogesh Kumar Jain	Rent Payment	0.00	0.50	0.60	0.60	0.60	0.30
	Salary	0.60	0.60	0.75	1.35	1.80	1.35
Naveen Kumar Jain	Rent Payment	0.00	0.45	0.54	0.54	0.54	0.27
	Salary	0.00	0.00	0.00	0.00	1.80	1.35
Pradeep Kumar Jain (HUF)	Rent Payment	0.36	0.36	0.36	0.48	0.60	0.30
Meena Jain	Rent Payment	0.36	0.36	0.36	0.48	0.60	0.30
Madhvi Jain	Rent Payment	0.12	0.12	0.12	0.12	0.12	0.06
Ashita Jain	Rent Payment	0.12	0.12	0.12	0.12	0.12	0.06
Renu Jain	Rent Payment	0.06	0.12	0.12	0.12	0.12	0.06

Name of Party	Particulars	FY04-05	FY05-06	FY06-07	FY07-08	FY08-09	Half year ended on September 30, 2009
	Repayment of Loan	0.00	1.56	0.00	0.00	0.00	0.00
	Interest Payment	0.06	0.08	0.00	0.00	0.00	0.00
	Loan taken	1.50	0.00	0.00	0.00	0.00	0.00
Chakresh Kumar Jain (HUF)	Hire Charges	0.00	0.42	0.60	0.60	0.60	0.30
	Freight Bill	1.03	0.00	0.00	0.00	0.00	0.00
Ideal Road Builders	Contract Transaction	40.39	30.45	28.56	41.31	55.91	0.00
Anil Kumar Rao	Salary	0.00	0.36	0.41	0.64	1.02	0.96
Adinath Oil Carrier	Freight Bill	1.03	0.22	0.00	0.00	0.00	0.00
Naveen Kumar Jain (HUF)	Repayment of Loan	0.00	1.66	0.00	0.00	0.00	0.00
	Interest Payment	0.07	0.08	0.00	0.00	0.00	0.00
	Loan Taken	1.60	0.00	0.00	0.00	0.00	0.00
Premwati Jain	Repayment of Loan	0.00	1.30	0.00	0.00	0.00	0.00
	Interest Payment	0.05	0.06	0.00	0.00	0.00	0.00
	Loan Taken	1.25	0.00	0.00	0.00	0.00	0.00
Yogesh Kumar Jain (HUF)	Repayment of Loan	0.00	1.30	0.00	0.00	0.00	0.00
	Interest Payment	0.05	0.06	0.00	0.00	0.00	0.00
	Loan Taken	1.25	0.00	0.00	0.00	0.00	0.00
Sidhnath Oil Carriers	Freight Bill	1.18	0.00	0.00	0.00	0.00	0.00

C. Key Managerial Personnel

Name of Party	Particulars	FY04-05	FY05-06	FY06-07	FY07-08	FY08-09	Half year ended on September 30, 2009
Ms. Ishu Jain	Salary	0.00	0.00	0.00	0.24	0.48	0.24
Mr. Ashish Jain	Salary	0.00	0.00	0.00	0.00	0.43	0.22

DIVIDEND POLICY

The declaration and payment of dividends will be recommended by our Board of Directors and approved by our shareholders, at their discretion, and will depend on a number of factors, including but not limited to our profits, capital requirements and overall financial condition. Our Board may also from time to time pay interim dividend. Our Company has not declared any dividend in the last five (5) Fiscals. However, this is not necessarily indicative of our dividend amounts, if any, or our dividend policy, in the future.

SECTION V: FINANCIAL STATEMENTS

AUDITOR'S REPORT

To
The Board of Directors
PNC Infratech Ltd
Regd. Office D-5/7, Vasant Vihar,
New delhi-110057

Dear Sirs,

We have examined the financial information of PNC Infratech Ltd. ('PNC' or 'Company') annexed to this report as approved by the Board of Directors of the company and in accordance with the requirements of:

(a) Paragraph B (1) of Part II of Schedule II to the Companies Act, 1956 ('the Act');

(b) SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 (the "Regulations)"

(c) Our engagement letter agreed upon with you with the proposed issue of equity share of the company.

Financial Information as per audited financial statements of "PNC"

1. We have examined the attached restated summary statement of assets and liabilities of the Company for the half year ended 30th September, 2009 and financial years as at March 31,2009, March 31, 2008, March 31, 2007, March 31, 2006 and March 31, 2005 the attached restated summary statement of profit and loss and cash flows for each of the periods ended on those dates ('Summary Statements') (see Annexure I,II and III) as prepared by the Company and approved by the Board of Directors. These profits have been arrived at after making such adjustments and regroupings as in our opinion are appropriate and more fully described in the notes appearing in Annexure IV to this report. We have audited the financial statements of the Company for the half year ended 30th September, 2009 and each of the years ended March 31,2009, March 31, 2008, March 31, 2007, March 31, 2006 and March 31, 2005.

2. The summary of significant accounting policies adopted by the Company is enclosed as Annexure V to this report.

3. Based on our examination of these summary statements, we confirm that:

The impact of changes in accounting policies / material adjustments adopted by the Company as at the half year ended 30th September, 2009 and for the years ended March 31,2009, March 31, 2008, March 31, 2007, March 31, 2006 and March 31, 2005 have been adjusted with retrospective effect in the attached summary statements;

- The Prior period items have been adjusted in the summary statements in the years to which they relate;
- There are no extraordinary items, which need to be disclosed separately in the summary statements; and
- There are no qualifications in the auditors' reports, which require any adjustments to the summary statements. A qualification has been disclosed in point 9 of the notes appearing in Annexure IV of this report, which does not require adjustment.

Other financial information

4. We have also examined the following other financial information relating to the Company, as at 30th September, 2009, 31st March, 2009, 31st March, 2008, 31st March, 2007, 31st March, 2006 and 31st March, 2005 set out in the Annexure VI to XVIII and proposed to included in the offer document, as prepared by the management and approved by the Board of Directors of the Company and annexed to this report;

I. Statement of Accounting and other ratios as appearing in Annexure VI;

II. Capitalisation statement as at September 30, 2009 as appearing in Annexure VII;

III. Statement of tax shelters as appearing in Annexure VIII;

IV. Details of secured and unsecured loans as appearing in Annexure IX;

V. Details of Terms and Conditions of secured loans as at September 30, 2009 as appearing in Annexure X;

VI. Statement of Related Party transactions as appearing in Annexure XI;

VII. Details of dividend paid as appearing in Annexure XII;

VIII. Receivables ageing analysis as appearing in Annexure XIII;

IX. Statement of Loans and advances as appearing in Annexure XIV;

X. Statement of Contingent Liabilities as appearing in Annexure XV;

XI. Statement of Other Income as appearing in Annexure XVI;

XII. Statement of Investment as appearing in Annexure XVII;

XIII. Statement of Current Liabilities as appearing in Annexure XVIII;

5. The qualification in Auditor report which does not require any corrective adjustment in the financial statement and disclosed in annexure-IV [Note No. 9] to this report. In our opinion the financial information contained in Annexure I to XVIII of this report read along with the Significant Accounting Policies and Notes to Accounts prepared after making adjustments and regrouping as considered appropriate have been prepared in accordance with Paragraph B(I) of Part II of Schedule II of the Act and the Regulations.

6. Our report is intended solely for use of the management and for inclusion in the offer document in connection with the proposed issue of equity shares of the Company. Our report should not be used, referred to or distributed for any other purpose except with our prior written consent.

For **PURUSHOTTAM AGRAWAL & CO.**
Chartered Accountants

(SANJAY AGARWAL)
Partner
Membership No. 72696

Place: Agra
Date: November 7, 2009

SUMMARY STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

Annexure - 1

(Rupees in Millions)

Particulars	**As At 30.09.2009**	**As At 31.03.2009**	**As At 31.03.2008**	**As At 31.03.2007**	**As At 31.03.2006**	**As At 31.03.2005**
FIXED ASSETS						
Gross Block	1,430.00	1,391.67	970.02	806.59	673.99	295.19
Less: Depreciation	538.41	461.95	326.15	226.01	127.22	73.92
Net Block	**891.59**	**929.72**	**643.87**	**580.58**	**546.77**	**221.27**
Capital WIP	0.00	0.00	0.00	0.00	0.00	0.00
Investments	**228.90**	**101.20**	**7.71**	**0.00**	**0.00**	**0.00**
Current Assets, Loans and Advances						
Inventories	236.71	226.93	238.30	500.36	246.22	42.27
Sundry debtors	1,284.60	993.88	610.74	496.73	505.48	87.44
Cash and bank balances	160.74	248.81	59.01	35.51	106.83	138.96
Loans and Advances	568.71	620.32	509.28	445.77	367.86	243.40
Total of Current Assets	**2250.76**	**2089.94**	**1417.33**	**1478.37**	**1226.39**	**512.07**
TOTAL (A)	**3,371.25**	**3,120.86**	**2,068.91**	**2,058.95**	**1,773.16**	**733.34**
LIABILITIES AND PROVISIONS						
Secured Loans	634.56	1,028.00	573.37	635.72	465.89	151.25
Unsecured loans	0.00	0.00	0.00	0.00	0.00	7.87
Current Liabilities	994.06	714.97	461.18	656.89	729.47	162.17
Provisions						
Provisions for Tax	101.99	119.69	123.14	67.46	11.96	11.78
Deferred Tax liability	28.08	30.07	23.89	24.81	23.97	19.93
TOTAL (B)	**1,758.69**	**1,892.73**	**1,181.58**	**1,384.88**	**1,231.29**	**353.00**
NET WORTH (A-B)	**1,612.56**	**1,228.13**	**887.33**	**674.07**	**541.87**	**380.34**
Net worth represented by						
Share Capital	341.21	221.14	216.14	108.07	108.07	100.96
Reserve & Surplus	1,281.65	1,017.31	681.55	566.12	433.96	279.57
Less : Misc. Expenditure	(10.30)	(10.32)	(10.36)	(0.12)	(0.16)	(0.19)
(to the extent not written off or adjusted)						
Net Worth	**1,612.56**	**1,228.13**	**887.33**	**674.07**	**541.87**	**380.34**

SUMMARY STATEMENT OF PROFITS & LOSSES AS RESTATED

Annexure - I1

(Rupees in Millions)

Particulars	**For the Half Year Ended**	**For the Year Ended**	**For the Year Ended**	**For the Year Ended**	**For the Year Ended**	**For the Year Ended**
	30.09.2009	**31.03.2009**	**31.03.2008**	**31.03.2007**	**31.03.2006**	**31.03.2005**
INCOME						
Contract Revenue	3,244.91	4,831.86	3,864.27	2438.17	1424.51	1120.87
Sale of Crushed Stone	137.20	183.49	139.07	112.20	82.49	0.00
Other income	13.22	21.18	16.70	13.83	14.41	9.41
Total Income (A)	**3395.33**	**5036.53**	**4020.04**	**2564.20**	**1521.41**	**1130.28**
EXPENDITURE						
Operating expenses	2,726.28	4,069.08	3,186.56	1984.13	1173.42	937.90
Employee Cost	97.66	153.52	120.03	95.50	61.68	35.20
Sales and Administrative Expenses	127.10	197.03	171.98	123.47	98.96	62.77
Financial Charges	73.50	97.37	77.58	61.81	27.61	8.75
Depreciation	77.26	152.81	115.07	98.79	53.30	21.55
Preliminary exp.w/o	0.02	0.04	0.04	0.04	0.04	0.04
Total Expenditure (B)	**3101.82**	**4669.85**	**3671.26**	**2363.74**	**1415.01**	**1066.21**
PROFIT BEFORE TAX. (A-B)	293.51	366.68	348.78	200.46	106.40	64.07
Provision for taxes						
Current tax	101.99	118.02	120.93	66.92	11.34	11.79
Deferred tax	(1.99)	6.18	(0.92)	0.83	18.18	2.96
FBT	0.00	0.77	0.69	0.54	0.61	0.00
PROFIT AFTER TAX AND BEFORE ADJUSTMENT	**193.51**	**241.71**	**228.08**	**132.17**	**76.27**	**49.32**
ADJUSTMENTS						
Current tax impact of Adjustments	0.00	(0.96)	(1.52)	0.00	0.00	0.00
Deferred tax impact of Adjustments	0.00	0.00	0.00	0.00	14.14	(3.12)
Total of adjustments after tax impact	**0.00**	**(0.96)**	**(1.52)**	**0.00**	**14.14**	**-3.12**
NET PROFIT FOR THE YEAR AS RESTATED	**193.51**	**240.75**	**226.56**	**132.17**	**90.41**	**46.20**
Profit and loss account	656.94	416.19	189.63	107.46	47.05	25.85
(at the beginning of the year)						
Balance available for appropriation	**850.45**	**656.94**	**416.19**	**239.63**	**137.46**	**72.05**
APPROPRIATION						
Transfer to General Reserve	0.00	0.00	0.00	50.00	30.00	25.00
TOTAL	**0.00**	**0.00**	**0.00**	**50.00**	**30.00**	**25.00**
Balance carried forward	**850.45**	**656.94**	**416.19**	**189.63**	**107.46**	**47.05**

SUMMARY OF CASH FLOW AS RESTATED [AS PER AS-3]

Annexure -III

(Rupees in Millions)

Particulars	**For the Half Year Ended 30.09.09**	**For the Year Ended 31.03.09**	**For the Year Ended 31.03.08**	**For the Year Ended 31.03.07**	**For the Year Ended 31.03.06**	**For the Year Ended 31.03.05**
Cash flow from Operating activity						
Net profit before taxation, and extraordinary item	293.51	366.68	348.78	200.46	106.40	64.07
Adjustments						
Depreciation	77.26	135.79	100.14	98.79	53.30	21.55
Interest expenses	73.50	97.37	77.58	61.81	27.61	8.75
Miscellaneous Expenditure written off	0.02	0.04	0.04	0.04	0.03	0.04
Provision for Gratuity & Leave Encashment adjusted in General reserves	0.00	0.00	(3.07)	0.00	0.00	0.00
Diminution in value of investments	0.00	0.00	0.00	0.00	0.00	0.00
Operating profit before working Capital Change	**444.29**	**599.88**	**523.47**	**361.10**	**187.34**	**94.41**
Adjustments for Decrease / (Increase)						
Trade other receivable	(239.11)	(494.18)	(177.52)	(69.16)	(542.50)	(76.41)
Decrease / (Increase) Inventories	(9.78)	11.37	262.06	(254.14)	(203.95)	(21.23)
Increase / (Decrease) Trade Payable	261.39	250.34	(140.03)	(17.08)	567.48	21.53
Cash (used in) / generated from operation	**12.50**	**(232.47)**	**(55.49)**	**(340.38)**	**(178.97)**	**(76.11)**
Direct tax paid (net of refunds)	(101.88)	(119.75)	(123.14)	(67.46)	(11.96)	(11.79)
Net cash (used in) / from operating Activity (a)	**354.91**	**247.66**	**344.84**	**(46.74)**	**(3.59)**	**6.51**
Cash flow from Investing activities						
Investment in JVs	(127.70)	(93.49)	(7.71)	0.00	0.00	0.00
Sale / (Purchase) of Fixed Assed	(38.34)	(421.62)	(163.44)	(132.60)	(378.80)	(108.53)
Net cash used in investing activities (b)	**(166.04)**	**(515.11)**	**(171.15)**	**(132.60)**	**(378.80)**	**(108.53)**
Cash flow from financing activities						
Proceeds from issue of shares	190.00	100.00	0.00	0.00	71.10	125.00
Proceeds / (Repayment)-Secured Loan	(393.44)	454.62	(62.34)	169.83	314.64	86.09
Proceeds / (Repayment)-Unsecured Loan	0.00	0.00	0.00	0.00	(7.87)	7.87
Preliminary Exp.	0.00	0.00	(10.27)	0.00	0.00	0.00
Interest Paid	(73.50)	(97.37)	(77.58)	(61.81)	(27.61)	(8.75)
Net cash from financing activity (c)	**(276.94)**	**457.25**	**(150.19)**	**108.02**	**350.26**	**210.21**
Net increase / (decrease) in cash and	**(88.07)**	**189.80**	**23.50**	**(71.32)**	**(32.13)**	**108.19**
cash equivalent (a+b+c)						
Cash and cash equivalent (Opening)	248.81	59.01	35.51	106.83	138.96	30.77
Cash and cash equivalent (closing)	160.74	248.81	59.01	35.51	106.83	138.96

Annexure- IV

NOTES TO THE SUMMARY OF ASSETS & LIABILITIES, PROFIT AND LOSS AND CASH FLOWS AS RESTATED

1. All amounts in the financial statements are presented in rupees in millions except per share data and otherwise stated.

2. There is no change in the value of WIP pursuant to the introduction of AS-7 (Revised) from the financial year March 31, 2004, as compared to the earlier Accounting Standard viz. accounting for construction contracts (Originally issued in December, 1982), consequently, the need for any restatement did not arise on this account.

3. Provident Fund is a defined contribution plan for which contribution accruing during the year as per the scheme is expensed.

   Liability on account of gratuity, leave encashment(s) of the employee(s) is being provided as per accounting standard -15 issued by The Institute of Chartered Accountants of India on the basis of actuary valuation.

4. *Impact of regrouping/adjustments*

Particulars	***Half year ended***	**The Year Ended March 31**				
	September 30, 2009	***2009***	***2008***	***2007***	***2006***	***2005***
Profit after tax as per audited statements of accounts	*193.51*	*241.71*	*228.08*	*132.17*	*76.27*	*49.32*
Less: Adjustment on account of						
Deferred Tax impact [Note 1]	*0.00*	*0.00*	*0.00*	*0.00*	*(14.14)*	*3.12*
Current Tax impact of Adjustment [Note 2]	*0.00*	*0.96*	*1.52*	*0.00*	*0.00*	*0.00*
Net adjusted profit after tax	*193.51*	*240.75*	*226.56*	*132.17*	*90.41*	*46.20*

Note 1: The amount of deferred tax liability has been adjusted for the previous financial year.

Note 2: Adjusted for respective years in respect of short/excess provision for income tax as compared to the tax payable as per the income tax returns filed by the Company for these years.

5. Managerial Remuneration:

Rs in millions

	As at **30.09.2009**	As at **2008-09**	As at **2007-08**	As at **2006-07**	**2005-06**	As at **2004-05**
Salary & Allowance	6.84	8.85	5.15	2.81	2.16	1.80

6. Remuneration to Auditors for: (Rs. in million)

	Half year Ended September 30, 2009	**FY 2008-09**	**FY 2007-08**	**FY 2006-07**	**FY 2005-06**	**FY 2004-05**
Statutory Audit	0.20	0.12	0.12	0.06	0.03	0.03
Other Services	0.00	0.19	0.19	0.09	0.09	0.09
TOTAL	**0.20**	**0.31**	**0.31**	**0.15**	**0.12**	**0.12**

8. Segment Reporting

   The Institute of Chartered Accountants of India issued an Accounting standard AS-17 for reporting on the basis of each segment in which the companies are engaged. The company is engaged in Infrastructure development & construction business, there had been only one segment, hence the AS-17 is not applicable to the company.

9. The Company sought information from its vendor(s) confirmation to their status under The Micro, Small and Medium Enterprise Development Act' 2006. In the absence of non-receipt of information from them disclosure relating to amounts unpaid as at the year end together with interest paid/payable under the Act have not been given.

10. Investment of the company are pledged with the Financial Institutions/ Banks for security against financial assistant extended to the SPV in which company having interest being a member of the SPV.

11. Figures of previous year have been regrouped/ rearranged wherever considered necessary to confirm to presentation.

ANNEXURE V

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF PREPARATION

The financial statements have been prepared under the historical cost convention, on the accrual basis of accounting and in accordance with the generally accepted accounting principles (GAAP) in India, including the mandatory standards on accounting issued by the Institute of Chartered Accountants of India and referred to in section 211(3C) of the Companies Act, 1956 and on the accounting principle of going concern.

2. USE OF ESTIMATES

The Preparation of financial statement required the management of the Company to make estimates and assumption that effect the reported balances of assets and liabilities and disclosures relation to contingent liabilities as at the date of financial statements and reported amounts of income & expenses during the reported period. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in current and future projects.

3. FIXED ASSETS [In compliance with AS 10 – Accounting for fixed assets]

Fixed assets are stated at cost less depreciation. Cost of fixed assets comprises purchase price, duties, levies, financing cost till the machinery is put to use and any directly attributable cost of bringing the assets to its working condition for the intended use.

4. DEPRECIATION [In compliance with AS 6 – Depreciation accounting]

Depreciation has been provided as per SLM Method (except for Plant & Machinery which is depreciated as per WDV basis). This is in consistent with the accounting policy followed in respect of depreciation with that followed in previous year.

Depreciation has been provided in the manner and at the rates specified in Schedule XIV to the Companies Act 1956 and on prorata basis. Fixed assets are stated at cost less depreciation.

5. INVESTMENTS [In compliance with AS 13 – Accounting for Investments]

a) Current investments are stated at lower of cost or fair market value and the resultant decline if any, is charged to revenue.

b) Long terms investments are stated at cost. However, provision for diminution is made to recognize decline, other than temporary, in the value of investment if any.

6. REVENUE RECOGNITION [In compliance with AS 7 – Construction Contracts]

Construction Contracts

Revenue from fixed price construction contracts is recognized by reference to the percentage 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. Claims under arbitrations are accounted as income based on final award. Expenses on arbitration are accounted as incurred.

Joint Venture Projects

Assets, liabilities and expenditure arising out of contracts executed wholly by the company pursuant to a Joint Venture contract are recognized under respective heads in the financial statements. Revenue from the contracts is accounted for net of joint venture's share under turnover in these financial statements in compliance with AS-27 issued by ICAI.

Sale of Crushed Aggregate

Sales exclude applicable Sales Tax / VAT and net of discount.

7. INVENTORIES [In compliance with AS 7 – Construction Contracts]

Inventories are valued at lower of cost or net realizable value. Raw material cost is determined on first in first out basis. Cost in case of work in progress is determined on the basis of cost includes cost of material, labour, direct expenses etc.

8. RETIREMENT BENEFITS [In compliance with AS 15 – Employees Benefit]

Provident Fund is a defined contribution plan for which contribution accruing during the year as per the scheme is expensed.

Liability on account of gratuity, leave encashment(s) of the employee(s) is being provided as per accounting standard -15 issued by The Institute of Chartered Accountants of India on the basis of actuary valuation.

9. BORROWING COSTS [In compliance with AS 16 – Borrowing Costs]

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying assets is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

10. TAXES ON INCOME [In compliance with AS 22 – Taxes on Income]

Current Tax is determined as the amount of tax payable in respect of taxable income for the year in accordance with the Income Tax Act, 1961.

The deferred tax for timing difference between the book profit and tax profits for the year is accounted using the tax rates and laws that have been enacted or substantively enacted as on the Balance Sheet date in accordance with Accounting Standard-22 "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India. Accordingly deferred tax liability as appropriate has been created.

Provision for Fringe Benefit Tax is determined in accordance with Chapter XII-H to Income Tax Act, 1961 read with the relevant rules, circulars & notifications issued from time to time.

11. PROVISION AND CONTINGENT LIABILITIES [In compliance with AS 29 – Provisions, Contingent - Liabilities and Contingent Assets]

Loss, contingencies arising from claims, litigations, assessments, fines, penalties etc are provided for when it is probable that a liability may be incurred and the amount can be reasonable estimated. Contingent assets are neither recognized nor disclosed.

12. FOREIGN EXCHANGE FLUCTUATION [In compliance with AS 11 – The Effects of Changes in Foreign Exchange Rates]

Current assets/liabilities relating to foreign currency transactions remaining unsettled at the end of the year are translated at contracted rates when covered by foreign exchange forward contracts and at year end rates in other cases, and the resultant effect is given to respective revenue heads of accounts.

13. EARNING PER SHARE [In compliance with AS 20 – Earnings per Share]

Basic earning per share is calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earning per share is calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year (adjusted for the effects of dilutive options).

14. IMPAIRMENT OF FIXED ASSETS [In compliance with AS 28 – Impairment of Assets]

Wherever events or changes in circumstances indicate that the carrying value of fixed assets may be impaired, such assets are subject to a test of recoverability, based on discounted cash flows expected from use or disposal thereof. If the assets are impaired, loss is recognized.

STATEMENT OF ACCOUNTING AND OTHER RATIOS

Annexure - VI

(Rupees in Millions)

Particulars	**For the Half Year Ended**	**For the Year Ended**	**For the Year Ended**	**For the Year Ended**	**For the Year Ended**	**For the Year Ended**
	30.09.09	**31.03.09**	**31.03.08**	**31.03.07**	**31.03.06**	**31.03.05**
Earnings per Share (Rs)						
-Basic	5.83	7.37	6.93	4.04	2.83	1.52
-Diluted	5.83	7.37	6.93	4.04	2.83	1.52
No. of Shares Outstanding in Millions	34.12	22.11	21.61	10.81	10.81	10.10
Weighted no. of shares outstanding during the year						
-for Basic earnings per share*	33.18	32.68	32.68	32.68	31.97	30.43
Net Asset Value (Rs. In Million)	1,612.56	1,228.13	887.33	674.07	541.87	380.34
Net Asset Value per share (In Rs.)	47.26	55.55	41.06	62.36	50.13	37.65
Return on Net worth (%)	12.00%	19.60%	25.53%	19.61%	16.68%	12.15%

Note*: On 26th November' 2007 the Company has allotted Bonus share in ration of 1:1. The Calculation of basic earnings per share has been adjusted for all periods presenting bonus shares issued in accordance with the requirements of AS-20"Earnings Per Share" issued by the ICAI

Note**: On 10th September' 2009 the Company has allotted Bonus share in ration of 2:1. The Calculation of basic earnings per share has been adjusted for all periods presenting bonus shares issued in accordance with the requirements of AS-20"Earnings Per Share" issued by the ICAI

1. The Ratios have been computed as below:

Earnings per share	=	Net profit for the year as restated available to Equity Shareholders
		Weighted average no. of equity shares outstanding during the year
Net Worth (Excluding revaluation reserve)	=	Share Capital + Reserves & Surplus
		Misc. & Deferred Revenue Expenditure to the extent not written off
Return on Net worth	=	Net Profit for the year as restated
		Net worth
Net Asset Value	=	Net Worth
Net asset Value per share	=	Net Asset Value
		No. of equity shares outstanding as on end of Year

CAPITALISATION STATEMENT AS AT SEPTEMBER 30, 2009

Annexure - VII
(Rupees in Millions)

Particulars	Pre Issue As at 30.09.2009	Post Issue (Note 2)
Short Term Debt	477.54	
Long Term Debt (Note) (A)	157.02	
Total	**634.56**	
Shareholders' Funds		
Share Capital	341.21	
Reserves and surplus	1281.65	
Less:- Miscellaneous Expenditure	(10.30)	
(To the extent not written off)		
Total Share holders' funds (B)	**1612.56**	
Long term debt/equity (A) / (B)	0.10	

Note :

1. Long term debt comprises of Term loans from Bank which are repayable for a period exceeding 12 months

2. Share capital and reserves & surplus post issue can be calculated only on the closing of the book building process.

STATEMENT OF TAX SHELTER

Annexure-VIII

(Rs. In Million

Particulars	**Half Year ended**	**For the Year Ended**	**For the Year Ended**	**For the Year Ended**	**For the Year Ended**	**For the Year Ended**
	30.09.09	**31.03.09**	**31.03.08**	**31.03.07**	**31.03.06**	**31.03.05**
A Net Profit before Taxes A	**293.52**	**366.68**	**348.78**	**200.46**	**106.40**	**64.07**
B Income Tax Rate						
- On Normal Income B 1	33.99%	33.99%	33.99%	33.66%	33.66%	36.59%
C Tax at Normal rate C = A*B1	**99.76**	**124.64**	**118.55**	**67.47**	**35.81**	**23.44**
Adjustments:						
D Permanent Differences						
Deduction U/s 80IA	0.00	0.00	0.00	0.00	(54.16)	(16.05)
Donation Disallowed	0.06	(0.03)	0.03	0.07	0.11	0.05
Loss/(Profit) on sale of assets/shares	0.02	(0.45)	(1.27)	0.70	0.05	0.00
Provision for Gratuity and Leave Encashment	0.63	1.25	2.51	0.00	0.00	0.00
Total D	**0.71**	**0.77**	**1.27**	**0.77**	**(54.00)**	**(16.00)**
E Timing Differences						
Difference between Tax Depreciation and Book Depreciation	5.85	(17.55)	5.56	(2.48)	(16.74)	(15.87)
Total E	**5.85**	**(17.55)**	**5.56**	**(2.48)**	**(16.74)**	**(15.87)**
F Total Adjustments F = D + E	6.56	(16.78)	6.83	(1.71)	(70.74)	(31.87)
G Net Tax impact G = B1* F	2.23	(5.70)	2.32	(0.58)	(23.81)	(11.66)
H Tax Under normal provisions of the Income Tax Act H = C+ G	101.99	118.94	120.87	66.89	12.00	11.78
I Tax as per Income Tax Return Filed / relevant Correspondence						
- On Normal Income	-	119.13	122.51	66.90	12.00	11.78
J Provision for tax Made in books	101.99	118.02	120.93	66.92	11.34	11.79

Note: -

1. For the years ended March 31, 2005,2006,2007,2008 and 2009 the above statement has been prepared based on the Income-tax returns filed. The figures for the half year ended September 30, 2009 are based on provisional computation of income prepared by the Company and final amount would be ascertained at the time of filing of the return

2. Further, the Management has represented to us that the re-statements made to the statutory financial statements (order to confirm with SEBI regulations) would not have a tax impact.

3. The Company has availed the tax shelters U/s 80IA (4) as set out in Part C of Chapter VI-A of the income tax Act, 1961 during financial year ended on March 31, 2005 and March 31, 2006.

DETAILS OF SECURED & UNSECURED LOANS

Annexure - IX

(Rupees in Millions)

Particulars	As At	As At	As At	As At	As At	As At
	30.09.09	**31.03.09**	**31.03.08**	**31.03.07**	**31.03.06**	**31.03.05**
SECURED LOANS						
Terms Loans						
.-From NBFCs & Banks	296.16	360.61	206.39	248.54	287.45	80.40
Total	**296.16**	**360.61**	**206.39**	**248.54**	**287.45**	**80.40**
Other Secured Loans						
.- Working Capital Loans from Banks	338.40	667.39	366.98	387.18	178.44	70.85
.- HP Loans	0.00	0.00	0.00	0.00	0.00	0.00
Total	**338.40**	**667.39**	**366.98**	**387.18**	**178.44**	**70.85**
UNSECURED LOANS (Note-2)	0.00	0.00	0.00	0.00	0.00	7.87
Total	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**7.87**
GRAND TOTAL	**634.56**	**1028.00**	**573.37**	**635.72**	**465.89**	**159.12**

Note 1:

For Terms & Conditions please refer Annexure X

Note 2:

Details of items related to promoter / promoter group / other related party – As on September 30, 2009 there is no unsecured loan taken. However the outstanding unsecured loan as at March 31, 2005 is Rs. 7.87 which was borrowed from one of our Promoter group entity.

DETAILS OF TERMS AND CONDITIONS OF SECURED LOANS OUTSTANDING

AS AT 30.09.2009

Annexure - X

Sr. No.	Nature of Secured Loan	Name of Financial Institution/ Banks	Amount (Rs. In Millions)	Security	Interest	Terms of Repayment
1	Term Loan	ICICI Bank	6.02	Secured by specified assets such as plant machinery equipments and vehicles	---	Monthly EMI Payable
		ABN Amro Bank	1.68	Secured by specified assets such as plant machinery equipments and vehicles	---	Monthly EMI Payable
		HDFC Bank	103.51	Secured by specified assets such as plant machinery equipments and vehicles	---	Monthly EMI Payable
		SREI Infrastructure Finance Limited	51.88	Secured by specified assets such as plant machinery equipments and vehicles	---	Monthly EMI Payable
		SREI Equipment Finance Private Limited	9.90	Secured by specified assets such as plant machinery equipments and vehicles	---	Monthly EMI Payable
		Citibank	3.55	Secured by specified assets such as plant machinery equipments and vehicles	---	Monthly EMI Payable
		Citicorp Finance India Private Limited	7.18	Secured by specified assets such as plant machinery equipments and vehicles	---	Monthly EMI Payable
		Standard Chartered Bank	64.51	Secured by specified assets such as plant machinery equipments and vehicles	---	Monthly EMI Payable
		Tata Capital	36.39	Secured by specified assets such as plant machinery equipments and vehicles	---	Monthly EMI Payable

		Kotak Mahindra Bank	9.87	Secured by specified assets such as plant machinery equipments and vehicles	---	Monthly EMI Payable
		Axis bank Ltd.	1.67	Secured by specified assets such as plant machinery equipments and vehicles	---	Monthly EMI Payable
		Total (A)	**296.16**			
2	Working Capital	Bank of Baroda	318.69	Secured by Hypothecation of stocks, Raw Materials, Receivables & collateral security and personal guarantee of Directors	10.00%	Repayable on Demand
		Punjab National Bank	13.63	Secured by Hypothecation of stocks, Raw Materials, Receivables & collateral security and personal guarantee of Directors	11.00%	Repayable on Demand
		Canara Bank	2.94	Secured by Hypothecation of stocks, Raw Materials, Receivables & collateral security and personal guarantee of Directors	11.00%	Repayable on Demand
		Vijya Bank	3.14	Secured by Hypothecation of stocks, Raw Materials, Receivables & collateral security and personal guarantee of Directors	11.25%	
		Total (B)	**338.40**			
		Total (A+B)	**634.56**			

RELATED PARTY DISCLOSURES [In compliance with AS 18 –Related party Disclosures]

List of Related parties and relationship with whom the company has entered into transaction during the period/where control exists.

S.No	Related Party	Relationship
	Entities controlled/influenced by Related parties	
1	NCJ Infrastructure Pvt. Ltd.	Company in which Director are interested
2	PNC Mining Pvt. Ltd.	--do--
3	PNC Project Pvt. Ltd.	--do--
4	Shri Mahaveer Infrastructure Pvt. Ltd.	--do--
5	Ideal Buildtech Pvt. Ltd.	--do--
6	KMJ Infrastructure Pvt. Ltd.	--do--
7	PNC Cold Storage Pvt. Ltd.	--do--
	Directors	
1	Pradeep Kumar Jain	Chairman cum Managing Director
2	Chakresh Kumar Jain	Managing Director
3	Yogesh Kumar Jain	Managing Director
4	Naveen Kumar Jain	Director
5	Anil Kumar Rao	Director (Tech.)
	Realtive of Directors	
1	Meena Jain	M.D's Wife
2	Madhvi Jain	Director's Wife
3	Ashita Jain	Director's Wife
4	Renu Jain	Director's Wife
5	Premwati Jain	MD's Mother
	Associates	
1	Pradeep Kumar Jain (HUF)	M.D's Concern
2	Naveen Kumar Jain (HUF)	Director's Concern
3	Yogesh Kumar Jain (HUF)	Director's Concern
4	Chakresh Kumar Jain (HUF)	Director's Concern
5	Sidhnath Oil Carriers	Director's Concern
6	Ideal Road Builders Prop. Abhinandan Jain	MD's Sons' Concern
7	Adinath Oil Carrier	Director's Concern
	Key managerial Person	
1	Ishu Jain	M.D.'s Daughter in Law
2	Ashish Jain	M.D.'s Brother in Law

Rs. In millions

S. No	**Related Party**	**Relationship**	**Description**	**Half Year ended on 30.09.09**	**For the Year Ended**	**For the Year Ended**	**For the Year Ended**	**For the Year Ended**	**For the Year Ended**
	Entities controlled/influenced by Related parties								
1	NCJ Infrastructure Pvt. Ltd.	Company in which Director are interested	Rent Payment	0.21	0.42	0.42	0.42	0.42	0.00
			Share Capital Transaction	0.00	22.50	0.00	0.00	0.00	0.00
2	PNC Mining Pvt. Ltd.	--do--	Contract Transaction	0.00	0.00	0.00	1.58	0.00	0.00
			Interest on Unsecured Loan	0.00	0.29	0.00	0.00	0.00	0.00
3	PNC Project Pvt. Ltd.	--do--	Share Capital Transaction	0.00	40.00	0.00	0.00	51.10	0.00
4	KMJ Infrstructure Pvt. Ltd.	--do--	Share Capital Transaction	0.00	37.50	0.00	0.00	0.00	0.00
5	Shri Mahaveer Infrastructure Pvt. Ltd.	--do--	Share Capital Transaction	0.00	0.00	0.00	0.00	20.00	0.00

6	PNC Cold Storage Pvt. Ltd.	--do--	Repayment of Unsecured Loan	0.00	0.00	0.00	0.00	2.05	0.00
			Loan Taken	0.00	0.00	0.00	0.00	0.00	2.00
			Interest Payment	0.00	0.41	0.00	0.00	0.02	0.07
7	Ideal Buildtech pvt. Ltd	--do--	Contract Transaction	123.17	376.33	0.00	0.00	0.00	0.00
	Directors								
1	Pradeep Kumar Jain	Managing Director	Rent Payment	0.27	0.54	0.54	0.54	0.45	0.00
			Salary Payment	1.80	2.40	1.80	0.90	0.60	0.60
2	Chakresh Kumar Jain	Whole Time Director	Rent Payment	0.36	0.67	0.60	0.60	0.50	0.07
			Hire Charges	0.09	0.18	0.18	0.18	0.21	0.00
			Freight Bill	0.00	0.00	0.00	0.00	0.00	0.77
			Salary	1.35	1.80	1.35	0.75	0.60	0.60
3	Yogesh Kumar Jain	Whole Time Director	Rent Payment	0.30	0.60	0.60	0.60	0.50	0.00
			Salary	1.35	1.80	1.35	0.75	0.60	0.60
4	Naveen Kumar Jain	Director	Rent Payment	0.27	0.54	0.54	0.54	0.45	0.00
			Salary	1.35	1.80	0.00	0.00	0.00	0.00
5	Anil Kumar Rao	Director (T)	Salary	0.96	1.02	0.64	0.41	0.36	0.00
	Directors relatives								
1	Meena Jain	MD's Wife	Rent Payment	0.30	0.60	0.48	0.36	0.36	0.36
2	Madhvi Jain	Director's Wife	Rent Payment	0.06	0.12	0.12	0.12	0.12	0.12
3	Ashita Jain	Director's Wife	Rent Payment	0.06	0.12	0.12	0.12	0.12	0.12
4	Renu Jain	Director's Wife	Rent Payment	0.06	0.12	0.12	0.12	0.12	0.06
			Repayment of Loan	0.00	0.00	0.00	0.00	1.56	0.00
			Interest Payment	0.00	0.00	0.00	0.00	0.08	0.06
			Loan Taken	0.00	0.00	0.00	0.00	0.00	1.50
5	Premwati Jain	MD's Mother	Repayment of Loan	0.00	0.00	0.00	0.00	1.30	0.00
			Interest Payment	0.00	0.00	0.00	0.00	0.06	0.05
			Loan Taken	0.00	0.00	0.00	0.00	0.00	1.25
	Associates								
1	Pradeep Kumar Jain (HUF)	M.D's Concern	Rent Payment	0.30	0.60	0.48	0.36	0.36	0.36
2	Chakresh Kumar Jain (HUF)	Director's Concern	Hire Charges	0.30	0.60	0.60	0.60	0.42	0.00
			Freight Bill	0.00	0.00	0.00	0.00	0.00	1.03
3	Ideal Road Builders Prop. Abhinandan Jain	MD's Son's Concern	Contract Transaction	0.00	55.91	41.31	28.56	30.45	40.39
4	Adinath Oil Carrier	Director's Concern	Freight Bill	0.00	0.00	0.00	0.00	0.22	1.03
5	Naveen Kumar Jain (HUF)	Director's Concern	Repayment of Loan	0.00	0.00	0.00	0.00	1.66	0.00
			Interest Payment	0.00	0.00	0.00	0.00	0.08	0.07
			Loan Taken	0.00	0.00	0.00	0.00	0.00	1.60
6	Yogesh Kumar Jain (HUF)	Director's Concern	Repayment of Loan	0.00	0.00	0.00	0.00	1.30	0.00
			Interest Payment	0.00	0.00	0.00	0.00	0.06	0.05
			Loan Taken	0.00	0.00	0.00	0.00	0.00	1.25
7	Sidhnath Oil Carriers	Director's Concern	Freight Bill	0.00	0.00	0.00	0.00	0.00	1.18
	Key managerial Person								
1	Ishu Jain	M.D.'s daughter in law	Salary	0.24	0.48	0.24	0.00	0.00	0.00
2	Ashish Jain	M.D.'s Brother in law	Salary	0.22	0.43	0.00	0.00	0.00	0.00

DETAILS OF DIVIDENDS PAID

Annexure - XII

Particulars	**Half Year Ended**	**For the Year Ended**	**For the Year Ended**	**For the Year Ended**	**For the Year Ended**	**For the Year Ended**
	30.09.09	**31.03.09**	**31.03.08**	**31.03.07**	**31.03.06**	**31.03.05**
Equity Share:						
- Dividend (Rs. Million)	NIL	NIL	NIL	NIL	NIL	NIL
- Dividend Per share in Rs.	NIL	NIL	NIL	NIL	NIL	NIL
Tax on Dividend (Rs. Million)						

RECEIVABLES AGEING ANALYSIS

Annexure – XIII

(Rupees in Millions)

Particulars	**As At 30.09.09**	**As At 31.03.09**	**As At 31.03.08**	**As At 31.03.2007**	**As At 31.03.2006**	**As At 31.03.2005**
Considered good						
Receivables outstanding for a period exceeding six Months	90.56	105.84	56.85	33.09	32.83	0.00
Other Debts	1194.04	888.04	553.89	463.64	472.65	87.44
	Note 1					
Total	**1284.60**	**993.88**	**610.74**	**496.73**	**505.48**	**87.44**

Note-1: Total receivables related to promoters/promoters group/other related party is Rs 14.14 Million.

Except as mentioned above there is no receivable outstanding from promoters/promoters group/other related party.

STATEMENT OF LOANS & ADVANCES

Annexure - XIV

(Rupees in Millions)

Particulars	**As At 30.09.09**	**As At 31.03.09**	**As At 31.03.08**	**As At 31.03.07**	**As At 31.03.06**	**As At 31.03.05**
Advances to Sub-Contractors	25.05	13.68	12.13	32.34	27.54	3.96
Advances to Workmen	0.00	0.09	0.06	0.01	0.01	0.04
Advances-Others	3.48	1.87	1.05	2.53	12.14	12.57
					(Note-2)	(Note-1)
Retention by Department	230.37	142.87	98.64	98.5	83.54	47.64
Prepaid Expenses-Others	3.51	5.03	3.25	5.2	4.86	3.65
Advances to Suppliers	19.01	28.78	10.05	17.46	31.96	17.13
					(Note-3)	
Other Advances to Employees	1.58	1.52	1.22	2.16	0.04	0.85
	(Note-6)	(Note-5)	(Note-4)			
Earnest Money Deposit	144.66	226.41	186.08	142.68	134.69	115.89
Telephone Deposits	0.08	0.08	0.09	0.08	0.1	0.08
Tax Deducted At Source/Advance tax	86.33	144.77	147.46	110.03	36.27	23.44
Rent Deposit	2.09	4.27	1.06	0.39	0.8	0.43
Sales Tax Deposit	0.10	0.10	0.09	0.07	0.04	0.02
Electricity Deposit	0.98	0.60	0.33	0.30	0.30	0.00
Deposits with Labour Commissioner	0.17	0.19	0.09	0.15	0.11	0.07
Deposits-Others	34.22	36.11	36.84	31.25	30.49	12.06
Others Receivable	17.08	13.95	10.84	2.62	4.97	5.57
	568.71	**620.32**	**509.28**	**445.77**	**367.86**	**243.40**

Note-1: details of items related to promoters/promoters group/Other related party-Rs 3.87 millions

Note-2: details of items related to promoters/promoters group/Other related party-Rs 1.16 millions

Note-3: details of items related to promoters/promoters group/Other related party-Rs 0.02 millions

Note-4: details of items related to promoters/promoters group/Other related party-Rs 0.09 millions

Note-5: details of items related to promoters/promoters group/Other related party-Rs 0.08 millions

Note-6: details of items related to promoters/promoters group/Other related party-Rs 0.08 millions

STATEMENT OF CONTINGENT LIABILITIES

Annexure - XV

(Rupees in Millions)

Particulars	**As At 30.09.09**	**As At 31.03.09**	**As At 31.03.08**	**As At 31.03.07**	**As At 31.03.06**	**As At 31.03.05**
Bank Guarantees (including LC)	2263.28	2160.89	1842.67	1309.47	1264.46	714.92
Income Tax- Disputed demand	14.00	1.09	1.09	43.26	3.26	0.00
Disputed demand of Central Excise department for Service tax	36.28	36.28	25.16	0.00	0.00	0.00
Disputed demand of Sales and Entry tax	25.76	3.31	29.15	0.00	0.00	0.00
Disputed demand in Civil cases	12.34	0.00	0.00	0.00	0.00	0.00
Total	**2351.66**	**2201.57**	**1898.07**	**1352.73**	**1267.72**	**714.92**

STATEMENT OF OTHER INCOME

Annexure - XVI

(Rupees in Millions)

Particulars	**For the Half Year Ended**	**For the Year Ended**	**For the Year Ended**	**For the Year Ended**	**For the Year Ended**	**For the Year Ended**
	30.09.09	**31.03.09**	**31.03.08**	**31.03.07**	**31.03.06**	**31.03.05**
Interest on Term Deposits & Securities	9.12	16.28	11.79	8.00	10.13	9.12
Dividend/Other Income	2.05	3.44	2.63	1.76	1.66	0.29
Profit on sale of Fixed Assets	0.00	0.45	1.26	0.00	0.00	0.00
Miscellaneous Income	2.00	1.01	1.02	4.07	2.62	0.00
Profit on sale of Investments	0.05	0.00	0.00	0.00	0.00	0.00
Total	**13.22**	**21.18**	**16.70**	**13.83**	**14.41**	**9.41**

Note-1: -All the above income stated herein are non recurring in nature.

-Details of items related to promoters/promoter group/related party-NIL

STATEMENT OF INVESTMENT

Annexure - XVII
(Rupees in Millions)

Particulars	Half Year ended	For the Year Ended	For the Year Ended	For the Year Ended	For the Year Ended	For the Year Ended
	30.09.2009	**31.03.2009**	**31.03.2008**	**31.03.2007**	**31.03.2006**	**31.03.2005**
Unquoted Shares in Jaora-Nyagaon Toll Road Pvt. Ltd.,	**228.90**	**101.20**	**7.71**	**NIL**	**NIL**	**NIL**
Shares Application money in Jaora-Nyagaon Toll Road Pvt. Ltd.,	**0.00**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**
Total	**228.90**	**101.20**	**7.71**	**0.00**	**0.00**	**0.00**

STATEMENT OF CURRENT LIABILITIES

Annexure - XVIII
(Rupees in Millions)

Particulars	As At 30.09.2009	As At 31.03.2009	As At 31.03.2008	As At 31.03.2007	As At 31.03.2006	As At 31.03.2005
Sundry Creditors						
TDS Payable	6.03	8.40	2.94	1.59	1.00	0.52
Sundry Creditors for Suppliers	117.74	67.26	55.64	28.81	46.54	67.00
				(Note-3)	(Note-2)	(Note-1)
Bank A/c (Current)	0.00	12.23	2.29	0.00	0.00	0.00
Sun. Creditors for Sub-Contractor	116.89	163.61	27.29	50.70	32.07	4.59
Sundry Creditors for Expenses	19.82	14.65	15.55	6.04	38.56	0.80
Salaries Payable (CY)	13.74	10.49	7.55	4.10	5.78	3.01
Liabilities for expenses	20.76	7.60	18.79	9.50	3.13	8.92
				(Note-4)		
Gratuity & Leave Encashment	7.34	6.72	5.46	0.00	0.00	0.00
Sale Tax Payable	15.64	22.40	0.82	0.00	0.00	0.00
Service Tax Payable	0.47	0.41	1.17	0.52	0.00	0.01
(A)	**318.43**	**313.77**	**137.50**	**101.26**	**127.08**	**84.85**
Advances from Clients						
Advances from Clients	443.99	151.50	160.50	315.95	424.16	31.80
Material Advance from Clients	130.91	174.19	86.80	210.22	164.12	39.31
(B)	**574.90**	**325.69**	**247.30**	**526.17**	**588.28**	**71.11**
Security Deposit Received - Others	100.73	75.51	76.38	29.46	14.11	6.21
(C)	**100.73**	**75.51**	**76.38**	**29.46**	**14.11**	**6.21**
Total (A+B+C)	**994.06**	**714.97**	**461.18**	**656.89**	**729.47**	**162.17**

Note-1: details of items related to promoters/promoters group/Other related party-Rs 1.19 millions

Note-2: details of items related to promoters/promoters group/Other related party-Rs 1.01 millions

Note-3: details of items related to promoters/promoters group/Other related party-Rs 0.17 millions

Note-4: details of items related to promoters/promoters group/Other related party-Rs 0.52 millions

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion of our financial condition and results of operations together with our financial statements as at and for the year ended March 31, 2009 and the six months ended September 30, 2009 and the reports thereon and annexures, which are all included in this Draft Red Herring Prospectus. This financial information has been prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the ICDR Regulations. Our financial statements are prepared in conformity with Indian GAAP. Indian GAAP differs in certain significant respects from IFRS, U.S. GAAP and other accounting principles and auditing standards in other countries with which prospective investors may be familiar. Our Fiscal year ends on March 31 of each year; all references to a particular fiscal year are to the twelve-month period ended March 31 of that year.

This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those set forth in the section titled "Risk Factors" on page x.

Overview

We are an engineering and infrastructure construction company in India, with expertise in the execution of major infrastructure projects including highways, bridges, flyovers, airport runways and allied activities and executing projects relating to power transmission lines and infrastructure projects on a BOT basis. We were incorporated in 1999 and our Registered Office is at New Delhi and corporate office in Agra, Uttar Pradesh. We have executed or are executing projects across various states in India covering Haryana, Karnataka, Madhya Pradesh, Maharashtra, Punjab, Rajasthan, Tamil Nadu, Uttar Pradesh, Uttarakhand and West Bengal. Drawing from the experience of our Promoters, we believe that we have acquired significant expertise in the timely execution of EPC contracts. We have also recently forayed into execution of highway projects on a BOT basis.

In general, we execute most of our projects independently. When a client requires us to meet specific eligibility requirements in relation to certain large projects, including requirements relating to particular types of experience and financial resources, we enter into JVs with other construction companies.

Factors affecting our results of operations

Our financial condition and results of operations are affected by numerous factors and the following are of particular importance:

Performance of the civil infrastructure sector. Our Company focuses principally on projects in the infrastructure sector. The government's focus on and sustained increase in budgetary allocation for infrastructure and the development of a structured and comprehensive infrastructure policy that encourages greater private sector participation as well as increased funding by international and multilateral development financial institutions in infrastructure projects in India have resulted in, and are expected to result in the development of large infrastructure projects in India. Our ability to benefit from such investments proposed in infrastructure construction in the medium and long term will be key to our results of operations. Further, any change in government policy with respect to its focus or development of infrastructure projects in India would have a material adverse effect on our financial condition and results of operations.

Competition. We compete against various engineering and construction 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. In selecting contractors for major projects, clients generally limit the tender to contractors they have pre-qualified based on several criteria, including experience, technical ability, performance, reputation for quality, safety record, financial strength and bonding capacity and the size of previous contracts executed in similar projects, although the price competitiveness of the bid is usually the most important selection criterion. To bid for some higher value contracts, we sometimes seek to form strategic alliances or joint ventures with other experienced and qualified companies.

Cost of raw materials, labor and other inputs. The cost of raw materials, fuel, labor and other inputs constitutes a significant part of our operating expenses. Our construction operations require various construction raw materials including steel and cement. Fuel costs for operating our construction and other equipment also constitute a significant part of our operating expenses, especially in the case of our infrastructure projects. Our ability to pass on increases in the purchase price of raw materials, fuel and other inputs may be limited in the case of fixed-price contracts or contracts with limited price escalation provisions. Under the terms and conditions of fixed-price contracts, we generally agree to provide services for the part of the project contracted to us for a fixed price, subject to contract variations pursuant to changes in the client's project requirements. All our projects are performed under fixed-price contracts that contain limited or no price escalation clauses covering increases in the cost of raw materials. Our actual expense in executing a fixed-price contract may vary substantially from the assumptions underlying our bid for several reasons, including unanticipated increases in the cost of raw materials, fuel, labor and other inputs, unforeseen construction conditions, including inability of the client to obtain requisite environmental and other approvals, delays caused by local weather conditions and suppliers' or subcontractors' failures to perform. Unanticipated increases in the price of raw materials, fuel costs, labor or other inputs not taken into account in our bid and delays in performing parts of the contract can have compounding effects by increasing the costs of performing other parts of the contract. These variations and the risks generally inherent to the construction industry may result in our profits being different from those originally estimated and may result in our experiencing reduced profitability or losses on projects.

Collection of receivables from our clients. We, at times, encounter delays in the collection of receivables from our clients, including government owned, controlled or funded entities. Our operations involve significant working capital requirements and delayed collection of receivables could adversely affect our liquidity and results of operations. In addition, we may be subject to additional regulatory or other scrutiny associated with commercial transactions with government owned, controlled or funded entities. Such projects will involve our taking on the long-term risk that the client may default on its annuity payments to us. There can be no assurance that any such development would not adversely affect our business.

Ability to attract, recruit and retain skilled personnel. A significant number of our employees are skilled engineers and we face strong competition to attract, recruit and retain these and other skilled and professionally qualified staff. The loss of any of the members of our senior management, our Directors or other key personnel or an inability to manage the attrition levels in different employee categories may materially and adversely impact our business and results of operations.

Seasonality and weather conditions. Our business operations may be materially and adversely affected by severe weather, which may require us to evacuate personnel or curtail services and may result in damage to a portion of our fleet of equipment or facilities, resulting in the suspension of operations. In addition, such weather may prevent us from delivering materials to our project sites in accordance with contract schedules or generally reduce our productivity. Our operations are also adversely affected by difficult working conditions and extremely high temperatures during summer months and during monsoon, which restrict our ability to carry on construction activities and fully utilize our resources. We record revenues for those stages of a project that we complete, after we receive certification from the client that such stage has been successfully completed. Since revenues are not recognized until we make progress on a contract and receive such certification from our clients, revenues recorded during the first half of our financial year between April and September are traditionally substantially lower compared to revenues recorded during the second half of our financial year. During periods of curtailed activity due to adverse weather conditions, we may continue to incur operating expenses, but our revenues from operations may be delayed or reduced.

Variability of payment terms. Our revenues are dependent on the payment terms involved in a project. Our contracts typically stipulate payment terms on the basis of achievement of specified milestones and schedules for the project. In some contracts, however, the payment terms may not include advance payments or the contract may have payment schedules that shift payments toward the end of a project or otherwise increase our working capital burdens.

Access to capital resources. Our business requires a large amount of working capital. In many cases, significant amounts of working capital are required to finance the purchase of materials, the hiring of equipment and the performance of engineering, construction and other work on projects before payments are received from clients. In certain cases, we are contractually obligated to our clients to fund the working capital requirements of our projects. As widely reported, financial markets in the United States, Europe and Asia, including India, have been experiencing extreme disruption in recent months, including, among other things, extreme volatility in security prices, severely diminished liquidity and credit availability, rating downgrades of certain investments and declining valuations of others. These and other related events, such as the recent collapse of a number of financial institutions, have had and continue to have a significant adverse impact on the availability of credit and the confidence of the financial markets, globally as well as in India. If we experience insufficient cash flows to allow us to make required payments on our debt or fund working capital requirements, there may be an adverse effect on our business and results of operations.

Changes in interest rates. As at September 30, 2009, we had Rs. 634.56 million in outstanding debt, Rs. 338.40 million, or 53.33%, of which, consisted of variable rate debt obligations. Increases in interest rates will have an adverse effect on our results of operations. Likewise, decreases in interest rates will have a positive effect on our results of operations.

Changes in income tax laws. Presently, infrastructure development projects enjoy certain benefits under Section 80IA of the Income Tax Act, 1961. For details, see "***Statement of Tax Benefits***", beginning on page 38. There is no assurance that the infrastructure development projects will continue to enjoy the tax benefits under Section 80IA in the future. For example, the Indian Finance Ministry issued a clarification in the budget for Fiscal 2007 on certain benefits not being applicable to contractors for construction of infrastructure projects (only the company developing the infrastructure project may benefit), which has a retrospective effect, although this clarification had no impact on our tax liability. When our tax incentives expire or terminate, our tax expense will materially increase, reducing our net profits. Further, the GoI could enact laws in the future that may adversely impact our tax incentives and consequently, our tax liabilities and net profits.

Critical Accounting Policies

Fixed Assets

Fixed assets are stated at cost less accumulated depreciation. Cost of fixed assets comprises purchase price, duties, levies and financial costs until the machinery is put to use and any directly attributable cost of bringing the assets to its working condition for the intended use.

Depreciation

Depreciation on fixed assets has been provided as per straight line method (except for plant and machinery which is depreciated as per written down value basis). This is consistent with the accounting policies followed in respect of depreciation with that followed in previous years.

Depreciation has been provided in the manner and at the rates specified in Schedule XIV to the Companies Act and on a pro rata basis. Fixed assets are stated at cost less depreciation.

Inventories

Inventories are valued at lower of cost or net realizable value. Raw material cost is determined on first in first out basis. Cost in case of work in progress and finished goods is determined on the basis of cost includes cost of material, labor, direct expenses etc.

Revenue Recognition

- *Construction Contracts*

  Revenue from fixed price construction contracts is recognized by reference to the percentage 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. Claims under arbitration are accounted as income based on final award. Expenses on arbitration are accounted as and when incurred.

- *Joint Venture Projects*

  Assets, liabilities and expenditure arising out of contracts executed wholly by the company pursuant to a joint venture contract are recognized under respective heads in the financial statements. Revenue from the contracts is accounted for net of joint venture's share under turnover in these financial statements.

- *Sale of Crushed Stone*

  Sales exclude applicable sales tax/VAT and are net of discount.

Taxation

Current tax is determined as the amount of tax payable in respect of taxable income for the year in accordance with the Income Tax Act, 1961. The deferred tax for timing difference between the book and tax profits for the year is accounted using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date in accordance with AS 22 issued by The ICAI. Accordingly deferred tax liability as appropriate has been created.

Provision for fringe benefit tax is determined in accordance with chapter XII-H to IT Act read with the relevant rules, circulars and notifications issued from time to time.

Retirement Benefits

Provident Fund is a defined contribution plan for which contribution occurring during the year as per the scheme is expensed.

Liability on account of gratuity and leave encashment(s) of the employee(s) is being provided as per AS 15 issued by the ICAI on the basis of actuary valuation.

We account for gratuity and leave encashment expenses on cash basis.

Results of operations

Income

Contract Revenue

We earn revenue from the providing of engineering, procurement and construction services to third parties.

Sale of Crushed Stone

We earn revenue from sales of crushed stone. The crushed stone is used in civil construction and real estate construction work. The Boulder crushed at crusher plant and produced stone grit in different sizes according to the demand of the product.

Other income

Our other income comprises (i) interest earned from bank deposits and advances paid; (ii) sale of scrap; (iii) profit from sale of investments; and (vi) miscellaneous income.

Expenditure

Operating Expenses

Our contract and operation and maintenance expenses include: (i) labor charges and sub-contracting charges; (ii) purchase of construction materials; (iii) diesel fuel and lubricant expenses; (iv) transport and material handling charges; (v) machinery repairs and maintenance; and (vi) rates and taxes on account of works contracts and service tax on goods transported. Our contract and operation and maintenance expenses are shown after capitalization of expenses on our BOT projects.

Employee Cost

Staff expenses consist of (i) salaries, wages and bonus; (ii) contribution to provident funds and gratuity; and (iii) staff welfare expenses.

Sales and Administrative Expenses

The more material administrative expenses are: (i) rent, rates, taxes and insurance premiums; (ii) office and miscellaneous expenses; (iii) fuel and maintenance expenses for vehicles used by our employees; (iv) legal and professional fees; and (v) rates and taxes on account of works contracts.

Financial Charges

Finance costs comprise: (i) interest on loans, (ii) financial charges, such as loan processing and prepayment fees, and (iii) bank charges, such as bank guarantee commission charges, bank service charges and letter-of-credit charges.

Depreciation

Depreciation includes depreciation on plant and machinery, vehicles, furniture and fixtures, computers, office equipment and other fixed assets.

Summary of Results of Operations

The table below sets forth, for the periods indicated, our restated profit and loss account, both in absolute terms and with each line item represented as a percentage of total income:

	Six months ended September 30, 2009		Fiscal 2009		Fiscal 2008		Fiscal 2007		Fiscal 2006	
	Rs. Million	**% of Total Income**	**Rs. Million**	**% of Total Income**	**Rs. Million**	**% of Total Income**	**Rs. Million**	**% of Total Income**	**Rs. Million**	**% of Total Income**
Income										
Contract Revenue	3,244.91	95.57%	4,831.86	95.94%	3,864.27	96.13%	2,438.17	95.09%	1,424.51	93.63%
Sale of Crushed Stone	137.20	4.04%	183.49	3.64%	139.07	3.45%	112.20	4.37%	82.49	5.42%
Other income	13.22	0.39%	21.18	0.42%	16.70	0.53	13.83	0.54%	14.41	0.95%
Total Income (A)	**3,395.33**	**100%**	**5,036.53**	**100%**	**4,020.04**	**100%**	**2,564.20**	**100%**	**1,521.41**	**100%**
Expenditure										
Operating expenses	2,726.28	80.30%	4,069.08	80.80%	3,186.56	79.27%	1,984.13	77.38%	1,173.42	77.13%
Employee Cost	97.66	2.87%	153.52	3.05%	120.03	2.99%	95.50	3.72%	61.68	4.05%
Sales and Administrative Expenses`	127.10	3.74%	197.03	3.91%	171.98	4.28%	123.47	4.82%	98.96	6.50%
Financial Charges	73.50	2.17%	97.37	1.93%	77.58	1.93%	61.81	2.41%	27.61	1.81%
Depreciation	77.26	2.27%	152.81	3.03%	115.07	2.86%	98.79	3.85%	53.30	3.50%
Preliminery expenses written off	0.02	-	0.04	-	0.04	-	0.04	-	0.04	-
Total Expenditure (B)	**3,101.82**	**91.35%**	**4,669.85**	**92.72%**	**3,671.26**	**91.32%**	**2,363.74**	**92.18%**	**1,415.01**	**93.01%**
Profit Before Tax (A-B)	293.51	**8.65%**	366.68	7.28%	348.78	8.68%	200.46	7.82%	106.40	6.99%
Provision for taxes										
Current tax	101.99	3.01%	118.02	2.34%	120.93	3.00%	66.92	2.61%	11.34	0.75%
Deferred tax	(1.99)	(0.05)%	6.18	0.12%	(0.92)	(0.02)%	0.83	0.03%	18.18	1.19%
FBT	-	-	0.77	0.02%	0.69	0.02%	0.54	0.02%	0.61	0.04%
Profit after tax before Adjustments	**193.51**	**5.71%**	**241.71**	**4.80%**	**228.08**	**5.67%**	**132.17**	**5.16%**	**76.27**	**5.01%**
Adjustments										
Current tax impact of Adjustments	-	-	(0.96)	-	(1.52)	-	-	-	-	-
Deferred tax impact of Adjustments	-	-	-	-	-	-	-	-	14.14	0.92%
Total of adjustments after tax impact	-	-	(0.96)	-	(1.52)	-	-	-	14.14	0.92%
Net profit for the year as restated	**193.51**	**5.70%**	**240.75**	**4.78%**	**226.56**	**5.63%**	**132.17**	**5.16%**	**90.41**	**5.94%**

Six months period ended September 30, 2009

Income

Contract Revenue

For the six months period ended September 30, 2009, our income from contract revenue was Rs.3,244.91 million. This was primarily due to increase in the number of contracts executed by our Company. Additionally, our Company has been able to leverage on the robust growth in the infrastructure sector. The contracts that contributed to our revenue were relating to the (a) improvement of the Gurgaon-Nuh-Rajasthan border by four laning, widening, strengthening and providing drains and culverts along with widening bridges, retaining structures and other miscellaneous work on SH-13 (km. 7.20 to km. 95.89) (22.28%), (b) designing, constructing, developing and financing the four-laning of the Jaora-Nayagaon section of SH-31 (from km. 125.00 to km. 252.81) (19.61%), (c) widening and strengthening the Garhmukteshwar to Moradabad section of NH-24 to four lane standards (from km. 93.00 to km. 149.25) and constructing a ROB at km. 181 of NH-24 and bridges on NH-87 (Package-II) (9.28%), (d) extension and strengthening of the runway, construction of the new apron, isolation bay and associated works at Devi Ahilyabai Holkar Airport (5.98%), and (e) Four laning of the Dholpur-Morena section of NH-3 on the North-South Corridor, including Chambal Bridge (from km. 51.00 to km. 61.00) (5.64%).

Sale of Crushed Stone

For the six months period ended September 30, 2009, our revenue from sale of crushed stone was Rs. 137.20 million in six months. This was due to maximum utilization of plant capacity, better quality of the products to capture the market and increased demand.

Other Income

Other income is Rs.13.22 million in the six months period ended September 30, 2009. This was primarily due to interest income arising out of higher amount of monies placed in interest bearing deposit for margin money on bank guarantees.

Expenditure

Operating Expenses

Our expense was Rs. 2,726.28 million in the six months period ended September 30, 2009. This was primarily due to increased spending on raw material and other contract execution expenses which commensurate with the increase in turnover/revenue. Additionally, this can be attributed to increase in cost of cement, steel, stone, grit and petroleum products.

Employee Cost

Our employee cost was Rs. 97.66 million in the six months period ended September 30, 2009. As a percentage of our total income, our employee cost constituted 2.88% of our total income, as compared with 3.05% of our total income in Fiscal 2009.

Sales and Administrative Expenses

Our administrative and other expenses are Rs. 127.10 million in the six months period ended September 30, 2009. This was mainly on account of an increase in the scale of operations undertaken by the Company.

Financial Charges

Our financial charges are Rs. 73.50 million in the six months period ended September 30, 2009. This was primarily due to increase in bank charges on account of higher bank guarantees issued during the period and also interest payment on additional working capital requirements.

Depreciation

Our depreciation is Rs. 77.26 million in the six months period ended September 30, 2009. This was primarily due to additions made to the block of fixed assets.

Profit before Tax

Principally for the reasons discussed above, our profit before tax is Rs. 293.51 million for the six months period ended September 30, 2009.

Provision for Taxes

Our total tax is Rs. 100.00 million for the six months period ended September 30, 2009.

Profit after tax

Principally for the reasons discussed above, our profit after tax, as restated is Rs. 193.51 million for the six months period ended September 30, 2009.

Fiscal 2009 compared to Fiscal 2008

Income

Contract Revenue

In Fiscal 2009, our income from contract revenue increased by 25.04% to Rs. 4,831.86 million in Fiscal 2009 from Rs. 3,864.27 million in Fiscal 2008. This increase was primarily due to an increase in the number of contracts executed by our Company. The contracts that contributed to our revenue were relating to the (a) designing, constructing, developing and financing the four-laning of the Jaora-Nayagaon section of SH-31 (from km. 125.00 to km. 252.81) (22.51%), (b) widening and strengthening the Garhmukteshwar to Moradabad section of NH-24 to four lane standards (from km. 93.00 to km. 149.25) and constructing a ROB at km. 181 of NH-24 and bridges on NH-87 (15.47%), (c) extension and strengthening of the runway, construction of the new apron, isolation bay and associated works at Devi Ahilyabai Holkar Airport (8.47%), (d) improvement of the Gurgaon-Nuh-Rajasthan border by four laning, widening, strengthening and providing drains and culverts along with widening bridges, retaining structures and other miscellaneous work on SH-13 (km. 7.20 to km. 95.89) (22.28%) (5.36%), and (e) rehabilitation and upgradation of Gairatganj-Silwani-Gadarwada (SH-44), NH-12 junction to Silwani (SH-15), and Bareli-Pipariya Road (SH-19) (5.15%).

Sale of Crushed Stone

In Fiscal 2009, our revenue from sale of crushed stone increased by 31.94% to Rs. 183.49 million in Fiscal 2009 from Rs.139.07 million in Fiscal 2008. This was primarily due to an overall increase in the utilization of our plant capacity at Haldwani, Uttarakhand and an increase in the volume of our sales.

Other Income

Other income increased by 26.83% to Rs. 21.18 million in Fiscal 2009 from Rs. 16.70 million in Fiscal 2008. This was primarily due to interest earned on the fixed deposits and margin money on bank guarantees.

Expenditure

Operating Expenses

Operating expenses increased by 27.70% to Rs. 4,069.08 million in Fiscal 2009 from Rs. 3,186.56 million in Fiscal 2008. This was due to an increase in the number of contracts executed by our Company and an increase in the cost of cement, steel, and petroleum products. As a percentage of our total income, our operating expenses marginally increased to 80.80% in Fiscal 2009 from 79.27% in Fiscal 2008.

Employee Cost

Our employee cost has increased by 27.90% to Rs. 153.52 million in Fiscal 2009 from Rs. 120.03 million in Fiscal 2008. This was primarily due to an increase in our employee strength from 1, 541 as of March 31, 2008 to 1,597 as of March 31, 2009. But as a percentage to total income, employee cost has increased in Fiscal 2009 to 3.05% from 2.99% in Fiscal 2008.

Sales and Administrative Expenses

Our administrative and other expenses have increased by 14.57% to Rs. 197.03 million in Fiscal 2009 from Rs. 171.98 million in Fiscal 2008 due to an increase in the scale of operations undertaken by the Company. But as a percentage to total income, administrative and other expenses reduced in Fiscal 2009 to 3.91% from 4.28% in Fiscal 2008, due to various cost cutting measures adopted by our Company.

Financial Charges

Our financial charges have increased by 25.51% to Rs. 97.37 million in Fiscal 2009 from Rs. 77.58 million in Fiscal 2008. This was primarily due to an increase in the issuance of new bank guarantees and increased utilization of our working capital borrowings.

Depreciation

Our depreciation has increased by 32.80% to Rs. 152.81 million in Fiscal 2009 from Rs. 115.07 million in Fiscal 2008. This was primarily due to an increase in capital expenditure on plant and machinery, equipment, and vehicles.

Profit before Tax

Principally for the reasons discussed above, our profit before tax has increased to 5.13% to Rs. 366.68 million in Fiscal 2009 from Rs. 348.78 million in Fiscal 2008.

Provision for Taxes

Our total tax increased by 3.54% to Rs. 124.97 million in Fiscal 2009 from Rs. 120.7 million in Fiscal 2008. This was primarily due to an increase in the total income, resulting in increased profits.

Profit after Tax

Principally for the reasons discussed above, our profit after tax, as restated increased to Rs. 240.75 million in Fiscal 2009 from Rs. 226.56 million in Fiscal 2008, an increase of 6.26%.

Fiscal 2008 compared to Fiscal 2007

Income

Contract Revenue

Our income from contract revenue has increased by 58.49% to Rs. 3,864.27 million in Fiscal 2008 from Rs. 2,438.17 million in Fiscal 2007. This was primarily due to an increase in the number of contracts executed by our Company. The contracts that contributed to our revenue were relating to the (a) four laning of the existing two lane section of the Etawah bypass (km. 307.50 to km. 321.00) on NH-2 (23.06%), (b) widening and strengthening the Garhmukteshwar to Moradabad section of NH-24 to four lane standards (from km. 93.00 to km. 149.25) and constructing a ROB at km. 181 of NH-24 and bridges on NH-87 (13.34%), (c) extension and upgradation of the existing Dehradun Airport for operation of AB-320/B-737-800 type aircrafts (10.14%), (d) development of Phase-II of Package-6 for Road No. 9, SH-19, Porsa-Mehgaon-Mau-Seonda section, totaling km. 77.40 (9.40%), and (e) construction of the main runway and rapid exit taxi track at the Air Force Station, Pune (7.71%).

Sale of Crushed Stone

Our income from the sale of crushed stone has increased by 23.95% to Rs. 139.07 in Fiscal 2008 from Rs. 112.20 million in Fiscal 2007. We believe that this increase was due to more efficient utilization of the plant capacity at Haldwani, Uttarakhand.

Other Income

Other income has increased by 20.75% to Rs. 16.70 million in Fiscal 2008 from Rs. 13.83 million in Fiscal 2007. This was primarily due to interest earned on fixed deposits and margin money on bank guarantees.

Expenditure

Operating Expenses

Operating expenses have increased by 60.60% to Rs. 3,186.56 million in Fiscal 2008 from Rs.1,984.13 million in Fiscal 2007. As a percentage of total income, our operating expenses increased from 77.38% in Fiscal 2007 to 79.27% primarily due to an increase in the price of major raw materials such as steel, stone, grit and petroleum products.

Employee Cost

Our employee cost has increased by 25.69% to Rs. 120.03 million in Fiscal 2008 from Rs. 95.50 million in Fiscal 2007. This was primarily due to an increase in our employee strength from 1,571 as of March 31, 2007 to 1,541 as of March 31, 2008.

Sales and Administrative Expenses

Our sales and administrative expenses have increased by 39.29% to Rs. 171.98 million in Fiscal 2008 from Rs. 123.47 million in Fiscal 2007 due to increase in turnover of our Company. As a percentage to the total income, our sales and administrative expenses decreased from 4.82% to 4.28% in Fiscal 2008 in comparison to Fiscal 2007 due to various cost cutting measured adopted by our Company.

Financial Charges

Our financial charges have increased by 25.51% to Rs. 77.58 million in Fiscal 2008 from Rs. 61.81 million in Fiscal 2007. This was primarily due to an increase in the issuance of new bank guarantees and utilization of working capital borrowings.

Depreciation

Our depreciation has increased by 16.48 % to Rs. 115.07 million in Fiscal 2008 from Rs. 98.79 million in Fiscal 2007. This was primarily due to an increase in capital expenditure on plant and machinery, equipment, and vehicles.

Profit before Tax

Principally for the reasons discussed above our profit before tax has increased by 73.99% to Rs. 348.78 million in Fiscal 2008 from Rs. 200.46 million in Fiscal 2007.

Provision for Taxes

Our total tax decreased by 76.75% to Rs.120.7 million in Fiscal 2008 from Rs. 68.29 million in Fiscal 2007. This was primarily due to increased in turnover resulting in higher profit

Profit after Tax

Principally for the reasons discussed above, our profit after tax, as restated increased to Rs. 226.56 million in Fiscal 2008 from Rs. 132.17 million in Fiscal 2007, an increase of 72.56%.

Fiscal 2007 compared to Fiscal 2006

Contract Revenue

In Fiscal 2007, our income from contract revenue increased by 71.16% to Rs. 2,438.17 million in Fiscal 2007 from Rs. 1,424.51 million in Fiscal 2006. This increase was primarily due increase in number of contracts executed by our Company which can be attributed to the ability of our Company to bid and win increased number of awards.

Sale of Crushed Stone

In Fiscal 2007 our revenue from sale of crushed stone increase by 36.02% to Rs. 112.20 million in Fiscal 2007 from Rs. 82.49 million in Fiscal 2006. This was due to maximum utilization of plant capacity, better quality of the products to capture the market and better demand.

Other Income

Other income has decreased by 3.96 % to Rs. 13.83 million in Fiscal 2007 from Rs. 14.40 million in Fiscal 2006. This was primarily due to reduction in interest rates on margin money deposits.

Operating Expenses

Operating expense has increased by 69.09% to Rs. 1,984.13 million in Fiscal 2007 from Rs. 1,173.41 million in Fiscal 2006. This was due to increased monies spending on raw material and other contract execution expenses which commensurate with the increase in turnover / revenue. Additionally, this can be attributed to increase in cost of cement, steel, stone, grit and petroleum products etc. As a percentage of our total income, our operating expenses marginally increased to 77.38% in Fiscal 2007 from 77.13% in Fiscal 2006.

Employee Cost

Our employee cost has increased by 54.83% to Rs. 95.50 million in Fiscal 2007 from Rs. 61.68 million in Fiscal 2006. This was primarily due to increase in our employee strength from 1,208 as of March 31, 2006 to 1,571 as of March 31, 2007 coupled with revision in salary of our employees. But as a percentage to total income, employee cost has reduced in Fiscal 2007 to 3.72% from 4.05% in Fiscal 2006.

Administrative and other Expenses

Our administrative and other expenses have increased by 24.77% to Rs. 123.47 million in Fiscal 2007 from Rs. 98.96 million in Fiscal 2006 due to increase in the turnover of our Company. But as a percentage to total income, administrative and other expenses reduced in Fiscal 2007 to 4.82% from 6.50% in Fiscal 2006, due to various cost cutting measures adopted by our Company.

Financial Charges

Our financial charges have increased by 123.87% to Rs. 61.81 million in Fiscal 2007 from Rs. 27.61 million in Fiscal 2006. This was primarily due to an increase in the issuance of new bank guarantee and utilization of working capital limit as a percentage of total income financial charges is increased to 2.41% as of March 31, 2007 from 1.81% as of March 31, 2006.

Depreciation

Our depreciation has increased by 85.35% to Rs. 98.79 million in Fiscal 2007 from Rs. 53.30 million in Fiscal 2006. This was primarily due to an increase in capital expenditure on plant and machinery, equipment, and vehicles.

Profit before Tax

Principally for the reasons discussed above, our profit before tax has increased to 88.40% to Rs. 200.46 million in Fiscal 2007 from Rs. 106.40 million in Fiscal 2006.

Total Tax

Our total tax increased by 327.08% to Rs. 68.29 million in Fiscal 2007 from Rs. 15.99 million in Fiscal 2006. This was primarily due to the removal of tax benefits under Section 80 IA of Income Tax Act, 1961 in Fiscal 2007.

Profit As Restated

Principally for the reasons discussed above, our net profit, as restated increase to Rs. 132.17 million in Fiscal 2007 from Rs. 90.41 million in Fiscal 2006, an increase of 46.19%.

Liquidity and Capital Resources

Historically, our principal liquidity requirements have been to finance our working capital requirements. Our business operations require significant working capital to finance the requirement of margin money for bank guarantees and an increase in requirements of inventories/receivables due to increase in business activities. To fund these costs, we rely on bank finance and cash accruals.

Order Book

Our Order Book as on September 30, 2009 is Rs. 10,389 million. For further details, see "***Our Business***" on page 60.

Cash Flows

The table below sets forth our cash flows for the periods indicated:

(In Rs. million)

	Six months ended September 30, 2009	**Fiscal 2009**	**Fiscal 2008**	**Fiscal 2007**
Net Cash generated from operation	354.91	247.67	344.84	(46.74)
Net Cash from investing activities	(166.04)	(515.11)	(171.15)	(132.60)
Net Cash from financing activities	(276.94)	457.25	(150.19)	108.02
Net increase / (decrease) in cash and cash equivalent	(88.07)	189.81	23.50	(71.32)

Net Cash generated from operation

Our net cash generated in operating activities in the six months period ended September 30, 2009 was Rs. 354.91 million including our operating profit before working capital changes for that period Rs. 444.29 million. The difference was mainly attributable to decrease in trade and other receivables and inventories, which were partially offset by an increase in trade payables by Rs. 310.45 million.

Our net cash generated from operating activities in Fiscal 2009 was Rs. 247.67 million, although our operating profit before working capital changes for that year was Rs. 599.89 million. The difference was mainly attributable to increases in inventories and trade receivables and decrease in trade payables.

Our net cash generated from operating activities in Fiscal 2008 was Rs. 344.84 million, although our operating profit before working capital changes for that year was Rs. 523.47 million. The difference was attributable to increases in trade and other receivables and inventories, which were partially offset by increases in trade payables.

Our net cash used in operating activities in Fiscal 2007 was Rs. 46.74 million, although our operating profit before working capital changes for that year was Rs. 361.10 million. The difference was attributable to increases in trade and other receivables and inventories, which were partially offset by increases in trade payables.

Net Cash from investing activities

Our net cash used in investing activities was Rs. 166.04 million in the six months period ended September 30, 2009 which was primarily due to investment in the joint venture relating to the Jaora-Nayagaon road project amounting to Rs 127.70 million and purchase of fixed assets amounting to Rs. 28.01 million.

Our net cash flow used in investing activities was Rs. 515.11 million for Fiscal 2009 which was primarily due to investment in joint venture amounting to Rs. 93.49 million and purchase of fixed assets amounting to Rs. 421.62 million.

Our net cash flow used in investing activities was Rs. 171.15 million for Fiscal 2008 which was primarily due to investment in joint venture amounting to Rs 7.71 million and purchase of fixed assets amounting to Rs. 163.43 million.

Our net cash flow used in investing activities was Rs. 132.60 million for Fiscal 2007 which was primarily due to purchases of fixed assets amounting to Rs. 132.60 million.

Net Cash from financing activities

Our net cash flow used in financing activities in the six months period ended September 30, 2009 was Rs. 276.94 million. This reflected repayment of bank borrowing by way of secured loans amounting to Rs. 393.44 million and payment of interest amounting to Rs. 73.50 million which were offset by the proceeds from the issuance of equity shares at a premium of Rs. 190 per equity share, amounting to Rs, 190 million.

Our net cash flow generated in financing activities in Fiscal 2009 was Rs. 457.26 comprised of bank borrowing by way of secured loans amounting to Rs. 300.41 million and availing NBFC loans amounting to Rs. 154.21 million and by subscription money from the allotment of 500,000 Equity Shares amounting to Rs 100.00 million, which were partially offset by payment of interest amounting to Rs. 97.37 million.

Our net cash flow used in financing activities in Fiscal 2008 was Rs. 150.19 million comprised of bank borrowing by way of secured loans amounting to Rs. 20.20 million and borrowing from NBFC's loan amounting to Rs. 42.14 million, payment of interest amounting to Rs. 77.58 million and expenses incurred in connection with our proposed IPO amounting to Rs. 10.27 million.

Our net cash flow generated in financing activities in Fiscal 2007 was Rs. 108.02 million comprised of bank borrowing by way of secured loans amounting to Rs. 208.74 million, offset by repayment of NBFC loans amounting to Rs. 38.91 million and payment of interest amounting to Rs. 61.81 million.

Capital Expenditure

We have substantial investment in construction infrastructure and will be required to make investments in construction infrastructure on a recurring basis. In the six months period ended September 30, 2009 we have invested Rs. 38.34 million in fixed assets.

Certain Balance Sheet Items

Set forth below is a table of our selected standalone balance sheet data as on September 30, 2009 and Fiscals 2009, 2008 and 2007:

(In Rs. million)

Particulars	Six months ended September 30, 2009	Fiscal 2009	Fiscal 2008	Fiscal 2007
Fixed Assets	891.59	929.72	643.87	580.58
Current Assets	2,250.76	2,089.94	1,417.33	1,478.37
Currents Liabilities	994.06	714.97	461.18	656.89
Secured Loans	634.56	1,028.00	573.37	635.72
Contingent Liability	2,351.66	2,201.57	1,898.07	1,352.73

Fixed Assets

Our total fixed assets after depreciation were Rs. 891.59 million as on September 30, 2009. Our fixed assets consist of building, plant and machinery, earthmoving machine, furniture and fixtures, vehicles, computer, machinery equipment and instruments, office equipment and temporary building. In general, our fixed assets have been increasing gradually as we procure additional construction related assets. We have also imported machinery for execution of some contracts.

Current Assets

Our current assets as on September 30, 2009 were Rs. 2,250.76 million. Our current assets include inventories, sundry debtors, cash and bank balances and loans and advances. Our receivables from sundry debtors as on September 30, 2009 were Rs. 1,284.60 million, which consisted principally of receivables from parties other than related parties of Rs. 1,270.46 million. Our inventories as on September 30, 2009 were Rs. 236.71 million, which consisted principally of construction material, stores and working in progress used in our projects. Our cash and bank balances as on September 30, 2009 were Rs. 160.74 million.

Current Liabilities

Our current liabilities as on September 30, 2009 were Rs. 994.06 million. Our current liabilities include sundry creditors and other liabilities. Sundry creditors as on September 30, 2009 were Rs. 254.45 million, which principally amounts owed to suppliers of raw materials and sub-contractors and other liabilities was Rs. 739.61 million which includes Rs. 574.90 million as advance received from the NHAI, AAI, MES, MPRDCL, PWDs and the Haryana State Roads and Bridges Devlopment Corporation Limited.

Secured Loans

Our secured loans as on September 30, 2009 were Rs. 634.56 million. Secured loans include working capital loans from banks of Rs. 338.40 million and term loans from financial institution and NBFCs of Rs. 296.16 million.

Contingent Liability

Our contingent liabilities consist of bank guarantees in support of bids for on going projects and disputed demands for income tax, sales tax and service tax. For the six months period ended September 30, 2009, an aggregate amount of Rs. 2,338.75 million of bank guarantees were outstanding, the income tax demand amounted to Rs. 1.09 million, the sales tax demand amounted to Rs. 23.22 million, the entry tax demand amounted to Rs. 2.54 million and service tax demand amounting to Rs. 36.28 million.

Off balance sheet arrangements

We do not have any off-balance sheet arrangements, derivative instruments, swap transactions or relationships with unconsolidated entities or financial partnerships that would have been established for the purpose of facilitating off-balance sheet transactions.

Foreign Currency Risk

To the extent that our income and expenditure are not denominated in the same currency, exchange rate fluctuations could cause some of our costs to increase more than our revenues on a given contract. Our future capital expenditures, including equipment and machinery, may be denominated in currencies other than Indian rupees. Therefore, declines in the value of the rupee against such other currencies could increase the rupee cost of making such purchases.

Interest Rate Risk

As on September 30, 2009 we had fixed and floating rate debt that exposed us to market risk as a result of changes in interest rates. Rs. 338.40 million, or 53.13% of our total debt, consists of variable rate debt obligation. We undertake debt obligations to support general corporate purposes, including capital expenditure and working capital needs. Upward fluctuations in interest rates increase the cost of debt and interest cost of outstanding variable rate borrowings. We do not currently use any derivative instruments to modify the nature of our debt so as to manage our interest rate risk.

Unusual or Infrequent Events or Transactions

Except as described in this Draft Red Herring Prospectus, there have been no other events or transactions that, to our knowledge, may be described as "unusual" or "infrequent".

Known Trends or Uncertainties

Except as described in the sections titled "***Risk Factors***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on pages x and 141, respectively, to our knowledge, there are no known trends or uncertainties that are expected to have a material adverse impact on our revenues or income from continuing operations.

Dependence on single or few customers

Our five (5) largest contracts in terms of outstanding value represented approximately 70.03% of our Order Book as of September 30, 2009. Except as disclosed, we are not dependent on any particular customer.

Competitive Conditions

Please refer to the section titled "***Our Business – Competition***" on page 75 for the discussion regarding competition.

Significant Developments after September 30, 2009

There have been no material developments in relation to our Company, Promoters or our Group Entities since September 30, 2009.

FINANCIAL INDEBTEDNESS

As on September 30, 2009, our Company has an aggregate of Rs. 634.56 million of secured loans outstanding. Set forth below is a brief summary of our current significant financing arrangements.

A. Working Capital Arrangements:

Sr. No.	Name of Financial Institution/ Banks	Outstanding Amount as on September 30, 2009 (in Rs. million)	Security	Interest (%)	Terms of Repayment
.	Bank of Baroda	318.69	Secured by Hypothecation of stocks, Raw Materials, Receivables & collateral security and personal guarantee of Promoters and Directors	10.00	Repayable on Demand
	Punjab National Bank	13.63	Secured by Hypothecation of stocks, Raw Materials, Receivables & collateral security and personal guarantee of Promoters and Directors	11.00	Repayable on Demand
	Canara Bank	2.94	Secured by Hypothecation of stocks, Raw Materials, Receivables & collateral security and personal guarantee of Promoters and Directors	11.00	Repayable on Demand
	Vijaya Bank	3.14	Secured by Hypothecation of stocks, Raw Materials, Receivables & collateral security and personal guarantee of Promoters and Directors	11.25	Repayable on Demand
	Total (A)	**338.40**			

Our Company had entered into a working capital consortium agreement dated June 8, 2009 ("**Consortium Agreement**") with a consortium of seven (7) banks, namely, Bank of Baroda (designated the lead bank), Vijaya Bank, ICICI Bank Limited, Canara Bank, Punjab National Bank, ABN AMRO Bank N.V. and Yes Bank pursuant to which a credit limit of Rs. 7,900 million was sanctioned. As per the terms of the agreement, our Company has undertaken to utilize the facility for meeting a part of our working capital requirements and for no other purpose. In relation to the Consortium Agreement, our Company has created a first charge by way of hypothecation and / or pledge of our current assets, for instance, stocks of raw materials, semi finished and finished goods, bills receivables, book debts etc. Further a second charge by way of mortgage in favor of the lenders on the immovable and movable properties other than current assets, present and future (only if stipulated by the bank) has been created. Additionally, our Promoters and others namely, Mr. Pradeep Kumar Jain, Mr. Naveen Kumar Jain, Mr. Chakresh Kumar Jain, Mr. Yogesh Kumar Jain, Ms. Meena Jain, Ms. Premwati Jain have provided personal guarantees and PNCCSPL has provided a corporate guarantee in favor of the lead bank in relation to the facility.

Under the Consortium Agreement, the Company shall not, during the currency of the facility, do the following without obtaining the prior permission in writing of the lead bank:

- effect any change in its capital structure;
- formulate any scheme of amalgamation or reconstruction;
- implement any scheme of expansion / diversification / modernization, other than incurring routine capital expenditure;

- make any corporate investments or investments by way of share capital or debentures or lend or advance funds to or place deposits with any concern, except giving normal trade credits or place on security deposits in the normal course of business or make advances to employees, provided that the Company may make such investments by way of deposits or advances that are required statutorily; and
- undertake guarantee obligations on behalf of any third parties or any other company.

In accordance with the sanction letter of the lead bank dated November 17, 2008, our Company has undertaken not to do the following during the currency of the facility, without the prior written consent of the lead bank:

- effect any change in capital structure, depreciation method and accounting procedure;
- formulate any scheme of amalgamation or reconstruction;
- undertake any new project schemes, unless the expenditure on such expansion is covered by our Company's net cash accruals after providing for dividends, investments etc. or for long term funds received for financing such projects or expansion;
- invest by way of share capital in or lend or advance funds to or place deposits with any other concern;
- undertake guarantee obligations on behalf of our Company;
- withdraw monies brought in by principal shareholders/directors depositors;
- make any drastic change in the management of our Company; and
- declare dividends for any year except out of profits relating to that year.

Particulars of Interest & Commission

	BOB	ICICI Bank	Vijaya Bank	Punjab National Bank	Canara Bank	ABN Amro Bank	Yes Bank
Cash Credit Limit	BPLR-2% p.a.	3.40% p.a. below the sum of IBAR and cash credit risk Premium prevailing on each day & CCP @ 0.5%.	PLR– 1% p.a.	At par with BPLR	BPLR- 1% p.a.	11.50%	PLR – 3.5% p.a.
Commission on Bank	0.50% p.a.	0.50% p.a.	1% p.a.	0.50% p.a.	0.50% p.a.	0.50% p.a.	0.50% p.a.

Additionally, our Company has undertaken to keep the consortium informed of the happening of any event likely to have a substantial effect on its profits and business, pay commitment charges and bear interest tax as may be applicable from time to time.

B. Term Loans:

Sr. No.	Name of Financial Institution/ Banks	Outstanding Amount as on September 30, 2009 (in Rs. million)	Security	Interest (%)	Terms of Repayment
1.	ICICI Bank Limited*	6.02	Secured by specified assets such as plant machinery equipment and vehicles	9.30-12.51	Repayable in installments ending by May 2010
2.	ABN Amro Bank N.V.	1.68	Secured by specified assets such as plant machinery equipment and vehicles	11.25	Repayable in installments ending by June 2011
3.	HDFC Bank Limited**	103.51	Secured by specified assets such as plant machinery	5.00-12.00	Repayable in installments

Sr. No.	Name of Financial Institution/ Banks	Outstanding Amount as on September 30, 2009 (in Rs. million)	Security	Interest (%)	Terms of Repayment
			equipment and vehicles		ending between December 2009 and May 2013
4.	SREI Infrastructure Finance Limited***	51.88	Secured by specified assets such as plant machinery equipment and vehicles	11.17-11.90	Repayable in installments ending between April 2011 and December 2011
5.	SREI Equipment Finance Private Limited****	9.90	Secured by specified assets such as plant machinery equipment and vehicles	11.25	Repayable in installments ending by January 2012
6.	Citibank N.A.#	3.55	Secured by specified assets such as plant machinery equipment and vehicles	6.25-7.50	Repayable in installments ending between November 2009 and February 2010
7.	Citicorp Finance India Limited##	7.18	Secured by specified assets such as plant machinery equipment and vehicles	6.25-11.00	Repayable in installments ending between November 2009 and July 2011
8.	Standard Chartered Bank###	64.51	Secured by specified assets such as plant machinery equipment and vehicles	11.50-12.51	Repayable in installments ending between August 2012 and December 2012
9.	Tata Capital Limited**	36.39	Secured by specified assets such as plant machinery equipment and vehicles	8.30-12.00	Repayable in installments ending between August 2011 and September 2011
10.	Kotak Mahindra Bank Limited**	9.87	Secured by specified assets such as plant machinery equipment and vehicles	9.28-11.49	Repayable in installments ending by February 2012
11.	Axis Bank Limited	1.67	Secured by specified assets such as plant machinery equipment and vehicles	10.10	Repayable in installments ending by May 2012
	Total (B)	**296.16**			
	Total (A+B)	**634.56**			

**2 loans*
***36 loans*
****13 loans*
*****6 loans*
#11 loans
##17 loans
###21 loans

As on September 30, 2009, our Company has availed (i) 28 facilities together from Citibank N.A. and Citicorp Finance (India) Limited; (ii) one (1) facility from ABN Amro Bank N.V.; (iii) 36 facilities from HDFC Bank Limited; (iv) two (2) facilities from ICICI Bank Limited; (v) 19 facilities from SREI Infrastructure Finance Limited & SREI Equipment Finance Private Limited; (vi) two (2) facilities from Tata Capital Limited; (vii) 21 facilities from Standard Chartered Bank; (viii) two (2) facilities from Kotak Mahindra Bank; and (ix) one (1) facility from Axis Bank for the purchase of assets (construction equipment/machinery etc.) for its daily operations in the ordinary course of business.

The equipment purchased pursuant to such financing availed have been secured by way of hypothecation with the respective lenders. Set forth below is a brief description of significant terms provided for under such financing agreements, entered with the respective banks.

i) Loan cum Hypothecation Agreements with Citibank N.A and Citicorp Finance India Limited.

Under the terms of the facility agreements with Citibank N.A., require our Company to inform the lender of any change in the constitution or ownership of our Company which may have an adverse affect. The lender has the right to recall the facility at any time by providing the borrower seven (7) business days notice in writing. Further our Company is required to ensure that the hypothecated assets are free from any encumbrances and nothing is done that may adversely affect the security on the hypothecated assets in favor of the lender.

ii) Loan cum Hypothecation Agreements with ABN Amro Bank N.V.

Under the terms of the facility agreements with ABN Amro Bank N.V., the lender may at any time in its discretion cancel the facilities without prior notice to our Company or without assigning any reasons, not disburse the facilities or any part thereof. A default committed by our Company with respect to its obligations to any other bank or financial institution, any substantial change in the shareholding pattern of our Company or in the management/ control of our Company constitute events of default under the terms of the facility agreements. Our Company has undertaken not to sell, dispose off, encumber in any way, or part with possession of construction equipment without prior written consent of the lender.

The bank shall have a permanent charge, lien and right of set off on all monies, securities, deposits and other assets and properties belonging to our Company or standing to our credit with the lender bank or any of our group companies. In this regard, we have irrevocably authorized the lender bank to intimate any such companies with whom we have an account to adjust such amount lying to our credit with the companies against all dues payable by our Company by exercising the right of set off.

iii) Agreements for Equipment Loan and Guarantee with HDFC Bank Limited

Under the terms of the facility agreements with HDFC Bank Limited, Our Company has undertaken not to sell, dispose off, encumber in any way, or part with possession of construction equipment without prior written consent of the lender

Borrower or the Director, acting in capacity of a guarantor, shall not assign or transfer all or any of the rights, benefits and obligations hereunder except with the prior written consent of the bank.

iv) Vehicle Loan cum Hypothecation Agreements with ICICI Bank Limited

Under the terms of the facility agreements with ICICI Bank Limited, the lender may in its discretion and without assigning any reasons, not disburse the loan or any part thereof and the lender shall not be responsible or liable for any cost, loss or damage or expenses caused by reason of such non disbursement. Additionally, the lender may take possession of the collaterals irrespective of recalling of the loan if there is an apprehension of any money not being paid or bank security being jeopardized.

v) Loan Agreements with SREI Infrastructure Finance Limited and SREI Equipment Finance Private Limited

Under the terms of the facility agreements with SREI Infrastructure Finance Limited, the lender shall have the right to sell the assets without prior notice to our Company, in the event of any default in payment. Additionally, the lender shall have exclusive charge over the hypothecated equipment and our Company shall not create any interest in the equipment in favor of any person or body, except with the prior written consent of the lender.

vi) Loan cum Hypothecation cum Guarantee Agreements with Tata Capital Limited

Under the terms of the facility agreements with Tata Capital Limited, the lender shall have the right to sell the assets without prior notice to our Company, in the event of any default in payment. Further, the lender can make variations in the guarantee agreement without obtaining consent of the guarantor.

vii) Facility cum Guarantee cum Hypothecation Agreements with Standard Chartered Bank

Under the terms of the facility agreements with Standard Chartered Bank, our Company has undertaken not to create any encumbrance upon any equipment without the prior written consent of the lender. In the event of any default in payment, lender shall have right to sell the equipment without notice to the borrower.

viii) Loan cum Hypothecation Agreements with Kotak Mahindra Bank Limited

Under the terms of the facility agreements with Kotak Mahindra Bank Limited, our Company has undertaken not to create any lien, charge, pledge, mortgage or other encumbrances over any of the hypothecated properties in favor of any person without prior written consent of the lender.

ix) Loan cum Hypothecation Agreement with Axis Bank Limited

Under the terms of the facility agreement with Axis Bank Limited, our Company has undertaken not to avail of any further loan or facility on the security without the prior written consent of the lender. Additionally, lender shall have right to sell the security in case of an event of default in repayment.

SECTION VI: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as described below, there are no outstanding litigation, suits or criminal or civil prosecutions, proceedings or tax liabilities against us or our Directors or any other company, whose outcome would have a material adverse effect on our business and there are no defaults, non-payment or overdue of statutory dues, institutional or bank dues or dues payable to holders of any debentures, bonds and fixed deposits, that would have a material adverse effect on our business other than unclaimed liabilities against us and our Directors as of the date of this Draft Red Herring Prospectus.

Our Company and our Directors are not on the list of willful defaulters of the RBI. The Company has not been in possession of information regarding dues exceeding a sum of Rs. one (1) lakh to the small scale industries and hence the same information has not been incorporated. The management is of the opinion that there are no small scale undertakings.

Except as described below, there are no proceedings initiated for economic offences or civil offences, or any disciplinary action taken by the SEBI or any stock exchange, penalties imposed by any authorities against our Company and the Directors and no adverse findings, in respect of our Company as regards compliance with securities laws. Further, except as described below, there are no instances where our Company or the Directors have been found guilty in suits or criminal or civil prosecutions, or proceedings initiated for economic offences or civil offences, or any disciplinary action taken by the SEBI or any stock exchange, proceedings or tax liabilities.

I. Litigation involving our Company

A. Contingent liabilities as on September 30, 2009

(In Rs. million)

Contingent Liabilities	Amount
Bank guarantees (including LC)	2,263.28
Disputed demand of income tax	14.00
Disputed demand of Central Excise Department for service tax	36.28
Disputed demand of sales and entry tax	25.76
Disputed demand under civil matters	12.34

B. Pending litigation against our Company

1. *Income tax matters*

a) The assessing officer ("**Assessing Officer**"), income tax department ("**IT Department**"), Agra, by an assessment order dated December 28, 2006 added Rs. 64.90 million to income tax return of Rs. 40.50 million filed by our Company for the assessment year 2004-2005. Aggrieved by the above assessment order, our Company filed an appeal before the commissioner of income tax ("**CIT**"), Appeals ("**Appeals**"), Agra. The CIT (Appeals), Agra by an order dated November 27, 2007, deleted the addition made by the Assessing Officer, IT Department, Agra. Aggrieved by the said order, the IT Department filed an appeal before the Income Tax Appellate Tribunal ("**ITAT**"), Agra on February 6, 2009, which was dismissed by the ITAT, Agra by an order dated March 5, 2009. Aggrieved by the said order, the IT department, Agra has filed an appeal (ITA no. 64/Agra) on June 30, 2009, before the Allahabad High Court. The matter is currently pending.

b) The Assessing Officer, IT Department, Agra, by an assessment order dated December 31, 2007, added Rs. 3.00 million to the income tax return of Rs. 32.20 million filed by our Company for the assessment year 2005-2006. Aggrieved by the said assessment order, our Company filed an appeal before the CIT (Appeals), Agra on January 24, 2008. The matter is currently pending.

2. *Excise and Service Tax matters*

a) The Assistant Commissioner, Central Excise and Customs ("**CEC**"), Panchkula, had issued a show cause notice-cum-demand dated February 27, 2007 against our Company for evading service tax amounting to Rs. 0.23 million on the remuneration of Rs. 1.43 million per month received from the NHAI for collection of toll at the Karnal Toll Plaza during the period from February 1, 2006 to March 19, 2006. Our Company replied to the above show cause notice by a letter dated March 19, 2007. Thereafter, the Assistant Commissioner passed an order (no. 28/AC/AMB/2009) on September 23, 2009 confirming the demand of Rs. 0.23 million and imposing penalty of Rs. 0.23 million. Our Company will file an appeal against the abovementioned order before the Commissioner (Appeal), Gurgaon by December 22, 2009.

b) The Additional Commissioner, CEC, Chandigarh had issued a show cause notice-cum-demand dated December 15, 2006 against our Company for evading service tax on the remuneration of Rs.1.43 million per month received from the NHAI for collection of toll at the Shambhu Toll Plaza during the period from July 1, 2003 to January 31, 2006. Our Company by a letter dated July 28, 2007 replied to the show cause notice and a personal hearing with the Additional Commissioner of Service Tax was held on February 15, 2007. The Additional Commissioner, CEC, Chandigarh passed an order dated April 3, 2007 imposing service tax of Rs. 4.06 million along with interests and other charges as applicable. Aggrieved by the said order our Company sent a letter dated July 27, 2007 requesting a waiver of the pre-deposit of the demand imposed. The Additional Commissioner, CEC, Chandigarh by an order dated August 27, 2007 imposed a deposit of Rs. 1.50 million as service tax and Rs. 1.00 million as penalty on us. The abovementioned appeal was rejected on September 20, 2007 on the basis of non-payment of the said deposit. Aggrieved by the said order, our Company filed an appeal (no. 717/2007) before the Customs, Excise and Service Tax (Appellate) Tribunal ("**CESTAT**"), New Delhi on December 12, 2007. The CESTAT, New Delhi by an order dated February 4, 2008 remanded the matter to the Commissioner of Central Excise (Appeals), Chandigarh, after deposit of Rs. 1.00 million by our Company. The abovementioned appeal was disposed of by an order dated September 1, 2008. Aggrieved by the said order, our Company filed a stay application (no. ST/STAY/2351/2008-CU) and an appeal (no. ST/776/2008-CU (DB)) before the CESTAT, New Delhi on November 25, 2008. The CESTAT, New Delhi, by a stay order (no. ST/06/09) dated January 14, 2009, waived pre-deposit of the balance amount of duty, interest and penalty and stayed recovery thereof till the disposal of the appeal. Our Company received letter dated January 29, 2009 from the CESTAT, New Delhi, stating that appeal will be heard by Principal Bench of Tribunal in due course. The matter is currently pending.

c) The Assistant Commissioner, CEC, Patiala, had issued a show cause notice-cum-demand dated April 8, 2008 against our Company for evading service tax on the remuneration of Rs.1.43 million per month received from the NHAI for collection of toll at the Shambhu Toll Plaza during the period from February 1, 2006 to March 27, 2006. Pursuant to a personal hearing, the Assistant Commissioner, CEC, Patiala passed an order dated April 30, 2009 imposing service tax of Rs. 0.27 million along with interests and other charges as applicable. Aggrieved by the said order, our Company filed an appeal dated July 18, 2009, before the Commissioner of Central Excise (Appeals), Chandigarh, requesting a waiver of the pre-deposit of the demand imposed. The matter is currently pending.

d) The Additional Commissioner, CEC, Ludhiana issued a show cause notice-cum-demand dated March 23, 2008 against our Company for evading service tax on the remuneration of Rs.1.43 million per month received from the NHAI for collection of toll at the Doraha Toll Plaza during the period from July 1, 2003 to March 31, 2006. Pursuant to a personal hearing, the Additional Commissioner, CEC, Ludhiana passed an order dated October 1, 2008 imposing service tax of Rs. 4.00 million along with interests and other charges as applicable. Aggrieved by the said order, our Company filed an appeal on December 23, 2008, before the Commissioner of Central Excise (Appeals), Chandigarh, requesting a waiver of the pre-deposit of the demand imposed. The Commissioner of Central Excise (Appeals), Chandigarh, by a stay order dated March 30, 2009 directed our Company to pre-deposit the abovementioned service tax and penalty amount. Our Company sent an application for modification of the interim order dated June 26, 2009 to the Commissioner of Central Excise (Appeals), Chandigarh. The Commissioner of Central Excise (Appeals), Chandigarh issued an order-in-appeal dated August 21, 2009 against our Company. Our Company has filed an appeal before the CESTAT, New Delhi on November 16, 2009. The matter is currently pending.

e) The Director General of Central Excise Intelligence, New Delhi had issued a show cause notice against our Company for evading service tax for an amount of Rs. 9.6 million plus applicable interest and penalty on road maintenance of the NHAI project from Panipat to Jalandhar during the period from June 16, 2005 to March 31, 2006, and directed our Company to show cause to the Commissioner, CEC, Kanpur. Our Company by a letter dated August 7, 2009 replied to the said show cause notice and a personal hearing was held on November 3, 2009 with the Commissioner CEC, Kanpur. The matter is currently pending with the Commissioner, CEC, Kanpur.

3. Sales Tax matters

(a) The Deputy Commissioner, Sales Tax, Sector 19, Agra completed assessment for the year 2005-2006 for all projects of our Company in the State of Uttar Pradesh and demanded sales tax of Rs. 10.06 million against which our Company filed an appeal (no. 237/08) before the joint commissioner ("**Joint Commissioner**") (Appeals), Agra. The Joint Commissioner rejected the appeal by an order dated September 1, 2008. Our Company filed a second appeal (no. 347/2008) before the Trade Tax Tribunal, Bench - 4, Agra, and thereafter the matter was remanded to the Deputy Commissioner, Sales Tax, Agra by an order dated December 12, 2008, for fresh appeal with some instructions. The matter is currently pending.

(b) The Deputy Commissioner, Sales Tax, Sector 19, Agra completed assessment for the year 2006-2007 for all projects of our Company in the State of Uttar Pradesh and demanded sales tax of 12.6 million against which our Company filed an appeal (no. 566/2008) before the Joint Commissioner (Appeals), Agra. The Joint Commissioner allowed the appeal by an order dated February 24, 2009 and remanded the matter for fresh assessment to the Deputy Commissioner, Sales Tax, Agra. The matter is currently pending.

(c) The Deputy Commissioner, Audit I, Gulbarga, Karnataka, has completed audit for the year 2005-2006 and 2006-2007 for the airport project at Bidar undertaken by our Company. The Deputy Commissioner issued a notice to our Company on February 16, 2008 to deposit Rs. 0.56 million, including interest and penalty. Our Company has filed an appeal against the notice before the Joint Commissioner, Gulbarga. The matter is currently pending.

4. Entry Tax matters

a) The Assessing Officer, Sector 19, Agra issued a notice dated July 1, 2008 to our Company to deposit entry tax for the years 2005-2006, 2006-2007 and 2007-2008 on the import of machinery of value of Rs. 1.00 million and above, and cement and bitumen from outside the State of Uttar Pradesh. The demands on machinery and bitumen were removed later and a demand for entry tax of Rs. 1.08 million on cement was raised. Aggrieved by the said notice, our Company approached the Allahabad High Court on July 7, 2008 challenging the validity of the Tax on Entry of Goods Act, 2000 and 2007 (the "**Entry Tax Act**"). The High Court issued a stay order dated July 10, 2008 directing our Company to deposit security warrant of Rs. 1.65 million and bank guarantee of Rs. 2.50 million, both of which have been deposited by our Company on July 31, 2009. The matter is currently pending.

b) The Deputy Commissioner, Audit I, Gulbarga, Karnataka, has demanded Rs. 1.46 million from our Company against acts on entry of goods by a notice dated August 14, 2009. Our Company has filed an appeal against the said notice before the Joint Commissioner, Gulbarga. The matter is currently pending.

c) The Assessing officer, Circle 3, Gwalior issued a notice dated October 20, 2007 to our Company demanding payment of entry tax on purchase of high speed diesel from Mathura. Our Company filed an appeal against the said notice in the High Court of Madhya Pradesh on October 27, 2007 against validity of the Entry Tax Act. The High Court confirmed validity of the demand of entry tax by an order dated May 15, 2008. Aggrieved by the said order, our Company filed an appeal (no. 15330 of 2008) in the Supreme Court of India in 2008. The matter is currently pending.

5. *Motor Accident claims*

a) Mr. Neeraj has filed a claim (no. 216/2007) against our Company and the New India Insurance Company Limited before the Motor Accident Claim Tribunal ("**MACT**"), Etawah under Section 163A of the Motor Vehicles Act, 1988 (the "**Motor Vehicle Act**"), claiming compensation for personal injuries suffered by him due to an accident caused by a driver of our Company. He has claimed an amount of Rs. 0.67 million as compensation. The matter is currently pending and the next date of hearing is November 24, 2009.

b) Mr. Yogender Pal had filed a claim (no. 414/1995) against our Company, before the MACT, Etawah under the Motor Vehicle Act claiming compensation of Rs. 0.57 million for disability and injuries caused due to an accident by a vehicle of our Company. The MACT by an order dated August 19, 1999 granted compensation of Rs. 0.09 million with interest at the rate of 12% from the date of institution of claim by the claimant. Aggrieved by the said order, the claimant has filed an appeal (no. 784/1999) before the High Court of Uttar Pradesh, Allahabad under Section 173 of the Motor Vehicle Act claiming that the compensation granted by the MACT was meager and claimed an amount of Rs. 0.57 million as compensation. The matter is currently pending.

c) Ms. Ishwari Devi had filed a claim (no. 337/2000) against our Company and the New India Assurance Company Limited before the MACT, Agra claiming compensation of Rs. 0.70 million for injuries sustained on account of an accident caused by a driver of our Company. The MACT, by an order dated April 20, 2006 allowed the claim. Aggrieved by the said order, our Company has filed an appeal (no. 1794 of 2006) before the High Court of Allahabad. The matter is currently pending.

d) Ms. Mahila Mamta had filed a claim (no. 191/2001) against our Company, before the MACT, Gwalior under Sections 140 and 166 of the Motor Vehicle Act claiming compensation of Rs. 4.74 million for the death of her husband caused due to an accident by a vehicle of our Company. The MACT, by an order dated July 12, 2002, granted a compensation of Rs. 0.20 million. Aggrieved by the said order, she has filed an appeal (no. 680/2002) before the High Court of Madhya Pradesh, Jabalpur under Section 173 of the Motor Vehicle Act claiming that the compensation granted by the tribunal was meager and claimed an amount of Rs. 0.68 million as compensation. The matter is currently pending.

e) Ms. Seema Baghel had filed a claim (no. 51/2005) against our Company, before the MACT, Gwalior under Sections 140 and 166 of the Motor Vehicle Act claiming compensation of Rs. 0.48 million for the death of her husband caused due to an accident by a vehicle of our Company. The MACT, by an order dated November 26, 2005, granted a compensation of Rs. 0.15 million. Aggrieved by the said order, she has filed an appeal (no. 294/2006) before the High Court of Madhya Pradesh under section 173 of the Motor Vehicle Act claiming that the compensation granted by the tribunal was meager and claimed an amount of Rs. 0.48 million as compensation. The matter is currently pending.

f) Mr. Narvir Singh has filed a claim (no. 105/2005) against our Company before the MACT, New Delhi under Sections 166 and 140 of the Motor Vehicle Act claiming compensation of Rs. 1.00 million for injuries suffered and for mental agony due to an accident caused by a driver of our Company. The matter is currently pending and the next date of hearing is March 5, 2010.

g) Ms. Ramvati has filed a claim (no. 732/2006) against our Company before the MACT, Etawah claiming compensation of Rs. 1.35 million under Section 16 of the Motor Vehicle Act as her son had expired due to an accident caused by a driver of our Company. The matter is currently pending and the next date of hearing is December 11, 2009.

h) Mr. Member Singh has filed a claim (no. 626/2007) against our Company before the MACT, Etawah under Sections 140 and 166 of the Motor Vehicle Act claiming compensation of Rs. 0.55 million along with interest at the rate of 12% per annum for grievous injuries suffered by his minor son, Vidyaram, due to an accident caused by a vehicle of our Company. The matter is currently pending and the next date of hearing is November 18, 2009.

i) Mr. Sudhar Singh has filed a claim (no. 627/2007) against our Company before the MACT, Etawah under Sections 140 and 166 of the Motor Vehicle Act claiming compensation of Rs. 0.85 million for grievous injuries suffered by him, due to an accident caused by a vehicle of our Company. The matter is currently pending and the next date of hearing is November 24, 2009.

j) Ms. Mohar Shri has filed a claim (no. 721/2007) before the MACT, Etawah, against our Company on October 23, 2007, claiming compensation of Rs. 1.53 million for economic loss and mental anguish owing to the death of her son in a motor vehicle accident involving a vehicle of our Company and an interim relief of Rs. 0.05 million on account of economic hardships faced. The matter is currently pending and the next date for hearing is November 24, 2009.

k) Ms. Naushin Begum has filed a claim (no. 334/2007) before the MACT, Moradabad, against our Company on October 25, 2007 claiming compensation of Rs. 5.20 million along with interest at the rate of 18% per annum for the death of her husband caused due to an accident by a vehicle of our Company. The matter is currently pending and the next date of hearing is December 17, 2009.

l) Mrs. Kaumesh has filed a claim against our Company before the MACT, Gwalior (no. 414/08) under Section 166 of the Motor Vehicle Act claiming compensation of Rs. 1.50 million for the death of her husband due to an accident caused by a vehicle of our Company. The matter is currently pending and the next date of hearing is November 18, 2009.

m) Mrs. Vidhyawati filed a claim (no. 150/09) against our Company before the MACT, Jaora claiming compensation of Rs. 3.80 million with interest for the death of her husband due to an accident caused by a vehicle of our Company. The matter is currently pending and the next date of hearing is December 11, 2009.

6. *Labor matters*

a) Mr. Meetu had filed a claim (no. 499/2001) against our Company before the District Judge, Workmen's Compensation Commissioner ("**WCC**"), Meerut claiming compensation of Rs. 0.10 million for injuries caused during the course of employment. The WCC, Meerut by an order dated February 26, 2001, granted the above claim. Aggrieved by the said order, our Company has filed an appeal (no. 25/1999) before the High Court of Allahabad. The matter is currently pending.

b) Ms. Mamta Devi has filed a claim (no. 71/2007) against our Company before the WCC, Etawah under the Workmen's Compensation Act, 1923 (the "**WC Act**") claiming a compensation of Rs. 0.21 million as her husband, Mr. Abhiram, an employee of our Company expired due to food poisoning in the food provided by our Company during the course of employment. The matter is currently pending and the next date of hearing is November 24, 2009.

c) Mr. Bechelal has filed a claim (no. 74/2007) against our Company before the WCC, Etawah under the WC Act claiming a compensation of Rs. 0.27 million with interest at the rate of 12% per annum, as his son Mr. Pratap Singh, an employee of our Company expired due to food poisoning allegedly caused by the food provided by our Company during the course of employment. The matter is currently pending and the next date of hearing is November 24, 2009.

d) Ms. Raksha Devi has filed a claim (no. 677/08) against our Company before the WCC, Ropar under the WC Act claiming a compensation of Rs. 2.90 million along with interest as her husband, an employee of our Company, had expired due to murder during absence from duty. The matter is currently pending and the next date of hearing is December 23, 2009.

e) Ms. Subhadra has filed a claim (no. 144/2007) against our Company before the MACT, Khurai, Sagar under the WC Act claiming a compensation of Rs. 0.05 million as she was injured by a vehicle belonging to our Company. The matter is currently pending and next date of hearing is November 18, 2009.

7. *Civil matters*

a) Mr. Ram Niwas and others filed a suit (no. 1114/2003) against our Company before the Civil Judge, Junior Division, Agra claiming, *inter alia*, that our Company had illegally encroached upon their cultivable land for building adjoining road, and have claimed for damages amounting to Rs. 0.35 million. The matter is currently pending before the Civil Judge, Agra and the next date of hearing is February 10, 2010.

b) The Industrial and Education Institute Office and Mr. Gopal Singh Negi filed a suit (no. 264/2007) against our Company before the Civil Judge, Senior Division, Dehradun, seeking permanent injunction and restraint order against our Company and our agents from entering the land, encroaching upon or damaging the crops etc. The matter has been transferred to the Civil Judge, Rishikesh, on September 13, 2008 and is currently pending.

c) Mr. C.L. Gupta has filed a stay suit before the civil judge (SD), J.P. Nagar, UP, praying for against the closure of the median before the gate of his firm. However, there is no role of our Company in creating and closing the median. The matter is currently pending and the next date of hearing is December 18, 2009.

C. Pending litigation by our Company

1. Civil matters

a) Our Company has filed a writ petition (no. 41326 of 2006) before the High Court of Allahabad, against the PWD, Uttar Pradesh, for payment of Rs. 5.12 million against certain work executed for PWD during the period from November 1, 2000 to March 5, 2002. The High Court, by an order dated October 2, 2006, has directed the PWD to file its reply within one month. The matter is currently pending.

b) Our Company has filed an appeal before the Principal Secretary, Department of Industries, Government of Uttarakhand, Dehradun against a notice dated August 4, 2007 from the Senior Mining Officer, Department of Mining, Dehradun, demanding royalty along with penalty amounting to Rs. 178.00 million, for utilizing mineral soil for the purpose of land leveling of air strip at Dehradun. The matter is currently pending.

2. Arbitration matters

Our Company has initiated arbitral proceedings against the NHAI, by an original claim dated March 2, 2007, claiming compensation of Rs.100.44 million for loss incurred due to the delay in commencement of work, failure to handover possession of site in terms of an agreement with NHAI, removal of hindrances /obstructions at the site etc. in relation to the contract for four laning of Agra-Dholpur Section of N.H.-3 in the State of Uttar Pradesh / Rajasthan, the North-South and East-West Corridors Project (Phase-III) and compensation of Rs. 22.34 million for the settlement of final accounts between the parties. The matter is under trial and the next date of hearing has been fixed on November 24-25, 2009.

3. Winding up petition

Our Company has filed a winding up petition (no.16 of 2009) on April 20, 2008, before the Allahabad High Court against Golden Rathi Star Industries Limited, Noida, alleging non-payment of Rs. 0.30 million to our Company. The matter is currently pending.

II. Pending litigation against the Directors

Income Tax matters

a) The IT Department, Agra issued an assessment order dated March 28, 2005 against our director, Mr. Naveen Kumar Jain, disallowing the entry of Rs. 0.47 million as long term capital gain under income tax return filed, and computed the taxable income to be Rs. 1.25 million. Aggrieved by the said order, Mr. Naveen Kumar Jain has filed an appeal (no. CIT (A)-II/Agra/67) before the CIT Appeals, Agra. The matter is currently pending.

b) Mr. Naveen Kumar Jain has received an assessment order (no. DCIT-4(1)) dated September 22, 2009 from the Deputy Commissioner of income Tax (the "**Deputy Commissioner**"), Agra wherein it has been alleged that there were certain discrepancies in connection with return of income for the assessment year 2006-2007, and a demand of Rs. 3.13 million has been raised. The matter is currently pending.

c) Mr. Chakresh Kumar Jain has received an assessment order (no. DCIT-4(1)) dated September 22, 2009 from the Deputy Commissioner, Agra wherein it has been alleged that there were certain discrepancies in connection with return of income for the assessment year 2006-2007, and a demand of Rs. 3.15 million has been raised. The matter is currently pending.

d) Mr. Yogesh Kumar Jain has received an assessment order (no. DCIT-4(1)) dated September 22, 2009 from the Deputy Commissioner, Agra wherein it has been alleged that there were certain discrepancies in connection with return of income for the assessment year 2006-2007, and a demand of Rs. 3.62 million has been raised. The matter is currently pending.

There is no criminal/civil prosecution against any of the Directors for any litigation, as shown above, towards tax liabilities.

III. Pending litigation involving our Promoter and Group Entities

A. Pending Litigation against our Promoter

1. Income Tax matter

a) The Deputy Commissioner, IT Department, Agra, by an assessment order dated November 19, 2008 made an assessment of Rs. 1.95 million for the assessment year 2006-2007 on PNC Cold Storage Private Limited, one of our Promoters. Aggrieved by the said order, PNC Cold Storage Private Limited filed an appeal with the CIT (Appeals), Agra. The matter is currently pending.

Please see "***Pending litigation against the Directors***" on page 164 for other outstanding litigation against our individual Promoters.

B. Pending Litigation against our Group Entities

There is no litigation against our Group Entities. There are no proceedings initiated for economic offences against any of our Group Entities.

V. Litigation involving our Joint Ventures

There is no pending litigation against our Joint Ventures.

V. MATERIAL DEVELOPMENTS

Except as stated in ***"Management's Discussion and Analysis of Financial Condition and Results of Operations***" on page 141, in the opinion of our Board, there have not arisen, since the date of the last financial statements disclosed in this Draft Red Herring Prospectus, any circumstances that materially or adversely affect or are likely to affect our profitability taken as a whole or the value of its assets or our ability to pay material liabilities within the next 12 months.

GOVERNMENT AND OTHER APPROVALS

In view of the approvals listed below, the Company can undertake this Issue and its current business activities and no further major approvals from any governmental or regulatory authority or any other entity are required to undertake the Issue or continue its business activities. Unless otherwise stated, these approvals are all valid as of the date of this Draft Red Herring Prospectus.

I. Approvals for the Issue

The Board of Directors has, pursuant to a resolution dated September 20, 2009 authorized the Issue, subject to the approval by the shareholders of the Company under section 81 (1A) of the Companies Act.

The shareholders of our Company have, pursuant to a resolution dated October 5, 2009 under Section 81(1A) of the Companies Act, authorized the Issue.

The Board of Directors has, pursuant to a resolution dated September 20, 2009 authorized a committee of its Directors, referred to as the IPO Committee, to take decisions relating to the Issue on behalf of the Board of Directors.

We have received in-principle approvals from the BSE and the NSE for the listing of our Equity Shares pursuant to letters dated [●] and [●], respectively. [●] is the Designated Stock

II. Approvals for the Company's business

Our Company has obtained several approvals, licenses and permissions from various Government and other regulatory authorities in relation to our business. These approvals include, among others, the following:

Registration/Approval	Reference No.	Date of Issue/ Renewal	Expiry date	Issuing Authority
PAN	AACCP0377 Q	August 9, 1999	Not applicable	Income Tax Department, Government of India
TAN	AGRP10035E	November 23, 2001	Not applicable	Income Tax Department, Government of India
Certificate of registration under the Uttar Pradesh VAT Act, 2007	TIN 09902503465	November 1, 2004	Valid until cancelled	Assistant Commissioner, Commercial Tax, Sector – 19, Agra
Certificate of registration under the Rajasthan VAT Act, 2003	TIN 08860951698	April 1, 2006	Valid until cancelled	Commercial Tax Officer, Dholpur, Rajasthan
Certificate of registration issued under the Madhya Pradesh VAT Act, 2002	TIN 23025305903	October 11, 2002	Valid until cancelled	Assistant Commissioner Commercial Tax , Circle Three, Gwalior, Madhya Pradesh
Certificate of registration issued under the Haryana VAT Act, 2003	TIN 06982230707	June 18, 2003	Valid until cancelled	Assistant Excise and Taxation Officer, Assessing Authority, Karnal
Certificate of registration under the Uttarakhand VAT Act, 2005	TIN 05001614493	March 9, 2005	Valid until cancelled	Assistant Commissioner Trade Tax, Sector - 2 Haldwani
Certificate of registration under the Maharashtra VAT Act, 2002	TIN 2792065286	September 1, 2007.	Valid until cancelled	Sales Tax Officer Enforcement - Registration - 6 Mumbai
Certificate of registration under Uttar Pradesh Trade Tax Act, 1948 issued to PNC-BEL (JV)	TIN 09902503465	Effective from March 1, 2005	Valid until cancelled	Deputy Commissioner, Trade Tax Office, Trade Tax Agra

Registration/Approval	Reference No.	Date of Issue/ Renewal	Expiry date	Issuing Authority
Approval under the Water (Pollution Prevention and Control) Act, 1974 and Air (Pollution Prevention and Control) Act, 1981 for the stone crushing unit located at Haldwani	U.E.P.P.C.B./ N.O/Permission/P-5/1600-5444	April 1, 2009	March 31, 2010	Uttaranchal Environment Protection and Pollution Control Board
License granted for contract labor for civil construction work of strengthening of NH-24 to four lane standards from Garhmukteshwar to Moradabad. under the CLRA*	D-34(57)/2005/ ALC/LIC	January 23, 2009	November 27, 2009	Licensing Officer and Assistant Labour Commissioner, Ministry of Labour and Employment, Government of India
Recognition accorded to our Company for their registration of Employee EPFA	EPF\SRO\Agra\ENF\UP\38582	April 1, 2006	Not applicable	Assistant Provident Fund Commissioner, Agra
Recognition accorded to our Company for the registration of Employees State Insurance under the ESIA	C-1-1415/2006/61-62- Employers Code: 21-24874-67	December 26, 2006	Not applicable	Deputy Director of the Employee State Insurance Corporation
Recognition awarded to our Company for the registration under the Uttar Pradesh Shops and Commercial Establishments Act, 1962	027744	October 26, 2006	October 26, 2011	Inspector, Uttar Pradesh Shops and Establishments
License granted for the storage of 40 KL of petroleum Class B at km. 116 of NH - 24, Jyotiba Phule Nagar, Uttar Pradesh under the Explosives Act, 1884	P/HQ/UP/15/ 4454(P146073)	January 20, 2009	December 31, 2010	Deputy Chief Controller of Explosives
Approval granted for the storage of 40 KL of furnace oil/LDO Class C at km.116 of NH -24, Jyotiba Phule Nagar, Uttar Pradesh under the Explosives Act, 1884.	A/P/HQ/UP/15/4617(P146076)	March 10, 2005	Not applicable	Deputy Chief Controller of Explosives
Certificate of Registration under MP Commercial Tax Act, 1994	TIN 23595207571	December 12, 2007	Valid until cancelled	Commercial Tax Officer, Gwalior, Range 2, Madhya Pradesh
Certificate of Registration under Rajasthan VAT Act, 2003	TIN 08020802004	May 2, 2008	Valid until cancelled	Assistant Commissioner, Commercial Tax Dept. Range A, Bharatpur
Approval accorded to our Company for the storage of 40KL of Furnace Oil/LDO at Dholpur, Plot no. 94, Shekhupur, Rajasthan under the Petroleum Rules, 2002	A/P/NC/RJ/15/1318	September 11, 2008	Not applicable	Deputy Chief Controller of Explosives
License granted for the storage of 20 KL of Class B Petroleum at Service Station, Alwar to Gurgaon Road, 32/2, Hamjapur District, Mewat, Haryana, under the Petroleum Rules, 2002	P/NC/HN/14/ 1902 (9223247)	April 17, 2009	December 31, 2011	Joint Chief Controller of Explosives
Approval granted to our Company for the storage of 40 KL of Class C Petroleum at Khasra No. 1378, Elchi, Mandsaur, MP under the Petroleum Rules, 2002	A/P/CC/MP/15/343 (P207506)	January 28, 2008	Not applicable	Joint Chief Controller of Explosives
License granted for the storage of 20 KL of Class B Petroleum at Indore City, Khasra no. 40/1, Village Kordiya Verdi, District Indore, under the Petroleum Rules, 2002	P/CC/MP/14/ 5058 (P221243)	August 14, 2008	December 31, 2009	Joint Chief Controller of Explosives

Registration/Approval	Reference No.	Date of Issue/ Renewal	Expiry date	Issuing Authority
License granted for the storage of 40 KL of Class B Petroleum at Jaora-Nayagaon, Plot no. 94, Shekhupur District, Dholpur, under the Petroleum Rules, 2002	P/NC/RJ/14/3137 (P208859)	October 13, 2008	December 31, 2010	Joint Chief Controller of Explosives
License granted for the storage of 20 KL of Class B Petroleum at Khasra no. 1378, Elchi District, Mandsaur, MP, under the Petroleum Rules, 2002	P/CC/MP/14/5119 (P207515)	April 15, 2009	December 31, 2011	Joint Chief Controller of Explosives
Approval granted to our Company for the storage of 50 tonnes of F.O. at Village Bagakhera, Teh. Jaora, Dist. Ratlam, MP under the Petroleum Rules, 2002	23025305902	December 20, 2008	Not applicable	District Supply Officer, Ratlam
License granted for the storage of 20 KL of Class B Petroleum at Khasra no. 137, Village Maharajpur, District Gwalior, MP, under the Petroleum Rules, 2002	P/CC/MP/14/5133 (P227086)	June 22, 2009	December 31, 2011	Controller of Explosives
Approval granted to our Company for the storage of 20 KL of Class C Petroleum at Bhind to Gwalior Road, Village Maharajpur, Teh. Gwalior, MP, under the Petroleum Rules, 2002	A/P/CC/MP/15/356 (P227081)	February 17, 2009	Not applicable	Deputy Chief Controller of Explosives
Approval granted to our Company for the storage of 20 KL of Class C Petroleum at 4/12 Ferozpur, Alwar to Gurgaon Road, Mewat, Haryana, under the Petroleum Rules, 2002	A/P/NC/HN/15/1596	March 9, 2009	Not applicable	Joint Chief Controller of Explosives

** The maximum number of labor that can be contracted to work must not exceed 400.*

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

Our Board of Directors has, pursuant to a resolution passed at its meeting held on September 20, 2009 authorized the Issue, subject to the approval by the shareholders of our Company. The Board of Directors, pursuant to its resolution dated September 20, 2009, has authorized a committee of its Directors referred to as the IPO Committee to take decisions on behalf of the Board in relation to the Issue.

Our shareholders have, pursuant to a resolution dated October 5, 2009 under Section 81(1A) of the Companies Act, authorized the Issue.

Prohibition by the SEBI, RBI or governmental authorities

Our Company, Directors, Promoters, the Promoter Group and Group Entities have not been prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by the SEBI. Neither our Company, Promoters nor their relatives (as defined in the Companies Act), Group Entities, nor our Directors, have been detained as willful defaulters by the RBI or any other government authorities. There are no violations of securities laws committed by any of them in the past or pending against them.

The companies, with which Promoters, Directors or persons in control of the Company are associated as promoters, directors or persons in control have been have not been prohibited from accessing or operating in capital markets under any order or direction passed by the SEBI.

Our Directors are not in any manner associated with the securities market and there has been no action initiated by the SEBI against the Directors or any entity our Directors are involved in as promoters or directors.

Eligibility for the Issue

The Company is eligible for the Issue in accordance with Regulation 26 (1) of the ICDR Regulations as described below:

(a) The Company has net tangible assets of at least Rs. 30 million in each of the preceding three (3) full years (of 12 months each), of which not more than 50% are held in monetary assets;
(b) The Company has a track record of distributable profits in terms of section 205 of the Companies Act for at least three of the immediately preceding five (5) years;
(c) The Company has a net worth of at least Rs.10 million in each of the three (3) preceding full years (of 12 months each);
(d) The aggregate of the proposed Issue and all previous issues made in the same financial year in terms of Issue size is not expected to exceed five (5) times the pre-Issue net worth of the Company as per the audited balance sheet of the preceding financial year; and
(e) The Company has not changed its name within the last one (1) year.

The Company's Net tangible assets, monetary assets, distributable profits and net worth derived from the Auditor's Report on the Company's restated financial statements as at, and for the last five (5) years ended March 31, 2009, are set forth below:

(In Rs. million)

Particulars	March 31, 2009	March 31, 2008	March 31, 2007	March 31, 2006	March 31, 2005
Net tangible assets(1)	2256.13	1460.70	1309.79	1007.76	539.46
Monetary assets(2)	248.81	59.01	35.51	106.83	138.96
Monetary assets as a percentage of the net tangible assets	11.03	4.04%	2.71%	10.60%	25.76%
Distributable profits(3)	240.75	226.56	132.17	90.41	46.20
Net Worth(4)	1228.13	887.33	674.07	541.87	380.34

1) Net Tangible Assets means the sum of all net assets of the Company, excluding intangible assets as defined in Accounting Standard 26 (AS 26) issued by the Institute of Chartered Accountants of India.

2) Monetary assets comprise of cash and bank balances and public deposit accounts with the Government.

3) *Distributable profits' have been defined in terms of Section 205 of the Companies Act. Extraordinary items have not been considered for calculating distributable profit.*

4) *Net Worth means the aggregate of the paid up share capital, share premium account and reserves and surplus (excluding revaluation reserve) as reduced by the aggregate of miscellaneous expenditure (to the extent not adjusted or written off) and the debit balance of the profit and loss account.*

Hence, we are eligible for the Issue under Regulation 26 (1) of the ICDR Regulations. Further, in accordance with Regulation 26 (4) of the ICDR Regulations, we shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted will be not less than 1,000. Further, the Issue is subject to the fulfillment of the following conditions as required by Rule 19 (2) (b) of the SCRR:

- A minimum 2,000,000 Equity Shares (excluding reservations, firm allotments and promoters contribution) are offered to the public;

- The Issue size, which is the Issue Price multiplied by the number of Equity Shares offered to the public, is a minimum of Rs. 1,000 million; and

- The Issue is made through the Book Building Process with 60% of the Issue size being allocated to QIBs as specified by the SEBI.

Disclaimer Clause of the SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE 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 ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGER, ENAM SECURITIES PRIVATE LIMITED, HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AS IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, ENAM SECURITIES PRIVATE LIMITED, HAS FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED NOVEMBER 17, 2009 WHICH READS AS FOLLOWS:

WE THE BOOK RUNNING LEAD MANAGER TO THE ABOVE MENTIONED FORTHCOMING ISSUE, STATE AND CONFIRM AS FOLLOWS:

(1) WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS ETC. AND OTHER MATERIALS IN CONNECTION WITH THE FINALISATION OF THE DRAFT RED HERRING PROSPECTUS PERTAINING TO THE SAID ISSUE;

(2) ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE COMPANY, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE COMPANY, WE CONFIRM THAT:

(A) THE DRAFT RED HERRING PROSPECTUS FILED WITH THE SEBI IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;

(B) ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS, GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY THE SEBI, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND

(C) THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956, THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.

(3) WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT RED HERRING PROSPECTUS ARE REGISTERED WITH THE SEBI AND THAT TILL DATE SUCH REGISTRATION IS VALID.

(4) WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS. – NOTED FOR COMPLIANCE

(5) WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR EQUITY SHARES AS PART OF THE PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE EQUITY SHARES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED OR SOLD OR 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.

(6) WE CERTIFY THAT REGULATION 33 OF THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS' CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS.

(7) WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSES (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE SEBI. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' 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 ISSUE. – NOT APPLICABLE

(8) WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE COMPANY FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE COMPANY AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.

(9) WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 73 OF THE COMPANIES ACT, 1956 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE DRAFT RED HERRING PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE COMPANY SPECIFICALLY CONTAINS THIS CONDITION. – NOTED FOR COMPLIANCE

(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

(11) WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.

(12) WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS:

(A) **AN UNDERTAKING FROM THE COMPANY THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE COMPANY; AND**

(B) **AN UNDERTAKING FROM THE COMPANY THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE SEBI FROM TIME TO TIME.**

(13) WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE.

(14) WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OR THE COMPANY, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS EXPERIENCE ,ETC.

(15) WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT RED HERRING PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY."

THE FILING OF THE DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER SECTION 63 AND SECTION 68 OF THE COMPANIES ACT OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. THE SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE BRLM, ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.

As the Issue Size is more than Rs. 100 milllion, the Equity Shares are to be issued in demat mode only in accordance with Section 68B of the Companies Act, 1956.

Disclaimer from our Company and the BRLM

Our Company, our Directors and the BRLM accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our instance and anyone placing reliance on any other source of information, including our web site www.pncinfratech.com or the website of any Promoter or Group Entity, or the website of any affiliate or associate of any such entity would be doing so at his or her own risk.

The BRLM accepts no responsibility, save to the limited extent as provided in the agreement entered into among the BRLM and our Company dated November 17, 2009 and the Underwriting Agreement to be entered into between the Underwriters and our Company.

All information shall be made available by us and the BRLM 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 centers or elsewhere.

Our Company, the BRLM and the Underwriters shall not be liable to the Bidders for any failure in downloading the Bids due to faults in any software/hardware system or otherwise.

Investors that Bid in the Issue will be required to confirm and will be deemed to have represented to our Company and 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 Equity Shares in the Issue and will not offer, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares.

Disclaimer in Respect of Jurisdiction

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Indian Mutual Funds registered with the SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, permitted insurance companies and pension funds) and to FIIs and Eligible NRIs. This Draft Red Herring Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Agra, Uttar Pradesh, India only.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Red Herring Prospectus has been filed with the SEBI for observations. Accordingly, our 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 our Company's affairs from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") or any state securities laws in the United States, and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

Disclaimer Clause of the BSE

As required, a copy of this Draft Red Herring Prospectus will be submitted to the BSE. The Disclaimer Clause as intimated by BSE to us, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus prior to filing with the RoC.

Disclaimer Clause of the NSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to NSE. The Disclaimer Clause as intimated by NSE to us, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus prior to filing with the RoC.

Filing

A copy of this Draft Red Herring Prospectus has been filed with the SEBI at the Securities and Exchange Board of India, Corporation Finance Department, SEBI Bhavan, Plot No. C4-A, G Block, 3rd Floor, Bandra Kurla Complex, Bandra (E), Mumbai 400 051, India.

A copy of the Red Herring Prospectus, along with the documents required to be filed under Section 60B of the Companies Act, would be delivered for registration to the RoC and a copy of the Prospectus to be filed under Section 60 of the Companies Act would be delivered for registration with RoC at the Office of the Registrar of Companies, Uttar Pradesh and Uttaranchal at 37/17, Westcott Building, The Mall, Kanpur 208 001, Uttar Pradesh, India

Listing

Applications will be made to the Stock Exchanges for permission for listing of the Equity Shares being offered and sold in the Issue. [●] will be the Designated Stock Exchange with which the Basis of Allotment will be finalized for the Issue.

If the permission to deal in and for an official quotation of the Equity Shares is not granted by either of the Stock Exchanges mentioned above we will forthwith repay, without interest, all moneys received from the applicants in pursuance of this Draft Red Herring Prospectus. If such money is not repaid within eight (8) days after the Company becomes liable to repay it, i.e. from the date of refusal or within 15 days from the Bid Closing Date, whichever is earlier, then our Company shall, on and from expiry of eight (8) days, be liable to repay the money, with interest at the rate of 15% per annum on application money, as prescribed under Section 73 of the Companies Act.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges mentioned above are taken within seven (7) working days of finalization of the Basis of Allotment for the Issue.

Consents

Consents in writing of: (a) the Directors, the Company Secretary and Compliance Officer, the Auditors, Bankers to the Company and Bankers to the Issue; and (b) BRLM and Syndicate Member, Escrow Collection Banker(s), Registrar to the Issue and the legal advisor, to act in their respective capacities, have been obtained and would be filed along with a copy of the Red Herring Prospectus with the RoC, as required under Sections 60 and 60B of the Companies Act and such consents have not been withdrawn up to the time of delivery of the Red Herring Prospectus for registration with the RoC.

The Auditors, Purushottam Agrawal & Co., Chartered Accountants, have given their written consent to the inclusion of their report in the form and context in which it appears in "***Financial Statements***" on page F-1 and of their report relating to tax benefits accruing to our Company in the form and context in which it appears in "***Statement of Tax Benefits***" on page 38 and such consent and report shall not be withdrawn up to the time of delivery of the Red Herring Prospectus for registration with the RoC.

We have received consents from our Auditors, namely, Purushottam Agrawal & Co., have given their written consent to include their name as an expert in this Draft Red Herring Prospectus and such consent will not be withdrawn up to the time of delivery of the Red Herring Prospectus and the Prospectus with the RoC and the Designated Stock Exchange.

[●], the agency engaged by us for the purpose of obtaining IPO grading in respect of this Issue, will give its written consent to the inclusion of its report in the form and context in which it will appear in the Red Herring Prospectus and such consent and report will not be withdrawn up to the time of delivery of the Red Herring Prospectus and the Prospectus with the RoC and the Designated Stock Exchange.

Expert Opinion

Except the report of Purushottam Agrawal & Co. and [●] in respect of the IPO grading of this Issue which will be annexed with the Red Herring Prospectus and as otherwise stated in this Draft Red Herring Prospectus, we have not obtained any expert opinions.

Expenses of the Issue

The total expenses of the Issue are estimated to be approximately Rs. [●] million. The expenses of this Issue include, among others, underwriting and management fees, selling commission, printing and distribution expenses, legal fees, statutory advertisement expenses and listing fees. All expenses with respect to the Issue shall be borne by our Company.

The estimated Issue expenses are as under:

Activity	Amount (in Rs. million)	Estimated Percentage of Total Issue Expenses	Estimated Percentage of Total Issue Size
Lead management fees*	[●]	[●]	[●]
Underwriting and selling commission* (including commission to SCSBs for ASBA Applications)*	[●]	[●]	[●]
Advertisement and marketing expenses*	[●]	[●]	[●]
Printing and stationery*	[●]	[●]	[●]
IPO Grading expenses	[●]	[●]	[●]
Registrar's fee*	[●]	[●]	[●]
Advisors*	[●]	[●]	[●]
Bankers to the Issue*	[●]	[●]	[●]
Others (SEBI filing fees, bidding software expenses, depository charges, listing fees etc.)*	[●]	[●]	[●]

** Will be incorporated after finalization of the Issue Price.*

Fees Payable to the BRLM and the Syndicate Member

The total fees payable to the BRLM and the Syndicate Member (including underwriting commission and selling commission) will be as per the engagement letter with the BRLM issued by our Company, a copy of which is available for inspection at our Registered Office.

Fees Payable to the Registrar to the Issue

The fees payable by us to the Registrar to the Issue for processing of application, data entry, printing of CAN/refund order, preparation of refund data on magnetic tape, printing of bulk mailing register will be as per the agreement dated November 17, 2009 between us and the Registrar to the Issue, a copy of which is available for inspection at our Registered Office.

The Registrar to the Issue will be reimbursed for all out of pocket expenses including cost of stationery, postage, stamp duty, and communication expenses. Adequate funds will be provided to the Registrar to the Issue to enable them to make refunds (in any mode as described in the Draft Red Herring Prospectus) or send Allotment advice by registered post/speed post/under certificate of posting.

Particulars Regarding Public or Rights Issues during the Last Five Years

Our Company has not made any previous rights and public issues in India or abroad in the five (5) years preceding the date of this Draft Red Herring Prospectus.

Commission, brokerage or selling commission on previous issues

Since this is the initial public issue of our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure public subscription for any of the Equity Shares since our incorporation.

Previous Issues of Shares Otherwise than for Cash

Except as stated in the "***Capital Structure***" on page 18, our Company has not made any previous issues of Equity Shares for consideration otherwise than for cash.

Capital Issues in the Last Three Years

Neither our Company, Group Entities nor any of our associates have made any capital issue during the last three (3) years. However, we had filed a draft red herring prospectus dated January 15, 2008 with the SEBI and received observations on August 8, 2009, the validity of which expired.

Promise v/s Performance

Neither our Company, Group Entities nor associates have made any previous rights and public issues under the ICDR Regulations and are not listed on any stock exchange.

Outstanding Debentures or Bond Issues or Preference Shares

Our Company has no outstanding debentures or bonds or preference shares, as of the date of this Draft Red Herring Prospectus.

Stock Market Data of our Equity Shares

This being an initial public offer of the Equity Shares, the Equity Shares are not listed on any stock exchange and hence no stock market data is available.

Mechanism for Redressal of Investor Grievances

The agreement between the Registrar to the Issue and our Company provides for retention of records with the Registrar to the Issue for a period of three (3) years from the last date of dispatch of the letters of Allotment, or refund orders, demat credit or where refunds are being made electronically, giving of refund instructions to the clearing system, to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the Bid cum Application Form was submitted by the ASBA Bidders.

Disposal of investor grievances

We estimate that the average time required by us or the Registrar to the Issue for the redressal of routine investor grievances will be seven (7) business days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

We have also appointed Mr. K.N. Mehra, as the Compliance Officer for this Issue and he may be contacted in case of any pre-Issue or post-Issue related problems, at the following address:

PNC House, D-51, Kamla Nagar,
Agra 282 005,
Uttar Pradesh, India
Tel: (+91 562) 405 4400,326 8088
Fax: (+91 562) 2882 925
E-mail: ipo@pncinfratech.com

Disposal of investor grievances by listed companies under the same management as the Company

There is no listed Company under the same management as the Company.

Change in Auditors

There has been no change in the auditors of the Company in the preceding three (3) years.

Capitalization of Reserves or Profits

We have not capitalized our reserves or profits since our incorporation, except in relation to the bonus issuances as stated in "***Capital Structure***" on page 18.

Revaluation of Assets

There has been no revaluation of assets of our Company since our incorporation.

SECTION VII: ISSUE INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued are subject to the provisions of the Companies Act, our Memorandum of Association and Articles of Association, the terms of the Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus, the Bid cum Application Form, the Revision Form, the CAN 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 Issue. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital and listing of securities issued from time to time by the SEBI, Government of India, Stock Exchanges, Registrar of Companies, RBI, FIPB and/or other authorities, as in force on the date of the Issue and to the extent applicable.

Ranking of Equity Shares

The Equity Shares being offered shall be subject to the provisions of our Memorandum of Association and Articles of Association and shall rank *pari passu* with the existing Equity Shares, including rights in respect of dividend. The Allottees will be entitled to dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, please see "***Main Provisions of the Articles of Association***" on page 229.

Mode of Payment of Dividend

We shall pay dividend to our shareholders as per the provisions of the Companies Act, the ICDR Regulations and the provisions of the Listing Agreement.

Face Value and Issue Price

The face value of the Equity Shares is Rs. 10 each and the Issue Price is Rs. [●] per Equity Share. The Anchor Investor Issue Price is Rs. [●] per Equity Share. At any given point of time there shall be only one denomination for the Equity Shares. The Price Band and the minimum Bid Lot size for the Issue will be decided by the Company in consultation with the BRLM and advertised in [●] edition of [●] in the English language, [●] edition of [●] in the Hindi language (which is also the regional newspaper) at least two (2) days prior to the Bid Opening Date.

Compliance with SEBI Regulations

We shall comply with all disclosure and accounting norms as specified by the SEBI from time to time.

Rights of the Equity Shareholder

Subject to applicable laws, the equity shareholders shall have the following rights:

- Right to receive dividends, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offers for rights shares and any issue of bonus shares;
- Right to receive any surplus on liquidation, subject to any statutory and other preferential claims being satisfied;
- Right to freely transfer their Equity Shares, subject to applicable foreign exchange regulations and other applicable laws; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the terms of the listing agreements executed with the Stock Exchanges, and our Memorandum of

Association and Articles of Association.

For a detailed description of the main provisions of our Articles of Association relating to voting rights, dividend, forfeiture, transfer or transmission and lien and/or consolidation/splitting, see "***Main Provisions of Our Articles of Association***" on page 229.

Market Lot and Trading Lot

In terms of Section 68B of the Companies Act, the Equity Shares shall be Allotted only in dematerialized form for all investors. As per ICDR Regulations, the trading of the Equity Shares shall only be in dematerialized form. Since trading of the Equity Shares is in dematerialized form, the tradable lot is one one (1) Equity Share. Allotment in this Issue will be only in electronic form in multiples of [●] Equity Share[s], subject to a minimum Allotment of [●] Equity Shares.

The Price Band and the minimum Bid Lot size for the Issue will be decided by the Company in consultation with the BRLM and advertised in [●] edition of [●] in the English language, [●] edition of [●] in the Hindi language (which is also the regional newspaper) at least two (2) days prior to the Bid Opening Date.

Joint Holders

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as joint-tenants with benefits of survivorship.

Nomination Facility to Investor

In accordance with Section 109A of the Companies Act, the sole or 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 in accordance with Section 109A of the Companies Act, 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 Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale or transfer or alienation of 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 the Registered Office.

In accordance with Section 109B of the Companies Act, any person who becomes a nominee by virtue of Section 109A of the Companies Act, shall upon the production of such evidence as may be required by the Board, elect either:

- to register himself or herself as holder of Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, 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 monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized form, there is no need to make a separate nomination with our Company. Nominations registered with respective DP of the applicant would prevail. If the investors want to change their nomination, they are requested to inform their respective depository participant.

Application by Eligible NRIs, FIIs or FVCIs

It is to be distinctly understood that there is no reservation for Eligible NRIs or FIIs registered with the SEBI or FVCI registered with the SEBI.

As per RBI regulations, OCBs cannot participate in the Issue.

Bidding Period

Bidders may submit their Bids only in the Bidding Period. The Bid Opening Date is [●] and the Bid Closing Date is [●]. Provided that Anchor Investors may submit their Bid on the Anchor Investor Bid Date.

Minimum Subscription

If our Company does not receive the minimum subscription of 90% of the Issue, including devolvement of the Underwriters within 60 days from the Bid Closing Date, our Company shall forthwith refund the entire subscription amount received within 70 days of the Allotment of Equity Shares. If there is a delay beyond eight (8) days after our Company becomes liable to pay the amount, our Company shall pay interest prescribed under Section 73 of the Companies Act.

Further in terms of Rule 19 (2) (b) of the SCRR, if at least 60% of the Net Issue cannot be allocated to QIBs, then all the application money shall be refunded forthwith.

Further in terms of Regulation 26 (4) of the ICDR Regulations, our Company shall ensure that the number of prospective allottees to whom Equity Shares will be allotted will not be less than 1,000.

Arrangement for Disposal of Odd Lots

There are no arrangements for disposal of odd lots.

Restriction on transfer of Shares

Except for lock-in of the pre-Issue Equity Shares, Promoters' minimum contribution in the Issue and Equity Shares Allotted, if any, to Anchor Investors in the Issue as detailed in the section titled "***Capital Structure***" on page 18 and except as provided in our Articles, there are no restrictions on transfers of Equity Shares.

Except as disclosed, there are no restrictions on transfers and transmission of shares or debentures and on their consolidation or splitting, except as provided in our Articles of Association. See "***Main Provisions of our Articles of Association***" on page 229.

Jurisdiction

Exclusive jurisdiction for the purposes of this Issue is with the competent courts in New Delhi.

Option to receive Equity Shares in Dematerialized Form

Investors should note that Allotment of Equity Shares to all successful Bidders will only be in the dematerialized form. Bidders will not have the option of getting Allotment of the Equity Shares in physical form. The Equity Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchanges.

ISSUE STRUCTURE

The present Issue of [●] Equity Shares of Rs. 10 each, for cash, at a price of Rs. [•] (including share premium of Rs. [●] per Equity Share) aggregating up to Rs. 1,750 million is being made through the Book Building Process. The Issue comprises a Net Issue of [●] Equity Shares to the public and a reservation for the Eligible Employees of 100,000 Equity Shares. Our Company is considering a Pre-IPO Placement of up to Rs. 750 million with certain investors. If the Pre-IPO Placement is completed the Net Issue size offered to the public would be reduced to the extent of such Pre-IPO Placement, subject to a minimum Net Issue size of [●] % of the post-Issue paid-up equity capital.

	Employee Reservation Portion	**QIBs***	**Non-Institutional Bidders**	**Retail Individual Bidders**
Number of Equity Shares available for allocation**	Up to 100,000 Equity Shares.	At least [●] Equity Shares, or Net Issue less allocation to Non-Institutional Bidders and Individual Bidders.	Not less than [●] Equity Shares available for allocation or Net Issue less allocation to QIB Bidders and Retail Individual Bidders.	Not less than [●] Equity Shares available for allocation or Net Issue less allocation to QIB Bidders and Non-Institutional Bidders.
Percentage of Issue Size available for Allotment/allocation	Up to [●]% of the Issue.	At least 60% of the Net Issue shall be allocated to QIBs However, not less than 5% of the Net QIB Portion shall be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the 5% reservation portion in the QIB Portion will also be eligible for allocation in the remaining QIB Portion.	Not less than 10% of the Net Issue, less allocation to QIB Bidders and Retail Individual Bidders.	Not less than 30% of the Net Issue, less allocation to QIB Bidders and Non-Institutional Bidders.
Basis of Allotment/allocation if respective category is oversubscribed	Proportionate.	Proportionate as follows: (a) [●] Equity Shares shall be allocated on a proportionate basis to Mutual Funds; and (b) [●] Equity Shares shall be allotted on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above.	Proportionate.	Proportionate.
Minimum Bid	[•] Equity Shares.	Such number of Equity Shares that the Bid Amount exceeds Rs. 100,000 and in multiples of [●] Equity Shares.	Such number of Equity Shares that the Bid Amount exceeds Rs. 100,000 and in multiples of [●] Equity Shares.	[•] Equity Shares.

	Employee Reservation Portion	QIBs*	Non-Institutional Bidders	Retail Individual Bidders
Maximum Bid	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid does not exceed the Employee Reservation Portion and subject to the maximum Bid by each Eligible Employee in this portion being Rs. [●].	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid does not exceed the Net Issue, subject to applicable limits.	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid does not exceed the Net Issue, subject to applicable limits.	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid does not exceed Rs. 100,000.
Mode of Allotment	Compulsorily in dematerialized form.	Compulsorily in dematerialized form.	Compulsorily in dematerialized form.	Compulsorily in dematerialized form.
Bid Lot	[●] Equity Shares	[●] Equity Shares	[●] Equity Shares	[●] Equity Shares
Trading Lot	One (1) Equity Share.	One (1) Equity Share.	One (1) Equity Share.	One (1) Equity Share.
Who can Apply ****	Eligible Employees.	Public financial institutions as specified in Section 4A of the Companies Act, FIIs and sub-accounts registered with the SEBI, other than FIIs sub-accounts which are foreign companies or foreign individuals, scheduled commercial banks, mutual funds registered with the SEBI, multilateral and bilateral development financial institutions, venture capital funds registered with the SEBI, FVCIs registered with the SEBI, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with a minimum corpus of Rs. 250 million, pension funds with	NRIs, Resident Indian individuals, HUF (in the name of Karta), companies, corporate bodies, scientific institutions societies, trusts and sub-accounts of FIIs registered with the SEBI, which are foreign corporates or foreign individuals.	Individuals (including HUFs, NRIs) applying for Equity Shares such that the Bid Amount does not exceed Rs. 100,000 in value.

	Employee Reservation Portion	QIBs*	Non-Institutional Bidders	Retail Individual Bidders
		minimum corpus of Rs. 250 million and the National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of Government of India published in the Gazette of India.		
Terms of Payment	Margin Amount shall be payable at the time of submission of Bid cum Application Form to the Syndicate.	QIB Margin Amount shall be payable at the time of submission of Bid cum Application Form to the BRLM.	Margin Amount shall be payable at the time of submission of Bid cum Application Form to the Syndicate.	Margin Amount shall be payable at the time of submission of Bid cum Application Form to the Syndicate. #
Margin Amount	Full Bid Amount on bidding.	Not less than 10% of Bid Amount.******	Full Bid Amount on bidding.	Full Bid Amount on bidding.

** Our Company may allocate up to 30% of the QIB Portion to Anchor Investors at the Anchor Investor Issue Price in accordance with the ICDR Regulations. At least one-third of the Anchor Investor Portion shall be available for allotment to Mutual Funds only. Allotment to Anchor Investors shall be done on a discretionary basis subject to a minimum number of (i) two (2) Anchor Investors, where the allotment in the Anchor Investor Portion is up to Rs. 2,500 million, and (ii) five (5), where the allotment in the Anchor Investor Portion is more than Rs.2,500 million. An Anchor Investor shall make a minimum Bid of such number of Equity Shares that the Bid Amount is at least Rs. 100 million. Further, Anchor Investors shall pay the Anchor Investor Margin Amount at the time of submission of the Bid cum Application Form to the BRLM and the balance within the Pay- in Date, which shall be a date no later than two (2) days of the Bid Closing Date. For further details, see "**Issue Procedure**" on page 185.*

***In terms of Rule 19 (2) (b) of the SCRR, this is an Issue for less than 25% of the post–Issue capital, therefore, the Issue is being made through the Book Building Process wherein at least 60% of the Net Issue shall be Allotted to QIBs on a proportionate basis. If at least 60% of the Net Issue cannot be allocated to QIBs, then the entire application money will be refunded forthwith. Further, not less than 10% and 30% of the Net Issue will be available for allocation on a proportionate basis to Non-Institutional Bidders and Retail Individual Bidders, respectively subject to valid Bids being received at or above the Issue Price. Further, up to [•] Equity Shares shall be available for allocation on a proportionate basis to Eligible Employees, subject to valid Bids being received at or above the Issue Price. Under-subscription, if any, in any category, except the QIB Portion, would be allowed to be met with spillover from any other category or combination of categories at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange.*

**** Any under-subscription in the Employee Reservation Portion would be included in the Net Issue. If the aggregate demand in the Employee Reservation Portion exceeds 100,000 Equity Shares at or above the Issue Price, allocation shall be made on a proportionate basis, provided that the maximum allotment to any Eligible Employee shall be [•] Equity Shares.*

***** In case the Bid cum Application Form is submitted in joint names, the Bidders should ensure that the demat account is also held in the same joint names and are in the same sequence in which they appear in the Bid cum Application Form.*

****** After the Bid Closing Date, depending on the level of subscription, additional Margin Amount, if any, may be called for from the QIB Bidders.*

 # In case of ASBA Bidders, the SCSB shall be authorized to block such funds in the bank account of the ASBA Bidder that are specified in the ASBA Bid cum Application Form.

Withdrawal of the Issue

Our Company, in consultation with the BRLM, reserves the right not to proceed with the Issue including at any time after the Bid Opening Date but before the Board meeting for Allotment. If our Company withdraws from the Issue, it shall issue a public notice that shall include reasons for such withdrawal, within two (2) days of the closure of the Issue. The notice of withdrawal shall be issued in the same newspapers where the pre-Issue advertisements have appeared and our Company shall also promptly inform the Stock Exchanges. If our Company withdraws the Issue after the Bid Closing Date and thereafter determines that it will proceed with an initial public offering of its Equity Shares, it shall file a fresh draft red herring prospectus with the SEBI. Notwithstanding the foregoing, the Issue 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 Stock Exchanges.

Any further issue of Equity Shares by the Company shall be in compliance with applicable laws.

Bidding Programme

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

**The Anchor Investor Bidding Period shall be one (1) day prior to Bid Opening Date.*

The Company may consider participation by Anchor Investors in terms of the ICDR Regulations. Anchor Investors shall submit their Bid one (1) day prior to the Bid Opening Date. For details see "***Issue Procedure – Bids by Anchor Investors***" on page 200.

Bids and any revision in Bids will be accepted **only between 10 a.m. and 3 p.m**. (Indian Standard Time) during the Bidding Period as mentioned above at the bidding centers mentioned in the Bid cum Application Form. On the Bid Closing Date, Bids (excluding ASBA Bids) shall be uploaded until (i) 4.00 p.m. in case of Bids by QIB Bidders and Non-Institutional Bidders; and (ii) until 5.00 p.m. or such time as permitted by the Stock Exchanges in case of Bids by Retail Individual Bidders and Eligible Employees where the Bid Amount is up to Rs. 100,000.

Bidders are cautioned that in the event a large number of Bids are received on the Bid Closing Date, as is typically experienced in IPOs, this may lead to some Bids not being uploaded due to lack of sufficient time to upload, such Bids that cannot be uploaded will not be considered for allocation in the Issue. If such Bids are not uploaded, the Company, the BRLM and the Syndicate Member shall not be responsible. Bids by ASBA Bidders will be uploaded by SCSBs in the electronic system to be provided by the Stock Exchanges. Bids will be accepted only on Business Days, i.e. Monday to Friday (excluding any public holiday).

On the Bid Closing Date, extension of time will be granted by the Stock Exchanges only for uploading the Bids received by Retail Individual Bidders and Eligible Employees, after taking into account the total number of Bids received up to the closure of timings for acceptance of Bid cum Application Forms as stated herein and reported by the BRLM to the Stock Exchanges within half an hour of such closure.

Our Company, in consultation with the BRLM, reserves the right to revise the Price Band during the Bidding Period in accordance with the ICDR Regulations. The Cap Price shall not be more than 120% of the Floor Price. Subject to compliance with the immediately preceding sentence, the Floor Price can move up or down to the extent of 20% of the Floor Price, as disclosed at least two (2) working days prior to the Bid Opening Date and the Cap Price will be revised accordingly.

In case of revision in the Price Band, the Bidding Period will be extended for three (3) additional Business Days after revision of Price Band subject to the Bidding Period not exceeding 10 working days. Any revision in the Price Band and the revised Bidding 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 web site of the BRLM and at the terminals of the members of the Syndicate.

ISSUE PROCEDURE

Book Building Procedure

In terms of Rule 19 (2) (b) of the SCRR, this is an Issue for less than 25% of the post–Issue capital, therefore, the Issue is being made through the 100% Book Building Process wherein at least 60% of the Net Issue shall be Allotted to QIBs on a proportionate basis. Provided that, our Company may, allocate up to 30% of the QIB Portion to Anchor Investors at the Anchor Investor Issue Price on a discretionary basis, out of which at least one-third will be available for allocation to Mutual Funds only. If at least 60% of the Net Issue cannot be allocated to QIBs, then the entire application money will be refunded forthwith. Further, not less than 10% and 30% of the Net Issue will be available for allocation on a proportionate basis to Non-Institutional Bidders and Retail Individual Bidders, respectively subject to valid Bids being received at or above the Issue Price. Under-subscription, if any, in any category, except the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange.

In addition, up to [●]% of the Issue shall be made available for allocation on a proportionate basis to the Eligible Employees, subject to valid Bids being received at or above the Issue Price.

Bidders are required to submit their Bids through the Syndicate. In case of QIB Bidders, our Company in consultation with the BRLM may reject Bids at the time of acceptance of Bid cum Application Form provided that the reasons for rejecting the same shall be provided to such Bidder in writing. Provided that, our Company in consultation with the BRLM, reserves the right to reject any Bid procured from Anchor Investors without assigning any reason thereof. In case of Non-Institutional Bidders, Retail Individual Bidders and Bids under the Employee Reservation Portion, our Company would have a right to reject the Bids only on technical grounds.

Investors should note that Allotment of Equity Shares to all successful Bidders will only be in the dematerialized form. The Bid cum Application Forms which do not have the details of the Bidders' depository account shall be treated as incomplete and rejected. Bidders will not have the option of getting Allotment of the Equity Shares in physical form. The Equity Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchanges.

Bid cum Application Form

Bidders shall only use the specified Bid cum Application Form bearing the stamp of a member of the Syndicate for the purpose of making a Bid in terms of the Red Herring Prospectus. The Bidder shall have the option to make a maximum of three (3) Bids in the Bid cum Application Form and such options shall not be considered as multiple Bids. Upon the allocation of Equity Shares, dispatch of the CAN, and filing of the Prospectus with the RoC, the Bid cum Application Form shall be considered as the Application Form. Upon completing and submitting the Bid cum Application Form to a member of the Syndicate, the Bidder is deemed to have authorized our Company to make the necessary changes in the Red Herring Prospectus and the Bid cum Application Form as would be required for filing the Prospectus with the RoC and as would be required by RoC after such filing, without prior or subsequent notice of such changes to the Bidder.

The prescribed color of the Bid cum Application Form for various categories is as follows:

Category	Color of Bid cum Application Form
Resident Indian, NRIs applying on a non repatriation basis, excluding Anchor Investors	[●]
Non-Residents, Eligible NRIs, FVCIs, FIIs on a repatriation basis, excluding Anchor Investors	[●]
Eligible Employees in the Employee Reservation Portion	[●]
Anchor Investors*	[●]
ASBA Bidders bidding in physical form	[●]

Bid cum Application Forms for Anchor Investors have been made available for Anchor Investors at the Registered Office of the Company and the BRLM.

ASBA Bidders shall submit an ASBA Bid cum Application Form either in physical or electronic form to the SCSB authorizing blocking funds that are available in the bank account specified in the ASBA Bid cum Application Form used by ASBA Bidders. The ASBA Bidders can only provide one (1) Bid in the ASBA Bid cum Application Form at Cut-off Price. Upon the allocation of Equity Shares, dispatch of the CAN, and filing of the Prospectus with the RoC, the ASBA Bid cum Application Form shall be considered as the Application Form. Upon completing and submitting the ASBA Bid cum Application Form for ASBA Bidders to the SCSB, the ASBA Bidder is deemed to have authorized our Company to make the necessary changes in the Red Herring Prospectus and the ASBA as would be required for filing the Prospectus with the RoC and as would be required by RoC after such filing, without prior or subsequent notice of such changes to the ASBA Bidder.

- Only Resident Retail Individual Investors can participate by way of ASBA process.

- Only QIBs can participate in the Anchor Investor Portion.

Who can Bid?

- Indian nationals resident in India who are majors, or in the names of their minor children as natural/legal guardians in single or joint names (not more than three);

- Hindu Undivided Families or HUFs, in the individual name of the *Karta*. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form as follows: "Name of Sole or First bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*". Bids by HUFs would be considered at par with those from individuals;

- Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the equity shares;

- Eligible NRIs on a repatriation basis or a non-repatriation basis subject to applicable laws. NRI's other than Eligible NRI's are not eligible to participate in this Issue;

- Mutual Funds registered with the SEBI;

- Indian financial institutions, scheduled commercial banks (excluding foreign banks), regional rural banks, co-operative banks (subject to RBI regulations and the ICDR Regulations and regulations, as applicable);

- Venture Capital Funds registered with the SEBI;

- State Industrial Development Corporations;

- Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts/societies and who are authorized under their constitution to hold and invest in equity shares;

- FIIs and sub-accounts registered with SEBI other than a sub-account which is a foreign corporate or a foreign individual;

- Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals, only under the Non Institutional Bidders Category.

- Scientific and/or Industrial Research Organizations authorized to invest in equity shares;

- Insurance companies registered with Insurance Regulatory and Development Authority, India;

- Provident Funds with minimum corpus of Rs. 250 million and who are authorized under their constitution to hold and invest in equity shares;

- Pension Funds with minimum corpus of Rs. 250 million and who are authorized under their constitution to hold and invest in equity shares;

- National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India; and

- Eligible Employees.

Note: As per existing regulations, OCBs cannot participate in the Issue.

Participation by associates of the BRLM and the Syndicate Member

The BRLM and the Syndicate Member shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations. However, associates and affiliates of the BRLM and the Syndicate Member are entitled to subscribe for Equity Shares in the Issue, including in the Net QIB Portion and Non-Institutional Portion where the allocation is on a proportionate basis. Such bidding and subscription may be on their own account or their clients.

The BRLM, the Syndicate Member, their respective associates and affiliates shall not be allowed to subscribe to the Anchor Investor Portion in any manner except towards fulfilling their underwriting obligations.

Bidders are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law.

Bids by Mutual Funds

Under the ICDR Regulations, at least one-third of the Anchor Investor Portion, i.e. [●] Equity Shares will be available for allocation to Mutual Funds only on a discretionary basis and 5% of the Net QIB Portion, i.e. [●] Equity Shares have been specifically reserved for mutual funds on a proportionate basis. An eligible Bid by a Mutual Fund in the Mutual Fund Portion shall first be considered for allocation proportionately in the Mutual Fund Portion. In the event that the demand in the Mutual Fund Portion is greater than [●] Equity Shares, allocation shall be made to Mutual Funds proportionately, to the extent of the Mutual Fund Portion. The remaining demand by the Mutual Funds shall, as part of the aggregate demand by QIBs, be available for allocation proportionately out of the remainder of the Net QIB Portion, after excluding the allocation in the Mutual Fund Portion.

As per the current regulations, the following restrictions are applicable for investments by mutual funds:

No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No mutual fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

The Bids made by asset management companies or custodians of Mutual Funds shall clearly indicate the name of the concerned scheme for which application is being 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

Bids by Eligible NRIs

Eligible NRIs are required to comply with the following:

1. Bid cum application forms ([●] in color) have been made available for NRIs at our Registered Office, members of the Syndicate and the Registrar to the Issue.

2. Eligible NRI may please note that only such applications as are accompanied by payment in free foreign exchange or by debit to their NRE or FCNR accounts shall be considered for Allotment. The NRIs who intend to make payment through Non-Resident Ordinary (NRO) accounts shall use the application form meant for Resident Indians ([●] in color).

3. In accordance with the ICDR Regulations, NRIs cannot subscribe to this Issue under the ASBA process.

Bids by FIIs

As per the current regulations, the following restrictions are applicable for investments by FIIs:

The offer of Equity Shares to a single FII should not exceed 10% of our post-issue issued capital (i.e. 10% of [●] Equity Shares). In respect of an FII investing in our Equity Shares on behalf of its sub-accounts, the investment on behalf of each sub-account shall not exceed 10% of our total issued capital or 5% of our total issued capital in case such sub-account is a foreign corporate or an individual. As of now, in accordance with the foreign investment limits applicable to us, the total foreign investment including FII investment cannot exceed 24% of our total issued capital unless approved by the shareholders of the Company. By a resolution dated October 5, 2009, the shareholders of the Company have approved the FII investment limit in our Company to increase up to 100% of our total issued capital.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of regulation 15A(1) of the SEBI (Foreign Institutional Investors) Regulations 1995, as amended, by the SEBI (Foreign Institutional Investors)(Amendment) Regulations, 2008 ("**SEBI Regulations**"), an FII, as defined in the SEBI Regulations, or its sub account may issue, deal or hold, off shore derivative instruments (defined under the SEBI Regulations, as any instrument, by whatever name called, which is issued overseas by a foreign institutional investor against securities held by it that are listed or proposed to be listed on any recognized 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 foreign regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with 'know your client' norms. The FII or sub-account is also required to ensure that no further issue or transfer of any offshore derivative instrument issued by it is made to any persons that are not regulated by an appropriate foreign regulatory authority as defined under the SEBI Regulations. Associates and affiliates of the underwriters including the BRLM and the Syndicate Member that are FIIs may issue offshore derivative instruments against Equity Shares Allotted to them in the Issue.

Bids by SEBI registered Venture Capital Funds and Foreign Venture Capital Investors

As per the current regulations, the following restrictions are applicable for SEBI registered Venture Capital Funds:

The SEBI (Venture Capital) Regulations, 1996 prescribe investment restrictions on venture capital funds registered with SEBI. Accordingly, the holding in any company by any individual venture capital fund registered with SEBI should not exceed 25% of the corpus of the venture capital fund. However, venture capital funds may invest not more than 33.33% of their respective investible funds in various prescribed instruments, including in initial public offers.

The above information is given for the benefit of the Bidders. Our Company and the BRLM 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 investment limits under laws or regulations or maximum number of Equity Shares that can be held by them under applicable laws.

Maximum and Minimum Bid Size

(a) **For Retail Individual Bidders:** The Bid must be for a minimum of [•] Equity Shares and in multiples of [•] Equity Share thereafter, so as to ensure that the Bid Amount payable by the Bidder does not exceed Rs. 100,000. In case of revision of Bids, the Retail Individual Bidders have to ensure that the Bid Amount does not exceed Rs. 100,000. In case the Bid Amount is over Rs. 100,000 due to revision of the Bid or revision of the Price Band or on exercise of cut-off option, the Bid would be considered for allocation under the Non-Institutional Portion. The option to Bid at Cut-off Price is an option given to the Retail Individual Bidders indicating their agreement to Bid and purchase at the Issue Price as determined at the end of the Book Building Process.

(b) **For Other Bidders (Non-Institutional Bidders and QIBs bidding in the QIB Portion):** The Bid must be for a minimum of such number of Equity Shares such that the Bid Amount exceeds Rs. 100,000 and in multiples of [•] Equity Shares thereafter. A Bid cannot be submitted for more than the

Issue Size. However, the maximum Bid by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. **Under existing ICDR Regulations, a QIB Bidder bidding in the Net QIB Portion cannot withdraw its Bid after the Bid Closing Date and is required to pay the QIB Margin Amount upon submission of Bid.**

In case of revision in Bids, the Non-Institutional Bidders, who are individuals, have to ensure that the Bid Amount is greater than Rs. 100,000 for being considered for allocation in the Non-Institutional Portion. In case the Bid Amount reduces to Rs. 100,000 or less due to a revision in Bids or revision of the Price Band, Bids by Non-Institutional Bidders who are eligible for allocation in the Retail Portion would be considered for allocation under the Retail Portion. Non-Institutional Bidders and QIBs are not allowed to Bid at 'Cut-off'.

(c) **For Bidders in the Employee Reservation Portion:** The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. Bidders in Employee Reservation Portion applying for a maximum Bid in any of the bidding options not exceeding Rs. 100,000 may Bid at the Cut-off Price. The Allotment in the Employee Reservation Portion will be on a proportionate basis. However the maximum Bid by an Eligible Employee cannot exceed Rs. [●] million.

(d) **For Bidders in the Anchor Investor Portion:** The Bid must be for a minimum of such number of Equity Shares such that the Bid Amount is at least Rs. 100 million and in multiples of [●] Equity Shares thereafter. Bids by Anchor Investors under the Anchor Investor Portion and the QIB Portion shall not be considered as multiple Bids. A Bid cannot be submitted for more than 30% of the QIB Portion. **Anchor Investors cannot withdraw their Bids after the Anchor Investor Bidding Date**.

Bidders are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Red Herring Prospectus.

Information for the Bidders:

(a) The Red Herring Prospectus will be filed by the Company with the RoC at least three (3) days before the Bid Opening Date.

(b) The members of the Syndicate will circulate copies of the Bid cum Application Form to potential investors, and at the request of potential investors, copies of the Red Herring Prospectus.

(c) Our Company and the BRLM shall declare the Bid Opening Date and the Bid Closing Date at the time of filing of the Red Herring Prospectus with the RoC and the same shall also be published in two (2) newspapers (one in English and one in Hindi, which is also the regional newspaper).

(d) The Members of the Syndicate shall accept Bids from the Bidder during the Bidding Period in accordance with the terms of the Syndicate Agreement. Provided that the BRLM shall accept the Bids from the Anchor Investors only on the Anchor Investor Bidding Date.

(e) Any investor (who is eligible to invest in our Equity Shares) who would like to obtain the Red Herring Prospectus and/or the Bid cum Application Form can obtain the same from our Registered Office or from any of the members of the Syndicate.

(f) Eligible investors who are interested in subscribing for the Equity Shares should approach either the BRLM or the Syndicate Member or their authorized agent(s) to register their Bids.

(g) The Bids should be submitted on the prescribed Bid cum Application Form only. Bid cum Application Forms should bear the stamp of the members of the Syndicate. Bid cum Application Forms, which do not bear the stamp of the members of the Syndicate, will be rejected.

Method and Process of Bidding

(a) Our Company and the BRLM shall declare the Bid Opening Date, Bid Closing Date and Price Band at the time of filing the Red Herring Prospectus with RoC and also publish the same in two (2) widely circulated national newspapers (one each in English and Hindi newspaper). This advertisement shall be in the prescribed format. The Price Band and the minimum Bid Lot size for the Issue will be decided by the Company in consultation with the BRLM and advertised in [●] edition of [●] in the English language, [●] edition of [●] in the Hindi language (which is also the regional language). The Members of the Syndicate shall accept Bids from the Bidders during the Issue Period in accordance with the terms of the Syndicate Agreement.

(b) The BRLM shall accept Bids from the Anchor Investors on the Anchor Investor Bid Date, i.e. one (1) day prior to the Bid Opening Date. Investors, except Anchor Investors who are interested in subscribing to the Equity Shares should approach any of the members of the Syndicate or their authorized agents to register their Bids, during the Bidding Period. The Members of the Syndicate shall accept Bids from all the other Bidders and shall have the right to vet the Bids, during the Bidding Period in accordance with the terms of the Syndicate Agreement and Red Herring Prospectus.

(c) The Bidding Period shall be for a minimum of three (3) working days and not exceeding 10 working days (including the days for which the Issue is open in case of revision in Price Band). In case the Price Band is revised, the revised Price Band and the Bidding Period will be published in an English national newspaper and a Hindi national newspaper, both with wide circulation and the Bidding Period may be extended, if required, by an additional three (3) days, subject to the total Bidding Period not exceeding 10 days.

(d) Each Bid cum Application Form will give the Bidder the choice to Bid for up to three (3) optional prices (for details see "***Bids at Different Price Levels***" below, within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Issue Price, the maximum number of Equity Shares Bid for by a Bidder at or above the Issue Price will be considered for allocation/Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid.

(e) The Bidder cannot Bid on another Bid cum Application Form after Bids on one (1) Bid cum Application Form have been submitted to any member of the Syndicate. Submission of a second Bid cum Application Form to either the same or to another member of the Syndicate will be treated as multiple Bids and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Issue. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed in the "***Build Up of the Book and Revision of Bids***" on page 193. Provided that Bids submitted by a QIB in the Anchor Investor Portion and in the Net QIB Portion will not be considered as multiple Bids.

(f) Except in relation to the Bids received from the Anchor Investors, the Members of the Syndicate will enter each Bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip ("**TRS**"), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three (3) TRSs for each Bid cum Application Form.

(g) Along with the Bid cum Application Form, all Bidders will make payment in the manner described under the paragraph titled "***Terms of Payment and Payment into the Escrow Account(s)***" on page 191.

Bids at Different Price Levels

(a) The Price Band has been fixed at Rs. [●] to Rs. [●] per Equity Share of Rs. 10 each, Rs. [●] being the Floor Price and Rs. [●] being the Cap Price. The Bidders can Bid at any price within the Price Band, in multiples of Rs. [●]. The Price Band and the minimum Bid Lot size for the Issue will be decided by the Company in consultation with the BRLM and advertised in [●] edition of [●] in the English language, [●] edition of [●] in the Hindi language (which is also the regional language) at least two (2) working days prior to the Bid Opening Date. The Members of the Syndicate shall accept Bids from the Bidders during the Issue Period in accordance with the terms of the Syndicate Agreement.

(b) Our Company, in consultation with the BRLM, reserves the right to revise the Price Band, during the Bidding Period, in accordance with ICDR Regulations provided that the Cap Price shall be less than and equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. Subject to compliance with the immediately preceding sentence, the Floor Price can move up or down to the extent of 20% of the Floor Price disclosed in the Red Herring Prospectus. The revision in 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 disclosed at least two (2) days prior to the Bid Opening Date and the Cap Price will be revised accordingly.

(c) In case of revision in the Price Band, the Issue Period will be extended after revision of the Price Band, subject to a maximum of 10 days. Any revision in the Price Band and the revised Bidding Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a public notice in two (2) widely circulated newspapers, one each in English and Hindi, and also by indicating the change on the website of the BRLM and at the terminals of the Syndicate Member.

(d) Our Company in consultation with the BRLM can finalize the Issue Price and Anchor Investor Issue Price within the Price Band, without the prior approval of or intimation to the Bidders.

(e) The Bidder can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Retail Individual Bidders and Bidders in the Employee Reservation Portion applying for a maximum Bid in any of the bidding options not exceeding Rs. 100,000 may Bid at Cut-off Price. However, bidding at Cut-off Price is prohibited for QIB or Non-Institutional Bidders and such Bids from QIBs and Non-Institutional Bidders shall be rejected.

(f) Retail Individual Bidders and Bidders in the Employee Reservation Portion who Bid at the Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders and Bidders in the Employee Reservation Portion bidding at Cut-off Price shall deposit the Bid Amount based on the Cap Price in the Escrow Account(s). In the event the Bid Amount is higher than the subscription amount payable by the Retail Individual Bidders and Bidders in the Employee Reservation Portion who Bid at Cut-off Price (i.e., the total number of Equity Shares allocated in the Issue multiplied by the Issue Price), the Retail Individual Bidders and Bidders in the Employee Reservation who Bid at Cut-off Price shall receive the refund of the excess amounts from the Escrow Account(s).

(g) In case of an upward revision in the Price Band announced as above, Retail Individual Bidders and Bidders in the Employee Reservation Portion who had Bid at Cut-off Price could either (i) revise their Bid or (ii) make additional payment based on the revised Cap Price (such that the total amount i.e., original Bid Amount plus additional payment does not exceed Rs. 100,000 for Retail Individual Bidders and Bidders in the Employee Reservation Portion bidding at the Cut-off Price, if the Bidder wants to continue to Bid at Cut-off Price), with the Syndicate Member to whom the original Bid was submitted. In case the total amount (i.e., original Bid Amount plus additional payment) exceeds Rs. 100,000 for Retail Individual Bidders and Bidders in the Employee Reservation Portion bidding at the Cut-off Price the Bid will be considered for allocation under the Non-Institutional Portion in terms of this Draft Red Herring Prospectus. If, however, the Bidder does not either revise the Bid or make additional payment and the Issue Price is higher than the Cap Price prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of Allotment, such that no additional payment would be required from the Bidder and the Bidder is deemed to have approved such revised Bid at Cut-off Price.

(h) In case of a downward revision in the Price Band, announced as above, Retail Individual Bidders and Bidders in the Employee Reservation Portion who have Bid at Cut-off Price could either revise their Bid or the excess amount paid at the time of bidding would be refunded from the Escrow Account(s).

(i) In the event of any revision in the Price Band, whether upwards or downwards, the minimum application size shall remain [•] Equity Shares irrespective of whether the Bid Amount payable on such minimum application is not in the range of Rs. 5,000 to Rs. 7,000.

Terms of Payment and Payment into the Escrow Account(s)

Each Bidder, other than Anchor Investors, shall provide the applicable Margin Amount, with the submission of the Bid cum Application Form by drawing a cheque or demand draft for the maximum amount of the Bid in favor of the Escrow Account(s) of the Escrow Collection Bank(s) (for details see "***Issue Procedure-Payment Instructions***" on page 203), and submit the same to the member of the Syndicate to whom the Bid is being submitted. Bid cum Application Forms accompanied by cash/stock invest/money order shall not be accepted.

The Bidder may also provide the applicable Margin Amount by way of an electronic transfer of funds through the RTGS mechanism. Each QIB shall provide its Margin Amount only to the Syndicate. The Margin Amount based on the Bid Amount has to be paid at the time of the submission of the Bid cum Application Form.

The members of the Syndicate shall deposit the cheque or demand draft with the Escrow Collection Bank(s), which will hold such monies for the benefit of the Bidders until the Designated Date. On the Designated Date, the Escrow Collection Bank(s) shall transfer the funds equivalent to the size of the Issue from the Escrow Account(s), as per the terms of the Escrow Agreement, into the Public Issue Account with the Banker(s) to the Issue. The balance amount after transfer to the Public Issue Account shall be held for the benefit of the Bidders who are entitled to refunds. No later than 15 days from the Bid Closing Date, the Escrow Collection Bank(s) shall dispatch all refund amounts payable to unsuccessful Bidders and also the excess amount paid on bidding, if any, after adjustment for Allotment to the Bidders.

Each category of Bidders i.e., QIB Bidders (including Anchor Investors), Non-Institutional Bidders, Retail Individual Bidders and Eligible Employees would be required to pay their applicable Margin Amount at the time of the submission of the Bid cum Application Form. The Margin Amount payable by each category of Bidders is mentioned under the "***Issue Structure***" on page 181. Where the Margin Amount applicable to the Bidder is less than 100% of the Bid Amount, any difference between the amount payable by the Bidder for Equity Shares transferred at the Issue Price and the Margin Amount paid at the time of Bidding, shall be payable by the Bidder no later than the Pay-in Date. If the payment is not made favoring the Escrow Account(s) within the time stipulated above, the Bid of the Bidder is liable to be cancelled. However, if the applicable Margin Amount for Bidders is 100%, the full amount of payment has to be made at the time of submission of the Bid cum Application Form.

Where the Bidder has been allocated lesser number of Equity Shares than he or she had Bid for, the excess amount paid on bidding, if any, after adjustment for allocation/ transfer, will be refunded to such Bidder within 15 days from the Bid Closing Date, failing which our Company shall pay interest at 15% per annum for any delay beyond the periods as mentioned above.

Electronic Registration of Bids

(a) The members of the Syndicate will register the Bids received, except Bids received from Anchor Investors, using the on-line facilities of the Stock Exchanges. There will be at least one on-line connectivity in each city, where the Stock Exchanges are located in India and where such Bids are being accepted.

(b) The Stock Exchanges will offer a screen-based facility for registering such Bids for the Issue. This facility will be available on the terminals of the members of the Syndicate and their authorized agents during the Bidding Period. The Syndicate Member can also set up facilities for off-line electronic registration of Bids subject to the condition that it will subsequently upload the off-line data file into the on-line facilities for book building on a half hourly basis.

(c) On the Bid Closing Date, the Members of the Syndicate shall upload the Bids till such time as may be permitted by the Stock Exchanges. This information will be available with the BRLM on a regular basis. Bidders are cautioned that a high inflow of bids typically experienced on the last day of the bidding may lead to some Bids received on the last day not being uploaded due to lack of sufficient uploading time, and such bids that could not be uploaded will not be considered for allocation. Bids will only be accepted on working days, i.e., Monday to Friday (excluding any public holiday).

(d) The aggregate demand and price for Bids registered on the electronic facilities of the Stock Exchanges will be uploaded on a regular basis, consolidated and displayed on-line at all bidding centers and the website(s) of the Stock Exchanges. A graphical representation of consolidated demand and price would be made available at the bidding centers and at the websites of each of the Stock Exchanges during the Bidding Period.

(e) At the time of registering each Bid, the members of the Syndicate shall enter the following details of the investor in the on-line system:

- Name of the investor. Bidders should ensure that the name given in the Bid cum Application Form is exactly the same as the name in which the Depository Account is held. In case the Bid cum Application Form is submitted in joint names, Bidders should ensure that the Depository Account is also held in the same joint names and are in the same sequence in which they appear in the Bid cum Application Form.

- Investor Category – Individual, Corporate, Eligible NRI, FII, or Mutual Fund, QIBs, Eligible Employee etc.
- Numbers of Equity Shares Bid for.
- Bid Amount.
- Bid cum Application Form number.
- Whether Margin Amount has been paid upon submission of Bid cum Application Form.
- Depository Participant Identification Number and Client Identification Number of the beneficiary account of the Bidder.

(f) A system generated TRS will be given to the Bidder as a proof of the registration of each of the bidding options. **It is the Bidder's responsibility to obtain the TRS from the members of the Syndicate.** The registration of the Bid by the member of the Syndicate does not guarantee that the Equity Shares shall be allocated/Allotted either by the members of the Syndicate or our Company**.**

(g) Such TRS will be non-negotiable and by itself will not create any obligation of any kind.

(h) In the case of QIB Bidders in the Net QIB Portion, members of the Syndicate also have the right to accept the Bid or reject it. However, such rejection should be made at the time of receiving the Bid and only after assigning a reason for such rejection in writing. In case of Non-Institutional Bidders and Retail Individual Bidders and Eligible Employees bidding in the Employee Reservation Portion, Bids would not be rejected except on the technical grounds listed in the "***Issue Procedure-Grounds for Technical Rejections***" on page 207.

(i) The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, and/or the BRLM are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, our Promoters, our management or any scheme or project of our Company.

(j) It is also to be distinctly understood that the approval given by the Stock Exchanges should not in any way be deemed or construed that this Draft Red Herring Prospectus has been cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

(k) Only Bids that are uploaded on the online IPO system of the Stock Exchanges shall be considered for allocation/ Allotment. In case of discrepancy of data between the BSE or the NSE and the members of the Syndicate, the decision of the BRLM based on the physical records of Bid Application Forms shall be final and binding on all concerned.

Build Up of the Book and Revision of Bids

(a) Bids registered by various Bidders, except Anchor Investors, through the members of the Syndicate shall be electronically transmitted to the Stock Exchanges mainframe on a regular basis.

(b) The book gets built up at various price levels. This information will be available with the BRLM on a regular basis.

(c) During the Bidding Period, any Bidder 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 printed Revision Form, which is a part of the Bid cum Application Form.

(d) Revisions can be made in both the desired number of Equity Shares and the Bid Amount by using the Revision Form. Apart from mentioning the revised options in the Revision Form, the Bidder must also mention the details of all the options in his or her Bid cum Application Form or earlier Revision Form. For example, if a Bidder has Bid for three (3) options in the Bid cum Application Form and he is changing only one of the options in the Revision Form, he must still fill the details of the other two (2) options that are not being revised, in the Revision Form. The members of the Syndicate will not accept incomplete or inaccurate Revision Forms.

(e) The Bidder can make this revision any number of times during the Bidding Period. However, for any revision(s) in the Bid, the Bidders will have to use the services of the same member of the Syndicate through whom he or she had placed the original Bid. Bidders are advised to retain copies of the blank Revision Form and the revised Bid must be made only in such Revision Form or copies thereof.

(f) Any revision of the Bid shall be accompanied by payment in the form of cheque or demand draft for the incremental amount, if any, to be paid on account of the upward revision of the Bid. The excess amount, if any, resulting from downward revision of the Bid would be returned to the Bidder at the time of refund in accordance with the terms of this Draft Red Herring Prospectus. In case of QIB Bidders in the Net QIB Portion, the members of the Syndicate shall collect the payment in the form of cheque or demand draft for the incremental amount in the QIB Margin Amount, if any, to be paid on account of the upward revision of the Bid at the time of one or more revisions by the QIB Bidders.

(g) When a Bidder revises his or her Bid, he or she shall surrender the earlier TRS and get a revised TRS from the members of the Syndicate. **It is the responsibility of the Bidder to request for and obtain the revised TRS, which will act as proof of his or her having revised the previous Bid.**

(h) Only Bids that are uploaded on the online IPO system of the Stock Exchanges shall be considered for allocation/ Allotment. In case of discrepancy of data between the BSE or the NSE and the members of the Syndicate, the decision of the BRLM based on the physical records of Bid Application Forms shall be final and binding on all concerned.

Price Discovery and Allocation

(a) After the Bid Closing Date, the BRLM will analyze the demand generated at various price levels.

(b) Our Company shall, in consultation with the BRLM, finalize the Anchor Investor Issue Price and Issue Price.

(c) Allocation to Anchor Investors shall be at the discretion of the Company in consultation with the BRLM, subject to compliance with ICDR Regulations. In the event of under-subscription in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion.

(d) Under-subscription, if any, in the Non-Institutional Portion, Retail Portion and Employee Reservation Portion would be met with spill over from any other category at the sole discretion of our Company and in consultation with the BRLM. However, if the aggregate demand by Mutual Funds in the Mutual Fund Portion is less than [●] Equity Shares, the balance Equity Shares available for allocation in the Mutual Fund Portion will first be added to the Net QIB Portion and be Allotted proportionately to the QIB Bidders. In the event that the aggregate demand in the QIB Portion has been met, under subscription, if any, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange. If at least 60% of the Net Issue is not Allotted to QIBs, the entire subscription monies shall be refunded.

(e) The Allocation under the Employee Reservation Portion shall be on a proportionate basis, in the manner specified under the ICDR Regulations and the Red Herring Prospectus, subject to valid Bids being received at or above the Issue Price, and is approved by the Designated Stock Exchange.

(f) Under-subscription, if any, in the Employee Reservation portion will be added back to the Net Issue, and the ratio amongst the investor categories will be at the discretion of our Company and the BRLM. In case of under-subscription in the Net Issue, spill over to the extent of under-subscription shall be permitted from the Employee Reservation portion subject to the Net Issue constituting a minimum of [●]% of the post-Issue equity capital of the Company.

(g) Allocation to Eligible NRIs and FIIs registered with the SEBI applying on repatriation basis will be subject to applicable law and the terms and conditions stipulated by the FIPB and RBI, while granting permission for Allotment of Equity Shares to them in this Issue.

(h) The BRLM, in consultation with the Company shall notify the members of the Syndicate of the Issue Price and Anchor Investor Issue Price and allocations to their respective Bidders, where the full Bid Amount has not been collected from the Bidders.

(i) If the Issue Price is higher than the Anchor Investor Issue Price, the additional amount shall be paid by the Anchor Investors. However, if the Issue Price is lower than the Anchor Investor Issue Price, the difference shall not be payable to the Anchor Investors.

(j) In terms of the ICDR Regulations, QIB Bidders bidding in the Net QIB Portion shall not be allowed to withdraw their Bid after the Bid Closing Date. Further Anchor Investors shall not be allowed to withdraw their Bid after the Anchor Investor Bidding Date.

(k) Our Company in consultation with the BRLM, reserves the right to reject any Bid procured from QIB Bidders, by any or all members of the Syndicate. Rejection of Bids by QIBs bidding in the Net QIB Portion, if any will be made at the time of submission of Bids provided that the reasons for rejecting the same shall be provided to such Bidder in writing. Provided that, our Company, in consultation with BRLM, reserves the right to reject any Bid received from Anchor Investors without assigning any reason therefore.

(l) The Allotment details shall be put on the website of the Registrar to the Issue.

Signing of Underwriting Agreement and RoC Filing

(a) Our Company, the BRLM and the Syndicate Member shall enter into an Underwriting Agreement on finalization of the Issue Price and allocation/Allotment to the Bidders.

(b) After signing the Underwriting Agreement, the updated Red Herring Prospectus will be filed by the Company with RoC, which then would be termed 'Prospectus'. The Prospectus would have details of the Issue Price, Anchor Investor Issue Price, Issue size, underwriting arrangements and would be complete in all material respects.

(c) We will file a copy of the Prospectus with the RoC in terms of Sections 56, 60 and 60B of the Companies Act.

Announcement of pre-Issue Advertisement

Subject to Section 66 of the Companies Act, our Company shall after filing of the Red Herring Prospectus, publish an advertisement, in the form prescribed by the ICDR Regulations in two (2) widely circulated newspapers (one each in English and Hindi, which is also the regional newspaper).

Advertisement regarding Issue Price and Prospectus

Our Company will issue a statutory advertisement in a widely circulated English national newspaper and Hindi national newspaper (which is also the regional newspaper) after the filing of the Prospectus with the RoC. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the Issue Price. Any material updates between the date of Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement.

Issuance of CAN

(a) Upon approval of the Basis of Allotment by the Designated Stock Exchange, the BRLM, or Registrar to the Issue shall send to the members of the Syndicate a list of their Bidders who have been allocated/ Allotted Equity Shares in the Issue. The approval of the Basis of Allotment by the Designated Stock Exchange for QIB Bidders in the Net QIB Portion may be done simultaneously with or prior to the approval of the Basis of Allotment for the Retail Individual Bidders and Non-Institutional Bidders and Bids from Eligible Employees bidding in the Employee Reservation Portion. However, investors should note that our Company shall ensure that the Equity Shares are Allotted to all investors in this Issue on the same date. For Anchor Investors, see "***Notice to Anchor Investors: Allotment/Reconciliation and Revised CANs***" below.

(b) The BRLM or the Syndicate Member would dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder to pay the entire Issue Price or Anchor Investor Issue Price, as may be applicable, for all the Equity Shares allocated to such Bidder. QIB Bidders (including Anchor Investors) who have not paid the entire Bid Amount into the Escrow Account(s) at the time of bidding shall pay in full the amount payable into the Escrow Account(s) by the Pay-in Date specified in the CAN.

(c) Bidders who have been allocated Equity Shares and who have already paid the Bid Amount into the Escrow Account(s) at the time of bidding shall directly receive the CAN from the Registrar to the Issue subject, however, to realization of his or her cheque or demand draft paid into the Escrow Account(s). The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder to pay the entire Issue Price for the Allotment to such Bidder.

(d) The Issuance of CAN is subject to "***Notice to Anchor Investors: Allotment Reconciliation and Revised CANs***" and "***Notice to QIBs bidding in the Net QIB Portion: Allotment/Transfer Reconciliation and Revised CAN***" as set forth below:

Notice to Anchor Investors: Allotment Reconciliation and revised CANs

After the Anchor Investor Bidding Date, a physical book will be prepared by the Registrar on the basis of Bid cum Application Forms received in the Anchor Investor Portion. Based on the physical book and at the discretion of the Company and BRLM, select Anchor Investors may be sent a CAN, within two (2) working days of the Anchor Investor Bidding Date, indicating the number of Equity Shares that may be allocated to them. The provisional CAN shall constitute the valid, binding and irrevocable contract (subject only to the issue of a revised CAN) for the Anchor Investor to pay the entire Issue Price for all the Equity Shares allocated to such Anchor Investor. This provisional CAN and the final allocation is subject to (a) physical application being valid in all respects along with stipulated documents being received by the Registrar to the Issue, (b) the Issue Price being finalized at a price not higher than the Anchor Investor Issue Price, and (c) allotment by the Board of Directors. Subject to the ICDR Regulations, certain Bid applications may be rejected due to technical reasons, non-receipt of funds, cancellation of cheques, cheque bouncing, incorrect details, among other things, and these rejected applications will be reflected in the reconciliation and Basis of Allotment as approved by the Designated Stock Exchange. In such instances or in the event the Issue Price is fixed higher that the Anchor Investor Issue Price, a revised CAN may be sent to Anchor Investors, price of the Equity Shares in such revised CAN may be different from that specified in the earlier CAN. Anchor Investors should note that they may be required to pay additional amounts, if any, by the Pay-in Date specified in the revised CAN, for any increased allocation or price of Equity Shares, which shall in no event be later than two (2) days after the Bid Closing Date. Any revised CAN, if issued, will supersede in entirety the earlier CAN.

Notice to QIBs bidding in the Net QIB Portion: Allotment/Transfer Reconciliation and Revised CAN

After the Bid Closing Date, an electronic book will be prepared by the Registrar on the basis of Bids uploaded on the BSE/NSE systems. This shall be followed by a physical book prepared by the Registrar on the basis of the Bid cum Application Form received. Based on the electronic book or the Physical book as the case may be, QIBs bidding in the Net QIB Portion may be sent a CAN, within two (2) working days of the Bid Closing Date, indicating the number of Equity Shares that may be allocated to them. This provisional CAN and the final allocation is subject to (a) the basis of final Allotment, which will be approved by the Designated Stock Exchange and reflected in the reconciled book prepared by the Registrar, (b) physical application being valid in all respects along with stipulated documents being received by the Registrar to the Issue, and (c) allotment by the Board of Directors. Subject to the ICDR Regulations, certain Bid applications may be rejected due to technical reasons, non-receipt of funds, cancellation of cheques, cheque bouncing, incorrect details, etc., and these rejected applications will be reflected in the reconciliation and Basis of Allotment as approved by the Designated Stock Exchange. As a result, a revised CAN may be sent to QIBs bidding in the Net QIB Portion, and the allocation of Equity Shares in such revised CAN may be different from that specified in the earlier CAN. QIBs bidding in the Net QIB Portion should note that they may be required to pay additional amounts, if any, by the Pay-in Date specified in the revised CAN, for any increased allocation of Equity Shares. The CAN shall constitute the valid, binding and irrevocable contract (subject only to the issue of a revised CAN) for the QIB to pay the entire Issue Price for all the Equity Shares allocated to such QIB. Any revised CAN, if issued, will supersede in entirety the earlier CAN.

Designated Date and Allotment of Equity Shares

(a) Our Company will ensure that the Allotment of Equity Shares is done within 15 days of the Bid Closing Date. After the funds are transferred from the Escrow Account(s) to the Public Issue Account on the Designated Date, our Company will ensure the credit to the successful Bidder's depository account within two (2) working days of the date of Allotment.

(b) In accordance with the ICDR Regulations, Equity Shares will be issued, transferred and Allotment shall be made only in the dematerialized form to the Allottees. Allottees will have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

Investors are advised to instruct their Depository Participant to accept the Equity Shares that may be allocated/ Allotted to them pursuant to this Issue.

General Instructions

Do's:

(a) Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable laws, rules and regulations;

(b) Ensure that you have Bid within the Price Band;

(c) Read all the instructions carefully and complete the Resident Bid cum Application Form ([●] in color) or Non-Resident Bid cum Application Form ([●] in color), the Employee Bid cum application Form ([●] in color) or the Anchor Investor Bid cum Application Form ([●] in color) as the case may be;

(d) Ensure that the details about Depository Participant and Beneficiary Account are correct as Allotment of Equity Shares will be in the dematerialized form only;

(e) Ensure that the Bids are submitted at the bidding centers only on forms bearing the stamp of a member of the Syndicate;

(f) Ensure that you have been given a TRS for all your Bid options;

(g) Submit revised Bids to the same member of the Syndicate through whom the original Bid was placed and obtain a revised TRS;

(h) Except for Bids on behalf of the Central or State Government and the officials appointed by the courts, each of the Bidders should mention their Permanent Account Number (PAN) allotted under the I.T. Act;

(i) Ensure that the Demographic Details (as defined below) are updated, true and correct in all respects;

(j) Ensure that the name(s) given in the Bid cum Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form.

Don'ts:

(a) Do not Bid for lower than the minimum Bid size;

(b) Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;

(c) Do not Bid on another Bid cum Application Form after you have submitted a Bid to the members of the Syndicate;

(d) Do not pay the Bid Amount in cash, by money order or by postal order or by stockinvest;

(e) Do not send Bid cum Application Forms by post; instead submit the same to a member of the Syndicate only;

(f) Do not Bid at Cut-off Price (for QIB Bidders, Non-Institutional Bidders and Eligible Employees bidding in the Employee Reservation Portion for Bid amount in excess of Rs. 100,000);

(g) Do not fill up the Bid cum Application Form such that the Equity Shares Bid exceeds the Issue Size and/or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;

(h) Do not submit the Bid without the applicable Margin Amount; and

(i) Do not Bid for amount exceeding Rs. 100,000 in case of a Bid by Retail Individual Bidders;

(j) **Do not submit the GIR number instead of the PAN as the Bid is liable to be rejected on this ground.**

Instructions for completing the Bid cum Application Form

Bidders can obtain Bid cum Application Forms and/or Revision Forms from the members of the Syndicate or the Registered Office of the Company or the Registrar to the Issue.

Bids and Revisions of Bids

Bids and revisions of Bids must be:

(a) Made only in the prescribed Bid cum Application Form or Revision Form, as applicable ([●] color for Resident Indians and Eligible NRIs applying on a non-repatriation basis, [●] color for Eligible NRIs and FIIs applying on a repatriation basis, [●] color for Bidders under Employee Reservation portion, [●] color for ASBA Bidders and [●] color for Anchor Investors.

(b) Completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained herein, in the Bid cum Application Form or in the Revision Form. Incomplete Bid cum Application Forms or Revision Forms are liable to be rejected.

(c) For Retail Individual Bidders (including Eligible NRIs) the Bid must be for a minimum of [•] Equity Shares and in multiples of [•] thereafter subject to a maximum Bid Amount of Rs. 100,000. In case the Bid Amount is over Rs. 100,000 due to revision of the Bid or revision of the Price Band or on exercise of Cut-off option, the Bid would be considered for allocation under the Non-Institutional Bidders portion. The Cut-off option is an option given only to the Retail Individual Bidders indicating their agreement to Bid and purchase at the final Issue Price as determined at the end of the Book Building Process.

(d) For Non-Institutional Bidders and QIB Bidders bidding in the Net QIB Portion (including Eligible NRIs), Bids must be for a minimum of such number of Equity Shares that the Bid Amount exceeds or equal to Rs. 100,000 and in multiples of [•] Equity Shares thereafter. Anchor Investors must ensure that they must make a minimum Bid of such number of Equity Shares that the Bid Amount is at least Rs. 1,000 million. Bids cannot be made for more than the Issue Size. Bidders are advised to ensure that a single Bid from them should not exceed the investment limits or maximum number of shares that can be held by them under the applicable laws or regulations. Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid Date and QIBs bidding in the Net QIB Portion cannot withdraw their Bid after the Bid Closing Date.

(e) Bids by Eligible NRIs and FIIs registered with SEBI on a repatriation basis shall be in the names of individuals, or in the names of FIIs but not in the names of minors, OCBs, firms or partnerships, foreign nationals (excluding NRIs) or their nominees.

(f) In case of revision in Bids, the Non-Institutional Bidders, who are individuals, have to ensure that the Bid Amount is greater than Rs. 100,000 for being considered for allocation in the Non-Institutional Portion. In case the Bid Amount reduces to Rs. 100,000 or less due to a revision in Bids or revision of the Price Band, Bids by Non-Institutional Bidders who are eligible for allocation in the Retail Portion would be considered for allocation under the Retail Portion. Non-Institutional Bidders and QIBs are not allowed to Bid at Cut off Price.

(g) For Employee Reservation Portion, the Bid must be for a minimum of [●] Equity Shares in multiple of [●] thereafter.

(h) In single name or in joint names (not more than three, and in the same order as their Depository Participant details).

(i) Thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal.

Bids by Eligible Employees

The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. Bidders under the Employee Reservation Portion can apply for a maximum of the size of the Issue. The allotment in the Employee Reservation Portion will be on a proportionate basis. Bidders under the Employee Reservation Portion applying for a maximum Bid in any of the bidding options not exceeding Rs. 100,000 may bid at Cut-off Price.

Bids under Employee Reservation Portion by Eligible Employees shall be:

- Made only in the prescribed Bid cum Application Form or Revision Form (i.e. [●] color form).

- The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. The maximum Bid in this category by an Eligible Employee cannot exceed the size of the Issue.

- Only Eligible Employees would be eligible to apply in this Issue under the Employee Reservation Portion.

- Eligible Employees should mention their Employee Number at the relevant place in the Bid cum Application Form.

- The First Bidder shall be the Eligible Employee.

- Eligible Employees will have to Bid like any other Bidder. Only those Bids, which are received at or above the Issue Price, would be considered for allocation under this category.

- Eligible Employees who Bid for Equity Shares of or for a value of not more than Rs. 100,000 in any of the bidding options can apply at Cut-off Price. This facility is not available to other Eligible Employees whose minimum Bid Amount exceeds Rs. 100,000.

- Bids by Eligible Employees can also be made in the Net Issue portion and such Bids shall not be treated as multiple Bids.

- If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full allocation shall be made to the Eligible Employees to the extent of their demand.

- Under-subscription, if any, in the Employee Reservation portion will be added back to the Net Issue. In case of under-subscription in the Net Issue, spill over to the extent of under-subscription shall be permitted from the Employee Reservation portion subject to the Net Issue constituting [●]% of the post-Issue share capital of the Company.

- If the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, the allocation shall be made on a proportionate basis. For the method of proportionate basis of allocation, see "***Issue Procedure - Basis of Allotment***" on page 209.

Eligible Employees Bidding under the Employee Reservation Portion cannot subscribe to this Issue under the ASBA process.

Bids by Anchor Investors

The Company may consider participation by Anchor Investors in the QIB Portion for up to [●] Equity Shares in accordance with the applicable ICDR Regulations. Only QIBs as defined in Regulation 2(zd) of the ICDR Regulations and not otherwise excluded pursuant to Schedule XI (10) (k) of the ICDR Regulations are eligible to invest. The QIB Portion shall be reduced in proportion to the allocation under the Anchor Investor Portion. In the event of under-subscription in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. In accordance with the ICDR Regulations, the key terms for participation in the Anchor Investor Portion are as follows:

(a) Anchor Investors Bid cum Application Form have been made available for Anchor Investor Portion at our Registered Office, members of the Syndicate and the Registrar to the Issue.

(b) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds Rs. 100 million and in multiples of [●] Equity Shares thereafter. A Bid cannot be submitted for more than 30% of the QIB Portion.

(c) One-third of the Anchor Investor Portion shall be reserved for allocation to domestic mutual funds.

(d) The Bidding for Anchor Investors shall open one (1) day before the Bid Opening Date and shall be completed on the same day.

(e) The Company, in consultation with the BRLM, shall finalize Allocation to the Anchor Investors on a discretionary basis, subject to compliance with requirements regarding minimum number of Allottees.

(f) The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made, shall be made available in public domain by the BRLM before the Bid Opening Date.

(g) Anchor Investors shall pay Anchor Investor Margin Amount representing 25% on the Bid Amount at the time of submission of the Bid. Any difference between the amount payable by the Anchor Investor for Equity Shares allocated and the Anchor Investor Margin Amount paid at the time of Bidding, shall be payable by the Anchor Investor within two (2) days of the Bid Closing Date.

(h) In case the Issue Price is greater than the Anchor Investor Issue Price, the additional amount being the difference between the Issue Price and the Anchor Investor Issue Price shall be paid by the Anchor Investors by the Pay-in Date. In the event the Issue Price is lower than the Anchor Investor Issue Price, the Allotment to Anchor Investors shall be at the higher price i.e. the Anchor Investor Issue Price.

(i) The Equity Shares allotted in the Anchor Investor Portion shall be locked-in for a period of 30 days from the date of Allotment in the Issue.

(j) Neither the BRLM nor Syndicate Member or any person related to the BRLM, Syndicate Member, Promoters, Promoter Group shall participate in the Anchor Investor Portion.

(k) Bids made by QIBs under both the Anchor Investor Portion and the Net QIB Portion shall not be considered as multiple Bids.

(l) The payment instruments for payment into the Escrow Account should be drawn in favor of:

- In case of Resident Anchor Investors: "PNC– Escrow Account – Anchor Investor"
- In case of Non-Resident Anchor Investors: "PNC– Escrow Account – Anchor Investor - NR"

The minimum number of Allottees in the Anchor Investor Portion shall not be less than:

(a) two (2), where the allocation under Anchor Investor Portion is up to Rs. 2,500 million; and
(b) five (5), where the allocation under Anchor Investor Portion is more than Rs. 2,500 million.

Additional details, if any, regarding participation in the Issue under the Anchor Investor Portion shall be disclosed in the advertisement for the Price Band which shall be taken out by the Company in a national English and Hindi newspaper at least two (2) working days prior to the Bid Opening Date.

The Red Herring Prospectus, in so far as it relates to terms of the Issue should be read in conjunction with the aforestated paragraphs, to the extent applicable.

Bidder's Bank Details

Bidders should note that on the basis of name of the Bidders, Depository Participant's name, Depository Participant-Identification number and Beneficiary Account Number provided by them in the Bid cum Application Form, the Registrar to the Issue will obtain from the Depository the demographic details including address, Bidders bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Bank Account details would be used for giving refunds (including through physical refund warrants, direct credit, ECS, NEFT and RTGS) to the Bidders. Hence, Bidders are advised to immediately update their Bank Account details as appearing on the records of the depository participant. Please note that failure to do so could result in delays in dispatch/credit of refunds to Bidders at the Bidders sole risk and neither the BRLM nor the Registrar to the Issue nor the Escrow Collection Banks nor our Company shall have any responsibility and undertake any liability for the same. Hence, Bidders should carefully fill in their Depository Account details in the Bid cum Application Form.

Bidders Depository Account Details

IT IS MANDATORY FOR ALL THE BIDDERS TO RECEIVE THEIR EQUITY SHARES IN DEMATERIALIZED FORM. ALL BIDDERS SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER AND BENEFICIARY ACCOUNT NUMBER IN THE BID CUM APPLICATION FORM. INVESTORS MUST ENSURE THAT THE NAME GIVEN IN THE BID CUM APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE BID CUM APPLICATION FORM IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND SUCH JOINT NAMES ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE BID CUM APPLICATION FORM.

These Demographic Details would be used for all correspondence with the Bidders including mailing of the refund orders/CANs/Allocation Advice and printing of Bank particulars on the refund order or making refunds electronically and the Demographic Details given by Bidders in the Bid cum Application Form would not be used for any other purpose by the Registrar to the Issue. Hence the Bidders are advised to update their Demographic Details as provided to the DP and ensure they are true and correct.

By signing the Bid cum Application Form, the Bidder would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

Refund orders (where refunds are not being made electronically)/Allocation Advice/CANs would be mailed at the address of the Bidder as per the Demographic Details received from the Depositories.

Bidders may note that delivery of refund orders/allocation advice/CANs may get delayed if the same once sent to the address obtained from the depositories are returned undelivered. In such an event, the address and other details given by the Bidder in the Bid cum Application Form would be used only to ensure dispatch of refund orders. Please note that any such delay shall be at the Bidders sole risk and neither our Company, Escrow Collection Bank(s) nor the BRLM shall be liable to compensate the Bidder for any losses caused to the Bidder due to any such delay or liable to pay any interest for such delay. In case of refunds through electronic modes as detailed in the Red Herring Prospectus, Bidders may note that refunds may get delayed if bank particulars obtained from the Depository Participant are incorrect.

In case no corresponding record is available with the Depositories, which matches three (3) parameters, namely, names of the Bidders (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's identity, then such Bids are liable to be rejected.

Our Company in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar that for the purpose of printing particulars on the refund order and mailing of the refund order/CANs/allocation advice, the Demographic Details given on the Bid cum Application Form should be used (and not those obtained from the Depository of the Bidder). In such cases, the Registrar shall use Demographic Details as given in the Bid cum Application Form instead of those obtained from the depositories.

Bids by Non Residents, NRIs and FIIs registered with the SEBI on a repatriation basis

Bids and revision to Bids must be made:

1. On the Bid cum Application Form or the Revision Form, as applicable ([●] in color), and completed in full in BLOCK LETTERS in ENGLISH in accordance with the instructions contained therein.

2. In a single name or joint names (not more than three).

3. Eligible NRIs for a Bid Amount of up to Rs. 100,000 would be considered under the Retail Portion for the purposes of allocation and Bids for a Bid Amount of more than Rs. 100,000 would be considered under Non-Institutional Portion for the purposes of allocation; by other eligible Non Resident Bidders for a minimum of such number of Equity Shares and in multiples of [●] thereafter that the Bid Amount exceeds Rs. 100,000.

For further details, please refer to the "***Issue Procedure - Maximum and Minimum Bid Size***" on page 188.

In the names of individuals, or in the names of FIIs but not in the names of minors, OCBs, firms or partnerships, foreign nationals (excluding NRIs) or their nominees.

Refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and/or commission. In case of Bidders who remit money through Indian Rupee drafts purchased abroad, such payments in Indian Rupees will be converted into US Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and will be dispatched by registered post or if the Bidders so desire, will be credited to their NRE accounts, details of which should be furnished in the space provided for this purpose in the Bid cum Application Form. Our Company will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Our Company has received all relevant approvals for the Issue of Equity Shares to Eligible NRIs and FIIs registered with SEBI. As per the RBI regulations, OCBs are not permitted to participate in the Issue.

There is no reservation for Eligible NRIs and FIIs and all applicants will be treated on the same basis with other categories for the purpose of allocation.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the Memorandum of Association and Articles of Association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason therefor.

In case of Bids made pursuant to a power of attorney by FIIs, 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 their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason therefor.

In case of Bids made pursuant to a power of attorney by Mutual Funds, 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 their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason therefor.

In case of Bids made by insurance companies registered with the Insurance Regulatory and Development Authority, a certified copy of certificate of registration issued by Insurance Regulatory and Development Authority must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason therefor.

In case of Bids made by provident funds with minimum corpus of Rs. 250 million (subject to applicable law) and pension funds with minimum corpus of Rs. 250 million, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application form, subject to such terms and conditions that our Company and the BRLM may deem fit.

Payment Instructions

Escrow Mechanism

Our Company and the members of the Syndicate shall open Escrow Account(s) with the Escrow Collection Bank(s) for the collection of the Bid Amount payable upon submission of the Bid cum Application Form and for amounts payable pursuant to allocation/Allotment in the Issue.

The Escrow Collection Banks will act in terms of the Red Herring Prospectus and the Escrow Agreement. The Escrow Collection Bank(s), for and on behalf of the Bidders, shall maintain the monies in the Escrow Account. The Escrow Collection Bank(s) shall not exercise any lien whatsoever over the monies deposited therein and shall hold the monies therein in trust for the Bidders. On the Designated Date, the Escrow Collection Bank(s) shall transfer the funds equivalent to the size of the Issue from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account and Refund Account as per the terms of the Escrow Agreement, the Red Herring Prospectus and the Prospectus. The balance amount after transfer to the Public Issue Account shall be held for the benefit of the Bidders who are entitled to refunds. Payments of refund to the Bidders shall also be made from the Refund Account as per the terms of the Escrow Agreement, the Red Herring Prospectus and the Prospectus.

The Bidders should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the members of the Syndicate, the Escrow Collection Bank(s) and the Registrar to the Issue to facilitate collections from the Bidders.

Payment into Escrow Account(s)

Each Bidder shall draw a cheque or demand draft for the amount payable on the Bid and/or on allocation/Allotment as per the following terms:

1. The Bidders for whom the applicable Margin Amount is equal to 100%, shall, with the submission of the Bid cum Application Form, draw a payment instrument for the Bid Amount in favor of the Escrow Account(s) and submit the same to the members of the Syndicate.

2. In case of QIBs (including Anchor Investors) bidding in the QIB Portion, where the margin is less than 100% of the Bid Amount, the balance amount shall be paid by the Bidders into the Escrow Account(s) within the period specified in the CAN. If the payment is not made in favor of the Escrow Account within the stipulated time, the Bid is liable to be rejected. For Anchor Investors, see also "***Payment Instructions for Anchor Investors***" below.

3. The payment instruments for payment into the Escrow Account should be drawn in favor of:

   - In case of QIB Bidders: "Escrow Account– PNC Public Issue – QIB – R".
   - In case of non-resident QIB Bidders: "Escrow Account– PNC Public Issue – QIB– NR".
   - In case of Resident Bidders: "Escrow Account– PNC Public Issue".
   - In case of Non Resident Bidders: "Escrow Account – PNC Public Issue – NR".
   - In case of Eligible Employees: "Escrow Account – PNC Public Issue – Employees".
   - In case of Resident Anchor Investors: "Escrow Account – PNC Public Issue – Anchor Investor".
   - In case of Non-Resident Anchor Investors: "PNC – Escrow Account – PNC Public Issue Anchor Investor – NR".

4. In case of Bids by NRIs applying on repatriation basis, the payments must be made through Indian Rupee drafts purchased abroad or cheques or bank drafts, for the amount payable on application remitted through normal banking channels or out of funds held in Non-Resident External (NRE) Accounts or Foreign Currency Non-Resident (FCNR) Accounts, maintained with banks authorized to deal in foreign exchange in India, along with documentary evidence in support of the remittance. Payment will not be accepted out of Non-Resident Ordinary (NRO) Account of Non-Resident Bidder bidding on a repatriation basis. Payment by drafts should be accompanied by bank certificate confirming that the draft has been issued by debiting to NRE Account or FCNR Account maintained with banks authorized to deal in foreign exchange in India.

5. In case of Bids by FIIs, the payment should be made out of funds held in Special Rupee Account along with documentary evidence in support of the remittance. Payment by drafts should be accompanied by bank certificate confirming that the draft has been issued by debiting to Special Rupee Account.

6. Where a Bidder has been allocated/ Allotted a lesser number of Equity Shares than the Bidder has Bid for, the excess amount, if any, paid on bidding, after adjustment towards the balance amount payable on the Equity Shares allocated will be refunded to the Bidder from the Refund Account.

7. The monies deposited in the Escrow Account(s) will be held for the benefit of the Bidders till the Designated Date.

8. On the Designated Date, the Escrow Collection Banks shall transfer the funds from the Escrow Account(s) as per the terms of the Escrow Agreement into the Public Issue Account with the Bankers to the Issue.

9. On the Designated Date and no later than 15 days from the Bid Closing Date, the Escrow Collection Bank shall also refund all amounts payable to unsuccessful Bidders and also the excess amount paid on Bidding, if any, after adjusting for allocation/Allotment to the Bidders.

10. Payments should be made by cheque, or demand draft drawn on any bank (including a co-operative bank), which is situated at, and is a member of or sub-member of the bankers' clearing house located at the centre where the Bid cum Application Form is submitted. Outstation cheques/bank drafts drawn on banks not participating in the clearing process will not be accepted and applications accompanied by such cheques or bank drafts are liable to be rejected. Cash/ stockinvest/money orders/postal orders will not be accepted.

11. Bidders are advised to mention the number of application form on the reverse of the cheque / demand draft to avoid misuse of instruments submitted along with the Bid cum Application Form.

12. In case clear funds are not available in the Escrow Accounts as per final certificates from the Escrow Collection Banks, such Bids are liable to be rejected.

Payment Instructions for Anchor Investors

1. Anchor Investors shall provide the Anchor Investor Margin Amount, i.e. at least 25% of the Bid Amount along with the submission of the Bid cum Application Form by drawing a cheque or demand draft for the Bid Amount in favor of the Escrow Account of the Escrow Collection Bank(s) and submit the same to the member of the Syndicate to whom the Bid cum Application Form is being submitted. Bid cum Application Forms accompanied by cash shall not be accepted.

2. Company in consultation with the BRLM in their absolute discretion, shall decide the list of Anchor Investors to whom the provisional CAN or CAN shall be sent, pursuant to which the details of the Equity Shares allocated to them and the details of the amounts payable for allotment of such Equity Shares in their respective names shall be notified to such QIBs.

3. Any difference between the amount payable by the Anchor Investor for Equity Shares allocated/ Allotted and the Anchor Investor Margin Amount paid at the time of Bidding, shall be payable by the Bidder within two (2) days of the Bid Closing Date. If the payment is not made favoring the Escrow Account within the time stipulated above, the Bid of the Anchor Investor is liable to be cancelled.

4. The payment instruments for payment into the Escrow Account should be drawn in favor of:

   - In case of Resident Anchor Investors: "Escrow Account – PNC Public Issue – Anchor Investor".
   - In case of Non-Resident Anchor Investor: "Escrow Account – PNC Public Issue – Anchor Investor – NR".

Payment by stockinvest

In terms of the RBI Circular No. DBOD No. FSC BC 42/24.47.00/2003-04 dated November 5, 2003, the option to use the stockinvest instrument in lieu of cheques or bank drafts for payment of Bid money has been withdrawn. Hence, payment through stockinvest would not be accepted in this Issue.

Submission of Bid cum Application Form

All Bid cum Application Forms or Revision Forms duly completed and accompanied by account payee cheques or drafts shall be submitted to the members of the Syndicate at the time of submission of the Bid.

No separate receipts shall be issued for the money payable on the submission of Bid cum Application Form or Revision Form. However, the collection centre of the members of the Syndicate will acknowledge the receipt of the Bid cum Application Forms or Revision Forms by stamping and returning to the Bidder the acknowledgement slip. This acknowledgement slip will serve as the duplicate of the Bid cum Application Form for the records of the Bidder.

Other Instructions

Joint Bids in the case of Individuals

Bids may be made in single or joint names (not more than three (3)). In the case of joint Bids, all payments will be made out in favor of the Bidder whose name appears first in the Bid cum Application Form or Revision Form. All communications will be addressed to the First Bidder and will be dispatched to his or her address as per the Demographic Details received from the Depository.

Multiple Bids

A Bidder should submit only one (1) Bid (and not more than one) for the total number of Equity Shares required. Two (2) or more Bids will be deemed to be multiple Bids if the sole or First Bidder is one and the same. In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the mutual fund registered with the 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. Bids by Eligible Employees can be made also in the "Net Issue to the Public" and such Bids shall not be treated as multiple Bids. Anchor Investors can Bid under the Anchor Investor Portion and also in the QIB Portion and such Bids shall not be treated as multiple Bids.

Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids in any or all categories. In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:

1. All applications with the same name and age will be accumulated and taken to a separate process file, which would serve as a multiple master.

2. In this master, a check will be carried out for the same PAN. In cases where the PAN is different, the same will be deleted from this master.

3. The Registrar will obtain, from the depositories, details of the applicant's address based on the DP ID and Beneficiary Account Number provided in the Bid-cum-Application Form and create an address master.

4. The addresses of all the applications in the multiple master will be strung from the address master. This involves putting the addresses in a single line after deleting non-alpha and non-numeric characters i.e. commas, full stops, hash etc. Sometimes, the name, the first line of address and pin code will be converted into a string for each application received and a photo match will be carried out amongst all the applications processed. A print-out of the addresses will be taken to check for common names. The applications with same name and same address will be treated as multiple applications.

5. The applications will be scrutinized for DP ID and Beneficiary Account Numbers. In case applications bear the same DP ID and Beneficiary Account Numbers, these will be treated as multiple applications.

6. Subsequent to the aforesaid procedures, a print out of the multiple master will be taken and the applications physically verified to tally signatures as also father's/ husband's names. On completion of this, the applications will be identified as multiple applications.

Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids in any or all categories.

Permanent Account Number or PAN

Except for Bids on behalf of the Central or State Government and the officials appointed by the courts, each of the Bidders should mention his/her PAN allotted under the I.T. Act. Applications without this information will be considered incomplete and are liable to be rejected. It is to be specifically noted that Bidders should not submit the GIR number instead of the PAN, as the Bid is liable to be rejected on this ground.

Unique Identification Number ("UIN")

Pursuant to circulars dated April 27, 2007 (No. MRD/DoP/Cir-05/2007) and June 25, 2007 (No. MRD/DoP/Cir-08/2007) issued by the SEBI, the requirement of UIN under the SEBI (Central Database of Market Participants) Regulations, 2005 has been discontinued and irrespective of the amount of transaction, PAN has been made the sole identification number for all participants in the securities market.

Right to Reject Bids

In case of QIB Bidders bidding in the Net QIB Portion, our Company in consultation with the BRLM may reject Bids provided that the reasons for rejecting the same shall be provided to such Bidder in writing. Provided further that, our Company in consultation with the BRLM, reserves the right to reject any Bid received from Anchor Investors without assigning any reasons therefore. In case of Non-Institutional Bidders, Retail Individual Bidders and Bids by Eligible Employees bidding in the Employee Reservation Portion, our Company has a right to reject Bids based on technical grounds. Consequent refunds shall be made through any of the modes described in the Red Herring Prospectus and will be sent to the Bidder's address at the Bidder's risk.

Grounds for Technical Rejections

Bidders are advised to note that Bids are liable to be rejected *inter alia* on the following technical grounds:

1. Amount paid does not tally with the amount payable for the highest value of Equity Shares Bid for;

2. Age of First Bidder not given;

3. In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;

4. Bid by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;

5. PAN not stated or GIR number stated instead of the PAN (except for Bids on behalf of the Central or State Government and the officials appointed by the courts);

6. Bids for lower number of Equity Shares than specified for that category of investors;

7. Bids at a price less than the Floor Price;

8. Bids at a price more than the Cap Price;

9. Bids at Cut off Price by Non-Institutional Bidders, QIB Bidders and Eligible Employees bidding in the Employee Reservation Portion exceeding Rs. 100,000;

10. Bids for number of Equity Shares which are not in multiples of [•];

11. Category not ticked;

12. Multiple Bids as described in this Draft Red Herring Prospectus;

13. In case of Bid under power of attorney or by limited companies, corporate, trust etc., relevant documents are not submitted;

14. Bids accompanied by stockinvest/money order/postal order/cash;

15. Signature of sole and/or joint Bidders missing;

16. Bid cum Application Forms does not have the stamp of the BRLM or the Syndicate Member's;

17. Bid cum Application Forms does not have Bidder's depository account details or the details given are incomplete;

18. Bid cum Application Forms are not delivered by the Bidders within the time prescribed as per the Bid cum Application Forms, Bid Opening Date advertisement and the Red Herring Prospectus and as per the instructions in the Red Herring Prospectus and the Bid cum Application Forms;

19. In case no corresponding record is available with the Depositories that matches three (3) parameters namely, names of the Bidders (including the order of names of joint holders), the Depositary Participant's identity (DP ID) and the beneficiary's account number;

20. Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;

21. Bids by QIBs not submitted through the Syndicate;

22. Bids by OCBs;

23. Bids by persons in the Employee Reservation Portion not qualifying as Eligible Employees;

24. Bids by persons in the United States;

25. Bids where clear funds are not available in the Escrow Accounts as per the final certificate from the Escrow Collection Banks;

26. Bids not uploaded in the Book would be rejected;

27. Bids or revision thereof by QIB Bidders and Non-Institutional Bidders where the Bid Amount is in excess of Rs. 100,000 uploaded after 5.00 p.m. on the Bid Closing Date;

28. Bank account details for the refund not given;

29. Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by the SEBI or any other regulatory authority;

30. Bids by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines and approvals;

31. Bids that do not comply with the securities laws of their respective jurisdictions; and

32. Bids by any persons outside India if not in compliance with applicable foreign and Indian laws.

Equity Shares in Dematerialized Form with NSDL or CDSL

As per the provisions of Section 68B of the Companies Act, the Allotment of Equity Shares in this Issue shall be only in a de-materialized form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode).

In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Issue:

a) Agreement dated March 11, 2008 with NSDL, our Company and the Registrar to the Issue; and

b) Agreement dated April 3, 2008 with CDSL, our Company and the Registrar to the Issue.

All Bidders can seek Allotment only in dematerialized mode. Bids from any Bidder without relevant details of his or her depository account are liable to be rejected.

a) A Bidder applying for Equity Shares must have at least one (1) beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the Bid.

b) The Bidder must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's identification number) appearing in the Bid cum Application Form or Revision Form.

c) Allotment to a successful Bidder will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Bidder.

d) Names in the Bid cum Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.

e) If incomplete or incorrect details are given under the heading 'Bidders Depository Account Details' in the Bid cum Application Form or Revision Form, it is liable to be rejected.

f) The Bidder is responsible for the correctness of his or her Demographic Details given in the Bid cum Application Form vis-à-vis those with his or her Depository Participant.

g) Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchanges where our Equity Shares are proposed to be listed have electronic connectivity with CDSL and NSDL.

h) The trading of the Equity Shares of our Company would be in dematerialized form only for all investors in the demat segment of the respective Stock Exchanges.

Communications

All future communications in connection with Bids made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Bidder, Bid cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid form, name and address of the member of the Syndicate where the Bid was submitted and cheque or draft number and issuing bank thereof.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of Allotment, credit of transferred shares in the respective beneficiary accounts, refunds, etc.

Impersonation

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 68 A of the Companies Act, which is reproduced below:

"Any person who:

(a) makes in a fictitious name, an application to a company for acquiring or subscribing for, any shares therein, or

(b) otherwise induces a company to allot, or register any transfer of shares, therein to him, or any other person in a fictitious name,

shall be punishable with imprisonment for a term which may extend to five years."

Basis of Allotment

A. For Retail Individual Bidders

- Bids received from the Retail Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Retail Individual Bidders will be made at the Issue Price.

- The Issue size less Allotment to Non-Institutional and QIB Bidders shall be available for Allotment to Retail Individual Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price.

- If the valid Bids in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to the Retail Individual Bidders to the extent of their valid Bids.

- If the valid Bids in this category is greater than [●] Equity Shares at or above the Issue Price, the Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment, refer below.

B. For Non-Institutional Bidders

- Bids received from Non-Institutional Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non-Institutional Bidders will be made at the Issue Price.

- The Issue size less Allotment to QIB Bidders and Retail Institutional Bidders shall be available for Allotment to Non-Institutional Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price.

- If the valid Bids in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their demand.

- In case the valid Bids in this category is greater than [●] Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

C. For Employee Reservation Portion

- Bids received from the Eligible Employees at or above the Issue Price shall be grouped together to determine the total demand under this category. The allocation to all the successful Eligible Employees will be made at the Issue Price.

- If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full allocation shall be made to the Eligible Employees to the extent of their demand.

- If the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, the allocation shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiple of [●] Equity Share thereafter. For the method of proportionate basis of allocation, refer below.

- Only Eligible Employees eligible to apply under Employee Reservation Portion.

D. For QIBs in the Net QIB Portion

- Bids received from the QIB Bidders bidding in the Net QIB Portion, at or above the Issue Price, shall be grouped together to determine the total demand under this portion. The Allotment to all the QIB Bidders will be made at the Issue Price.

- The Net QIB Portion shall be available for Allotment to QIB Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price.

- Allotment shall be undertaken in the following manner:

  (a) In the first instance allocation to Mutual Funds for 5% of the Net QIB Portion shall be determined as follows:

  (i) In the event that Mutual Fund Bids exceeds 5% of the Net QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for 5% of the Net QIB Portion.

  (ii) In the event that the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Issue Price.

  (iii) Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders as set out in (b) below;

  (b) In the second instance Allotment to all QIB Bidders shall be determined as follows:

  (i) In the event that the oversubscription in the Net QIB Portion, all QIB Bidders who have submitted Bids above the Issue Price shall be Allotted Equity Shares on a proportionate basis for up to 95% of the Net 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 QIB Bidders.

(iii) Under-subscription below 5% of the Net QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis.

- The aggregate allocation to QIB Bidders shall be at least [●] Equity Shares. The method of proportionate Basis of Allotment is stated below.

E. For Anchor Investors

Allocation of Equity Shares to Anchor Investors at the Anchor Investor Issue Price will be at the discretion of the Company, in consultation with the BRLM, subject to compliance with the following requirements:

(i) not more than 30% of the QIB Portion will be allocated to Anchor Investors.
(ii) at least one-third of the Anchor Investor Portion shall be available for allocation to Mutual Funds only.
(iii) Allocation to a minimum number of two (2) Anchor Investors.

The number of Equity Shares Allotted to Anchor Investors and the Anchor Investor Issue Price, shall be made available in the public domain by the BRLM before the Bid Opening Date

Illustration of Allotment to QIBs and Mutual Funds ("MF") in the Net QIB Portion

Issue Details

Sr. No.	Particulars	Issue details
1	Issue size	200 million Equity Shares
2	Allocation to QIB (60%)	120 million Equity Shares
	Of which:	
	a. Reservation to MF (5%)	6 million Equity Shares
	b. Balance for all QIBs including MFs	114 million Equity Shares
3	No. of QIB applicants	10
4	No. of shares applied for	500 million Equity Shares

B. Details of QIB Bids

S. No	Type of QIB bidders#	No. of Equity Shares bid for (in millions)
1	A1	50
2	A2	20
3	A3	130
4	A4	50
5	A5	50
6	MF1	40
7	MF2	40
8	MF3	80
9	MF4	20
10	MF5	20
	Total	**500**

A1-A5: (QIB bidders other than MFs), MF1-MF5 (QIB bidders which are Mutual Funds)

C. Details of Allotment to QIB Bidders/ Applicants

(Number of Equity Shares in million)

Type of QIB bidders	Shares bid for	Allocation of 6 million Equity Shares to MF proportionately (please see note 2 below)	Allocation of balance 114 million Equity Shares to QIBs proportionately (please see note 4 below)	Aggregate allocation to MFs
(I)	**(II)**	**(III)**	**(IV)**	**(V)**
A1	50	0	11.40	0
A2	20	0	4.5	0
A3	130	0	29.6	0
A4	50	0	11.4	0
A5	50	0	11.4	0
MF1	40	1.2	9.1	10.3
MF2	40	1.2	9.1	10.3
MF3	80	2.4	18.2	20.6
MF4	20	0.6	4.5	5.2
MF5	20	0.6	4.5	5.2
	500	**6**	**114**	**51.6**

Please note:

1. The illustration presumes compliance with the requirements specified in this Draft Red Herring Prospectus in "***Issue Structure***" on page 181.
2. Out of 114 million equity shares allocated to QIBs, 6 million (i.e. 5%) will be allocated on proportionate basis among 5 mutual fund applicants who applied for 200 shares in QIB category.
3. The balance 95 million equity shares (i.e. 100 - 5 (available for mutual funds)) will be allocated on proportionate basis among 10 QIB applicants who applied for 500 equity shares (including 5 mutual fund applicants who applied for 200 equity shares).
4. The figures in the fourth column titled "Allocation of balance 114 million equity shares to QIBs proportionately" in the above illustration are arrived as under:
   - For QIBs other than mutual funds (A1 to A5)= No. of shares bid for (i.e. in column II) X 114 / 494
   - For mutual funds (MF1 to MF5)= [(No. of shares bid for (i.e. in column II of the table above) less equity shares allotted (i.e., column III of the table above)] X 114/494
   - The numerator and denominator for arriving at allocation of 114 million shares to the 10 QIBs are reduced by 6 million shares, which have already been allotted to mutual funds in the manner specified in column III of the table above.

Basis of Allotment

Except in relation to Anchor Investors, in the event of the Issue being over-subscribed, our Company shall finalize the Basis of Allotment in consultation with the BRLM and the Designated Stock Exchange. The executive director (or any other senior official nominated by them) of the Designated Stock Exchange along with the BRLM and the Registrar to the Issue shall be responsible for ensuring that the Basis of Allotment is finalized in a fair and proper manner.

Except in relation to Anchor Investors, the Allotment to Bidders shall be made in marketable lots, on a proportionate basis as explained below:

a) Bidders will 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 shall 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) Number of Equity Shares to be Allotted to the successful Bidders will 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 [●] Equity Shares per Bidder, the Allotment shall be made as follows:

   - Each successful Bidder shall be Allotted a minimum of [●] Equity Shares; and

   - The successful Bidders out of the total Bidders for a category shall be determined by 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.

e) If the proportionate Allotment to a Bidder is a number that is more than [●] but is not a multiple of one (1) (which is the marketable lot), the decimal would be rounded off to the higher whole number if that number is 0.5 or higher. If that number is lower than 0.5, it would be rounded off to the lower whole number. All Bidders in such categories would be Allotted Equity Shares arrived at after such rounding off.

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 shall be first adjusted against any other category, where the Allotted shares are not sufficient for proportionate Allotment to the successful Bidders in that category. The balance Equity Shares, if any, remaining after such adjustment will be added to the category comprising Bidders applying for minimum number of Equity Shares.

g) Subject to valid Bids being received, Allotment of Equity Shares to Anchor Investors will be at the discretion of the Company, in consultation with the BRLM.

Payment of Refund

Bidders must note that on the basis of name of the Bidders, Depository Participant's name, DP ID, Beneficiary Account number provided by them in the Bid-cum-Application Form, the Registrar will obtain, from the Depositories, the Bidders' address, bank account details, including the nine (9) digit Magnetic Ink Character Recognition ("**MICR**") code as appearing on a cheque leaf. Hence Bidders are advised to immediately update their bank account details as appearing on the records of the Depository Participant. Please note that failure to do so could result in delays in dispatch of refund order or refunds through electronic transfer of funds, as applicable, and any such delay shall be at the Bidders' sole risk and neither our Company, the Registrar, Escrow Collection Bank(s), Bankers to the Issue nor the BRLM shall be liable to compensate the Bidders for any losses caused to the Bidder due to any such delay or liable to pay any interest for such delay.

Mode of making refunds

The payment of refund, if any, would be done through various modes in the following order of preference:

1. ECS – Payment of refund would be done through ECS for applicants having an account at any of the centers specified by the RBI. This mode of payment of refunds would be subject to availability of complete bank account details including the MICR code as appearing on a cheque leaf, from the Depositories. The payment of refunds is mandatory for applicants having a bank account at any of the 68 centers specified by the RBI, except where the applicant, being eligible, opts to receive refund through Direct Credit, NEFT or RTGS.

2. Direct Credit – Applicants having bank accounts with the Refund Bank(s), in this case being, [•] shall be eligible to receive refunds through direct credit. Charges, if any, levied by the Refund Bank(s) for the same would be borne by our Company.

3. NEFT (National Electronic Fund Transfer) – Payment of refund shall be undertaken through NEFT wherever the applicants' bank branch is NEFT enabled and has been assigned the Indian Financial System Code (IFSC), which can be linked to MICR code of that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date prior to the date of payment of refund, duly mapped with MICR code. Wherever the applicants have registered their nine (9) digit MICR number and their bank account number while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the applicants through this method. The process flow in respect of refunds by way of NEFT is at an evolving stage and hence use of NEFT is subject to operational feasibility, cost and process efficiency and the past experience of the Registrars to the Issue. In the event that NEFT is not operationally feasible, the payment of refunds would be made through any one of the other modes as discussed in this section.

4. RTGS – Applicants having a bank account at any of the 15 centers specified by the RBI and whose refund amount exceeds Rs. 1 (one) million, have the option to receive refund through RTGS. Such eligible applicants who indicate their preference to receive refund through RTGS are required to provide the IFSC code in the Bid cum Application Form. In the event the same is not provided, refund shall be made through ECS. Charges, if any, levied by the Refund Bank(s) for the same would be borne by our Company. Charges, if any, levied by the applicant's bank receiving the credit would be borne by the Bidder.

5. For all other applicants, including those who have not updated their bank particulars with the MICR code, the refund orders will be dispatched under certificate of posting for value up to Rs. 1,500 and through speed post/registered post for refund orders of Rs. 1,500 and above. Such refunds will be made by cheques, pay orders or demand drafts drawn on the Escrow Collection Banks and payable at par at places where Bids are received. Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centers will be payable by the Bidders.

Disposal of applications and application moneys and interest in case of delay

Our Company shall ensure dispatch of Allotment advice, refund orders (except for Bidders who receive refunds through electronic transfer of funds) and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchanges within two (2) working days of date of Basis of Allotment of Equity Shares.

In case of applicants who receive refunds through ECS, direct credit or RTGS, the refund instructions will be given to the clearing system within 15 days from the Bid Closing Date. A suitable communication shall be sent to the Bidders receiving refunds through this mode within 15 days of Bid Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund.

Our Company shall use best efforts to ensure that 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 seven (7) working days of the finalization of the Basis of Allotment of Equity Shares.

In accordance with the Companies Act, the requirements of the Stock Exchanges and the ICDR Regulations, our Company further undertakes that:

- Allotment of Equity Shares shall be made only in dematerialized form within 15 days of the Bid Closing Date; and

- Dispatch of refund orders or in a case where the refund or portion thereof is made in electronic manner, the refund instructions are given to the clearing system within 15 days of the Bid Closing Date would be ensured.

Our Company shall pay interest at 15% per annum for any delay beyond the 15 day time period as mentioned above, if Allotment is not made and refund orders are not dispatched or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner and/or demat credits are not made to investors within the 15 day time period prescribed above as per the ICDR Regulations.

Letters of Allotment or Refund Orders

Our Company shall credit Equity Shares Allotted to the beneficiary account with depository participants and shall dispatch refund orders, if any, of value up to Rs. 1,500, by "Under Certificate of Posting", and will dispatch refund orders above Rs. 1,500, if any, by registered post or speed post at the sole or first Bidder's sole risk within 15 days of the Bid Closing Date. Applicants residing at 68 centers where clearing houses are managed by the RBI, will get refunds through ECS subject to adequate details being available in the demographic details received from the depositories, except where applicant is otherwise disclosed as eligible to get refunds through direct credit and RTGS.

In accordance with the Companies Act, the requirements of the Stock Exchanges and the ICDR Regulations, our Company further undertakes that:

- Allotment of Equity Shares will be made only in dematerialized form within 15 days from the Bid Closing Date;

- Dispatch of refunds will be done within 15 days from the Bid Closing Date; and

- Our Company will pay interest at 15% per annum (for any delay beyond the 15 day time period as mentioned above), if allotment is not made, refund instructions are not given and/or demat credits are not made to investors within the 15 day time period prescribed above.

Our Company will provide adequate funds required for dispatch of refunds orders or Allotment advice to the Registrar to the Issue.

Refunds will be made through any of the modes described above and bank charges, if any, for encashing cheques, pay orders or demand drafts at other centers will be payable by the Bidders.

Interest in case of delay in dispatch of Allotment letters/refund orders

We agree that Allotment of securities offered to the public shall be made not later than 15 days from the Bid Closing Date. We further agree that we shall pay interest at 15% per annum if the Allotment letters/refund orders have not been dispatched to the applicants or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner within 15 days from the Bid Closing Date.

In case of revision in the Price Band, the Bidding Period will be extended after revision of Price Band provided that the Bidding Period shall not exceed 10 working days. Any revision in the Price Band and the revised Bid 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 web site of the BRLM and at the terminals of the Syndicate.

Utilization of Issue Proceeds

Our Board of Directors certify that:

- All monies received out of the Issue shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 73 of the Companies Act;

- Details of all monies utilized out of Issue shall be disclosed, and continue to be disclosed till the time any part of the issue proceeds remains unutilised, under an appropriate head in our balance sheet indicating the purpose for which such monies have been utilized;

- Details of all unutilized monies out of the Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilized monies have been invested;

- the utilization of monies received under Promoters' contribution and from Employee Reservation Portion shall be disclosed, and continue to be disclosed till the time any part of the Issue proceeds remains unutilized, under an appropriate head in the balance sheet of the Company indicating the purpose for which such monies have been utilized; and

- the details of all unutilized monies out of the funds received under Promoters' contribution and from Employee Reservation Portion shall be disclosed under a separate head in the balance sheet of the issuer indicating the form in which such unutilized monies have been invested.

Undertakings By Our Company

Our Company undertakes the following:

- that no further issue of Equity Shares shall be made until the Equity Shares offered through this Draft Red Herring Prospectus are listed or until the Bid monies are refunded on account of non-listing, under-subscription etc;

- that all steps will be taken 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 seven (7) working days of finalization of the Basis of Allotment;

- that the complaints received in respect of this Issue shall be attended to expeditiously and satisfactorily. Our Company has authorized our Company Secretary as the Compliance Officer to redress all complaints, if any, of the investors participating in this Issue;

- that the funds required for making refunds or dispatch of Allotment advice by registered post or speed post shall be made available to the Registrar to the Issue;

- that the certificates of the securities/ refund orders to the eligible non-resident Indians or FIIs shall be dispatched within specified time;

- that the refund instruction shall be given or Allotment advice to the successful Bidders shall be dispatched within specified time;

- that where the refunds are effected through the electronic transfer of funds, suitable communication shall be sent to the applicants within 15 days of closure of the Issue giving details of the bank where refunds shall be credited along with the amount and expected date of electronic credit of the refund;

- that adequate arrangements shall be made to collect all Applications Supported by Blocked Amount (ASBA) and to consider them similar to non-ASBA applications while finalizing the Basis of Allotment; and

- that we shall pay interest of 15% per annum (for any delay beyond 15 days) if allotment has not been made and refund orders have not been dispatched within the aforesaid dates.

Issue Procedure for ASBA Bidders

This section is for the information of investors proposing to subscribe to the Issue through the ASBA process. Our Company and the BRLM are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Bid cum Application Form is correctly filled up, as described in this section.

The list of banks that have been notified by SEBI to act as SCSB for the ASBA Process are provided on http://www.sebi.gov.in. For details on the Designated Branches of SCSBs collecting the ASBA Bid cum Application Form, please refer the above mentioned SEBI link.

ASBA Process

A Resident Retail Individual Investor shall submit his Bid through an ASBA Bid cum Application Form, either in physical or electronic mode, to the SCSB with whom the ASBA Account is maintained. The SCSB shall block an amount equal to the Bid Amount in the bank account specified in the ASBA Bid cum Application Form, physical or electronic, on the basis of an authorization to this effect given by the account holder at the time of submitting the Bid. The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Bid Amount against the allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the ASBA Bid, as the case may be. The ASBA data shall thereafter be uploaded by the SCSB in the electronic IPO system of the Stock Exchanges. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant bank accounts and for transferring the amount allocable to the successful ASBA Bidders to the ASBA Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the BRLM.

ASBA Bid cum Application Form

ASBA Bidders shall use the ASBA Bid cum Application Form bearing the stamp of the Syndicate Member and/or the Designated Branch of SCSB, as the case may be, for the purpose of making a Bid in terms of the Red Herring Prospectus. ASBA Bidders are required to submit their Bids, either in physical or electronic mode. In case of application in physical mode, the ASBA Bidder shall submit the ASBA Bid cum Application form at the Designated Branch of the SCSB. In case of application in electronic form, the ASBA Bidder shall submit the ASBA Bid cum Application Form either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for bidding and blocking funds in the ASBA account held with SCSB, and accordingly registering such Bids. The ASBA Bidders can submit only one (1) Bid option in the ASBA Bid cum Application Form which shall be at Cut-off Price.

Upon the allocation of Equity Shares, dispatch of the CAN, and filing of the Prospectus with the RoC, the ASBA Bid cum Application Form shall be considered as the Application Form. Upon completing and submitting the ASBA Bid cum Application Form to the Designated Branch of the SCSB, the ASBA Bidder is deemed to have authorized our Company to make the necessary changes in the Red Herring Prospectus as would be required for filing the Prospectus with the RoC and as would be required by RoC after such filing, without prior or subsequent notice of such changes to the ASBA Bidder.

The prescribed color of the ASBA Bid cum Application Form shall be white.

Who can Bid?

In accordance with the ICDR Regulations, only Resident Retail Individual Investor can submit their application through ASBA process to bid for the Equity Shares of our Company.

Maximum and Minimum Bid Size for ASBA Bidders

The ASBA Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. The maximum ASBA Bid cannot exceed [●] Equity Shares in order to ensure that the total Bid Amount blocked in respect of the ASBA Bidder does not exceed Rs. 100,000. The ASBA Bidders shall Bid only at the Cut-off Price indicating their agreement to Bid and purchase Equity Shares at the final Issue Price as determined at the end of the Book Building Process.

Information for the ASBA Bidders:

a. The BRLM shall ensure that adequate arrangements are made to circulate copies of the Red Herring Prospectus and the ASBA Bid cum Application Form to the SCSBs and the SCSBs will then make available such copies to investors applying under the ASBA process. Additionally, the BRLM shall ensure that the SCSBs are provided with soft copies of the abridged prospectus and the ASBA Bid cum Application Form and that the same are made available on the websites of the SCSBs.

b. ASBA Bidders, under the ASBA process, who would like to obtain the Red Herring Prospectus and/or the ASBA Bid cum Application Form can obtain the same from the Designated Branches of the

SCSBs or the BRLM. ASBA Bidders can also obtain a copy of the abridged prospectus and/or the ASBA Bid cum Application Form in electronic form on the websites of the SCSBs.

c. The Bids should be submitted on the prescribed ASBA Bid cum Application Form if applied in physical mode. SCSBs may provide the electronic mode of Bidding either through an internet enabled bidding and banking facility or such other secured, electronically enabled mechanism for bidding and blocking funds in the accounts of the respective eligible investors.

d. ASBA Bid cum Application Forms should bear the stamp of the Syndicate Member and/or Designated Branch of the SCSB. ASBA Bid cum Application Forms which do not bear the stamp will be rejected.

e. ASBA Bidders shall bid for Equity Shares only at the Cut-off Price, with a single bid option as to the number of Equity Shares.

f. ASBA Bidders shall correctly mention the bank account number in the ASBA Bid cum Application Form and ensure that funds equal to the Bid Amount are available in the bank account maintained with the SCSB before submitting the ASBA Bid cum Application Form to the respective Designated Branch.

g. If the ASBA Account holder is different from the ASBA Bidder, the ASBA Bid cum Application Form should be signed by the account holder as provided in the ASBA Bid cum Application Form.

h. ASBA Bidders shall correctly mention their DP ID and Client ID in the ASBA Bid cum Application Form. For the purpose of evaluating the validity of Bids, the demographic details of ASBA Bidders shall be derived from the DP ID and Client ID mentioned in the ASBA Bid cum Application Form.

i. ASBA Bidders shall not be allowed to revise their Bid and shall not bid under any reserved category.

Method and Process of Bidding

a. ASBA Bidders are required to submit their Bids, either in physical or electronic mode. ASBA Bidders submitting their Bids in physical mode should approach the Designated Branches of the SCSBs. ASBA Bidders submitting their Bids in electronic form shall submit their Bids either using the internet enabled bidding and banking facility of the SCSBs or such other electronically enabled mechanism for bidding and blocking funds in the accounts of the respective eligible investors, and accordingly registering such Bids. Every Designated Branch of the SCSB shall accept Bids from all such investors who hold accounts with them and desire to place Bids through them. Such SCSBs shall have the right to vet the Bids, subject to the terms of the ICDR Regulations and Red Herring Prospectus.

b. The Designated Branches of the SCSBs shall give an acknowledgment specifying the application number to the ASBA Bidders as a proof of acceptance of the ASBA Bid cum Application Form. Such acknowledgment does not in any manner guarantee that the Equity Shares bid for shall be Allotted to the ASBA Bidders.

c. Each ASBA Bid cum Application Form will give the ASBA Bidder only one (1) option to bid for the Equity Shares at the Cut-off Price i.e. at the Cap Price of the Price Band and specify the demand (i.e. the number of Equity Shares bid for) in such option. After determination of the Issue Price, the number of Equity Shares bid for by the ASBA Bidder at the Cut-off Price will be considered for allocation along with the Non-ASBA Retail Bidders who have bid for Equity Shares at or above the Issue Price or at Cut-off Price.

d. Upon receipt of the ASBA Bid cum Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the ASBA Bid cum Application Form, prior to uploading such Bids with the Stock Exchanges.

e. If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Bids and shall not upload such Bids with the Stock Exchanges.

f. If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the ASBA Bid cum Application Form. The Designated Branch shall thereafter enter the Bid details from the prescribed ASBA Bid cum Application Form, if submitted in physical mode, or the Bid information submitted through the electronic mode made available by the SCSBs, as the case may be, into the electronic bidding system of the Stock Exchanges and generate a Transaction Registration Slip ("**TRS**"). The TRS shall be furnished to the ASBA Bidder on request.

g. An ASBA Bidder cannot bid, either in physical or electronic mode, on another ASBA Bid cum Application Form or a non-ASBA Bid cum Application Form after bidding on one (1) ASBA Bid cum Application Form, either in physical or electronic mode, has been submitted to the Designated Branches of SCSBs or uploaded by the ASBA Bidder, as the case may be. Submission of a second ASBA Bid cum Application Form or a Non-ASBA Bid cum Application Form to either the same or to another Designated Branch of the SCSB will be treated as multiple Bids and will be liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the Allocation or Allotment of Equity Shares in this Issue. **ASBA Bidders are cautioned that Bids for Equity Shares made in the Issue through the ASBA Bid cum Application Form cannot be revised.**

Bidding

a. The Price Band has been fixed at Rs. [•] to Rs. [•] per Equity Share of Rs. 10 each, Rs. [•] being the Floor Price and Rs. [•] being the Cap Price. The ASBA Bidders can submit only one (1) Bid in the ASBA Bid cum Application Form, that is, at Cut-off Price with single option as to the number of Equity Shares.

b. In accordance with the ICDR Regulations, our Company reserves the right to revise the Price Band during the Bidding Period, in consultation with the BRLM. The cap on the Price Band should not be more than 120% of the floor of the Price Band. Subject to compliance with the immediately preceding sentence, the floor of the Price Band can move up or down to the extent of 20% of the floor of the Price Band.

c. In case of revision in the Price Band, the Bidding Period will be extended for three (30 additional days after revision of Price Band subject to a maximum of 10 working days. Any revision in the Price Band and the revised Bidding Period, if applicable, will be widely disseminated by notification to the BSE and the NSE, by issuing a public notice in two (2) national newspapers (one each in English and Hindi) and a regional newspaper and also by indicating the change on the websites of the BRLM, SCSBs and at the terminals of the members of the Syndicate.

d. Our Company, in consultation with the BRLM, can finalize the Issue Price within the Price Band in accordance with this clause, without the prior approval of, or intimation to, the ASBA Bidders.

e. ASBA Bidders agree that they shall purchase the Equity Shares at any price within the Price Band. In the event the Bid Amount is higher than the subscription amount payable (i.e. the total number of Equity Shares allocated in the Issue multiplied by the Issue Price), the ASBA Account shall be unblocked to the extent to such excess of Bid Amount over the subscription amount payable.

f. In case of an upward revision in the Price Band, announced as above, the number of Equity Shares bid for shall be adjusted downwards (to the previous multiple lot) for the purpose of allotment, such that no additional amount is required to be blocked in the bank account of the ASBA Bidder and the ASBA Bidder is deemed to have approved such revised Bid at Cut-off Price.

Mode of Payment

Upon submission of an ASBA Bid cum Application Form with the SCSB, whether in physical or electronic mode, each ASBA Bidder shall be deemed to have agreed to block the entire Bid Amount and authorized the Designated Branch of the SCSB to block the Bid Amount, in the bank account maintained with the SCSB.

Bid Amounts paid in cash, by money order or by postal order or by stockinvest, or ASBA Bid cum Application Form accompanied by cash, draft, money order, postal order or any mode of payment other than blocked amounts in the SCSB bank accounts, shall not be accepted.

After verifying that sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the ASBA Bid cum Application Form till the Designated Date. On the Designated Date, the SCSBs shall transfer the amounts allocable to the ASBA Bidders from the respective ASBA Account, in terms of the ICDR Regulations, into the ASBA Public Issue Account. The balance amount, if any against the said Bid in the ASBA Accounts shall then be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue.

The entire Bid Amount, as per the Bid cum Application Form submitted by the respective ASBA Bidders, would be required to be blocked in the respective ASBA Accounts from the time of the submission of the ASBA Bid cum Application Form, whether in physical or electronic mode, until finalization of the Basis of Allotment in the Issue and consequent transfer of the Bid Amount against allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until rejection of the ASBA Bid, as the case may be.

Electronic registration of Bids by SCSBs

a. In case of ASBA Bid cum Application Forms, whether in physical or electronic mode, the Designated Branch of the SCSBs will register the Bids using the online facilities of the Stock Exchanges. SCSB shall not upload any ASBA Application Form in the electronic bidding system of the Stock Exchange(s) unless

   (i) it has received the ASBA in a physical or electronic form; and

   (ii) it has blocked the application money in the bank account specified in the ASBA or has systems to ensure that Electronic ASBAs are accepted in the system only after blocking of application money in the relevant bank account opened with it.

b. The Stock Exchanges offer a screen-based facility for registering Bids for the Issue which will be available on the terminals of the Designated Branches during the Bidding Period. The Designated Branches can also set up facilities for offline electronic registration of Bids subject to the condition that they will subsequently upload the offline data file into the online facilities for book building on a regular basis. On the Bid Closing Date, the Designated Branches of the SCSBs shall upload the Bids till such time as may be permitted by the Stock Exchanges. ASBA Bidders are cautioned that high inflow of bids typically received on the last day of the bidding may lead to some Bids received on the last day not being uploaded due to lack of sufficient uploading time, and such bids that are not uploaded may not be considered for allocation.

c. The aggregate demand and price for Bids registered on the electronic facilities of the Stock Exchanges will be displayed online at all the Designated Branches of the SCSBs and on the websites of the Stock Exchanges. A graphical representation of consolidated demand and price would be made available at all the Designated Branches of the SCSBs during the Bidding Period.

d. At the time of registering each Bid, the Designated Branches of the SCSBs shall enter the information pertaining to the investor into the online system, including the following details:

   - Name of the Bidder(s);
   - Application Number;
   - Permanent Account Number;
   - Number of Equity Shares Bid for;
   - Depository Participant identification no.; and
   - Client identification no. of the Bidder’s beneficiary account.

   In case of electronic ASBA, the ASBA Bidder shall himself fill in all the above mentioned details, except the application number which shall be system generated. The SCSBs shall thereafter upload all the abovementioned details in the electronic bidding system provided by the Stock Exchange(s).

e. A system generated TRS will be given to the ASBA Bidder upon request as proof of the registration of the Bid. **It is the ASBA Bidder’s responsibility to obtain the TRS from the Designated Branches of the SCSBs.** The registration of the Bid by the Designated Branch of the SCSB does not guarantee that the Equity Shares bid for shall be Allocated to the ASBA Bidders.

f. Such TRS will be non-negotiable and by itself will not create any obligation of any kind.

g. It is to be distinctly understood that the permission given by the Stock Exchanges to use their network and software of the online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company or the BRLM or the Designated Branches of the SCSBs are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements; nor does it take any responsibility for the financial or other soundness of our Company, our management or any scheme or project of our Company.

h. It is also to be distinctly understood that the approval given by the Stock Exchanges should not in any way be deemed or construed that this Draft Red Herring Prospectus has been cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus; nor does it warrant that our Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

i. The SCSB may reject the ASBA Bid upon receipt of ASBA Bid cum Application Form, if the bank account maintained with the SCSB as mentioned in the ASBA Bid cum Application Form does not have sufficient funds equivalent to the Bid Amount. Subsequent to the acceptance of the Bid by the Designated Branch, our Company would have a right to reject the Bids only on technical grounds.

j. Only Bids that are uploaded on the online IPO system of the Stock Exchanges shall be considered for allocation/Allotment. In case of discrepancy of data between the BSE or NSE and the Designated Branches of the SCSBs, the decision of the Registrar, in consultation with the BRLM, our Company and the Designated Stock Exchange, based on the physical records of the ASBA Bid cum Application Forms shall be final and binding on all concerned.

Build up of the book and revision of Bids

a. Bids registered through the Designated Branches of the SCSBs shall be electronically transmitted to the BSE or the NSE mainframe on a regular basis.

b. The book gets built up at various price levels. This information will be available with the BRLM, the Stock Exchanges and the Designated Branches of the SCSBs on a regular basis.

c. ASBA Bidders shall not revise their Bids.

d. The SCSBs shall provide aggregate information about the numbers of ASBA Bid cum Application Forms uploaded, total number of Equity Shares and total amount blocked against the uploaded ASBA Bid cum Application Form and other information pertaining to the ASBA Bidders. The Registrar to the Issue shall reconcile the electronic data received from the Stock Exchanges and the information received from the SCSBs. In the event of any error or discrepancy, the Registrar to the Issue shall inform the SCSB of the same. The SCSB shall be responsible to provide the rectified data within the time stipulated by the Registrar to the Issue. Further the decision of the Registrar to the Issue in consultation with the BRLM, our Company and the Designated Stock Exchange, in this regard shall be final and binding.

e. Only Bids that are uploaded on the online IPO system of the BSE and NSE shall be considered for allocation/ Allotment.

Price Discovery and Allocation

After the Bid losing Date, the BRLM shall aggregate the demand generated under the ASBA process and which details are provided to them by the Registrar to the Issue with the Retail Individual Investor applied under the non ASBA process to determine the demand generated at different price levels. For further details, refer to the "***Issue Procedure -Price Discovery and Allocation***" on page 194.

Signing of Underwriting Agreement and RoC Filing

(a) We, the BRLM and the Syndicate Member shall enter into an Underwriting Agreement upon finalization of the Issue Price.

(b) After signing the Underwriting Agreement, we shall update and file the updated Red Herring Prospectus with the RoC, which then would be termed the 'Prospectus'. The Prospectus would contain details of the Issue Price, Anchor Investor Issue Price and Issue size.

Advertisement regarding Issue Price and Prospectus

After filing of the Prospectus with the RoC, a statutory advertisement will be issued by our Company in a widely circulated English national newspaper and a Hindi national newspaper of wide circulation. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the Issue Price and Anchor Investor Issue Price. Any material updates between the date of Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement.

Issuance of CAN

(a) Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar to the Issue shall send to the Controlling Branches of the SCSBs, a list of the ASBA Bidders who have been allocated Equity Shares in the Issue. Investors should note that our Company shall endeavour to ensure that the demat credit of Equity Shares pursuant to Allotment shall be made on the same date to all investors in this Issue; and

(b) The ASBA Bidders shall directly receive the CAN from the Registrar. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the ASBA Bidder.

Unblocking of ASBA Account

On the basis of instructions from the Registrar to the Issue, the SCSBs shall transfer the requisite amount against each successful ASBA Bidder to the ASBA Public Issue Account and shall unblock excess amount, if any in the ASBA Account. However, the Bid Amount may be unblocked in the ASBA Account prior to receipt of intimation from the Registrar to the Issue by the Controlling Branch of the SCSB regarding finalization of the Basis of Allotment in the Issue, in the event of withdrawal/failure of the Issue or rejection of the ASBA Bid, as the case may be.

Allotment of Equity Shares

(a) Our Company will ensure that the Allotment of Equity Shares is done within 15 days of the Bid Closing Date. After the funds are transferred from the bank account of the ASBA Bidders to the ASBA Public Issue Account on the Designated Date, to the extent applicable, our Company would ensure the credit of the Allotted Equity Shares to the depository accounts of all successful ASBA Bidders within two (2) working days from the date of Allotment.

(b) As per the ICDR Regulations, **Equity Shares will be issued, transferred and allotted only in the dematerialized form to the Allottees**. Allottees will have the option to re-materialize the Equity Shares so Allotted, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

GENERAL INSTRUCTIONS

Do's:

a. Check if you are a Resident Retail Individual Investor and eligible to Bid under ASBA process.

b. Ensure that you use the ASBA Bid cum Application Form specified for the purposes of ASBA process.

c. Read all the instructions carefully and complete the ASBA Bid cum Application Form (if the Bid is submitted in physical mode, the prescribed ASBA Bid cum Application Form is white in color).

d. Ensure that your Bid is at the Cut-off Price.

e. Ensure that you have mentioned only one (1) Bid option with respect to the number of equity shares in the ASBA Bid cum Application Form.

f. Ensure that the details of your Depository Participant and beneficiary account are correct and that your beneficiary account is activated, as Equity Shares will be Allotted in dematerialized form only.

g. Ensure that your Bid is submitted at a Designated Branch of an SCSB, with a branch of which the ASBA Bidder or a person whose bank account will be utilized by the ASBA Bidder for bidding has a bank account and not to the Bankers to the Issue/Collecting Banks (assuming that such Collecting Bank is not a SCSB), to our Company or Registrar or Lead Manager to the Issue.

h. Ensure that the ASBA Bid cum Application Form is signed by the account holder in case the applicant is not the account holder.

i. Ensure that you have mentioned the correct bank account no. in the ASBA Bid cum Application Form.

j. Ensure that you have funds equal to the number of Equity Shares Bid for at Cut-off Price available in your bank account maintained with the SCSB before submitting the ASBA Bid cum Application Form to the respective Designated Branch of the SCSB.

k. Ensure that you have correctly checked the authorization box in the ASBA Bid cum Application Form, or have otherwise provided an authorization to the SCSB via the electronic mode, for the Designated Branch to block funds equivalent to the Bid Amount mentioned in the ASBA Bid cum Application Form in your ASBA Account maintained with a branch of the concerned SCSB.

l. Ensure that you receive an acknowledgement from the Designated Branch of the concerned SCSB for the submission of your ASBA Bid cum Application Form.

m. Ensure that you have mentioned your Permanent Account Number ("**PAN**") allotted under the I.T. Act.

n. Ensure that the name(s) and PAN(s) given in the ASBA Bid cum Application Form is exactly the same as the name(s) and PAN(s) in which the beneficiary account is held with the Depository Participant. In case the ASBA Bid is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the ASBA Bid cum Application Form.

j) Ensure that the Demographic Details are updated, true and correct, in all respects.

Don'ts:

a. Do not submit an ASBA Bid if you are not a Resident Retail Individual Investor.

b. Do not submit an ASBA Bid if you are applying under any reserved category.

c. Do not revise your Bid.

d. Do not Bid for lower than the minimum Bid size.

e. Do not Bid on another ASBA or Non-ASBA Bid cum Application Form after you have submitted a Bid to a Designated Branch of the SCSB.

f. Payment of Bid Amounts in any mode other than blocked amounts in the bank accounts maintained by SCSBs, shall not be accepted under the ASBA process.

g. Do not send your physical ASBA Bid cum Application Form by post; instead submit the same to a Designated Branch of the SCSB only.

h. Do not fill up the ASBA Bid cum Application Form such that the bid amount against the number of Equity Shares Bid for exceeds Rs. 100,000.

i. Do not submit the GIR number instead of the PAN.

j. Do not instruct your respective banks to release the funds blocked in the bank account under the ASBA process.

Bids by ASBA Bidders must be:

a. Made only in the prescribed ASBA Bid cum Application Form, which is white in color if submitted in physical mode, or electronic mode.

b. In single name or in joint names (not more than three, and in the same order as their Depository Participant details).

c. Completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained herein, in the ASBA Bid cum Application Form.

d. The Bids must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter subject to a maximum of [●] Equity Shares such that the Bid Amount does not exceed Rs. 100,000.

e. Thumb impressions and signatures other than in the languages specified in the Eighth Schedule in the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal.

ASBA Bidder's depository account and bank details

ALL ASBA BIDDERS SHALL RECEIVE THE EQUITY SHARES ALLOTTED TO THEM IN DEMATERIALIZED FORM. ALL ASBA BIDDERS SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER, BENEFICIARY ACCOUNT NUMBER AND PERMANENT ACCOUNT NUMBER IN THE ASBA BID CUM APPLICATION FORM. ASBA BIDDERS MUST ENSURE THAT THE NAME GIVEN IN THE ASBA BID CUM APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. ADDITIONALLY, THE PERMANENT ACCOUNT NUMBER IN THE ASBA BID CUM APPLICATION FORM SHOULD BE EXACTLY THE SAME AS PROVIDED WHILE OPENING THE DEPOSITORY ACCOUNT. IN CASE THE ASBA BID CUM APPLICATION FORM IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE ASBA BID CUM APPLICATION FORM.

ASBA Bidders should note that on the basis of name of the ASBA Bidders, PAN, Depository Participant's name and identification number and beneficiary account number provided by them in the ASBA Bid cum Application Form, the Registrar to the Issue will obtain from the Depository, demographic details of the ASBA Bidders including address, ("Demographic Details"). Hence, ASBA Bidders should carefully fill in their Depository Account details in the ASBA Bid cum Application Form.

As these Demographic Details would be used for all correspondence with the ASBA Bidders they are advised to update their Demographic Details as provided to their Depository Participants.

By signing the ASBA Bid cum Application Form, the ASBA Bidder is deemed to have authorized the Depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

CAN/Allocation advice and letters intimating unblocking of bank account of the respective ASBA Bidder would be mailed at the address of the ASBA Bidder as per the Demographic Details received from the Depositories. ASBA Bidders may note that delivery of CAN/Allocation advice or letters intimating unblocking of bank account may be delayed if the same once sent to the address obtained from the Depositories are returned undelivered. Note that any such delay shall be at the sole risk of the ASBA Bidders and neither of the Designated Branches of the SCSBs, the members of the Syndicate, or our Company shall be liable to compensate the ASBA Bidder for any losses caused to the ASBA Bidder due to any such delay or be liable to pay any interest for such delay.

In case no corresponding record is available with the Depositories that match three (3) parameters, namely, names of the ASBA Bidders (including the order of names of joint holders), the DP ID and the beneficiary account number, then such Bids are liable to be rejected.

ASBA Bidders are required to ensure that the beneficiary account is activated, as Equity Shares will be Allotted in dematerialized form only.

Payment mechanism under ASBA

The ASBA Bidders shall specify the bank account number in the ASBA Bid cum Application Form and the SCSB shall block an amount equivalent to the application money in the bank account specified in the Bid cum Application Form. The SCSB shall keep the Bid Amount in the relevant bank account blocked until withdrawal/rejection of the ASBA Bid or receipt of instructions from the Registrar to the Issue to unblock the Bid Amount.

In the event of withdrawal or rejection of Bid cum Application Form or for unsuccessful Bid cum Application Forms, the Registrar to the Issue shall give instructions to the Controlling Branch of the SCSB to unblock the application money in the relevant bank account. The Bid Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Bid Amount to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until rejection of the ASBA Bid, as the case may be.

ASBA Bids under Power of Attorney

In case of ASBA Bids made pursuant to a power of attorney, a certified copy of the power of attorney must be lodged along with the ASBA Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject such ASBA Bids.

Our Company, in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the ASBA Bid cum Application Form, subject to such terms and conditions that we, in consultation with the BRLM may deem fit.

OTHER INSTRUCTIONS

Withdrawal of ASBA Bids

In case an ASBA Bidder wants to withdraw the ASBA Bid cum Application Form during the Bidding Period, the ASBA Bidder shall submit the withdrawal request to the SCSB, which shall do the necessary, including deletion of details of the withdrawn ASBA from the electronic bidding system of the Stock Exchange(s) and unblocking of funds in the relevant bank account.

In case an ASBA Bidder wants to withdraw the ASBA cum Application Form after the Bid Closing date, the ASBA Bidder shall submit the withdrawal request to the Registrar to the Issue. The Registrar to the Issue shall delete the withdrawn Bid from the Bid file. The instruction for and unblocking of funds in the relevant bank account, in such withdrawals, shall be forwarded by the Registrar to the Issue to the SCSB on finalization of the Basis of Allotment.

Joint ASBA Bids

ASBA Bids may be made in single or joint names (not more than three). In case of joint ASBA Bids, all communication will be addressed to the first Bidder and will be dispatched to his address.

Multiple ASBA Bids

An ASBA Bidder should submit only one (1) Bid for the total number of Equity Shares desired. Two (2) or more Bids will be deemed to be multiple Bids if the sole or First Bidder is one and the same. In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are described in "***Issue Procedure - Multiple Bids***" on page 206.

Permanent Account Number

For details, see "***Issue Procedure - Permanent Account Number or PAN***" on page 206.

Right to Reject ASBA Bids

The Designated Branches of the SCSBs shall have the right to reject ASBA Bids if at the time of blocking the Bid Amount in the Bidder's bank account, the respective Designated Branch ascertains that sufficient funds are not available in the Bidder's bank account maintained with the SCSB. Subsequent to the acceptance of the ASBA Bid by the SCSB, our Company would have a right to reject the ASBA Bids only on technical grounds.

Further, in case any DP ID, Client ID or PAN mentioned in the ASBA Bid cum Application Form does not match with one available in the depository's database, such ASBA Bid shall be rejected by the Registrar to the Issue.

GROUNDS FOR TECHNICAL REJECTIONS UNDER THE ASBA PROCESS

In addition to the grounds listed under "***Issue Procedure - Grounds for Technical Rejection***" on page 207, applications under the ASBA process are liable to be rejected on, *inter alia*, the following technical grounds:

1. Application on plain paper or on split form;
2. Amount mentioned in the ASBA Bid cum Application Form does not tally with the amount payable for the value of Equity Shares Bid for;
3. Bids at a price other than at the Cut-off Price;
4. Age of first Bidder not given;
5. Bid made by categories of investors other than Resident Retail Individual Investors;
6. Bids by persons not competent to contract under the Indian Contract Act, 1872, including minors and persons of unsound mind;
7. PAN not stated, or GIR number furnished instead of PAN. See "***Issue Procedure - Permanent Account Number or PAN***" on page 206;
8. Bids for number of Equity Shares, which are not in multiples of [●];
9. Authorization for blocking funds in the ASBA Bidder's bank account not ticked or provided;
10. Multiple Bids as defined in this Draft Red Herring Prospectus;
11. In case of Bid under power of attorney, relevant documents are not submitted;
12. ASBA Bids accompanied by stockinvest/money order/postal order/cash;
13. Signature of sole and/or joint Bidders missing in case of ASBA Bid cum Application Forms submitted in physical mode;
14. ASBA Bid cum Application Form does not have the stamp of the SCSB and/or a member of the Syndicate;
15. ASBA Bid cum Application Form does not have the Bidder's depository account details;
16. ASBA Bid cum Application Form is not delivered, either in physical or electronic form, by the Bidder within the time prescribed and as per the instructions provided in the ASBA Bid cum Application Form and the Red Herring Prospectus;
17. Inadequate funds in the ASBA Account to block the Bid Amount specified in the ASBA Bid cum Application Form at the time of blocking such Bid Amount in the ASBA Account;
18. In case no corresponding record is available with the Depositories that matches three (3) parameters namely, names of the Bidders (including the order of names of joint holders), the DP ID and the beneficiary account number; and
19. If the ASBA Bid in the Issue is revised.

Bidders are advised that ASBA Bids not uploaded in the electronic book of the Stock Exchanges, due to any of the grounds mentioned above, would be rejected.

COMMUNICATIONS

All future communication in connection with ASBA Bids made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First ASBA Bidder, ASBA Bid cum Application Form number, details of Depository Participant, number of Equity Shares applied for, date of ASBA Bid cum Application Form, name and address of the Designated Branch of the SCSB where the ASBA Bid was submitted, bank account number in which the amount equivalent to the Bid amount was blocked and a copy of the acknowledgement slip. The Registrar to the Issue shall obtain the required information from the SCSBs for addressing any clarifications or grievances. The SCSB shall be responsible for any damage or liability resulting from any errors, fraud or willful negligence on the part of any employee of the concerned SCSB, including its Designated Branches and the branches where the ASBA Accounts are held. The Company, the BRLM, the Syndicate Members and the Registrar accept no responsibility for errors, omissions, commissions or any acts of SCSB's including any defaults in complying with its obligations under applicable ICDR Regulations

ASBA Investors can contact the Compliance Officer, the Designated Branch of the SCSB where the ASBA Bid cum Application Form was submitted, or the Registrar to the Issue in case of any pre - or post-Issue related problems such as non-receipt of credit of Allotted Equity Shares in the respective beneficiary accounts, unblocking of excess Bid Amount, etc.

Disposal of Investor Grievances

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, Bid Amount blocked on application, bank account number and the Designated Branch or the collection centre of the SCSB where the Bid cum Application Form was submitted by the ASBA Bidders.

Impersonation

For details, see "***Issue Procedure- Impersonation***" on page 209.

Disposal of applications and application moneys and interest in case of delay in instructions to SCSBs by the Registrar to the Issue

In accordance with the Companies Act, the requirements of the Stock Exchanges and ICDR Regulations, we undertake that:

- Allotment and transfer shall be made only in dematerialized form within 15 days from the Bid Closing Date;

- Instructions for unblocking of the ASBA Bidder's Bank Account shall be made within 15 days from the Bid Closing Date; and

- We shall pay interest at 15% per annum for any delay beyond the 15 day period mentioned above, if Allotment is not made, instructions for unblocking of ASBA Bidder's Bank Account are not dispatched and/or demat credits are not made to investors within the 15 day period prescribed above.

Basis of Allocation

Bids received from ASBA Bidders will be considered at par with Bids received from non-ASBA Bidders. The basis of allocation to such valid ASBA and non-ASBA Bidders will be that applicable to Retail Individual Bidders. For details, see "***Issue Procedure - Basis of Allotment***" on page 209.

Method of Proportionate basis of allocation in the Issue

ASBA Bidders, along with non-ASBA Bidders, will be categorized as Retail Individual Bidders. No preference shall be given vis-à-vis ASBA and non-ASBA Bidders.

Undertaking by our Company

In addition to our undertakings described under "***Issue Procedure - Undertakings by our Company***" on page 216, with respect to the ASBA Bidders, we undertake that adequate arrangement shall be made to collect all ASBA Bid cum Application Forms and to consider ASBA Bidders similar to other Bidders while finalizing the basis of allocation.

Utilization of Issue Proceeds

Our Board has provided certain certifications with respect to the utilization of Issue Proceeds. For details, see "***Issue Procedure - Utilization of Issue Proceeds***" on page 215.

SECTION VIII: MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

Capitalized terms used in this section have the meaning that has been given to such terms in the Articles of Association. Pursuant to Schedule II of the Companies Act, 1956 and ICDR Regulations, the main provisions of the Articles of Association of the Company are set forth below:

CAPITAL

3. The authorized share capital of the Company shall be such amounts and be divided into such shares as may, from time to time, be provided in clause V of the Memorandum of Association with power to increase or reduce the capital in accordance with the Company's regulations and legislative provision for the time being in that behalf with the powers to divided or sub divide the share capital: whether increased or decreased into several classes and attach thereto respectively such ordinary, preferential or special rights and conditions in such manned as may for the time being be provided by the regulations of the Company and allowed by law.

FURTHER ISSUE OF SHARES

4. (1) Where at any time after the expiry of two (2) years from the formation of the Company or at any time after the expiry of one (1) year from the allotment of shares in the Company made for the first time after its formation, whichever is earlier, it is proposed to increase the subscribed capital of the Company by allotment of further shares then:

(a) Such further shares shall be offered to the persons who, at the date of the offer, are holders of the equity shares of the Company, in proportion, as nearly as circumstances admit, to the capital paid up on those shares at that date;
(b) The offer aforesaid shall be made by a notice specifying the number of shares offered and limiting a time not less than thirty (30) days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined;
(c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favor of any other person and the notice refereed to in sub clause (b) hereof shall contain a statement of this right.
(d) After expiry of the time specified in the aforesaid notice or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner as they may think most beneficial to the company.

(2) Notwithstanding anything contained in Sub-Clause (1) hereof, the further shares aforesaid may be offered to any persons (whether or not those persons include the persons referred to in clause (a) of Sub-Clause (1) hereof) in any manner whatsoever.

(a) If a special resolution to that affect is passed by the Company in a general meeting, or
(b) Where no such special resolution is passed, if the votes cast (whether on a show of hands or on a poll as the case may be) in favor of the proposal contained in the resolution moved in that general meeting (including the casting vote, if any, of the chairman) by the members who, being entitled to do so, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the proposal by members, so entitled and voting and the Central Government is satisfied on an application made by the Board of Directors in this behalf that the proposal is most beneficial to the Company.

(3) Nothing in Sub-Clause (C) of (1) hereof shall be deemed:

(a) To extend the time within which the offer should be accepted; or
(b) To authorize any person to exercise the right of renunciation for a second time on the ground that the person in whose favor the renunciation was first made has declined to take the shares comprised in the renunciation.

(4) Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option attached to the debentures issued or loans raised by the Company.

(i) To convert such debentures or loans into shares in the Company; or
(ii) To subscribe for shares in the Company.

Provided that the terms of issue of such debentures or the terms of such loans include a term providing for such option and such term:

(a) Either has been approved by the Central Government before the issue of the debentures or the raising of the loans or is in conformity with rules, if any, made by that Government in this behalf; and

(b) In the case of debentures or loans or other than debentures issued to or loans obtained from the Government or any institution specified by the Central Government in this behalf, has also been approved by a special resolution passed by the Company in a general meeting before the issue of the debentures or raising of the loans.

SHARES AT THE DISPOSAL OF THE DIRECTORS

5. Subject to the provisions of Section 81 of the Act and these Articles, the shares in the capital of the Company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such person, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of section 79 of the Act) at a discount and at such time as they may from time to time think fit and with sanction of the Company in the general meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares. Provided that option or right to call of shares shall not be given to any person or persons except with the sanction of the Company in the general meeting.

PAYMENT IN ANTICIPATION OF CALL MAY CARRY INTEREST

6. The Directors may, if they think fit, subject to the provisions of Section 92 of the Act, agree to and receive from any member willing to advance the same, whole or any part of the moneys due upon the shares held by him beyond the sums actually called for and upon the amount so paid or satisfied in advance or so much thereof, as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate, as the member paying such sum in advance and the Directors agree upon, provided that money paid-up in advance of calls or any share may carry interest but shall not in respect thereof confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced. The members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable. The provisions of these Articles shall mutatis mutandis apply to the calls on debentures of the Company.

TRANSFER AND TRANSMISSION OF SHARES

7. Subject to the provisions of Sections 108 of the Act, no transfer of all shares shall be registered unless a proper instruments of transfer duly stamped and executed by or on behalf of the transferor and or on behalf of the transferee has been delivered to the Company together with the certificate or, if no such certificate is in existence, the letter of allotment of the shares. Every such instrument shall be delivered to the Company within a time limit prescribed by the Act.

INSTRUMENT OF TRANSFER

8. A common form of transfer shall be used in case of transfer of shares.

9. The instrument of transfer of share shall be in writing and all provisions of Section 108 of the Act and statutory modification thereof for the time being shall be duly complied with in respect of all transfers of shares and the registration thereof.

DIRECTORS MAY REFUSE TO REGISTER TRANSFER

10. Subject to the provision of Section 111A, these Articles and other applicable provisions of the Act or any other Law for the time being in-force, the Board may refuse whether in pursuance of any power of the Company under these Articles or otherwise to register the transfer of, or the transmissions by operation of law of the right to, any shares or interest of a Member in or debentures of the Company. The Company shall within one month from the date of which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to the Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmissions, as the case may be, giving reason for such refusal. Provided that the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company or any account whatsoever except where the Company has a lien on shares.

COMPANY'S LIEN ON SHARES / DEBENTURES

11. The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect and such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien, if any, on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this clause.

12. Fully paid-up shares shall be free from all lien and in the case of partly paid-up shares the Company's lien shall be restricted to moneys called or payable at a fix time in respect of such shares.

LIMITATION OF TIME FOR ISSUE OF CERTIFICATES

13. Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as the Directors may from time to time determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within three (3) months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within two (2) months of the receipt of applications of registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the Seal of the Company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the Directors may prescribe and approve, provided that in respect of a share or shares held jointly by several persons, the Company shall not be bound to issue more than one (1) certificate and delivery of a certificate of shares to one (1) of several joint holders shall be sufficient delivery to all such holders.

NO FEE ON TRANSFER OR TRANSMISSION

14. 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.

ISSUE OF NEW CERTIFICATE IN PLACE OF ONE DEFACED, LOST OR DESTROYED

15. If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deems adequate, being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificate under this Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs. 2/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement or transfer.

Provided that notwithstanding what is stated above, the Directors shall comply with such rules or regulation or requirements of any stock exchange or the rules made under the Act or the rules made under the Securities Contracts (Regulation) Act, 1956 or any other Acts or rules applicable thereof in this behalf.

The provisions of this Article shall mutatis mutandis apply to debentures of the Company.

DEMATERIALIZATION OF SECURITIES

16. The provisions of this Article shall apply notwithstanding anything to the contrary contained in any other Articles.

(1) The Company shall be entitled to dematerialize securities and to offer securities in a dematerialized form pursuant to the Depositories Act, 1996.

(2) Every holder of or subscriber to securities of the Company shall have the option to receive certificates for such securities or to hold the securities with a Depository. Such a person who is the Beneficial Owner of the securities can at any time opt out of a Depository, if permitted by law, in respect of any securities in the manner provided by the Depositories Act, 1996 and the Company shall, in the manner and within the time prescribed, issue to the Beneficial Owner the required certificates for the securities. If a person opts to hold his securities with the Depository, the Company shall intimate such Depository the details of allotment of the securities, and on receipt of the information, the Depository shall enter in its record the name of the allottee as the Beneficial Owner of the securities.

(3) All securities held by a Depository shall be dematerialized and be in fungible form. Nothing contained in Sections 153, 153A, 153B, 187B, 187C and 372A of the Act shall apply to a Depository in respect of the securities held by on behalf of the Beneficial Owners.

(4) (i) Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of securities of the Company on behalf of the Beneficial Owner.

(ii) Save as required by applicable law, the Depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.

(iii) Every person holding securities of the Company and whose name is entered as the Beneficial Owner of securities in the record of the Depository shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of the securities which are held by a Depository and shall be deemed to be a member of the Company.

(5) Notwithstanding anything contained in the Act or these Articles to the contrary, where securities of the Company are held in a Depository, the records of the Beneficiary Ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs.

(6) Nothing contained in Section 108 of the Act or these Articles, shall apply to a transfer of securities effected by a transferor and transferee both of whom are entered as Beneficial Owners in the records of a Depository.

(7) Notwithstanding anything contained in the Act or these Articles, where securities are dealt with by a Depository, the Company shall intimate the details thereof to the Depository immediately on allotment of such securities.

(8) Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for securities issued by the Company shall apply to securities held with a Depository.

(9) The register and index of beneficial owners maintained by a Depository under the

Depositories Act, 1996 shall be deemed to be the register and index of members and security holders for the purposes of these Articles.

GENERAL MEETING

17. All general meetings, other than annual meeting shall be called extraordinary general meeting.

18. (1) The Board of Directors may, whenever it think fit, call an extra –ordinary general meeting (that is other than Annual general meeting).

(2) If at any time Directors capable of acting who are sufficient in number to form a quorum, are not within India, any Director or any two (2) members of the Company may call an extra-ordinary general meeting in the same manner, as nearly as possible, as that in which a meeting may be called by the Board of Directors.

(3) Subject of Section 190 of the Act, all general meetings may be called by giving to members clear fourteen (14) days notice in writing except where such condition is waived of unanimously by all members in writing in the meeting.

PROCEEDINGS AT GENERAL MEETING

19. (1) No business shall be transacted at any general meeting unless a quorum or members present at the time when meeting proceed to business.

(2) Subject to regulation 49 of Table 'A' five (5) members present in person shall constitute adequate quorum.

20. The Chairman, if any, of any Board, shall preside as the Chairman of every general meeting of the Company.

21. If there is no such Chairman or if he is not present within fifteen (15) minutes after the time appointed for holding the meeting or is unwilling to sit as the Chairman of the meeting, the Directors present shall elect one (1) of their members to be the Chairman of the meeting.

22. (1) The Chairman may with the consent of any meeting at which a quorum is present and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.

(2) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(3) When a meeting is adjourned for thirty (30) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

(4) Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

23. In the case of equality of votes, whether on a show or hand or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded, shall be entitled to a second of casting vote.

24. Any business other than that upon which a poll has been demanded may proceed with, pending the taking of the poll.

BOARD OF DIRECTORS

25. The business of the Company shall be managed by the Board of Directors who may pay all expenses incurred in getting the Company registered any may exercise all such powers of the Company as are not restricted by the Act or any statutory modification thereof for the time being in force of by these Articles required to be exercised by the Company in a general meeting subject to any regulations of these Articles, to the provision of the Act and to such regulation being not inconsistent with the

aforesaid regulations or provision as may be prescribed by the Company in general meeting. Nothing shall invalidate any prior act of the Directors which would have been valid if that regulation had not been made.

26. No person other than a retiring Director, shall be elected a Director (except as a first Director, appointed by the directors) unless, fourteen (14) days notice shall have been given at the registered office of the Company of intention of propose himself together with a notice in writing, signed by himself signifying his willingness to be elected.

27. A Director shall not be required to hold a qualification shares in the Company.

28. Each Director shall receive out of the funds of the Company by way of sitting fee for his services a sum not exceeding Rupees Two Thousand Five Hundred and Fifty (Rs. 2500) for every meeting of the Board or any committee of Directors attended by him.

29. The Directors shall also be paid travelling and the expenses of attending and retuning from meetings of the Board (including hotel expenses) and any other expenses properly incurred by the in connection with the business of the Company. The Directors may also be remunerated for any extra services done by them outside their ordinary duties as Directors, subject to the provisions of Section 314 of the Act.

30. If any Director being willing shall be called upon to perform extra services or special attention for the purpose of the Company, the Company may, subject to Section 314 of the Act, remunerate such Director which will be either in addition to or in substitution for remuneration to which he may otherwise be entitled.

31. Subject to Section 297 and 299 of the Act, no Director shall be disqualified by his office from contracting with Company nor shall any such contract entered into by or on behalf or the Company in which any Director shall be in any way interested, be avoided nor shall any Director contracting or being interested be liable to account to the Company for any profit realized by an such contract by reason only of such Director holding that office, or of the fiduciary relations thereby established but it is declared that the nature of his interest must be disclosed by him at the meeting of the Directors at which the contract is determined of his interest, that exist or in any other case, at the first meeting of the Directors after he after he acquires such interest.

32. The Board or Directors shall have the power at any time and from time to time appoint any person as a Director in addition to the existing Directors but so that the total number of Directors shall not be less than two (2) and more than twelve (12) including nominee Directors at any time, any Director, so appointed, shall hold office only till the next following annual general meeting but shall be eligible thereof for election as Director.

33. The Board of Directors may from time to time appoint one (1) or more of them of the office of Managing Director on such terms and conditions and at such remuneration as they may think fit.

PROCEEDING OF THE BOARD

34. The Director may meet together for the dispatch of business, adjourn and otherwise regulate their meeting as they think fit and determine the quorum necessary for the transaction of business and the place and manner in which the meeting shall be called. Two Directors or one third (1/3) of the total strength of the Board of Directors, which ever is higher, present in accordance with Section 287 of the Act, shall form a quorum. Subject to the provisions of the Act, questions arising any meeting shall be decided by majority of votes and in case of an equality of votes, the Chairman shall have a second or casting vote.

35. A Director may and on the request of a Director, the Secretary, if any, shall at any time summon a meting of Directors. A Director who is not in India shall not be entitled to a notice of a meeting of the Directors.

36. The Directors may and from time to time elect a Chairman who shall preside at the meeting of the Directors and determine the period from which he is to hold office, but if no such Chairman be elected

or if at any time, the Chairman be not present, shall choose one of their members to be the Chairman of such meeting.

37. Subject to Section 289 of the Act, except a resolution which the Act requires it specifically to be passed in a Board meeting, a resolution in writing signed by the majority of the Board of Directors shall be as effective for all purposes as a resolution passed at a meting of the Directors duly convened, held and constituted.

POWERS OF THE DIRECTORS

38. Subject to Section 292 of the Act, the Board of Directors shall have the power to delegate any of their powers to such manager, agents or other persons as they may deem fit and may at their own discretion revoke such powers.

39. The Board of Directors shall have powers for the engagement dismissal of managers, engineers, clerks and assistants and shall have power of General direction, management and superintendence of the business of the Company with full powers to do all such Acts, matters and things deemed necessary, proper or expedient for carrying on the business and concern of the Company all such bills of exchange, hundis, cheques, drafts and other government papers and instruments as shall be necessary , proper of expedient for the authority and direction of the Company except only such of them as by the Act or by these presents which are expressly directed to be exercised by share holders in the general meeting.

UNPAID OR UNCLAIMED DIVIDEND

40. Where the Company has declared a dividend but which has not been paid or claimed within thirty (30) days from the date of declaration, the Company shall transfer the total amount of dividend which remains unpaid or unclaimed within the said period of thirty (30) days, to a special account to be opened by the Company in that behalf in any scheduled Bank, to be called "----- Unpaid Dividend Account".

41. Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven (7) years from the date of such transfer, shall be transferred to the Fund known as Investor Education and Protection Fund established under Section 205C of the Act.

42. No unclaimed or unpaid dividend shall be forfeited by the Board before the claim becomes barred by law.

INSPECTION OF ACCOUNTS

43. (1) Board shall cause proper books of accounts to be maintained under Section 209 of the Act.

(2) The Board shall from time to time and determine whether and to what extent and at what times and places and under what conditions or regulations all books of the Company, or any of the, shall be open to the inspection of members not being Directors.

(3) No member (not being a Director) shall have any right of inspection any account book or document of the Company except as conferred by law or authorized by the Board of Directors or by the Company in general meetings.

44. Every manager , auditor, trustee, member of a committee, officer, servant, agent, accountant or other persons employed in the business or a Company shall , if so required by the Board of Directors before entering upon his duties, sign declaration pledging himself to observe strict secrecy respecting all transactions of the Company with its customer and the state of accounts with individuals and in matters relating there to and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of this duties except when required to do so by the Directors or by any general meeting or by the laws of country and except so far as may be necessary in order to Company with any of the provisions in these presents of the Act.

BORROWING POWERS

45. Subject to section 58A and 292 of the Act, the Board of Directors shall have the power from time to time at their discretion to borrow , raise or secure the payment of any sum of money for the purpose of the Company in such manner and upon such terms and conditions in all respects ad they think fit and in particular by the issue of debentures or bonds of the Company or by the mortgage charged upon all or any of the properties of the Company both present and future including its uncalled capital for the time being.

TERM OF ISSUE OF DEBENTURES

46. Any debentures, debenture stock or other securities may be issued at a discount, premium or otherwise and may be issued on the condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the general meeting, appointment of Directors and otherwise debentures with a right of conversion into or allotment of shares shall be issued only with consent of the Company in general meeting by special resolution.

SECTION IX: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts which are or may be deemed material have been entered into or will be entered into by the Company. These contracts, copies of which have been attached to the copy of this Draft Red Herring Prospectus, delivered to the Registrar of Companies for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of the Company from 10.00 a.m. to 4.00 p.m. on working days from the Bid Opening Date until the Bid Closing Date.

Material Contracts to the Issue

1. Issue Agreement dated November 17, 2009 between the Company and the BRLM.
2. Agreement dated November 17, 2009 between the Company and the Registrar to the Issue.
3. Escrow Agreement dated [•] among the Company, the BRLM, the Escrow Collection Banks and the Registrar to the Issue.
4. Syndicate Agreement dated [•] among the Company, the BRLM and the Syndicate Member.
5. Underwriting Agreement dated [•] among the Company, the BRLM and the Syndicate Member.

Material Documents

1. Memorandum and Articles of Association of the Company, as amended.
2. Fresh certificate of incorporation dated November 1, 2009 and change of name and Registered Office.
3. Board resolution dated September 20, 2009, in relation to the Issue and other related matters.
4. Shareholders resolution dated October 5, 2009, in relation to the Issue and other related matters.
5. Report of the Auditor, Purushottam Agrawal & Co., Chartered Accountants, dated November 7, 2009 prepared in accordance with Indian GAAP as required by Part II of Schedule II to the Companies Act, and mentioned in this Draft Red Herring Prospectus.
6. Copies of annual reports of the Company for the Fiscal years ended March 31, 2009, 2008, 2007, 2006 and 2005.
7. The statement of tax benefit report dated November 7, 2009 prepared by the Auditor.
8. Consent of the Auditor, Purushottam Agrawal & Co., for inclusion of report on accounts in the form and context in which they appear in this Draft Red Herring Prospectus.
9. General Powers of Attorney executed by the Directors of the Company in favor of person(s) for signing and making necessary changes to this Draft Red Herring Prospectus and other related documents.
10. Consents of Bankers to the Company, BRLM, Registrar to the Issue, Bankers to the Issue, legal counsel, Directors of the Company, Company Secretary and Compliance Officer, as referred to act, in their respective capacities.
11. Listing agreements of the Company with the BSE and the NSE, each dated [●].
12. Applications dated [●] and [●] for in-principle listing approval to the BSE and NSE, respectively.
13. In-principle listing approvals dated [●] and [●] from the BSE and the NSE, respectively.
14. Tripartite Agreement dated March 11, 2008 among NSDL, the Company and the Registrar to the Issue.
15. Tripartite Agreement dated April 3, 2008 among CDSL, the Company and the Registrar to the Issue.
16. SEBI observation letter no. CFD/DIL/PB/EHM/134652/2008dated August 8, 2008.
17. Due diligence certificate dated November 17, 2009 to the SEBI from the BRLM.
18. IPO Grading report dated [●] by [●].
19. Certificate by YKJ & Associates, Chartered Accountant, dated October 31, 2009 certifying the estimates of working capital ratios.

20. Certificate by YKJ & Associates, Chartered Accountant, dated November 14, 2009 certifying the prepayment of loans and advances.

21. Joint Venture Agreement with Bhagheeratha Engineering Limited, dated December 20, 2003.

22. Joint Venture Agreement with TRG Industries Private Limited, dated March 29, 2007.

23. EPC Contract with Jaora-Nayagaon Toll Road Company Private Limited, dated January 14, 2008.

24. Joint Bidding Agreement with SREI Infrastructure Finance Limited and Galfar Engineering and Contracting S.A.O.G., dated February 25, 2009.

25. Joint Bidding Agreement with SREI Infrastructure Finance Limited and Atlantia S.P.A., dated March 24, 2009.

26. Joint Bidding Agreements with SREI Infrastructure Finance Limited and Galfar Engineering and Contracting S.A.O.G., dated April 1, 2009 (five (5) agreements).

27. Joint Bidding Agreement with Buildcon Limited and Viva Highways Private Limited, dated April 7, 2009.

28. Joint Bidding Agreement with Ramky Infrastructure Limited dated April 10, 2009.

29. MoU with G.E.S. Environmental Solutions Limited dated July 13, 2009.

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 relevant statutes.

DECLARATION

We certify that all relevant provisions of the Companies Act, and the guidelines issued by the Government of India and the regulations and guidelines issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as amended, 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 or the Securities and Exchange Board of India Act, 1992 or rules or regulations or guidelines issued thereunder, as the case may be. We further certify that all statements in this Draft Red Herring Prospectus are true and correct.

Signed by all the Directors of the Company

Mr. Pradeep Kumar Jain
(Chairman cum Managing Director)

Mr. Naveen Kumar Jain
(Whole-time Director)

Mr. Chakresh Kumar Jain
(Managing Director)

Mr. Yogesh Kumar Jain
(Managing Director)

Mr. Anil Kumar Rao
(Whole-time Director)

Mr. Chottu Ram Sharma
(Independent Director)

Mr. Dharam Veer Sharma
(Independent Director)

Mr. Sudhanshu Kumar Awasthi
(Independent Director)

Mr. Vijay Prakash
(Independent Director)

Mr. Ashok Kumar Gupta
(Independent Director)

Date: November 17, 2009
Place: New Delhi

Mr. Devendra Kumar Maheshwari
General Manager (Finance)